



Board of County Commissioners - Staff Report

Meeting Date: October 4, 2016

Presenter: Stacy Stoker

Submitting Dept: Housing

Subject: Employee and ARU Restriction

Statement / Purpose:

Consideration of a Special Restriction for one Employee Housing Restriction to satisfy an Employee Housing requirement, and four ARU Restrictions.

Background / Description (Pros & Cons):

On February 16, 2016 the Board of County Commissioners approved a Conditional Use Permit CUP2015-0009 permitting a diesel repair business to operate as a Heavy Industrial Use at the property located at 3980 S. Antelope Lane, Lot 5 of the Valley View Business Park. Also approved at that time was a Development Plan DEV2015-0008 to permit a 4800 square foot building to house a diesel engine repair business and five ARUs on Lot 5. ARUs are not included in the FAR calculation for the development, and so they are restricted units. One of the ARUs will be restricted as an Employee Housing unit to mitigate for the requirement of the diesel engine repair business. The other four ARUs will have an ARU restriction which will outline the use requirements of an ARU. In May of 2016, a Basic Use Permit was issued for each of the five ARUs conditioned upon restricting the units.

Employee Housing Restriction:

- At least one person occupying the unit must be employed full-time in Teton County.
- The household income may not exceed 120% of median income (Category 3)
- Maximum rents allowed are the Fair Market Rents as calculated by HUD. Currently \$974 including utilities for a one-bedroom unit.
- Unit may not be owner occupied.
- No member of the household occupying the unit may own residential real estate in Teton County, Wyoming.

ARU Restriction:

- At least one person occupying the unit must be employed full-time in Teton County.
- Unit may not be owner occupied.
- No member of the household occupying the unit may own residential real estate in Teton County, Wyoming.

Stakeholder Analysis & Involvement:

The stakeholders include the owners of the property along with the entire community. ARUs are permitted to be constructed and are exempt from Affordable Housing requirements because they are intended to be rented to households employed in Teton County. These units will serve as workforce housing in perpetuity. This benefits the community as well as the owners who will have housing for their own employees as well as receive cash flow from the units.

Fiscal Impact:

N/A

Staff Impact:

The ARUs will be an added impact to staff resources in the Housing Department. The Housing Department will have the task of monitoring the units to ensure their use is in compliance with the restrictions.



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Legal Review:

Reviewed by Erin Weisman

Staff Input / Recommendation:

Staff recommends approval and execution of the Restrictions.

Attachments:

- Employee Housing Restriction for a 1-bedroom unit.
- ARU restriction for two 1-bedroom units and two 2-bedroom units.

Suggested Motion:

I move to approve the Special Restriction for the Employee Housing unit and the four Accessory Residential Units located at 3980 S. Antelope Lane, Lot 5 Valley View Business Center as required by DEV2015-0008, CUP2015-0009 and BUP2016-00020, 0026, 0027, 0028, and 0029.

**Special Restrictions
for Accessory Residential Units
Located at 3980 S Antelope Lane**

The undersigned Declarant holds fee ownership interest in that certain real property, located in Teton County Wyoming, and more specifically described as follows:

Lot #5, Valley View business Park Teton County, Wyoming, according to that plat recorded in the Office of the Teton County Clerk on July 6, 2006 as Plat No. 1178].

PIN: 22-40-16-17-4-17-005 (the "Land")

Declarant adopts these Special Restrictions ("Special Restrictions") and hereby declares that the Land and each individual lot or unit located on the Land (such lot(s) or unit(s) referred to herein as an "Accessory Residential Unit" or collectively as "Accessory Residential Units," and the Land and the Accessory Residential Units are collectively referred to herein as the "Property") shall be held, sold, and conveyed in perpetuity subject to these Special Restrictions, which shall be in addition to all other covenants, conditions or restrictions of record affecting the Property, and shall be enforceable by the JACKSON/TETON COUNTY AFFORDABLE HOUSING DEPARTMENT, (collectively, "HOUSING DEPARTMENT"), or by Teton County.

RECITALS:

WHEREAS, in furtherance of Teton County's goal of providing housing to qualified employees working in Teton County that is affordable and is located so as to meet the County's transportation goals; and

WHEREAS, pursuant to its approval of DEV2015-0008 and CUP2015-0009 (the "FDP") issued on February 16, 2016, and BUP2016-0020, 0026, 0027, 0028, and 0029 issued on May 9, 2016 the Declarant is providing four (4) Accessory Residential Units for six (6) employees described as follows:

Units #2 and #3 are one-bedroom units
Units #3 and #4 are two-bedroom units

Division 7.4.1.E.2 indicates one-bedroom units house one (1) person and two-bedroom units house two (2) persons.

and;

WHEREAS, in furtherance of the goals, objectives, requirements and conditions of the FDP Approval, Declarant agreed to restrict the use and occupancy of each Accessory Residential Unit (the "ARU") located within the Property to a "Qualified Household", which meets employment and real estate ownership qualifications as set forth herein; and

WHEREAS, in accordance with the Teton County Land Development Regulations, accessory residential units are incidental, subordinate and secondary to the primary use of the Property and consistent with the foregoing, the ARU shall not be severed or divided from the Property; and

WHEREAS, in accordance with the FDP Approval, the ARU is intended to address the need for rental housing for employees in Teton County..

RESTRICTIONS:

NOW, THEREFORE, in satisfaction of the conditions in the FDP Approval, and in consideration of such FDP Approval and the foregoing Recitals, which are incorporated herein by this reference, Declarant hereby declares, covenants and agrees for itself and each and every person acquiring ownership of a Residential Unit, that the Land and each Residential Unit shall be held, used, occupied, developed, transferred and conveyed subject to the following Special Restrictions in perpetuity:

SECTION 1. HOUSING GUIDELINES. Procedural and administrative matters not addressed in these Special Restrictions that do not effect substantive rights shall be as set forth in the official guidelines of THE HOUSING DEPARTMENT, as the same may be amended from time to time and which guidelines are on file with THE HOUSING DEPARTMENT or otherwise with Teton County (the "Guidelines").

SECTION 2. RESTRICTIONS ON OCCUPANCY AND USE OF ARUs. Occupancy and use of a Residential Unit shall be restricted as follows:

A. Qualified Household. The use and occupancy of each ARU shall be limited to a "Qualified Household", as defined below:

- 1) **Employment:** At least one member of the household must demonstrate on average 30 hours per week, nine (9) months per year of employment or volunteer work in Teton County, Wyoming, for a profit or non-profit employer, respectively.

- 2) **No Teton County Residential Real Estate:** No member of the Qualified Household may own (whether individually, in trust, or through an entity including without limitation a partnership, limited partnership, limited liability company, corporation, association, or the like) residential real estate in Teton County, Wyoming.

B. Household Composition. A Qualified Household may be composed of the employee and such employee's spouse, child, significant other, other family member or guest, unless otherwise specifically prohibited by owner, provided that such owner-prohibition does not violate Federal or state fair housing laws which prohibit discrimination on the basis of race, color, religion, national origin, sex, familial status, or disability.

C. Rental. At all times, the ARU within the Property shall remain a rental unit for Qualified Households. The owner of the Property shall obtain written verification of real estate ownership to confirm no other residential real estate is owned in Teton County by any occupant, and employment in Teton County for each Qualified Household proposing to rent an ARU prior to such Household's occupancy, and upon each extension or renewal of any lease therefore. The owner shall maintain such records for a period of two (2) years and make them available for review by the HOUSING DEPARTMENT at all reasonable times.

D. Rental Term. The Residential Unit shall be offered for rent in periods of not less than ninety (90) days and shall not be used as a guest house or guest facility.

E. Division. The division or *de facto* division of the ARU from the Property, including subdivision, partition, long-term leases (e.g., terms of 99 years or more), or otherwise is prohibited.

F. Occupancy Limits. The ARU within the Property shall not be occupied by a number of persons in excess of those permitted under the then current building code applicable to the Property

G. Maintenance. The owner shall be responsible for the cost and expense to keep and maintain both the interior and exterior of the Property and the adjacent open space areas. The owner shall keep the Property and the adjacent open space areas (if applicable) insured, in a state of good repair, and in a safe and clean condition, reasonable wear and tear excepted.

K. Periodic Reporting, Inspection. In order to confirm compliance with these Special Restrictions, each owner shall comply with any reporting or inspection requirements as may be requested by the HOUSING DEPARTMENT from time to time. A signed and executed copy of all leases executed or renewed, and the employment, and real estate verification documents relating thereto, shall be made available for review by the HOUSING DEPARTMENT, by the owner upon initial lease of the ARU within the Property to a Qualified Household and for each rental period thereafter. Upon reasonable notice to an owner, the HOUSING DEPARTMENT shall have the right to inspect the ARU within the Property from time to time to determine compliance with these Special Restrictions.

SECTION 3. SALE OR TRANSFER SUBJECT TO TRANSFER LIMITATIONS. Each Residential Unit may only be sold or transferred subject to the terms of these Special Restrictions.

SECTION 4. TERMINATION AND MODIFICATION OF SPECIAL RESTRICTIONS.

A. Termination. These Special Restrictions may be terminated after a determination by Teton County that these Special Restrictions are no longer consistent with the goal of providing housing affordable to employees in Teton County and that they should therefore be terminated.

B. Modification. These Special Restrictions may be modified with the written consent of both the owner of a Residential Unit, the HOUSING DEPARTMENT and the Board of County Commissioners for Teton County, Wyoming.

SECTION 5. EQUITABLE RELIEF. The HOUSING DEPARTMENT shall have the right of specific performance of these Special Restrictions and the right to obtain from any court of competent jurisdiction a temporary restraining order, preliminary injunction and permanent injunction to obtain such performance. Any equitable relief provided for herein may be sought singly or in combination with such legal remedies as the HOUSING DEPARTMENT may be entitled to, either pursuant to these Special Restrictions or under the laws of the State of Wyoming.

SECTION 6. SPECIAL RESTRICTIONS AS COVENANT. These Special Restrictions shall constitute covenants running with the Property and each Residential Unit, as a burden thereon, and shall be binding on all parties having any right, title, or interest in the Property, a Residential Unit, or any part thereof, their heirs, devisees, successors and assigns, and shall inure to the benefit of and shall be enforceable by the HOUSING DEPARTMENT.

SECTION 7. NOTICES. Any notice, consent or approval which is required to be given hereunder to an owner shall be deemed given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid to the owner's mailing address or such address as is on record with the Teton County Assessor. Any notice which is required to be given hereunder to the HOUSING DEPARTMENT shall be given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid to Jackson/Teton County Affordable Housing Department, P.O. Box 714, Jackson, WY 83001. Alternatively, notice may be hand delivered, but any such hand delivery shall require a signed receipt evidencing the same. Failure of either party to pick up and/or sign for a certified mailing does not constitute failure to provide notice provided it was properly addressed and evidence of that mailing is retained. In the event of notice by mailing, notice shall be deemed given when deposited in the U.S. Mail.

SECTION 8. ATTORNEY'S FEES. In the event any party shall be required to retain counsel and file suit for the purpose of enforcing the terms and conditions of these Special Restrictions, the prevailing party shall be entitled to recover, in addition to any other relief recovered, a reasonable sum as determined by the court for attorney's fees and costs of litigation.

SECTION 9. CHOICE OF LAW. These Special Restrictions and each and every related document, are to be governed by and construed in accordance with the laws of the State of Wyoming.

SECTION 10. SEVERABILITY. Each provision of these Special Restrictions and any other related document shall be interpreted in such a manner as to be valid under applicable law; but, if any provision of any of the foregoing shall be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions of such document.

SECTION 11. SECTION HEADINGS. Paragraph or section headings within these Special Restrictions are inserted solely for convenience or reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.

SECTION 12. WAIVER. No claim of waiver, consent or acquiescence with respect to any provision of these Special Restrictions shall be valid against any party hereto except on the basis of a written instrument executed by the parties to these Special Restrictions. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition.

Notary Public

TETON COUNTY BOARD OF COUNTY COMMISSIONERS:

Barbara Allen, Chair

ATTEST:

Sherry Daigle, County Clerk

JACKSON/TETON COUNTY AFFORDABLE HOUSING DEPARTMENT:

(Acknowledgement as to form)

Stacy A. Stoker, Housing Manager

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

On the _____ day of _____, 20 ____, the foregoing Special Restrictions for Accessory Residential Units was acknowledged before me by Stacy A. Stoker, as the Housing Manager of the Jackson/Teton County Affordable Housing Department.

Witness my hand and official seal.

(Seal)

Notary Public

**Special Restrictions
for Employee Housing
Located at 3980 S Antelope Lane**

These Special Restrictions for Employee Housing (the "Special Restrictions"), are made and entered into this ___ day of _____, 20___, by the undersigned Declarant ("Declarant").

RECITALS:

WHEREAS, the Declarant holds fee ownership interest in that certain real property, located in Teton County Wyoming, and more specifically described as follows:

Lot 5 of Valley View Business Park, Teton County, Wyoming, according to that plat recorded in the Office of the Teton County Clerk on July 6, 2006 as Plat No. 1178.

PIN: 22-40-16-17-4-17-005 (the "Land");

WHEREAS, as a condition of its approval for DEV2015-0008 and CUP2015-0009 (the "FDP Approval") issued February 16, 2016, and BUP2016-0020, 0026, 0027, 0028, and 0029 issued on May 9, 2016 the Declarant is providing employee housing for 1 employee, as follows:

The Development and Conditional Use Permit application for 3980 S. Antelope Lane (DEV2015-0008 and CUP2015-0009) and the Basic Use Permits (BUP2016-0020, 0026, 0027, 0028, and 0029) generated a requirement to house .144 persons. The Declarant wishes to restrict Unit #1, a one-bedroom ARU located at 3980 S. Antelope Lane (the "Residential Unit") to mitigate for the requirement. Section 7.4.1.E.2 of the Teton County Land Development Regulations indicates that a one-bedroom unit houses 1 person.

WHEREAS, in furtherance of the goals, objectives, requirements and conditions of the Approval, and consistent with Teton County's goal of providing decent, safe and sanitary housing to qualified employees working in Teton County that is affordable and is located so as to meet the community's transportation goals, Declarant agreed to restrict the use and occupancy of the Residential Unit to a "Qualified Household", which meets employment, income and asset ownership qualifications as set forth herein; and

WHEREAS, Declarant desires to adopt these Special Restrictions and declare that the Land and the Residential Unit (sometimes collectively referred to herein as the "Property") shall be held, sold, and conveyed in perpetuity subject to these Special Restrictions, which Special Restrictions shall be in addition to all other covenants, conditions or restrictions of record affecting the Property, and shall be enforceable by the JACKSON/TETON COUNTY AFFORDABLE HOUSING DEPARTMENT, "HOUSING DEPARTMENT"), or by TETON COUNTY;

WHEREAS, in accordance with the Approval, the Residential Unit is intended to address the need for rental housing for seasonal employees in Teton County and therefore Declarant agrees it will not be owner-occupied.

RESTRICTIONS:

NOW, THEREFORE, in satisfaction of the conditions in the FDP Approval, and in consideration of such FDP Approval and the foregoing Recitals, which are incorporated herein by this reference, Declarant hereby declares, covenants and agrees for itself and each and every person acquiring ownership of the Residential Unit, that the Land and Residential Unit shall be held, used, occupied, developed, transferred and conveyed subject to the following Special Restrictions in perpetuity:

SECTION 1. HOUSING GUIDELINES. References made herein to the "Guidelines" are references to the written policies, procedures and guidelines of the HOUSING DEPARTMENT, as the same may be amended, modified, or updated from time to time and which policies, procedures and guidelines are on file with THE HOUSING DEPARTMENT or otherwise TETON COUNTY, or if there are no such written policies, procedures or guidelines (or a written policy, procedure, or guideline with respect to a specific matter) then the reference shall be to the current applied policy or policies of THE HOUSING DEPARTMENT (the "Guidelines"). Procedural and administrative matters not otherwise addressed in these Special Restrictions shall be as set forth in the Guidelines.

SECTION 2. RESTRICTIONS ON OCCUPANCY AND USE OF RESIDENTIAL UNIT. Occupancy and use of the Residential Unit shall be restricted as follows:

A. Qualified Household. The use and occupancy of the Residential Unit shall be limited to a "Qualified Household", defined as follows:

1. Employment. At least one member of the household must demonstrate on average 30 hours per week of employment or volunteer work in Teton County, Wyoming, for a profit or non-profit employer(s), respectively, physically located in Teton County, Wyoming.

2. Income Restriction. The Qualified Household shall not earn more than 120% of the median household income in Teton County, Wyoming, as determined by the current year's published Federal Department of Housing & Urban Development median income chart for Teton County, Wyoming (the "Income Cap").
 3. No Teton County Residential Real Estate. No member of the Qualified Household may own (whether individually, in trust, or through an entity including without limitation a partnership, limited partnership, limited liability company, corporation, association, or the like) residential real estate in Teton County, Wyoming.
- B. No Owner Occupancy. Except with the advance written consent of THE HOUSING DEPARTMENT, which consent may be withheld or delayed in its sole and absolute discretion, no owner shall reside in or occupy the Residential Unit. For purposes of this paragraph, if an owner is an entity (including without limitation, a partnership, limited partnership, Limited Liability Company, corporation, association, or other) or a trust, this prohibition on owner-occupancy shall extend to any partner, member, shareholder, other principal or owner of the entity, or trustee or beneficiary of the trust.
- C. Household Composition. The Residential Unit may only be occupied by a Qualified Household, unless otherwise specifically prohibited by owner, provided that such owner-prohibition does not violate Federal or state fair housing laws. Notwithstanding the foregoing, occupancy of the Residential Unit shall be in compliance with any and all building codes (or other relevant law, code, statute, ordinance or the like) regarding maximum occupancy standards or limitations.
- D. Rental. At all times, the Residential Unit shall remain a rental unit for Qualified Households. The owner of the Residential Unit shall obtain written verification of income, asset ownership, and employment in Teton County for each Qualified Household proposing to rent the Residential Unit prior to such Household's occupancy, and upon each extension or renewal of any lease therefore.
- E. Rental Term. The Residential Unit shall be offered for rent in periods of not less than one (1) month and not more than six (6) months. No Residential Unit shall be used as a guest house or guest facility.
- F. Rental Rates. The rental rates for the Residential Unit shall not be greater than the current Fair Market Rent Assessment numbers for Teton County, Wyoming, as provided by the U.S. Department of Housing and Urban Development (HUD) and maintained by THE HOUSING DEPARTMENT. For purposes of applying the Fair Market Rent Assessment

numbers for Teton County, Wyoming published by HUD to the Residential Unit, a dorm-style or studio Residential Unit shall be considered a "studio". Notwithstanding the foregoing to the contrary, the rental rates charged by the owner may at any time be less than the applicable Fair Market Rent Assessment.

G. Preference. The owner, at such owner's option may give first priority to rent the Residential Unit to Qualified Households of which a member of the Household is an employee of the owner. In the event there are no persons directly employed by the owner to whom the owner desire to rent the Residential Unit, then the owner may rent to any Qualified Household.

H. Vacancies. The Residential Unit may be vacant intermittently between tenancies to allow for proper verification, advertisement for Qualified Households and reasonable maintenance. However, no Residential Unit shall be vacant for a period greater than sixty (60) days, unless authorized by THE HOUSING DEPARTMENT. If any Residential Unit remains vacant for more than sixty (60) days without approval, then THE HOUSING DEPARTMENT shall have the right, but not the obligation to identify a Qualified Household to rent the Residential Unit. Anything herein and above notwithstanding, the owner shall have the right to deny occupancy to any proposed tenant who in its reasonable discretion does not meet owner's standard for occupancy, so long as such denial does not violate Federal or state fair housing laws.

I. Compliance with Laws, Declaration. The Residential Unit shall be occupied in full compliance with all laws, statutes, codes, rules, or regulations, covenants, conditions and restrictions, and all supplements and amendments thereto, and any other rules and regulations of any applicable homeowners association, as the same may be adopted from time to time.

J. Maintenance. The owner shall be responsible for the cost and expense to keep and maintain the interior of the Residential Unit and all other aspects of the Residential Unit not otherwise maintained by a homeowners association in a safe, decent and sanitary condition. The owner shall keep the Residential Unit insured. In the event the owner fails to maintain the Residential Unit in a safe, decent and sanitary condition and such condition continues for fourteen (14) days after notice from THE HOUSING DEPARTMENT, THE HOUSING DEPARTMENT shall have the right but not the obligation to repair such condition and owner shall reimburse THE HOUSING DEPARTMENT for such reasonable repair costs. Payment to THE HOUSING DEPARTMENT from the owner shall be due upon receipt of invoice.

K. Periodic Reporting, Inspection.

1. In order to confirm compliance with these Special Restrictions, each owner shall comply with any reporting or inspection requirements as set forth herein

and as may be required by the Housing Department from time to time. Upon reasonable notice to owner, the Housing Department shall have the right to inspect the Residential Unit from time to time to determine compliance with these Special Restrictions and to review the written records required to be maintained by Owner. Owner shall maintain such records for a period of two (2) years.

2. The Owner shall provide to the Housing Department by way of an Affidavit of Employment executed by each tenant's employer(s), the name, address, telephone number and email address of the tenant and the tenant's employer(s), the salary or hourly wage of the tenant, and the number of hours worked per month, along with a copy of the tenant's pay stub. The Affidavit shall also list all the occupants of the Unit. The Affidavits of Employment shall be submitted to the Housing Department upon each new rental of the Residential Unit as well as annually during the month of January. Any check stub submitted shall be dated as of two-weeks from the submission date.

SECTION 3. TERMINATION AND MODIFICATION OF SPECIAL RESTRICTIONS.

A. Termination. These Special Restrictions may be terminated after a determination by Teton County that these Special Restrictions are no longer consistent with the goal of providing housing affordable to employees in Teton County and that they should therefore be terminated.

B. Modification. These Special Restrictions may be modified with the written consent of the owner of the Residential Unit and THE HOUSING DEPARTMENT. THE HOUSING DEPARTMENT may modify these Special Restrictions to provide clarification to any provisions hereto which may be unclear or subject to differing interpretations, or to correct any errors identified herein.

SECTION 4. EQUITABLE RELIEF. THE HOUSING DEPARTMENT shall have the right of specific performance of these Special Restrictions and the right to obtain from any court of competent jurisdiction a temporary restraining order, preliminary injunction and permanent injunction to obtain such performance. Any equitable relief provided for herein may be sought singly or in combination with such legal remedies as THE HOUSING DEPARTMENT may be entitled to, either pursuant to these Special Restrictions or at law or equity.

SECTION 5. SPECIAL RESTRICTIONS AS COVENANT. These Special Restrictions shall constitute covenants running with the Property and each Residential Unit, as a burden thereon, and shall be binding on all parties having any right, title, or interest in the

Property, the Residential Unit, or any part thereof, their heirs, devisees, successors and assigns, and shall inure to the benefit of and shall be enforceable by THE HOUSING DEPARTMENT.

SECTION 6. NOTICES. Any notice, consent or approval which is required to be given hereunder shall be in writing and when to an owner shall be deemed given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid to the owner's mailing address or such address as is on record with the Teton County Assessor. Any notice which is required to be given hereunder to THE HOUSING DEPARTMENT shall be in writing and given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid to THE HOUSING DEPARTMENT, P.O. Box 714, Jackson, WY 83001. Alternatively, notice may be hand delivered, but any such hand delivery shall require a signed receipt from the owner or THE HOUSING DEPARTMENT Housing Manager, respectively evidencing the same. Failure of either party to pick up and/or sign for a certified mailing does not constitute failure to provide notice provided it was properly addressed and evidence of that mailing is retained. In the event of notice by mailing, notice shall be deemed given when deposited in the U.S. Mail.

SECTION 7. ATTORNEY'S FEES. In the event any party shall be required to retain counsel and file suit for the purpose of enforcing the terms and conditions of these Special Restrictions, the prevailing party shall be entitled to recover, in addition to any other relief recovered, a reasonable sum as determined by the court for attorney's fees and costs of litigation.

SECTION 8. CHOICE OF LAW, FORUM, WAIVER OF JURY TRIAL. These Special Restrictions and each and every related document, are to be governed by and construed in accordance with the laws of the State of Wyoming. The parties agree that the appropriate court in Teton County, Wyoming and/or the Ninth Judicial District for the State of Wyoming shall have sole and exclusive jurisdiction over any dispute, claim, or controversy which may arise involving these Special Restrictions or its subject matter. The owner waives any right the owner may have to a trial by jury with respect to any court proceeding arising herein.

SECTION 9. SEVERABILITY. Each provision of these Special Restrictions and any other related document shall be interpreted in such a manner as to be valid under applicable law; but, if any provision, or any portion thereof, of any of the foregoing shall be invalid or prohibited under said applicable law, such provision shall be deemed modified to the extent necessary and possible to render it valid and enforceable, or if such modification is not possible, such provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provision(s) of such document.

SECTION 10. SECTION HEADINGS. Paragraph or section headings within these Special Restrictions are inserted solely for convenience or reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.

SECTION 11. WAIVER. No claim of waiver, consent or acquiescence with respect to any provision of these Special Restrictions shall be valid against any party hereto except on the basis of a written instrument executed by the parties to these Special Restrictions. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition.

SECTION 12. INDEMNIFICATION. Each owner shall indemnify, defend, and hold THE HOUSING DEPARTMENT and its directors, officers, agents and employees harmless against any and all loss, liability, claim, or cost (including reasonable attorneys' fees and expenses) for damage or injury to persons or property from any cause whatsoever on or about the Property or the Residential Unit, or for an owner's breach of any provision of these Special Restrictions. Each owner waives any and all such claims against THE HOUSING DEPARTMENT; provided, however, that THE HOUSING DEPARTMENT shall remain liable for damage or injury due to the grossly negligent acts or omissions of THE HOUSING DEPARTMENT or its agents and employees or willful or wanton misconduct.

SECTION 13. SUCCESSORS AND ASSIGNS. These Special Restrictions shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, devisees, administrators and assigns.

SECTION 14. SOVEREIGN IMMUNITY. Neither Teton County nor THE HOUSING DEPARTMENT waives sovereign immunity by executing these Special Restrictions and each specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyo. Stat. ' 1-39-104(a) and any other applicable law.

IN WITNESS WHEREOF, the Declarant has executed this instrument on the ____ day of _____, 20__ (the "Effective Date").

