



JACKSON/TETON COUNTY

# WORKFORCE HOUSING ACTION PLAN

NOVEMBER 2, 2015



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## PREFACE

... We have the opportunity to enjoy each other's company and learn from each other through conversation and discourse – that's the best part. Don't lose sight of the fact that, while it might not be presented in your favorite way or the way you would have done it, we are going to have the strength to have the conversations that we are here to have. Count on that as my commitment to each of you for being generous with your time, and problem solve with us. As I look around this room I am so proud of this community. I see diversity in terms of professional skill set, in terms of community constituencies, nonprofit, for profit, representing every level of socio-economics that we have in the community. I hope that ten years from now the Chairperson of the County Commission or the Mayor or other elected officials can look out and see this kind of representation of community, what I am looking at right now. That will mean we have succeeded in what we have come here to do, which is to protect our community, to protect the very fabric of our community. That is why we are here and that is why we are here to work together.

- Mayor Sara Flitner, Opening the 2015 Housing Summit





# INTRODUCTION

The Housing Action Plan maps a new community-driven course for the future of housing production, preservation, and management. Based on policy directives from the Jackson/Teton County Comprehensive Plan and informed by eight housing studies prepared since 2007, the plan is the outcome of the 2015 Housing Summit, which convened elected officials, stakeholders, and the public to examine workforce housing in Teton County and the Town of Jackson.

Workforce housing is not a new challenge to the valley; for more than 30 years, employers, the government, housing organizations, and the private sector have come up with creative ways to house our community's workforce. The 2012 Comprehensive Plan set the target of housing 65% of the workforce locally as part of community character preservation. Currently, 62% of the workforce lives in nearly 1,500 restricted units and free market housing. To bridge the gap, the community must address the following challenges:

- Affordability of market housing and existing shortages of workforce housing
- Loss of market workforce housing stock (leakage) as the workforce ages and retires
- Employees generated from new development

The Housing Action Plan is comprised of six chapters, each detailing an integrated approach toward housing 65% of the workforce locally; the housing goal is too ambitious to rest on the shoulders of a single approach. Interrelated and interdependent, the chapters outline the work to be done by the community.



## What is a Housing Action Plan?

The Jackson/Teton County Comprehensive Plan, adopted in 2012, plots implementation of community principles, of which housing is considered a critical component of achieving our community Vision. Policy 5.4.a calls for development of a Workforce Housing Action Plan through a cooperative effort of the Town, County, local housing agencies, and other workforce housing stakeholders, all working together to achieve the community's housing goal. The purpose of the Workforce Housing Action Plan is to: Evaluate the costs and benefits of various housing tools; establish a system for monitoring the success of those tools in meeting our housing goal; and establish the roles that various entities, including the free market, will play in goal attainment.

The community's commitment to housing 65% of the workforce locally does not negate the importance of workers commuting from neighboring communities; their needs are addressed in the Integrated Transportation Plan, which identifies actions and strategies for addressing transportation strategies for commuters. Nor does the community's commitment to housing the local workforce diminish the contributions of non-workers. The Comprehensive Plan identifies housing, economic, transportation, and level of service policies to improve quality of life for all members of the community. The Housing Action Plan focuses on the local housing piece of the puzzle.

## Housing Summit

The Housing Summit, held May 20-21, 2015, set out to determine a structure for meeting the community vision and workforce housing goal by providing a venue for distilling the ideas presented in previous housing studies. In practice, the Summit represented an unprecedented collaboration between stakeholders, elected officials, and the public as everyone considered the housing needs of Teton County and the Town of Jackson and made critical decisions about how to meet housing goals. Key Summit discussions focused on:

- Evaluating potential tools
- Determining the role of the Town/County in plan implementation
- The expected housing produced from each tool by income category
- The organizational structure and related duties necessary for plan implementation

### Summit Stakeholders

Adam Janak  
Anne Cresswell  
Brendan Schulte  
Brian Siegfried  
Craig Benjamin  
Don Opatrny  
Kelly Lockhart  
Lou Hochheiser  
Mary Erickson  
Patricia Russell Nichols  
S.R. Mills  
Scott Horn  
KJ Morris



## How to Use This Plan

The Housing Action Plan is a cooperative effort of public and private housing providers to identify and monitor housing needs, evaluate costs and benefits of various housing tools, and establish the roles various housing providers will play in meeting the community's housing goals.

Each chapter builds on housing policies in the Comprehensive Plan, and therefore must be read in the context of the entire plan and the desired future character of each subarea described in the Illustration of Our Vision chapter.

Some housing plans are organized with data, discussion, and conclusions grouped together. In contrast, this plan is action-oriented, with future directives making up the bulk of the plan and data/discussion attached as appendices.

- Chapter 1 - Organizational Structure
- Chapter 2 - Housing Supply Plan
- Chapter 3 - Housing Management Plan
- Chapter 4 - Funding for Housing Plan
- Chapter 5 - Zoning for Housing Plan
- Chapter 6 - Housing Action Timeline
- Appendix A - Housing Summit Materials
  - A:1 - Policy Guidance
  - A:2 - Objectives: Housing Supply + Need
  - A:3 - Analysis of Tools
  - A:4 - Providers and Organizational Structure
- Appendix B - Housing Studies

The first chapter introduces a modified organizational structure for the supply and management of workforce housing in Jackson and Teton County: a joint Jackson/Teton County Housing Authority, which adds the Town to the governance of the Authority and shifts staff accountability from the Authority Board to the Board of County Commissioners Administrator. The joint housing staff will be separated into two divisions: Housing Supply and Housing Management. A new Housing Director will oversee the Housing Supply Program at the

helm of the Housing Supply Division and a Housing Manager leading the Housing Management Division.

Chapters 2-5 are each made up of a set of initiatives linking back to the objectives, tools and providers discussed at the 2015 Housing Summit (see Appendix A). The initiatives are intended to focus and guide future housing efforts and decisions; they are not intended to limit options, nor are they a commentary on the significant work that has been done to provide workforce housing in the past. Instead, they are a statement of forward-thinking purpose.

Each initiative also includes action items. Far from an exhaustive checklist, the action items are priorities identified as essential for successful implementation. The final chapter pulls together all of the action items into a prioritized timeline identifying the steps that must be taken in the short, medium, and longer-term.

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# CHAPTER 1

## ORGANIZATIONAL STRUCTURE



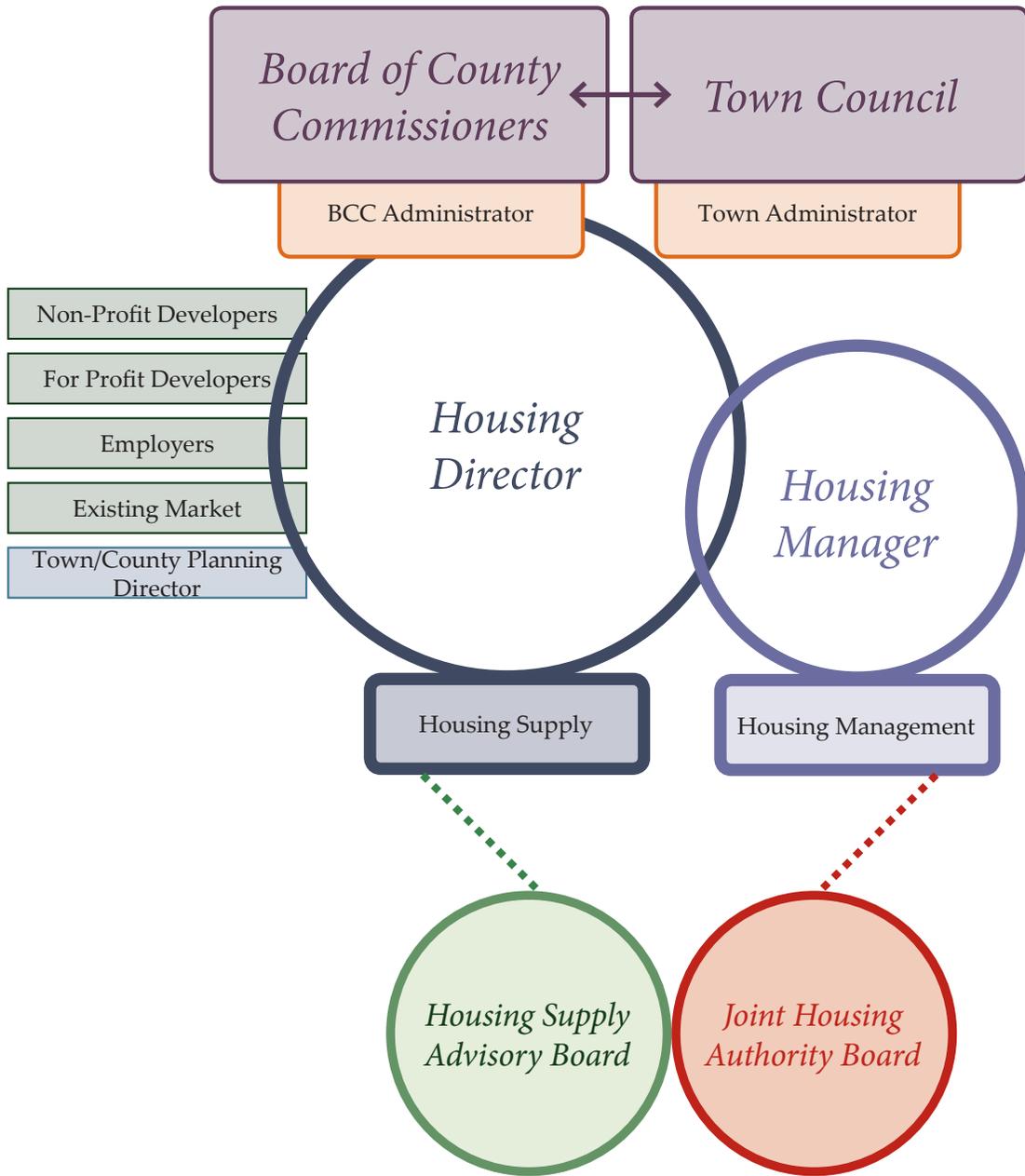


## INTRODUCTION

After 20 years of actively providing workforce housing through requirements and development, the Town and County must evolve its public housing program to better meet the demands of the local workforce. Since 1995, the Teton County Housing Authority has served as the agent of public housing, building or facilitating the development of hundreds of units and managing the restrictions of hundreds more. As the community's housing program grows into its second generation, the Town and County must refocus efforts on supplying housing and managing the existing housing stock.

At the 2015 Housing Summit, stakeholders and elected officials considered two core questions: What is the role of the Town/County in producing and preserving workforce housing? What organizational structure (and other duties related to workforce housing) will the Town/County assume? Summit participants agreed on three key points: The forming of a joint Town/County housing program; the separation of housing supply and housing management functions to specialize each role; and greater elected official accountability for housing supply.

From the ensuing public process, a new organizational structure emerged. The Workforce Housing Action Plan establishes new reporting and partnering relationships, and assigns responsibility for implementing the various initiatives. Intentionally, many details have been left for the plan implementers to determine, so as to provide them with flexibility and efficacy. By empowering them to fully flesh-out the organizational structure, this plan ensures accountability for implementation. The graphic on the opposite page represents the organizational structure described in this chapter. Delineating both operational and strategic structure, the diagram is further explored in the description of duties that follows.



## ORGANIZATIONAL STRUCTURE

The most significant restructure is making the housing program a shared effort between the Town and County; from now on, a joint Town/County program will direct workforce housing. The Town Council and Board of County Commissioners will coordinate to provide policy direction, and staff will report to the Administrator of the Board of County Commissioners. A joint Town/County Housing Authority will continue to function and execute the statutory housing powers of

holding assets and debt as assigned by the Board of County Commissioners and Town Council, as well as acting as a Board of Appeals in the case of housing management appeals. This restructure establishes the desired elected official accountability and separation of duties without distracting resources away from putting units on the ground. The new structure also ensures enforcement continuity of existing Teton County Housing Authority restrictions.

### Strategic Relationships

The strategic purpose of the organizational restructure is simple: To separate housing supply efforts from housing management so steady focus remains on each effort and neither overshadows the other.

The new role of the Housing Director will lead the new Housing Supply Program (described in Chapter 2), an initiative led, on the policy level, by the Town Council and Board of County Commissioners. The Housing Director will implement the policy by developing programs and building relationships with housing suppliers (Chapter 2). A Housing Supply Advisory Board will offer recommendations to the Board of County Commissioners and Town Council and advise the Housing Director on implementation.

The Housing Management Plan described in Chapter 3 will be the responsibility of the new Housing Manager. The Town Council and Board of County Commissioners will adopt a set of Housing Management Guidelines for the Housing Manager to implement and enforce.

The Jackson/Teton County Housing Authority Board will hold assets and debt per state statute as assigned by the Board of County Commissioners and Town Council; these responsibilities will be carried out by utilizing staff from the Housing Supply and Housing Management Divisions.

### Operational Relationships

To achieve the goal of accountability, the Housing Director will report to the Board of County Commissioners' Administrator, thereby ensuring elected officials are ultimately accountable for the Housing Supply Program. Housing Supply Division staff and contractors will report to the Housing Director. The Housing Director will have expertise in all of the production and preservation initiatives and activities discussed in Chapter 2. The County Attorney will serve as legal counsel for the Housing Director as needed. The Town Council and Board of County Commissioners will appoint the Housing Supply Advisory Board, or ask the Jackson/Teton County Housing Authority Board to serve this function. Whether a separate board is created will be determined at a later date with input from the Housing Director.

A Housing Manager will be appointed to head the Housing Management Division. The Housing Manager may report to the Housing Director or to the Board of County Commissioners' Administrator; the reporting relationship that best enables the Housing Director to focus on housing supply will be determined by the Administrator and Housing Director. Housing Management Division staff and contractors will report to the Housing Manager. The Housing Manager will have experience and expertise in all of the management initiatives and actions described in Chapter 3.



Appeals of the Housing Manager will be heard by the Jackson/Teton County Housing Authority Board sitting as an independent Board of Appeals. The task of hearing of appeals constitutes the Jackson/Teton County Housing Authority Board's only link to the Housing Management Division. The Housing Manager will seek advice from the Board of County Commissioners' Administrator and/or the County Attorney. This structure allows the Town Council and Board of County Commissioners to set policy, ensures policy implementation is independent of the appeals body, and removes politics from the review of policy implementation; all with the goal of fair, consistent enforcement of restrictions and housing guidelines.

The Town Council and Board of County Commissioners will appoint the Jackson/Teton County Housing Authority Board pursuant to state statute. Current statute directs the Jackson/Teton County Housing Authority Board to have three members, two joint appointments by the Town Council and Board of County Commissioners, and the third appointed by the two members of the Jackson/Teton County Housing Authority Board. The Jackson/Teton County Housing Authority Board will not have any staff of its own, but will utilize (as appropriate) the staff of the Housing Supply and Management Divisions to carry out its delegated statutory duties of holding assets and debt.

### Operational Funding

Funding for the Housing Supply and Housing Management Divisions will come primarily from the Town and County general fund. Partnership funding may be pursued to support cooperative management efforts. To offset administrative costs, fees may also be charged for certain management and administrative services.

### Housing Supply Funding

Production and preservation projects will be funded through mitigation fees exacted on new developments (to address employee housing needs), as well as the new Community Priorities Fund. The Housing Supply Program will use these funds to initiate new housing projects (initiatives explored in-depth in Chapter 2).

#### *Organizational Structure Actions (with the first four implemented in tandem)*

- Amend the Resolution creating (and bylaws governing) the Teton County Housing Authority to establish a regional housing authority of the Town and County
- Work with the legislature to make necessary changes related to regional housing authority commission duties and structure
- Hire the Housing Director and staff
- Appoint the Jackson/Teton County Housing Authority Board pursuant to statute regarding regional housing authorities (as potentially amended) and the direction of this Plan
- Appoint the Housing Supply Advisory Board or delegate the Jackson/Teton County Housing Authority Board to provide recommendations on housing supply.
- Hire the Housing Manager and staff

## DUTIES

The text colors of the following titles correspond to the positions listed in the organizational structure diagram on page 1-3 of this document.

### **Board of County Commissioners and Town Council**

The Board of County Commissioners and Town Council will be accountable for the housing program by:

- Annually approving the rolling 5-year Housing Supply Program that will inform how the Community Priorities Fund and other housing funding is used to produce and preserve workforce housing;
- Providing direction on specific projects and partnerships to the Housing **Director**;
- Appointing the Jackson/Teton County Housing Authority Board per State Statute and directing their execution of statutory housing project powers through project funding;
- **Appointing the Housing Supply Advisory Board (if that board becomes a separate entity from the Jackson/Teton County Housing Authority Board); and**
- Adopting, and amending as needed, the Housing Management Guidelines to be implemented by the Housing Manager.

### **Board of County Commissioners' Administrator (or Town Administrator)**

The Administrator, responsible for funding and staff supervision, will:

- Supervise the restructuring of the housing program in collaboration with the Town and County Attorneys to accomplish the Organizational Structure Actions listed above;
- Hire, discipline, and fire the Housing **Director**;
- Manage the Community Priorities Fund;
- **Explore additional funding options with the legislature, advocating options directed by the Town Council and Board of County Commissioners; and**
- **The Administrator also may hire, discipline, and fire the Housing Manager, according to the most appropriate reporting structure devised in collaboration with the Housing Director.**

### **Housing Director**

The Housing **Director**'s primary responsibility is the implementation of **Chapter 2**, which includes:

- Hiring, disciplining, and firing any staff of the Housing Supply Division and managing any contractors or partnerships;
- Annually updating the rolling 5-year Housing Supply Program that will inform how the Community Priorities Fund and other housing funding is used to produce and preserve workforce housing;
- **Establishing the target income categories and unit types for housing projects with recommendations from the Housing Supply Advisory Board and approval from the Town Council and Board of County Commissioners;**
- **Facilitating the RFP process with for-profit developers, non-profit developers, and employers to**

develop partnerships to produce housing;

- Developing a housing preservation program; and
- Facilitating relationships between developers and employers and providing other forms of technical assistance for housing production and preservation.
- Beyond the responsibilities outlined in **Chapter 2**, the Housing **Director** will: Secure other sources of funding (grants, loans, etc.); provide technical assistance to developers seeking similar funds; and work with the Long-Range Planner to monitor housing needs.
- **The Housing Director may also: Hire, discipline, and fire the Housing Manager (according to the most appropriate structure developed by the Housing Director, Board of County Commissioners' Administrator and Town Administrator); and coordinate with transportation and housing planners locally and regionally on issues related to workforce housing connectivity and corridor issues such as transit schedules.**

### **Housing Manager**

The Housing Manager's primary responsibility is the implementation of **Chapter 3**, which includes:

- Hiring, discipline, and firing of the Housing Management Division staff and managing any contractors or partnerships;
- Updating the current Teton County Housing Authority Guidelines for adoption by the Town Council and Board of County Commissioners as the Housing Management Guidelines;
- Management and enforcement of Housing Authority restrictions;
- Review of new Housing Authority restrictions and restrictions proposed to meet housing requirements;
- Coordination with other housing program managers on outreach and community access to programs; and
- Evaluation of programs and standards to ensure adequate quality of housing.

### **Jackson/Teton County Housing Authority Board**

The Jackson/Teton County Housing Authority Board has two, potentially three, duties:

- Hold the assets and debt related to the provision of housing per State Statute, as directed by the Town Council and Board of County Commissioners.
- When the Housing Manager is appealed, the Jackson/Teton County Housing Authority Board will act as the board of appeals.
- **The Jackson/Teton County Housing Authority Board also may serve as the Housing Supply Advisory Board.**

### **Housing Supply Advisory Board**

**The Housing Supply Advisory Board** will provide recommendations to the Town and County on the annual Housing Supply Program (see **Chapter 2**) and other housing supply policy decisions. The Housing Supply Advisory Board will provide the Housing Director with technical recommendations on policy implementation. **The Jackson/Teton County Housing Authority Board may sit as the Housing Supply Advisory Board, or it may exist as a separate group. During development of the Housing Supply Program, the Housing Director will make a recommendation**

on this dynamic to the Board of County Commissioners and Town Council. Regardless of whether the Housing Supply Advisory Board is a unique entity or not, each board member should contribute professional experience in one of the following disciplines:

- Federal/State Housing Programs
- Land Acquisition/Sale
- Site Design
- Building Design
- Housing Finance
- Construction Management
- Preservation/Conservation

### **Town/County Planning Director**

The Town/County Planning Director's primary housing duty is zoning for housing (i.e. implementation of [Chapter 5](#)). More specifically, the Town/County Planning Director will be responsible for:

- Working with the Housing [Director](#) to monitor housing need;
- Working with the Housing [Director](#) to identify potential property appropriate for production or preservation of housing;
- Updating the Land Development Regulations and Zoning Map to allow more opportunities for the development of workforce housing in appropriate areas;
- Creating incentives in the Land Development Regulations for the development of workforce housing in appropriate areas; and
- Updating housing mitigation requirements and exploring growth management solutions to ensure the community's housing stock keeps up with employment growth.

### **Developers, Employers, Non-Profits**

Employers, for-profit developers, and non-profit housing organizations working to produce and preserve housing will be responsible for forging relationships with the Housing [Director](#) and each other. They will be expected to apply for public funding through the Housing Supply Program, as described in [Chapter 2](#).



# CHAPTER 2

## HOUSING SUPPLY PLAN





## INTRODUCTION

In the next decade, the community will need about 200 additional units each year to house local employees who make 120% or less of the area median income, according to projections done for the 2015 Housing Summit (see Appendix A2). Much of this demand, resulting from our growing community's employee generation, will be met by employers and developers as mitigation (see Chapter 5). And yet, even if the market provides housing for every new employee, housing supply will continue to fall short of demand as a result of workforce retirement, leakage of workforce units, and existing housing shortages. While current stock and some employers will partially makeup for this shortfall, many new units will require public subsidy.

At the 2015 Housing Summit, stakeholders and elected officials approached this challenge by discussing the following questions: What are the tools that may be used to produce and preserve workforce housing? What is the role of the Town and County in the implementation of each tool? How much housing can be expected from each tool per income category? From these exercises emerged the concept of a Housing Supply Program.

This chapter offers a framework for providing workforce housing in Jackson and Teton County. Implementation of the chapter will be the primary responsibility of the new Housing Director. With flexibility in mind, this framework is designed to represent the priorities of the Housing Supply Program, not to set strict limits on types of public housing. That said, public production and preservation will focus on the lower income levels, delegating housing for higher income brackets to the private sector through allowances and incentives (see Chapter 5). In tandem with housing supply efforts, the Town and County will expand transportation options for those seeking to live more affordably in neighboring communities.

## HOUSING SUPPLY PROGRAM

Housing production and preservation projects, coordinated by the Housing Supply Program, will tap two primary funding sources: Mitigation fees collected from new development to offset employee generation (see [Chapter 5](#)); and the new Community Priorities Fund (see [Chapter 4](#)).

The new Housing [Director](#) will develop a rolling 5-year Housing Supply Program, updated annually by the Town and County as part of the budget process. The Housing Supply Program will identify and prioritize housing projects envisioned through the following initiatives. Elected officials' annual approval of this 5-year program will allow lead time for the planning and development process and for leveraging other funding sources and partnerships; all Town and County funding of housing will occur through the Housing Supply Program. Non-profit and for-profit private developers requesting public subsidy will make their requests through the Housing Supply Program.

The Housing Supply Program will be based on housing indicators [including employee generation and loss of existing workforce housing stock](#). Given indicated need, the program will establish metrics and objectives for specific projects including unit type, target income and quantity. The community's goal is to have, each year, one project in construction or execution and one project in planning and design. Attainment of this goal will hinge on establishment of a dedicated funding source for housing production and preservation. During development of the Housing Supply Program, the Housing Director will focus on "shovel-ready" projects with the initial goal of having a property designed by June 2016 so as to break ground by Spring 2017.

### *Housing Supply Program Actions*

- Develop the initial 5-year supply plan as part of the FY16-17 Budget proposal based on housing need, including projected funding as well as target income categories and unit types.
- Hire key staff and/or contractors needed to operate the Housing Supply Division.
- Update the 5-year Housing Supply Program annually.

## INITIATIVES

### **2A. Prioritize lower-income, year-round housing**

In 2014, a household needed to make 2.7 times the median family income to afford the median home in Teton County (see the 2015 Indicator Report). To meet the greatest need, public subsidy will focus on the 70% of workforce households making less than 120% of area median income, of which the year-round workforce will be the priority; the community will rely on employers to provide seasonal housing, offering technical assistance as needed (see Initiative [2D](#) below). To coordinate efforts, non-profits are encouraged to mirror this focus by concentrating their efforts on the lower-income, year-round workforce.

OBJECTIVE (APPENDIX A2)	TOOLS (APPENDIX A3)	PROVIDERS (APPENDIX A4)
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Preservation</li> <li>• Land Acquisition</li> <li>• Public Development</li> <li>• Public/Private Partnership</li> </ul>	<ul style="list-style-type: none"> <li>• Non-profit</li> <li>• Public</li> </ul>

*Prioritization Actions*

- Define “year-round” workforce.

**2B. Provide land as a public subsidy and build development partnerships**

The most difficult task is also the most important: Production of new, affordable workforce housing stock. The new preferred method of government involvement in housing production will be providing land through partnerships or contracts. Through land provision, the Housing Supply Program will engage the expertise of for-profit and non-profit private developers. The Housing Supply Program will also favor rental units over ownership. Long-term leases of restricted units provide stability for occupants as well as recurring revenue for the housing provider. Even though the more familiar model – where the public develops and then sells housing – will remain a secondary option, partnering with private developers (non-profit or for-profit) offers the potential to yield a greater mix of unit types and incomes within a single development, while still providing the community with deed restricted units. The Supply Program will face new challenges when establishing partnerships pursuant to statute (to maintain proper public accountability and benefit). The Housing Trust, Habitat for Humanity, and other non-profit developers are excited by the prospect of such partnerships, but need longer-term commitments than potential for-profit partners so as to maintain staff levels between projects.

OBJECTIVE (APPENDIX A2)	TOOLS (APPENDIX A3)	PROVIDERS (APPENDIX A4)
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Land Acquisition</li> <li>• Public Development</li> <li>• Public/Private Partnership</li> </ul>	<ul style="list-style-type: none"> <li>• Non-profit</li> <li>• Public</li> </ul>

*Production Actions*

- Identify potential land appropriate for housing development based on the Illustration of Our Vision Chapter of the Comprehensive Plan.
- Work on a partnership model that allows the Town and County to stay out of the role of developer, yet ensures the security of the public investment in workforce housing.

**2C. Preserve existing workforce housing stock to avoid leakage**

The imminent spike in retirement challenges preservation of the workforce housing supply. In the next 10 years, the workforce will retire at a rate that makes 50 units per year vulnerable to redevelopment or resale, thus leaking out of the workforce housing pool. The community’s conservation and growth management values bar us from simply building our way out of the housing demand, therefore the public must implement programs to keep the workforce in existing housing stock. Preservation is as important as production in meeting our housing goal. However, as new preservation programs are

being established, the majority of housing resources will remain dedicated to production. Avoiding leakage will remain the primary focus of preservation efforts. In the past, employers have led such efforts; to nurture public leadership, the Housing Supply Division will work with employers and homeowners to ensure public subsidy enhances existing efforts.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Preservation</li> <li>• Public/Private Partnership</li> </ul>	<ul style="list-style-type: none"> <li>• Existing Market</li> <li>• Employer</li> <li>• Non-profit</li> <li>• Public</li> </ul>

*Preservation Actions*

- Develop opportunities for buy downs, rehabilitation, reverse mortgages, conversion of trailer parks to microhousing, and other programs to restrict existing workforce housing, ensuring programs for households in different income categories exist.
- Identify existing developments appropriate for public subsidy for preservation as workforce housing.
- Develop a program to ensure that restricted and employer provided workforce housing meets adequacy, suitability, and affordability standards.
- Explore a program to subsidize upgrades above minimum standards through technical expertise, loans, grants, or other means.
- Monitor the net loss (leakage) of workforce housing that is occurring.
- Enforce short-term rental prohibitions.

**2D. Provide public technical assistance for housing providers**

Technical assistance, provided by the Housing Supply Division, will further support housing production and preservation efforts. Providing staff expertise to developers and employers as they produce/preserve workforce housing represents public support without subsidizing actual production or preservation. Technical assistance on project design, grant application, partnership building, and program start-up will help providers with the will but not the expertise. Provision of expertise will be the preferred method for publicly supporting employers in their efforts to house seasonal employees.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Assistance</li> <li>• Education</li> </ul>	<ul style="list-style-type: none"> <li>• Private Developer</li> <li>• Employer</li> <li>• Non-profit</li> </ul>



*Technical Assistance Actions*

- Work with the public to gather information on what technical assistance programs would be most useful.
- Work with interested parties to catalyze an employee-housing cooperative for employers who want to provide housing units but cannot develop housing on their own.
- Facilitate relationships between interested developers and employers.

**2E. Lead by example by housing public employees**

As one of the largest employers in the community, local government will continue to model best-practices production and preservation methods for housing Town and County employees. The Town and County will share ideas and provide technical support to other employers interested in learning from government efforts.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Preservation</li> <li>• Land Acquisition</li> <li>• Public Development</li> <li>• Public/Private Partnership</li> <li>• Technical Assistance</li> <li>• Education</li> </ul>	<ul style="list-style-type: none"> <li>• Existing Market</li> <li>• Employer</li> <li>• Non-profit</li> <li>• Public</li> </ul>

*Housing Public Employee Actions*

- Identify housing projects for public investment as an employer.





# CHAPTER 3

## HOUSING MANAGEMENT PLAN





## INTRODUCTION

The current stock of restricted housing totals nearly 1,500 units ([Appendix A2](#)), a number slated to jump in the next 10 years through aforementioned production and preservation strategies ([Chapter 2](#)). That number is malleable as not all restricted units have recorded deed restrictions. Nor is it consolidated; not all deed-restrictions are managed by the same entity. The introduction of a Housing Management Plan aims to address such inconsistencies by providing coordinated management of the restricted workforce housing stock. Only through coordination will a sustainable housing program be achieved; continued public investment in a housing program relies on the housing being well-managed. Despite the diverse inventory, the current management approach is well-established, which allows the focus to become improving coordination between housing providers and increasing efficiency.

At the 2015 Housing Summit, stakeholders and elected officials weighed different ways to organizationally build a joint Town/County housing program. Consensus formed around the importance of evolving the current foundation into a coordinated, accessible management plan that not only highlights our successes and maximizes available products, but also educates the community on continuing needs.

The Housing Management Plan outlines the efforts to ensure fair, consistent, and efficient enforcement of restrictions that are respectful of workforce housing occupants and validate the community's investment in housing. The Housing Management Plan also maps a path toward a more coordinated approach to distribution and collection of housing information, so as to increase public understanding of the housing program: The community will better understand the issues and related programs; and those seeking housing will know their options, rights, and application process. The Housing Management Plan's implementation [and coordination building](#) is the purview of the new Housing Manager.

# HOUSING MANAGEMENT GUIDELINES

The Housing Manager will revise the existing Teton County Housing Authority guidelines into a unified set of rules that address: standards and processes for enforcement and monitoring of restrictions (including existing restrictions and their delineated processes); maintenance and improvement of restricted housing units; minimum requirements for new restricted units; and minimum standards of livability for existing units. The new Housing Management Guidelines will be reviewed and adopted by the Town Council and Board of County Commissioners and then implemented by the Housing Manager.

*Management Guidelines Actions*

- Hire key staff and/or contractors needed to operate the Housing Management Division.
- Adopt Jackson/Teton County Housing Management Guidelines with recommendations from the Jackson/Teton County Housing Authority Board.

## INITIATIVES

### **3A. Coordinate consistent enforcement of existing restrictions**

The 1,500 restrictions placed on units in the past 20 years vary widely in form, content, and responsibility. To ensure fair and consistent enforcement going forward, the Management Division will inventory all units and then standardize and simplify restrictions in accordance with the new Housing Management Guidelines. The Management Division will continue the work of the current Housing Authority, providing support for occupants and helping them better understand restrictions and opportunities. The Town and County will work with other restricted-housing managers to explore third party management of all restrictions, which could introduce greater efficiency and consistency.

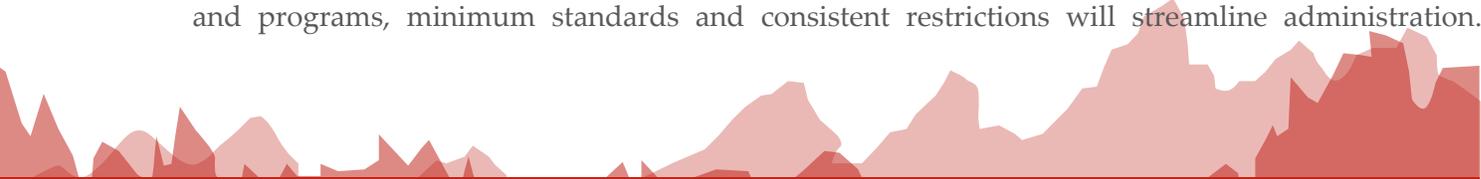
<b>OBJECTIVE (APPENDIX A<sub>2</sub>)</b>	<b>TOOLS (APPENDIX A<sub>3</sub>)</b>	<b>PROVIDERS (APPENDIX A<sub>4</sub>)</b>
• < 120% AMI	• Management of Units	<ul style="list-style-type: none"> <li>• Employer</li> <li>• Non-profit</li> <li>• Public</li> </ul>

*Restriction Management Actions*

- Expand existing information to develop a full inventory of restricted units.
- Explore contracting some management functions to a private property manager in coordination with non-profits and employers.
- Work with owners of existing restricted units to update restrictions consistent with new structure and Guidelines.

### **3B. Consistent review of new restrictions**

Moving forward, consistent review of new units and standardization of new restrictions will ensure efficient management of workforce housing. Even though the community desires a variety of units and programs, minimum standards and consistent restrictions will streamline administration.



The Management Division will work with all housing providers to develop standardized formats for the various types of restrictions to the extent practical, and establish minimum standards for restricted housing. The community's preference for rental product will require ensuring standards are appropriate for rental product, which may differ from the standards employed in the past for ownership product.

OBJECTIVE (APPENDIX A2)	TOOLS (APPENDIX A3)	PROVIDERS (APPENDIX A4)
<ul style="list-style-type: none"> <li>&lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>Management of Units</li> <li>Enforcement</li> <li>Consistent Process</li> </ul>	<ul style="list-style-type: none"> <li>Employer</li> <li>Non-profit</li> <li>Public</li> </ul>

*New Unit Review Actions*

- Develop restriction templates for price restricted and occupancy restricted units so that the terms are consistently located in all restrictions even if their content varies.
- Review new restricted housing stock for minimum standards.

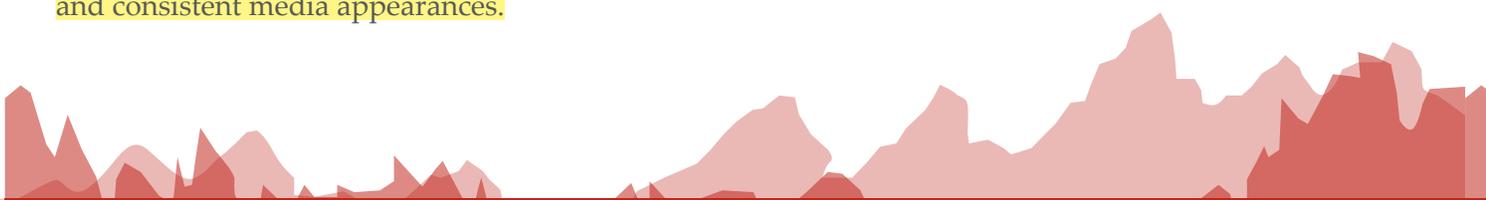
**3C. Coordinate outreach on housing programs**

Community education is fundamental to the successful implementation of the Workforce Housing Action Plan; an informed community will result in a supportive community. The key to education is a balanced message highlighting the progress made while also conveying the need for continued effort. Educating the community on the roles of public and private programs will generate support and investment in those programs. The goal of outreach is to clearly present the totality of the issue and the variety of housing opportunities; there is no silver bullet and no single culprit. Information must be coordinated, consolidated and accessible; the community should not have to search multiple sources to get the full picture.

OBJECTIVE (APPENDIX A2)	TOOLS (APPENDIX A3)	PROVIDERS (APPENDIX A4)
<ul style="list-style-type: none"> <li>Entire Spectrum</li> </ul>	<ul style="list-style-type: none"> <li>Education</li> </ul>	<ul style="list-style-type: none"> <li>Non-profit</li> <li>Public</li> </ul>

*Outreach Actions*

- Lead a cooperative effort to develop a “Housing 101” presentation, given to new elected officials, board members, and the general public to provide baseline knowledge of the community housing efforts.
- Develop a centralized and/or coordinated message on housing need, updated annually with indicator information.
- Develop a centralized and/or coordinated web presence describing all of the community’s housing efforts.
- Visually communicate the demographic served.
- Conduct community outreach inclusive of public workshops, sessions with employee groups, and consistent media appearances.



### 3D. Coordinate access to housing opportunities

One-stop access to housing opportunities is a crucial component of the coordinated information distribution program. The community needs a clearinghouse of housing opportunities, public and private, and a single form to apply for all restricted housing programs. The Housing Trust, having recently created a site aggregating all housing opportunities, is willing to share the platform with the Housing Manager and other providers. Each provider will still select occupants through their own procedures, but the application process will become streamlined across programs, enabling residents to apply for various housing opportunities through a single form. **Coordination will be facilitated by simple application requirements.**

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>&lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>Management of Units</li> <li>Education</li> </ul>	<ul style="list-style-type: none"> <li>Employer</li> <li>Non-profit</li> <li>Public</li> </ul>

#### *Housing Opportunities Actions*

- Develop a single application for all subsidized housing programs and a system for distribution of the applications to providers.
- Consolidate all subsidized housing programs in a single interface so the workforce can understand requirements, qualifications, and prioritization.
- Provide an opportunity for advertisement of private housing opportunities through the clearinghouse (advertisement may fund administration of the clearinghouse).

### 3E. Ensure adequate standards of housing

The topic of adequate housing, and the lack thereof particularly at the lowest income categories, weighed heavily on 2015 Housing Summit participants. An issue not specifically addressed in the Comprehensive Plan, the community must ensure a basic level of livability across all housing. Increasingly, the community seems concerned that projections of housing need at the lowest levels understate the magnitude of the issue by failing to account for needed improvements to existing yet inadequate low-income housing. As an evolution of the support provided by the Town and County, the Management Division will look at the adequacy of existing housing. Provision of Fair Housing education for residents as well as local realtors would result in better understanding of the necessity and associated benefits of the federal law.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>&lt; 80% AMI</li> </ul>	<ul style="list-style-type: none"> <li>Enforcement</li> </ul>	<ul style="list-style-type: none"> <li>Public</li> </ul>

#### *Adequacy Actions*

- Inventory the standard of living in our workforce housing stock, market and restricted, especially at the lowest income categories.
- Develop an education program for housing occupants and providers on Fair Housing standards and recourse.
- Develop a maintenance and improvement program that provides assistance for the upgrade of

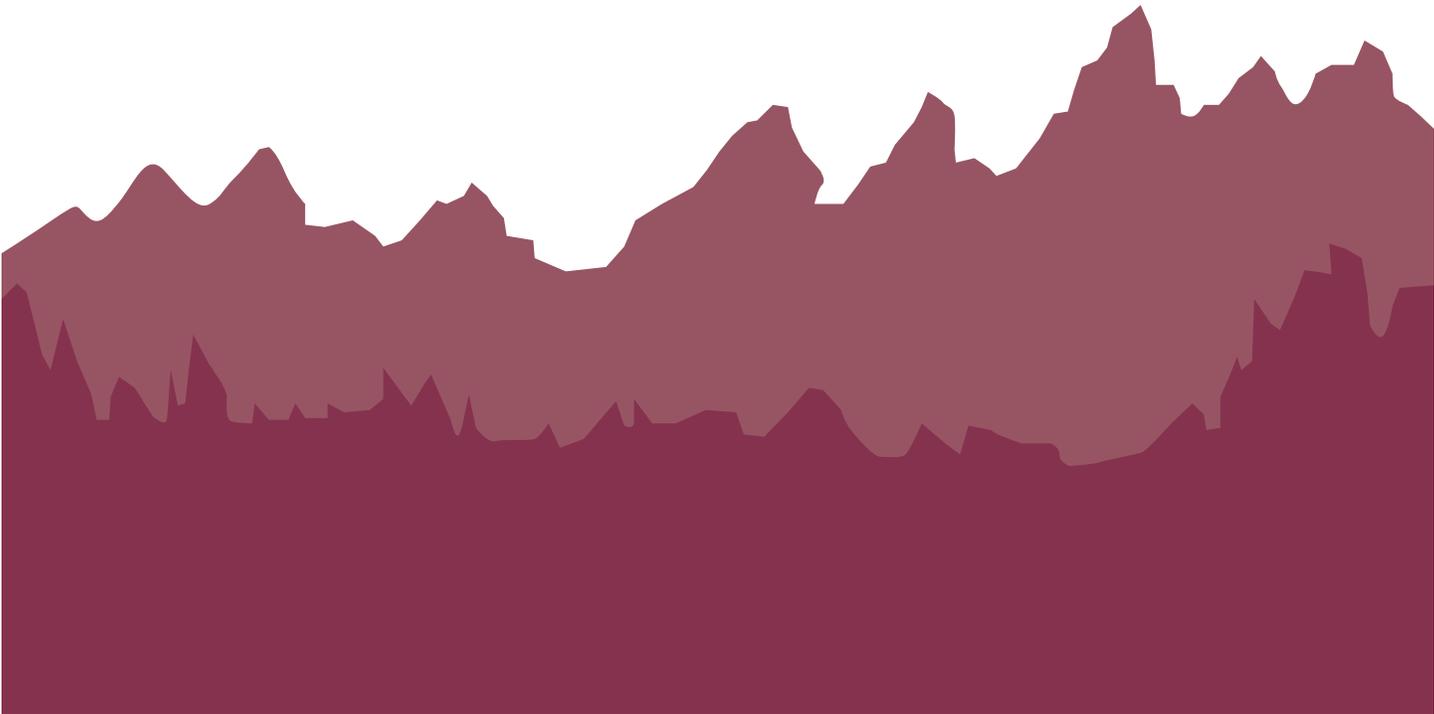
housing stock for the lowest income categories so that it meets minimum livability standards.

- Explore statutory options to develop adequate standard of living requirements.



# CHAPTER 4

## FUNDING FOR HOUSING PLAN





## INTRODUCTION

From the eight studies that informed this Housing Action Plan, one recommendation emerged as a clarion call: the Town and County must establish a dedicated funding source for housing provision. A dedicated source will provide consistent, predictable funding for workforce housing, enabling supply planning, partnership development, and leverage of public money.

At the 2015 Housing Summit, stakeholders and elected officials considered different tools that may be used to provide and preserve workforce housing, and the Town/County's role in implementation of each tool. Their conclusion: Keep all long-term options open, but focus now on a **dedicated** penny of sales tax to fund housing and transportation initiatives.

The Funding for Housing Plan outlines the process the community will pursue to consider a **dedicated** penny of sales tax. As top priorities, the plan identifies the continuing community efforts to: monitor the need for funding; seek private, state, and federal funding; and **explore** additional funding options with the State Legislature. This chapter on funding initiatives complements the Housing Supply Plan's funding considerations (**Chapter 2**). Without dedicated funding, the community will not be able to achieve its housing goals.

Raising funds is the responsibility of the Town Council and Board of County Commissioners with some decisions placed directly in the hands of the public through ballot measures. Charged with providing administrative support, the Board of County Commissioners' Administrator and/or Town Administrator will lead the funding discussions as part of budgeting duties, with some assistance from the Town/County Planning Director and new Housing **Director**.

# INITIATIVES

## 4A. Establish a Community Priorities Fund

The headline outcome of the 2015 Housing Summit: Establish **dedicated** sales tax to fund housing and transportation. The potential yield of sales tax makes it the preferred approach over property tax. Decisions remain unmade regarding the amount and type of sales tax and timing of implementation. Logistics aside, Summit participants were resolute in their belief that the community’s ability to meet its housing goals depends on dedicated funding in support of the new Housing Supply Program (see **Chapter 2**). Because the proposed Community Priorities Fund addresses both transportation and housing, its creation is happening outside of this Housing Action Plan in coordination with transportation initiatives. However, the method for directing the **dedicated** sales tax into housing is identified within the rolling 5-year Housing Supply Program (see **Chapter 2**).

OBJECTIVE (APPENDIX A2)	TOOLS (APPENDIX A3)	PROVIDERS (APPENDIX A4)
<ul style="list-style-type: none"> <li>&lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>Dedicated Sales Tax</li> <li>SPET Secondary Additional</li> </ul>	<ul style="list-style-type: none"> <li>Public</li> </ul>

### Community Priorities Fund Actions

- See **Chapter 2** for description of the Housing Supply Program that identifies how the Community Priorities Fund would be used to fund housing.
- Actions to design and implement the Community Priorities Fund are being developed outside of this Housing Action Plan in coordination with transportation initiatives.

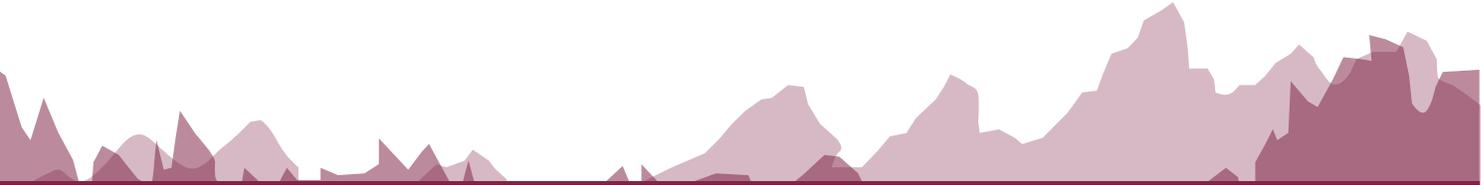
## 4B. Monitor need to determine funding strategies

The community must continually study workforce housing to better understand demographic needs. Working together, the Housing **Director** and Town/County Planning Director will identify the most appropriate indicators and methodology for gathering data annually as part of the Comprehensive Plan indicator report, information that will be incorporated into the Housing Supply Program as well as housing outreach materials.

OBJECTIVE (APPENDIX A2)	TOOLS (APPENDIX A3)	PROVIDERS (APPENDIX A4)
<ul style="list-style-type: none"> <li>&lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>Stated Objectives and Metrics</li> <li>Monitor Indicators</li> </ul>	<ul style="list-style-type: none"> <li>Public</li> </ul>

### Indicator Monitoring Actions

- Review the housing indicators currently monitored and refine methodology as needed.
- Evaluate any variables likely to impact the supply of workforce housing that are not being monitored and develop a method for monitoring them.



#### 4C. Seek and support grants, tax credits, loans, and other sources of funding

A number of state and federal programs provide funding for housing, particularly for the lowest income categories. Although these funds can be challenging to access, the Town and County will continue to seek state and federal funding, and provide technical assistance to private entities applying for such funds (the role, largely, of the Housing Director). The Town and County will not actively seek private funding, but instead encourage housing providers to leverage public funds with private donations, thereby maximizing impact. In addition to the dedicated funding previously discussed (Initiative 4A), the Town and County will consider proposing a Special Purpose Excise Tax (SPET) for voter approval toward certain projects, as pursued in the past.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Donations and Grants</li> <li>• Tax Credits</li> <li>• Other Government Funds</li> </ul>	<ul style="list-style-type: none"> <li>• Private Developers</li> <li>• Employers</li> <li>• Non-profit</li> <li>• Public</li> </ul>

##### Tax Credit/Grant Actions

- Ensure the Housing Director is familiar with programs and works to secure state and federal funding.
- Develop a technical assistance and support program to assist private housing providers seeking state and federal funds.

#### 4D. Advocate alternate funding options for the future

Future housing funds may come from sources not currently enabled in Wyoming, yet successful in other states. The Town and County will continue to explore instituting a real estate transfer tax as it directly relates to the primary hurdle to workforce housing – the cost of land. Future conversations with our legislators surrounding this currently unused option would lay the framework for future implementation that would expand the housing toolbox. The Town and County will also consider other funding sources, such as amendments to the statute dictating disbursement of lodging tax money and leases or purchases of federal land for housing.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Real Estate Transfer Tax</li> </ul>	<ul style="list-style-type: none"> <li>• Public</li> </ul>

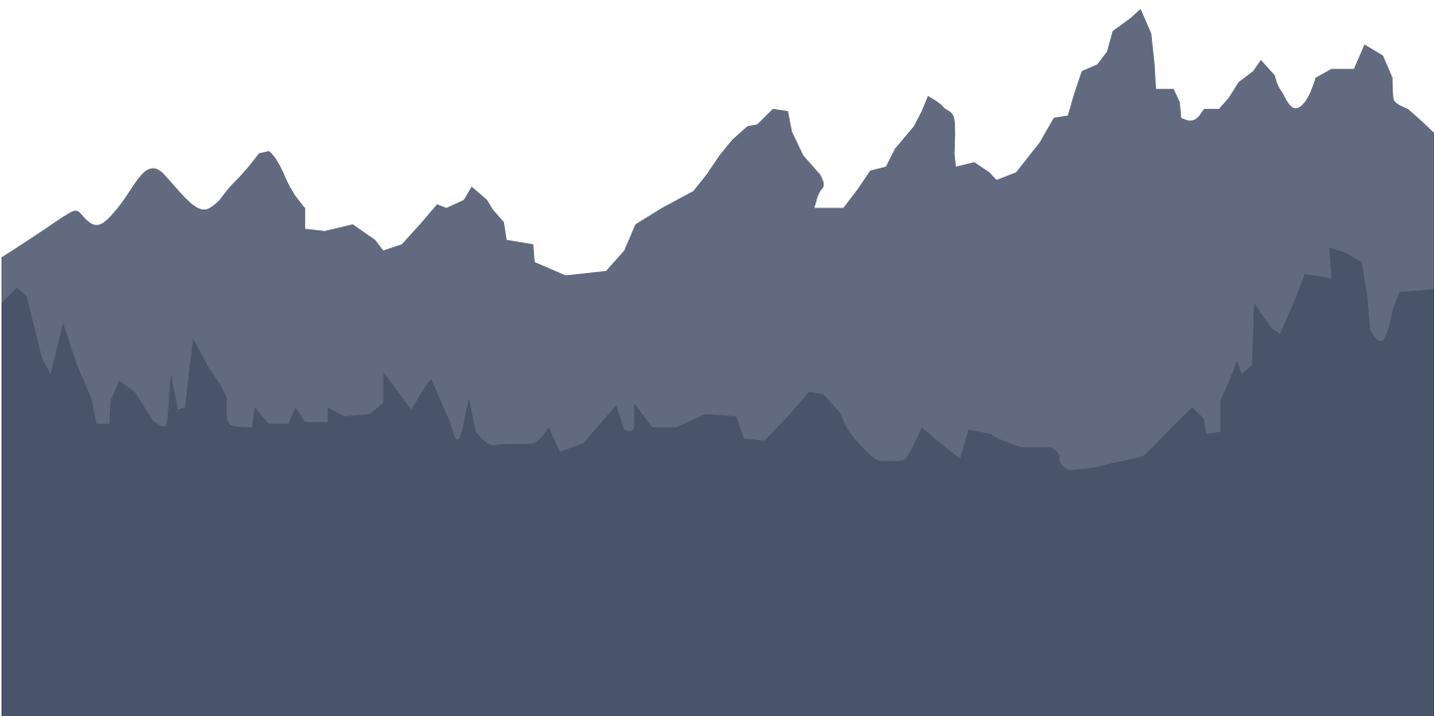
##### Advocacy Actions

- Explore a real estate transfer tax and other funding options.
- Support discussions of a statewide housing fund.



# CHAPTER 5

## ZONING FOR HOUSING PLAN





## INTRODUCTION

Workforce housing must develop within the context of the Comprehensive Plan, specifically the Illustration of Our Vision chapter describing existing and desired future character by subarea. If land use policy does not allow for the residential supply occupied by the workforce, the community will not be able to achieve its housing goals. Conversely, zoning can encourage housing to be built through incentives. Zoning also manages physical growth by mitigating impacts. As such, contextual zoning is the cornerstone of the housing conversation.

At the 2015 Housing Summit, stakeholders and elected officials discussed issues surrounding the tools used to provide and preserve workforce housing: the Town/County role in implementation, the housing expected from each tool per income category, and the duties and organizational structure necessary to support workforce housing. Two main conclusions emerged: We need to stay out of our own way and embrace the housing opportunities that present themselves; and we need to be clear and simple about the requirements we put in place.

The goal of the Zoning for Housing Plan chapter **is to accelerate the update of housing-related Land Development Regulations by highlighting** the zoning and land use tools the community can implement to address housing issues. Set within the context of the Comprehensive Plan, the plan does not supersede other community goals, but rather draws attention to housing-based initiatives that should be included in larger zoning conversations. The initiatives look at the allowances, incentives, and requirements for the supply of housing. Each zoning initiative lists a number of potential actions, although specific actions may vary across character districts.

Zoning for housing is the responsibility of the Town/County Planning Director through the Land Development Regulations and Zoning Maps. The new Housing **Director** and Town/County Planning Director will work together to understand any existing barriers and desired incentives or requirements, but implementation rests with the Town/County Planning Director, acting within the existing structure of the Town and County Planning Departments.

# INITIATIVES

## 5A. Allow for supply of workforce housing by removing barriers

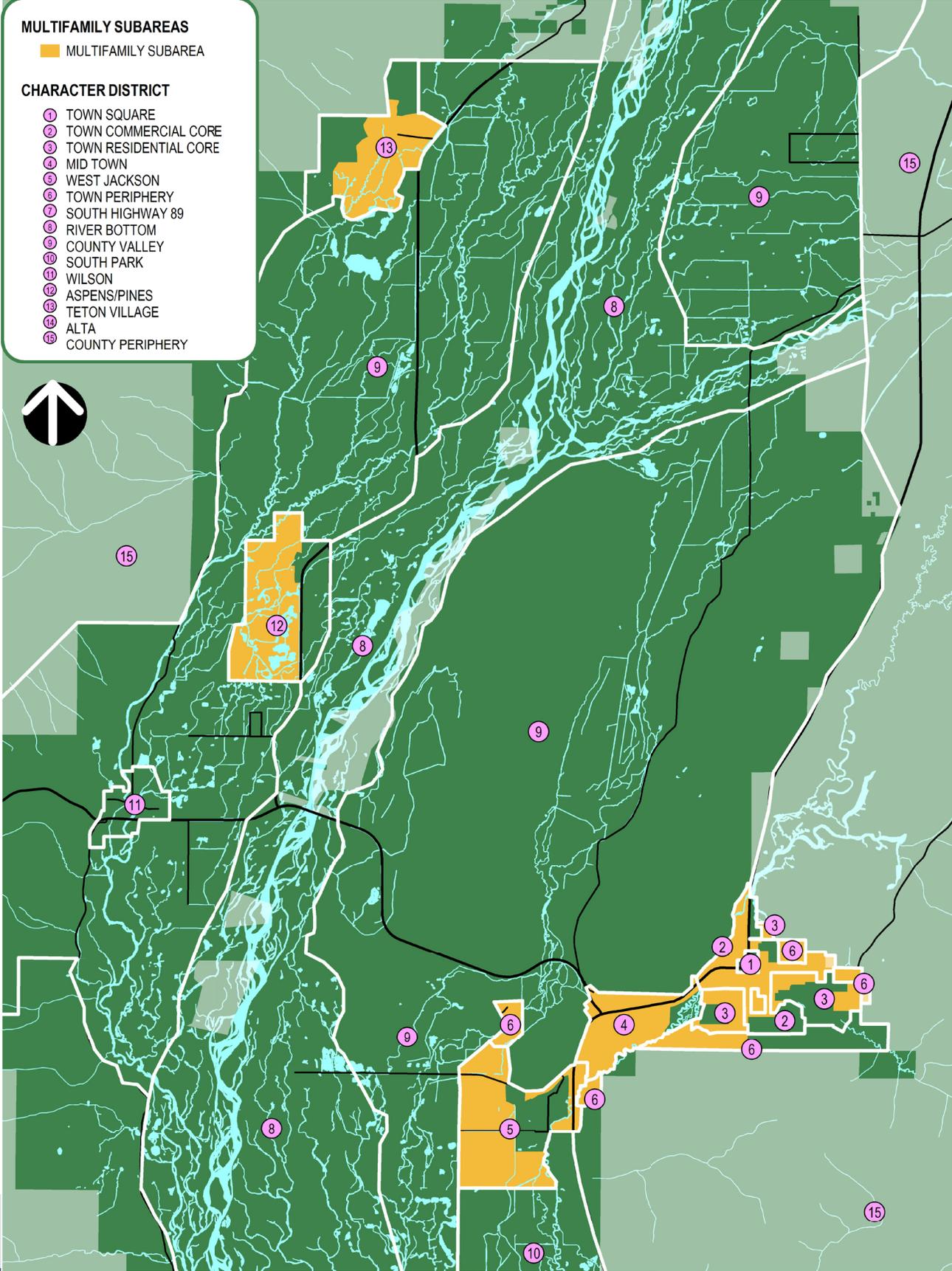
Well-meaning requirements enacted in isolation can result in unintended barriers to housing. Similarly, the planning approvals process can hinder housing through the quantity of community requirements placed on development, and the community's desire to publicly review individual projects. For example, rental units tend to be more affordable than ownership units; even if only restricted by a Planning Department use permit, rentals tend to provide workforce housing. Allowing rentals in more areas is important to workforce housing supply; however, the success of such allowances depends on protecting against short-term rentals.

Future zoning must allow for maximum density consistent with desired community character. Limiting growth is a part of our community vision, but so is providing opportunities for 65% of the workforce to live locally. To meet this housing goal, changes in density allowances must be considered, which may mean introducing greater flexibility in how we track and measure buildout to allow for the use of workforce housing incentives.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>Entire Spectrum</li> </ul>	<ul style="list-style-type: none"> <li>Rental Zoning</li> <li>Zone for Density</li> <li>ARUs</li> <li>Trailer Parks/Microhousing</li> <li>Flexible LDRs</li> </ul>	<ul style="list-style-type: none"> <li>Existing Market</li> <li>Private Developer</li> <li>Employer</li> <li>Non-profit</li> <li>Public</li> </ul>

### *Housing Allowance Actions*

- Allow ARUs in all Town and County zones with limits on size and/or density to ensure desired character.
- Update zoning in appropriate Comprehensive Plan subareas to find locations for density. For example, allow apartments in multifamily subareas as identified in the Comprehensive Plan (see map on reverse page).
- Where multifamily character is allowed and desired (see map), move away from buildout projections and density limitations toward more flexible allowances within the allowed floor area and monitoring of units built.
- Review zoning against Fair Housing standards in coordination with the Housing Director and the County Attorney.
- Avoid barriers to housing supply such as mixed-use requirements in favor of allowances.
- Revise parking requirements to facilitate additional density for housing.
- Avoid change of use penalties that are barriers to housing.



### 5B. Incentivize the supply of restricted housing

Incentives are crucial to avoiding loss of existing housing stock and addressing the existing supply shortage. Even if we keep pace with growth, we must still provide workforce housing to remedy the existing shortfall and minimize leakage of workforce housing stock. Incentives for workforce housing will most often take the form of density bonuses that allow a developer more density or intensity if used to provide restricted housing. These bonuses, applicable to preservation of existing housing and production of new housing, will vary by zone in keeping with desired future character. Incentives also may take the form of procedural exemptions to fast-track projects with more restricted housing than required. Many of these tools, already in place, must be refined as zoning districts are updated.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>• &lt; 120% AMI</li> </ul>	<ul style="list-style-type: none"> <li>• Density Bonus</li> <li>• Rental Incentives</li> <li>• Expedited Approval</li> </ul>	<ul style="list-style-type: none"> <li>• Existing Market</li> <li>• Private Developer</li> <li>• Employer</li> <li>• Non-profit</li> <li>• Public</li> </ul>

#### *Housing Incentive Actions*

- Develop incentives to avoid loss of workforce housing through redevelopment, such as allowing for retention of nonconforming density.
- Provide a density bonus for the preservation and production of workforce housing, such as additional height or floor area, or reduced landscaping, setback, or parking requirements.
- Implement an expedited approvals process for price-restricted housing projects.
- Implement automatic waivers from some fees for price restricted housing projects.

### 5C. Require mitigation of employees generated by growth that cannot afford housing

Housing mitigation must remain an integral part of growth management considering the projections of 200 additional workforce housing units needed on an annual basis for the next decade. The existing housing shortage is too great for the community to bear the future burden of housing employees generated by growth. Development must contribute its fair share. By updating these mitigation standards, the community will move away from subdivision based requirements to floor area based requirements. Floor area based requirements are easier to track over time and also more consistent with the type of growth desired in the Comprehensive Plan. Future mitigation requirements will balance residential and nonresidential growth to achieve a more consistent growth management approach, which will mean increased mitigation requirements on nonresidential development (previously required to house only a portion of seasonal employees). To achieve this new mitigation approach, the Town and County must forge a single coordinated program.

In addition to mitigation requirements, the Town and County will look at limitations on growth and requirements in appropriate zones to ensure potential for workforce housing. The Town and County will consider residential zones in areas with larger buildings that allow for high density instead of allowing commercial uses. Commercial allowance tends to lead to commercial development or no development, decreasing the likelihood of housing production.

OBJECTIVE (APPENDIX A <sub>2</sub> )	TOOLS (APPENDIX A <sub>3</sub> )	PROVIDERS (APPENDIX A <sub>4</sub> )
<ul style="list-style-type: none"> <li>• Entire Spectrum</li> </ul>	<ul style="list-style-type: none"> <li>• Residential Linkage</li> <li>• Commercial Linkage</li> <li>• Limit Commercial Growth</li> <li>• No Net Loss</li> </ul>	<ul style="list-style-type: none"> <li>• Private Developer</li> <li>• Employer</li> <li>• Non-profit</li> <li>• Public</li> </ul>

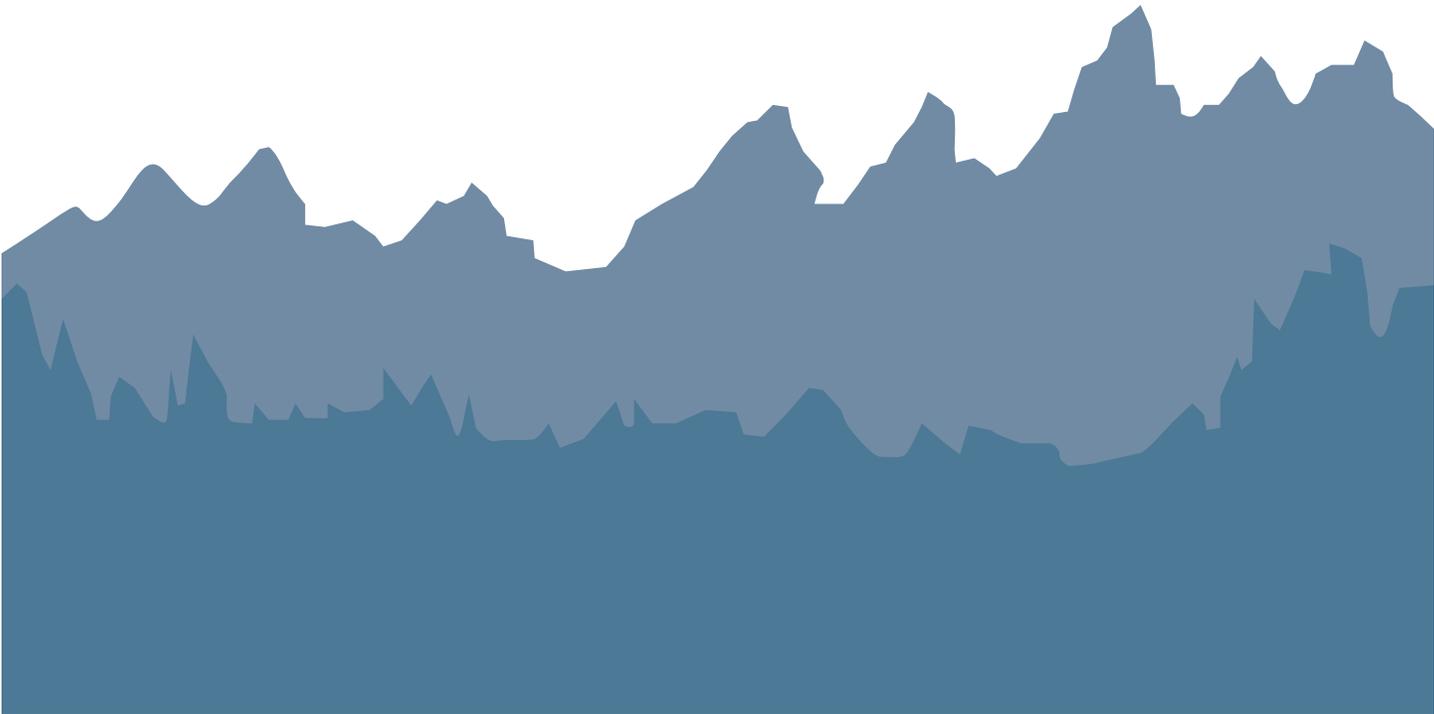
*Housing Requirement Actions*

- Update the mitigation requirement for residential development to a simpler standard based on floor area (see Housing Nexus Study).
- Update the mitigation requirement for commercial development to a standard that mitigates for year-round employee generation (Housing Nexus Study).
- Ensure Town and County requirements work together as a single, simpler system.
- Create zones where housing is the only allowed use in areas where the desired bulk and scale will allow for more density.
- Explore limits on the rate of residential and nonresidential growth to limit employee generation.
- Explore limiting the type of housing allowed in some zones to only those types most likely to be occupied by the workforce.



# CHAPTER 6

## HOUSING ACTION TIMELINE



# OVERVIEW

This Chapter identifies timing and priorities for the action items found in Chapters 1 -5. Along with a restatement of each action item is a parenthetical reference to the initiative with which the action is associated and who is primarily responsible for the action item.

## ACTION ITEMS TIMELINE

### FIRST 6 MONTHS (by July 1, 2016)

#### *Organizational Structure Actions (Chapter 1)*

- Amend the Resolution creating (and bylaws governing) the Teton County Housing Authority to establish a regional housing authority of the Town and County. (1, County Attorney)
- Work with the legislature to make necessary changes related to regional housing authority commission duties and structure. (1, County Attorney)
- Hire the Housing Director and staff (1, BCC Administrator)
- Appoint the Jackson/Teton County Housing Authority Board pursuant to statute regarding regional housing authorities (as potentially amended) and the direction of this Plan. (1, Board of County Commissioners/Town Council)
- Appoint the Housing Supply Advisory Board or ask the Jackson/Teton County Housing Authority Board to provide recommendations on housing supply. (1, Board of County Commissioners/Town Council)
- Hire the Housing Manager and staff (1, BCC Administrator/Housing Director)

#### *Housing Supply Actions (Chapter 2)*

- Identify potential land appropriate for housing development based on the Illustration of Our Vision Chapter of the Comprehensive Plan. (2B, Town/County Planning Director/Housing Director)
- Develop the initial 5-year supply plan as part of the FY16-17 Budget proposal based on housing need, including projected funding as well as target income categories and unit types. (2, Town/County Planning Director)
- Hire key staff and/or contractors needed to operate the Housing Supply Division. (2, Housing Director)

#### *Housing Management Actions (Chapter 3)*

- Hire key staff and/or contractors needed to operate the Housing Management Division. (3, Housing Director)
- Expand existing information to develop a full inventory of restricted units. (3A, Housing Manager)

#### *Funding for Housing Actions (Chapter 4)*

- Actions to establish and implement the Community Priorities Fund are being developed outside of this Housing Action Plan in coordination with transportation initiatives. (4A, Town/

## BCC Administrator)

### *Zoning for Housing Actions (Chapter 5)*

- Where multifamily character is allowed and desired (see map on page 5-4), move away from buildout projections and density limitations toward more flexible allowances within the allowed floor area and monitoring of units built. (5A, Town/County Planning Director)
- Allow ARUs in all Town and County zones with limits on size and/or density to ensure desired character. (5A, Town/County Planning Director)
- Update zoning in appropriate Comprehensive Plan subareas to find locations for density. For example, allow apartments in multifamily subareas as identified in the Comprehensive Plan (see map on page 5-4). (5A, Town/County Planning Director)
- Revise parking requirements to facilitate additional density for housing. (5A, Town/County Planning Director)
- Provide a density bonus for the preservation and production of workforce housing, such as additional height or floor area, or reduced landscaping, setback, or parking requirements. (5B, Town/County Planning Director)
- Implement an expedited approvals process for price-restricted housing projects. (5B, Town/County Planning Director)
- Implement automatic waivers from some fees for price restricted housing projects. (5B, Town/County Planning Director)

## FIRST 2 YEARS (by January 1, 2018)

### *Housing Supply Actions (Chapter 2)*

- Define “year-round” workforce. (2A, Housing Director)
- Work on a partnership model that allows the Town and County to stay out of the role of developer, yet ensures the security of the public investment in workforce housing. (2B, Housing Director)
- Identify existing developments appropriate for public subsidy for preservation as workforce housing. (2C, Housing Director)
- Identify housing projects for public investment as an employer. (2E, Housing Director)

### *Housing Management Actions (Chapter 3)*

- Adopt Jackson/Teton County Housing Management Guidelines with recommendations from the Jackson/Teton County Housing Authority Board. (3, Board of County Commissioners/Town Council)
- Develop restriction templates for price restricted and occupancy restricted units so that the terms are consistently located in all restrictions even if their content varies. (3B, Housing Manager)
- Explore contracting some management functions to a private property manager in coordination with non-profits and employers. (3A, Housing Manager)

- Lead a cooperative effort to develop a “Housing 101” presentation, given to new elected officials, board members, and the general public to provide baseline knowledge of the community housing efforts. (3C, Housing Manager)
- Develop a centralized and/or coordinated web presence describing all of the community’s housing efforts. (3C, Housing Manager)
- Visually communicate the demographic served. (3C, Housing Manager)
- Develop a single application for all subsidized housing programs and a system for distribution of the applications to providers. (3D, Housing Manager)

#### *Funding for Housing Actions (Chapter 4)*

- Review the housing indicators currently monitored and refine methodology as needed. (4B, Town/County Planning Director/Housing Director)
- Evaluate any variables likely to impact the supply of workforce housing that are not being monitored and develop a method for monitoring them. (4B, Town/County Planning Director/Housing Director)

#### *Zoning for Housing Actions (Chapter 5)*

- Review zoning against Fair Housing standards in coordination with the Housing Director. (5A, Town/County Planning Director)
- Develop incentives to avoid loss of workforce housing through redevelopment, such as allowing for retention of nonconforming density. (5B, Town/County Planning Director)
- Update the mitigation requirement for residential development to a simpler standard based on floor area (see Housing Nexus Study). (5C, Town/County Planning Director)
- Update the mitigation requirement for commercial development to a standard that mitigates for year-round employee generation (Housing Nexus Study). (5C, Town/County Planning Director)
- Ensure Town and County requirements work together as a single, simpler system. (5C, Town/County Planning Director)

## ONGOING or LONG-RANGE

#### *Housing Supply Actions (Chapter 2)*

- Update the 5-year Housing Supply Program annually. (2, Housing Director)
- Develop opportunities for buy downs, rehabilitation, reverse mortgages, conversion of trailer parks to microhousing, and other programs to restrict existing workforce housing, ensuring that there are programs for households in different income categories. (2C, Housing Director)
- Develop a program to ensure that restricted and employee provided workforce housing meets adequacy, suitability, and affordability standards. (2C, Housing Director)
- Explore a program to subsidize upgrades above minimum standards through technical expertise, loans, grants, or other means. (2C, Housing Director)
- Monitor the net loss (leakage) of workforce housing that is occurring. (2C, Town/County Planning Director/Housing Director)
- Enforce short-term rental prohibitions. (2C, Town/County Planning Director)

- Work with the public to gather information on what technical assistance programs would be most useful. (2D, Housing Director)
- Work with interested parties to catalyze an employee housing cooperative for employers who want to provide housing units but cannot develop housing on their own. (2D, Housing Director)
- Facilitate relationships between interested developers and employers. (2D, Housing Director)

#### *Housing Management Actions (Chapter 3)*

- Work with owners of existing restricted units to update restrictions consistent with new structure and Guidelines. (3A, Housing Manager)
- Review new restricted housing stock for minimum standards. (3B, Housing Manager)
- Develop a centralized and/or coordinated message on housing need, updated annually with indicator information. (3C, Housing Manager)
- Conduct community outreach inclusive of public workshops, sessions with employee groups, and consistent media appearances. (3C, Housing Manager)
- Consolidate all subsidized housing programs in a single interface so the workforce can understand requirements, qualifications, and prioritization. (3D, Housing Manager)
- Provide an opportunity for advertisement of private housing opportunities through the clearinghouse (advertisement may fund administration of the clearinghouse). (3D, Housing Manager)
- Inventory the standard of living in our workforce housing stock, market and restricted, especially at the lowest income categories. (3E, Housing Manager)
- Develop an education program for housing occupants and providers on Fair Housing standards and recourse. (3E, Housing Manager)
- Develop a maintenance and improvement program that provides assistance for the upgrade of housing stock for the lowest income categories so that it meets minimum livability standards. (3E, Housing Manager)
- Explore statutory options to develop adequate standard of living requirements. (3E, Housing Manager)

#### *Funding for Housing Actions (Chapter 4)*

- Ensure the Housing Director is familiar with programs and works to secure state and federal funding. (4C, Housing Director)
- Develop a technical assistance and support program to assist private housing providers seeking state and federal funds. (4C, Housing Director)
- Explore a real estate transfer tax and other funding options. (4D, Town/BCC Administrator)
- Support discussions of a statewide housing fund. (4D, Town/BCC Administrator)

#### *Zoning for Housing Actions (Chapter 5)*

- Avoid barriers to housing supply such as mixed-use requirements in favor of allowances. (5A, Town/County Planning Director)

- Eliminate change of use penalties that may be barriers to housing. (5A, Town/County Planning Director)
- Create zones where housing is the only allowed use in areas where the desired bulk and scale will allow for more density. (5C, Town/County Planning Director)
- Explore limits on the rate of residential and nonresidential growth to limit employee generation. (5C, Town/County Planning Director)
- Explore limiting the type of housing allowed in some zones to only those types most likely to be occupied by the workforce. (5C, Town/County Planning Director)



## HOUSING SUMMIT MATERIALS



## FOUNDATION

Appendix A1 presents an overview of the plans and studies that provide the foundation of the Housing Action Plan. The Housing Action Plan is an elaboration on the housing policies of the Jackson/Teton Comprehensive Plan. The data and recommendations at the foundation of the Plan is are largely a reference to the 8 housings studies that have been completed since 2007.

## DISCUSSION

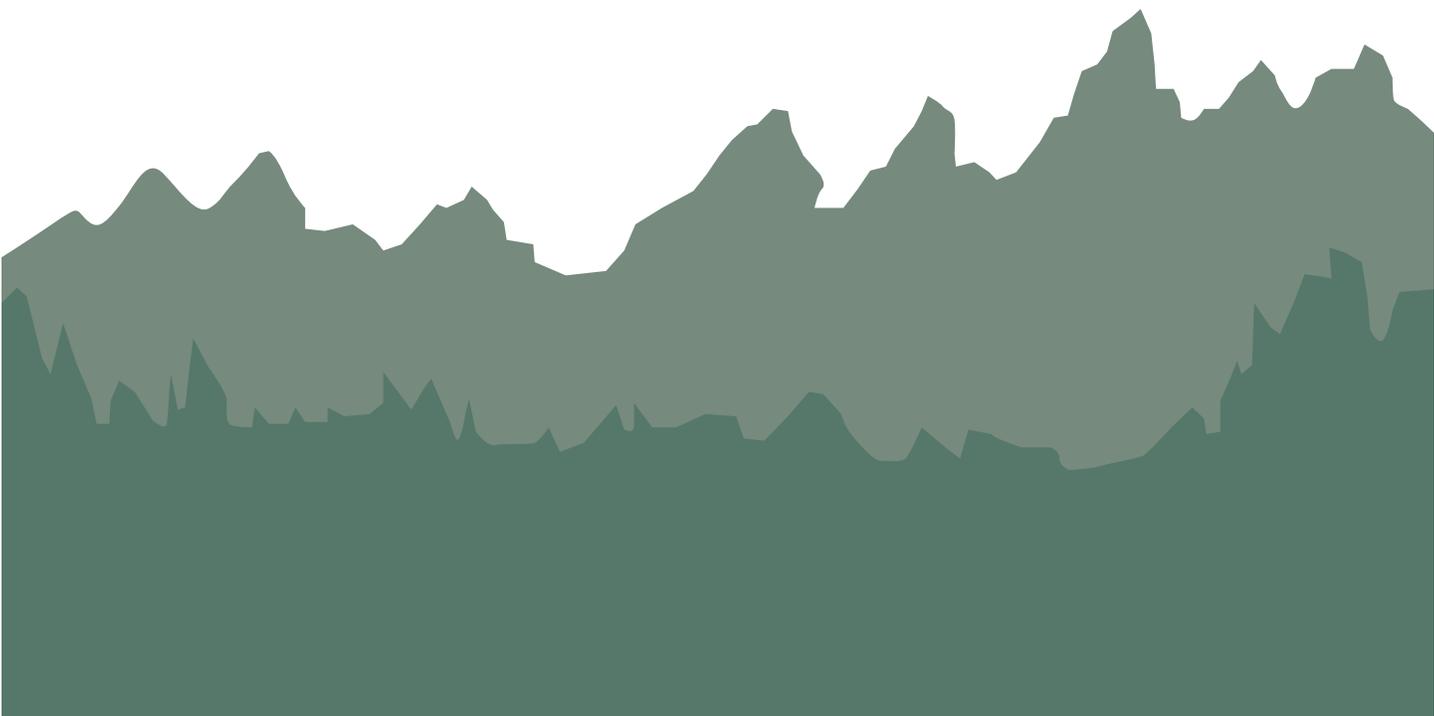
The discussion of the data and recommendations at the foundation of the Plan was the primary focus of the Housing Summit held May 20-21, 2015. The remainder of Appendix A organizes the analyses and recommendations identified in Appendix A1 into discussion of Objectives (A2), Tools (A3), and Providers (A4). Each chapter includes discussion on the topic of the chapter that introduces some new analysis but pulls from the eight housing studies cited in Chapter A1. Each chapter also includes key highlights from the eight housing studies related to the topic. Finally, each chapter includes a summary of the discussion of Town Council and Board of County Commissioners at the Housing Summit and a depiction of the working boards that were created.

On May 20-21, 2015 the Housing Summit was held to cure the community of its “analysis paralysis” and provide direction based on the best available information. This is not to say that a solution or silver bullet was identified, but it was time to discuss moving forward instead of rehashing the past. The Housing Summit was an unprecedented and collaborative effort of technical resources, stakeholders, and elected officials to: identify the trends and gaps in housing supply over the next 10 years, enumerate the opportunities and hurdles of available housing tools, and discuss the roles of housing providers. The Housing Summit opened with presentation of the analysis and housing study recommendations found in Appendix A. Following the presentation, stakeholders then elected officials completed four exercises to provide direction on housing objectives, tools, and providers. Part of the Housing Summit was acknowledging the gaps in our data and understanding and commitment to moving forward. Chapters A2-A4 represent the best information available at the Housing Summit. It was the analysis and discussion at the Summit that informs the conclusions and future actions of the Housing Action Plan.



# APPENDIX A:1

## POLICY GUIDANCE



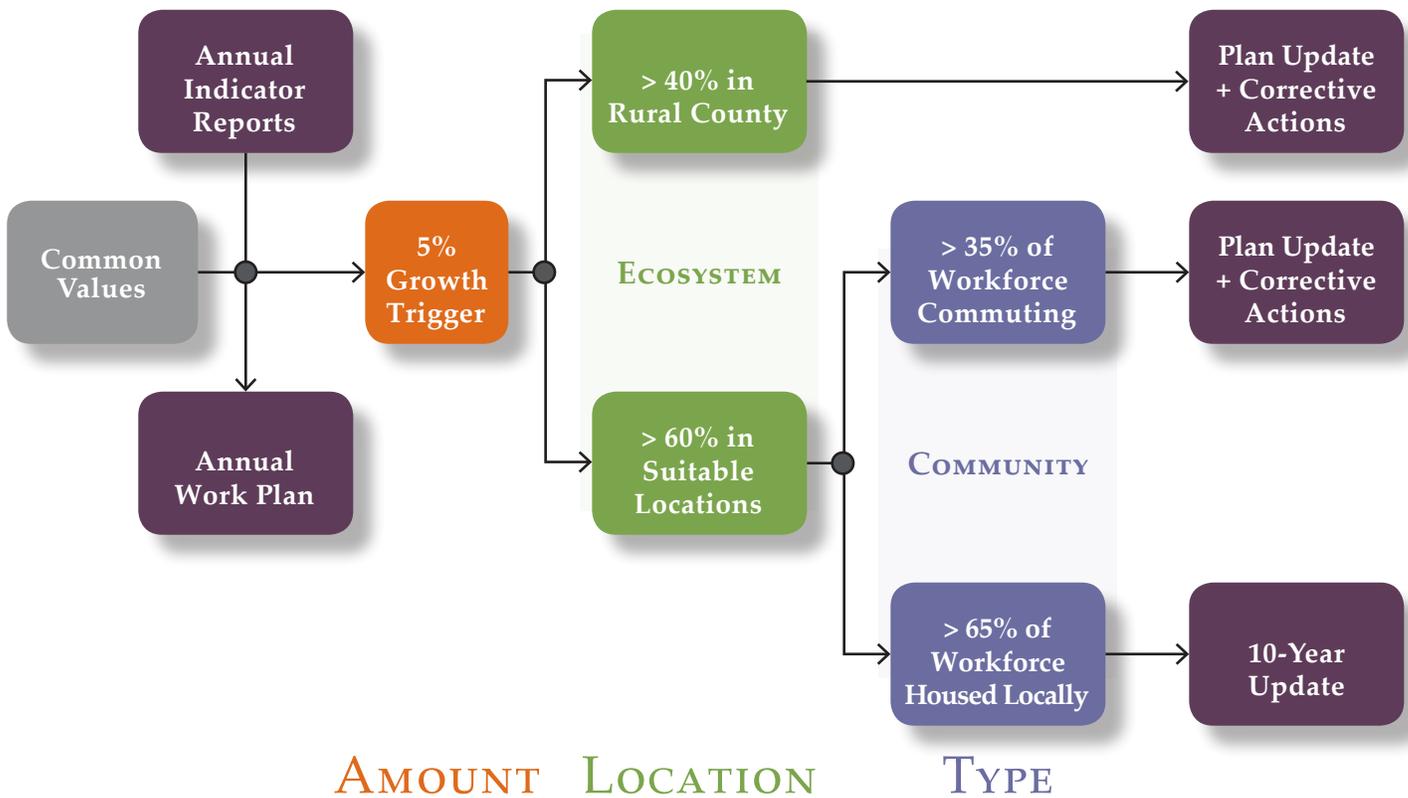
# COMPREHENSIVE PLAN DIRECTION

## Comprehensive Plan Vision

The vision of the Jackson/Teton County Comprehensive Plan is to “Preserve and protect the area’s ecosystem in order to ensure a healthy environment, community and economy for current and future generations.” In order for our ecosystem protection to result in a healthy environment, community, and economy, the community commits to achieving all three mutually supportive Common Values:

- Ecosystem Stewardship
- Growth Management
- Quality of Life

Based on a natural systems approach, the community commits to an honest and consistent analysis of the policies and strategies intended to achieve our Vision and desired community character (Jackson/Teton County Comprehensive Plan).



### **Comprehensive Plan Housing Policy**

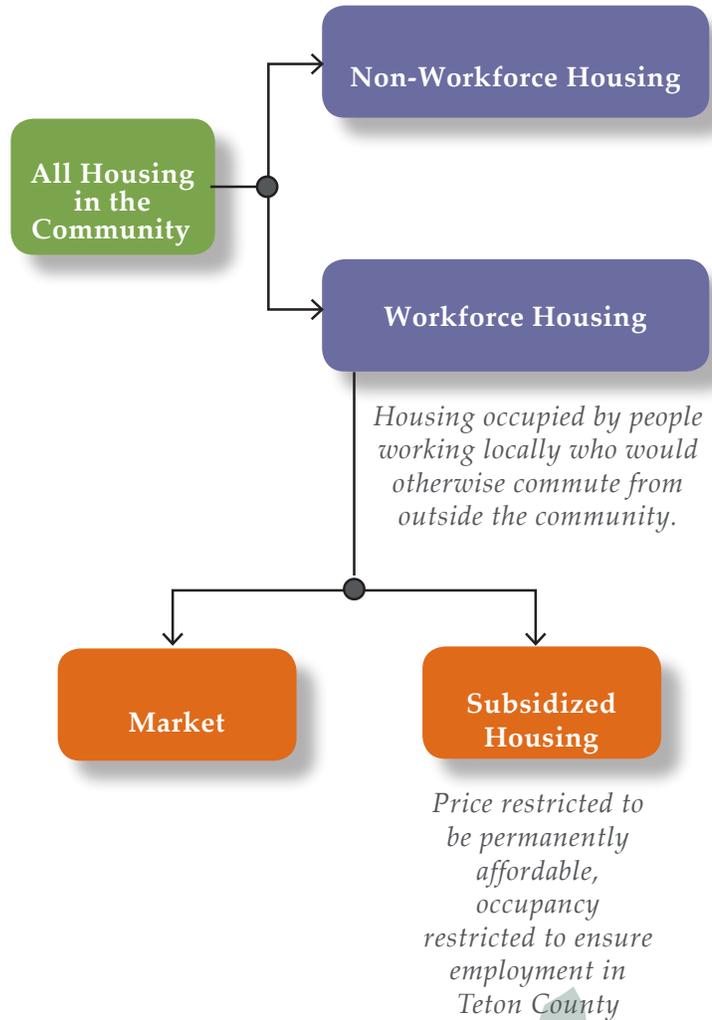
Jackson and Teton County have historically been characterized by a socially and economically diverse population, united by a community commitment to Ecosystem Stewardship, Growth Management, and Quality of Life. Daily interaction between year-round residents, second homeowners, seasonal workers, long-time families and new community members has become a defining characteristic that the community wants to preserve. In other mountain resorts, the loss of a local workforce and associated diversity has indicated the loss of a sense of community.

By ensuring that at least 65% of the area workforce lives locally, the existing valued community character can be maintained. Retaining a resident workforce supports all of the community's Common Values. It protects the ecosystem from the impacts of long commutes by responsibly locating housing and jobs in our Complete Neighborhoods, and a resident workforce is more likely to invest socially, civically, and economically in the community in which they live. Providing housing opportunities that support a resident workforce will help to maintain an economically and socially diverse population with generational continuity – characteristics of a healthy community with a high Quality of Life and visitor experience. Additionally, offering a variety of housing options allows residents to stay in the valley long-term. The stability and cultural memory brought by long-term residents aids in achievement of the community's Common Values by integrating understanding and appreciation of where we have been with efforts for the future.



*“Ensure a variety of workforce housing opportunities exist so that at least 65% of those employed locally also live locally.”*

Lack of housing that is affordable is a primary reason many local employees choose to commute. Over the past 25 years land values in Jackson and Teton County have risen faster than local wages. The median home price has grown from 354% of the median income in 1986 to 1,400% in 2010. As a result, many people cannot afford to live in the community. Over the same period, the number of commuters has grown from less than 10% to 33% of the local workforce. The formal housing program established by the 1994 Comprehensive Plan has successfully used regulations, incentives, and additional funding to create restricted housing opportunities to date. The community must continue these efforts, but must also broaden efforts to consider all available market, restricted, and cooperative solutions if we are to maintain our resident workforce and the community character it provides. (Jackson/Teton County Comprehensive Plan)



### **Principle 5.1 - Maintain a diverse population by providing workforce housing.**

We will ensure that at least 65% of the local workforce lives locally to maintain a diverse local population, an important aspect of our community character. Providing quality housing opportunities for the local workforce sustains the socioeconomic diversity and generational continuity that preserve our heritage and sense of community.

*Policy 5.1.a: House at least 65% of the workforce locally*

*Policy 5.1.b: Focus housing subsidies on full-time, year-round workers*

*Policy 5.1.c: Prioritize housing for critical service providers*



### **Principle 5.2 - Strategically locate a variety of housing types.**

Our diverse population will continue to require a variety of housing types throughout the community. Housing options should include both ownership and rental opportunities, as well as both restricted and market housing. The strategies employed to meet the community's housing goal will be consistent with the Ecosystem Stewardship and Growth Management policies of the Comprehensive Plan.

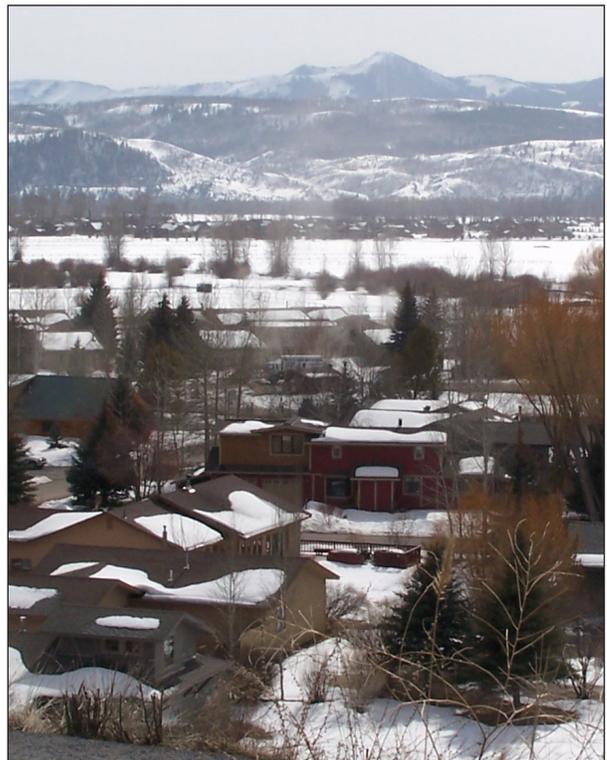
*Policy 5.2.a: Provide a variety of housing options*

*Policy 5.2.b: Housing will be consistent with Character Districts*

*Policy 5.2.c: Provide workforce housing solutions locally*

*Policy 5.2.d: Encourage restricted rental units*

*Policy 5.2.e: Allow accessory residential units (ARUs) and County guesthouses*



### **Principle 5.3 - Reduce the shortage of housing that is affordable to the workforce.**

A shortage of housing that is affordable to the workforce is a result of many factors. In order to meet our primary housing goal, the community will regularly monitor the affordability and occupancy of our housing stock to understand and adapt to the forces contributing to such shortages. We will mitigate impacts from new development, preserve existing workforce housing, and create new restricted housing opportunities to avoid and reduce shortages of housing opportunities that are affordable to the local workforce.

*Policy 5.3.a: Mitigate the impacts of growth on housing*

*Policy 5.3.b: Preserve existing workforce housing stock*

*Policy 5.3.c: Create workforce housing to address remaining shortages*

One of the key policies under this principle is continuing and updating the Town and County's current requirements on new development to ensure the need it creates for affordable workforce housing is mitigated. The Residential Affordable Housing Standards, and the Employee Housing Standards of the Town and County's Land Development Regulations set out specific requirements for affordable workforce housing as part of new developments. (Clarion 2013)

### **Principle 5.4 - Use a balanced set of tools to meet our housing goal.**

The community will create a balanced plan for monitoring and addressing workforce housing issues in order to achieve our housing goal. Both market and restriction based solutions will be incorporated in a balanced combination of regulations, incentives, funding, and cooperative efforts, with no one tool prioritized over any others.

*Policy 5.4.a: Create a community housing implementation plan or key action plan*

*Policy 5.4.b: Avoid regulatory barriers to the provision of workforce housing*

*Policy 5.4.c: Promote cooperative efforts to provide workforce housing*

*Policy 5.4.d: Provide incentives for the provision of workforce housing*

*Policy 5.4.e: Establish a reliable funding source for workforce housing provision*

In particular, Policy 5.4.a: directs the creation of this Housing Action Plan. This Action Plan is to be a coordinated effort of the Town, County, all local housing agencies and organizations, and other workforce housing stakeholders. It is to accomplish the following:

- Evaluate the costs and benefits of various housing tools
- Establish a system for monitoring the success of tools in meeting our housing goal
- Establish the roles of various entities, including the free market, in meeting the housing goal

## STUDIES/WORK TO INFORM THE ACTION PLAN

Eight recent studies are available to inform this Housing Action Plan. These studies are summarized in the sections below. They provide recommendations for how to meet the goals of the Comprehensive Plan and provide a resource in answering the hard questions related to housing in Jackson and Teton County. The studies are available on the Town/ County long-range planning website: [www.jacksontetonplan.com](http://www.jacksontetonplan.com).

The studies highlighted in this plan are:

- 2013-2014 Housing Action Plan Stakeholder Group Work
- 2007 Housing Needs Assessment
- 2010 Housing Jackson Hole - Strategies to keep two-thirds of the Teton County workforce living locally
- 2013 Teton County & Town of Jackson Employee Generation by Land Use Study (Nexus Study)
- 2014 Western Greater Yellowstone Regional Housing Needs Assessment
- 2014 Western Greater Yellowstone Regional Analysis of Impediments
- 2014 Assessment of Workforce Housing Provision and Management – Jackson/ Teton County Wyoming
- 2015 Affordable Housing Review Draft (Opatrny Study, private)



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OBJECTIVES: HOUSING SUPPLY + NEED



# INTRODUCTION

Chapter A2 presents potential objectives for the workforce housing program classified by rental and ownership housing units and broken into income categories relative to Area Median Income (AMI). The discussion at the Housing Summit focused on understanding supply and demand for workforce housing in the community now and in the future. This discussion was based on the approximate numbers and recommendations presented here. The tables provide a visual representation of where we are in the process and how to move forward to achieve the housing objectives.

The potential objectives of the Housing Action Plan are focused on assessing the current condition of housing in the Town of Jackson and Teton County, establishing projected housing supply and need, and identifying what will have to be done to close the gap.

In comparing Jackson/Teton County with other resort communities where workforce housing has been a challenge, there are examples where a strong and broad-based program is in place, and others that have been less successful but have still produced significant results. Aspen and Whistler show the largest percentage of housing units that are restricted to the workforce, however there is a large variation in the percentage of workforce housed in those two communities: Aspen at 47%, and Whistler at 81%. Meanwhile, Summit County, Colorado houses 97% of its workforce locally with a lower percentage of restricted units and fewer tools. Jackson/Teton County is in the middle of the group at approximately 62% of the workforce being housed locally.



All numbers presented in the tables below are rounded so as not to give the impression of precision, projections are estimates meant to inform policy decisions. The purpose of providing these projections is for the community to understand what direction it needs to take to make progress on the meeting the target of housing 65% of the workforce locally.

## DEMAND

Strategy 5.4.S.1 of the Comprehensive Plan is to adopt a 10-year coordinated workforce housing action plan. In the next 10 years **projections indicate the** need to double the amount of production of workforce housing that we have provided in the recent past.

### PROJECTED ANNUAL WORKFORCE HOUSING DEMAND 2015-2024

	Total	<50%	50-80%	80-120%	120-150%	>150%
Annual Demand	280	30	40	130	40	40
Ownership	165	10	20	80	25	30
Rental	115	20	20	50	15	10

The distribution of ownership and rental units by income group presented in the table above reflects the current distribution. **However,** recommendations from the eight housing studies suggest that the community’s housing objectives should move more toward the provision of rental product in the future.

Of those 280 units, 30 result from catching-up from our current deficit. Two hundred (200) are the result of employment growth, and the remaining 50 are the result of the pending retirement of the baby boomers. Providing catch-up units and anticipating retirement are new demands on workforce housing provision.

### SOURCE OF PROJECTED ANNUAL WORKFORCE HOUSING DEMAND 2015-2024

	Total
Annual Demand	280
Catch-Up	30
Employment Growth	200
Retirement	50



# CATCH-UP

## SOURCE OF PROJECTED ANNUAL WORKFORCE HOUSING DEMAND 2015-2024

	Total	<50%	50-80%	80-120%	120-150%	>150%
Annual Demand	30	8	0	20	0	2

The 30 units per year of catch-up demand are the result of a current deficit of approximately 340 units needed to house 65% of the workforce locally. The **survey data collected for the 2014** Regional Housing Needs Assessment indicates that only about 62% of the workforce lives locally. This number is consistent with recent US Census Bureau estimates, as well as indications by the trends in job growth compared to employee growth. It is also consistent with the deficit we would expect given that job growth out of the recession has outpaced housing growth. This catch-up number does not address overcrowding, condition of home, cost-burden, or other existing housing deficiencies identified in the 2014 Regional Housing Needs Assessment. Nor does the catch-up number include a projection of units that will leak out of the workforce housing pool as second homes.

### Employment Growth

The 200 units from employment growth are based on a 2.1% annual employment growth rate that is consistent with our average annual growth rate over the past 10 years. Short-term growth will likely out-pace this projection, but should stabilize over the course of the Action Plan implementation. When we include the peaks and valleys of the past ten years, housing growth, job growth, and nonresidential floor area growth are remarkably consistent.

### Retirement

The 2014 Regional Housing Needs Assessment indicates that approximately 600 resident workers will retire in the next 5 years and that another 440 (total 1,040) will retire by 2025. Those jobs will be filled, however in order to maintain a resident workforce, they must be filled by residents. The 1,040 workers that move into the vacated jobs will demand 574 units. Some of those units may already exist and may become available as they are vacated by the retirees. Other retirees will retire in place, removing their housing stock from the workforce housing pool. Other housing stock currently occupied by retirees will no longer be affordable to the new workers moving into the vacated positions.

## SUPPLY

Teton County has approximately 8,400 resident workforce households based on the 2014 Regional Needs Assessment and Census data. The 2014 Regional Needs Assessment tallied the current stock of “restricted” (not necessarily deed restricted – for example: employer units restricted by the nature of their ownership, and ARUs restricted by the LDRs are included) workforce housing at about 1,400 units. This means that about 17% of the workforce housing stock is restricted and the other 83% is provided by the free market.

### 2014 SUPPLY OF WORKFORCE HOUSING

	Total	<50%	50-80%	80-120%	120-150%	>150%
<b>Workforce Households</b>	8,390	860	1,390	3,440	1,340	1,360
Number Restricted	1,410	200	270	840	100	0
Percentage Restricted	17%	23%	19%	24%	7%	0%
<b>Owned Workforce Households</b>	4,750	390	610	1,730	840	1,180
Number Restricted	520	20	130	270	100	0
Percentage Restricted	11%	5%	21%	16%	12%	0%
<b>Rented Workforce Households</b>	3,640	470	780	1,700	500	180
Number Restricted	970	260	140	570	0	0
Percentage Restricted	27%	55%	18%	34%	0%	0%

From 2007 to 2014, an average of 108 units of restricted workforce housing were provided each year. Of those 108 units provided annually, approximately 38% (or 41 units per year) were provided by major employers. While some of these units were new, many if not most, were the restriction of existing units. Over the same time period we only added an average of 130 total units per year. Even after discounting for restriction of existing units to assume that only about 70 (108-41=67) new restricted units were produced annually, these numbers indicate that about half of units constructed in the past seven years have been restricted.

### JACKSON/ TETON COUNTY WORKFORCE HOUSING UNIT PRODUCTION

	2007-2014	Percent of 2007-2014 Total	Per Year
TCHA Developed	14	2%	2
Habitat	18	2%	3
JHCHT	20	3%	3
Live/ Work	21	3%	3
ARU's	42*	6%	6
TCHA Regulatory	63	8%	9
Regulatory	114	15%	16
Tax Credits	178	23%	25
Major Employers	286	38%	41
<b>2007-2014 Total</b>	<b>756</b>	<b>100%</b>	<b>108</b>

*\*The inventory of ARU's in the 2007 Needs Assessment was 141, but the 2014 TCHA inventory is only 96, and 42 have been registered since the beginning of 2007, so 87 ARU's are "missing" from the TCHA inventory.*

Production of restricted rental units has outpaced production of restricted ownership units over the past seven years, due in large part to the number of units provided by employers.

### JACKSON/ TETON COUNTY WORKFORCE HOUSING PRODUCTION BY TENURE

	2007-2014		2014 Total	
	Units	%	Units	%
Rental	578	76%	950	64%
Ownership	178	24%	538	36%
<b>2007-2014 Total</b>	<b>756</b>	<b>100%</b>	<b>1488</b>	<b>100%</b>

## KEY HIGHLIGHTS

The following provides an overview of key highlights from the eight housing studies related to housing supply and needs.

### **Stakeholder Supply and Need Considerations**

At their first meeting in March 2013 the Housing Action Plan Stakeholder Group developed the following considerations related to housing:

#### *Number of Units (Pace of Development)*

Keep pace with new job generation from residential and commercial production plus projected loss of workforce housing stock to retirees, non-local residents, lodging, demolition, redevelopment, etc. Track pace of workforce housing development annually in monitoring plan.

#### *Income Targets*

Create opportunities for workforce housing market solutions to the largest extent possible. Historically, the market has been unproductive at providing ownership opportunities below 120% AMI and rental product below 80% AMI. Publicly subsidized housing programs should target these underserved markets with attention focused on the lower income ranges.

#### *Workforce Priorities*

Continue to prioritize critical service providers in the publicly subsidized housing programs. Additionally, the selection process for the publicly subsidized housing programs should be objective, equitable, and prioritize years working in valley, time looking for a home, and bedroom size. Employers should be encouraged through technical assistance and other incentives to provide housing in accordance with their priorities.

#### *++Owner/Renter Mix*

Strive for a recommended equal mix of ownership and rental product to meet employer priority for rental housing and entry-level for-sale housing for year-round employees. A higher percentage of rental units for seasonal workers and a higher percentage of ownership units for year-round workers will better suit their respective needs and be more cost effective to construct.

#### *Bedroom Mix*

Encourage a mix of bedrooms to serve different segments of the workforce across the spectrum. In other words, an equal mix of bedrooms in the lower income ranges as well as the higher levels. Publicly subsidized units should include larger units (2+ bedrooms) as the emphasis with this product is year-round employees and allows greater movement within workforce housing programs.

#### *Type/ Quality Design*

Consider providing a variety of housing types that fit within the existing character of the neighborhood. Address inadequate market workforce housing stock.

#### *Location*

Consider locating workforce housing within complete neighborhoods according to the Character Districts.

## Other Recommendations

- Understand the demographic spectrum of needs (by profession, income, status): Maintain versatility in the type of products developed and specifically target housing for priority groups, recognizing that housing requirements differ considerably among socio-economic and demographic groups.
- Enable all housing providers to create workforce housing opportunities at adequacy, suitability and affordability standards.
- Preserve existing workforce housing stock and ensure that it meets provides a variety of unity types integrated within Complete Neighborhoods.
- Be Creative with Seasonal Rental Housing Solutions. Provide options for summer workers, such as onsite seasonal housing, lofts/apartments in refurbished industrial areas, or other high density, summer workforce housing.
- Incentivize development of rental opportunities in the free market through zoning, fee waivers, funding and technical advice and offer opportunities for entry level ownership housing.
- Recognize market trends and adapt policies and regulations to tap into the market. Encourage residential development that most effectively generates affordable housing such as developments of 120 or more acres. Continue to implement important mitigation tools as they shift from the County to the Town.
- Adopt a no net loss policy that includes the replacement of existing dwelling units (for example if they have been razed for redevelopment), as well as mitigation requirements imposed on new development.
- Address the housing issue and strive to house 65% of the workforce locally by being methodical, respecting neighbors, and slowly putting units on the ground.
- Increase Production of Restricted Units. Additional units, both rental and ownership, are now needed. Demand for workforce housing is out pacing the development of workforce housing. The rental market is the most out of balance at this time, meaning initial efforts should be focused on rentals; however, within a few years, ownership demand should equal or exceed rental demand.
- Improve resident education about the availability of ADA accessible and adaptable units and support programs that help households with disabilities afford needed renovations. Explore partnerships and opportunities to leverage resources with Habitat for Humanity.
- Evaluate improving transportation options available to residents to provide access to services and options to commuters.
- Works towards a provision of workforce housing that keeps up with the increase in demand.
- Encourage the use of “% of AMI” categories in the delivery of low income subsidized housing (typically rental housing). This approach, also called “rent geared to income”, recognizes the importance of keeping monthly rent in the order of 30% of household income. A monthly subsidy may still be required to achieve this. Deed-restricted ownership housing is intended to take the place market homes that are no longer affordable to the workforce. These households can afford to pay to own their housing, just not at the prices the market is charging.

## HOUSING SUMMIT DIRECTION

Based on projected demand, status quo housing provision would lead to an annual decrease of about one percentage point in the percentage of the workforce living locally. It should be acknowledged that 2007-2014 was largely defined by a time of recession and recovery, but all indicators point to the need for an increase in workforce housing provision.

Participants in the Housing Summit discussed the objectives for workforce housing in the community now and in the future. Objectives were discussed in relation to rental and ownership uses and in terms of which tools can be implemented to achieve the designated objectives. The discussion focused on targeting subsidies towards lower-income categories and the cost of subsidies. The chart on the following pages illustrates the tools emphasized for each income category and the supply objectives. The bullets below summarize the discussion of the exercise.

- Zoning and other market-based tools are key in addressing the higher end of the housing spectrum
- Public subsidies should be strategically focused on the lower income categories; it is difficult, but is the role of government
- Rental housing opportunities address the entire housing spectrum
- Focus subsidies based on need indicated through monitoring
- Address needs for adequate housing at the lowest income levels

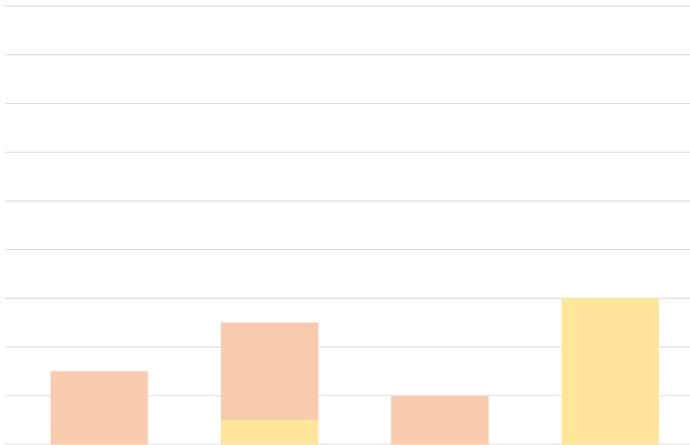


# SUPPLY AND DEMAND



# APPROPRIATE TOOLS

< 50% AMI		50-80% AMI		80-120% AMI	
Rental	Owner	Rental	Owner	Rental	Owner
• Subsidize Housing Development	• Subsidize Housing Development	• Technical Assistance	• Technical Assistance	• Technical Assistance	• Technical Assistance
• Tax Credits and Other Fed/State Funds	• Preservation	• Land Acquisition	• Density Bonus	• Density Bonus	• Density Bonus
• SPET Secondary Additional	• SPET Secondary Additional	• Preservation	• Land Acquisition	• Land Acquisition	• Land Acquisition
• Residential Inclusionary	• Residential Inclusionary	• Granting	• Granting	• Granting	• Granting
• Residential Linkage	• Residential Linkage	• Subsidize Housing Development	• Subsidize Housing Development	• Subsidize Housing Development	• Subsidize Housing Development
• Commercial Linkage	• Commercial Linkage	• Private Donations & Grants	• Private Donations & Grants	• Private Donations & Grants	• Private Donations & Grants
• Consistent Predictable Process	• Consistent Predictable Process	• Dedicated Sales Tax	• Dedicated Sales Tax	• Dedicated Property Tax	• Dedicated Property
• No Net Loss	• No Net Loss	• Tax Credits and Other Fed/State Funds	• Dedicated Property Tax	• SPET Secondary Additional	• Dedicated Sales Tax
• Public Private Partnerships	• Public Private Partnerships	• Dedicated Property Tax	• SPET Secondary Additional	• Commercial Linkage	• SPET Secondary Additional
• Education	• Education	• Residential Inclusionary	• Residential Inclusionary	• ARUs	• Commercial Linkage
• Flexible LDRs	• Flexible LDRs	• Commercial Linkage	• Residential Linkage	• Rental Zoning	• Zone for Density
• Trailer Parks/Microhousing	• Trailer Parks/Microhousing	• Residential Linkage	• Commercial Linkage	• Consistent Predictable Process	• Consistent Predictable Process
• Rental Development Incentives	• Rental Development Incentives	• Consistent Predictable Process	• Zone for Density	• No Net Loss	• No Net Loss
		• No Net Loss	• Consistent Predictable Process	• Public Private Partnerships	• Public Private Partnerships
		• Public Private Partnerships	• No Net Loss	• Education	• Education
		• Education	• Public Private Partnerships	• Flexible LDRs	• Flexible LDRs
		• Flexible LDRs	• Education	• Trailer Parks/Microhousing	• Trailer Parks/Microhousing
		• Trailer Parks/Microhousing	• Flexible LDRs	• Rental Development Incentives	• Rental Development Incentives
		• Rental Development Incentives	• Trailer Parks/Microhousing		
			• Rental Development Incentives		



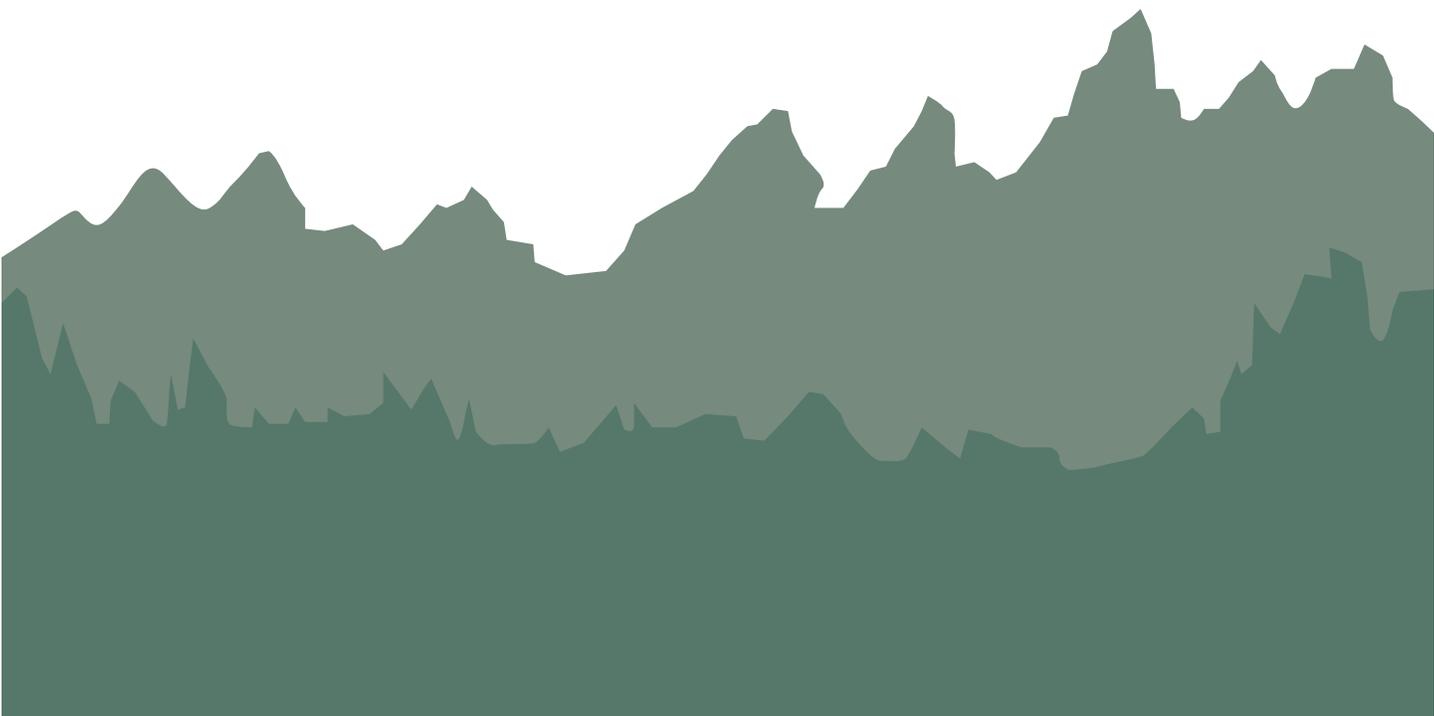
120-150% AMI		> 150% AMI	
Rental	Owner	Rental	Owner
• Density Bonus	• Density Bonus	• Density Bonus	• Density Bonus
• Angel Fund	• Angel Fund	• Angel Fund	• Angel Fund
• Subsidize Housing Development			
• Rental Zoning	• Rental Zoning	• Rental Zoning	• Rental Zoning
• Consistent Predictable Process			
• No Net Loss			
• Public Private Partnerships			
• Education	• Education	• Education	• Education
• Flexible LDRs	• Flexible LDRs	• Flexible LDRs	• Flexible LDRs
• Trailer Parks/ Microhousing			
• Rental Development Incentives			

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# APPENDIX A:3

## ANALYSIS OF TOOLS





## INTRODUCTION

Chapter **A3** presents existing and potential tools evaluated at the Housing Summit based on costs and benefits of efficiency and effectiveness in preserving and producing housing across the housing spectrum. Tools can be further characterized by cost, complexity, and provision of housing. Each tool is described in the following pages. Direction from the Housing Summit concludes the Chapter.



### Tools Analysis

The tools presented in this chapter are options for implementing the workforce housing program organized by the following categories:

- Mitigation
- Funding Sources
- Uses of Public/Non-Profit Funds
- Zoning
- Incentives

Each tool represents a vehicle to implement the recommendations of the Housing Action Plan, and provides benefits to the community.

To achieve a goal of 65%, a variety of tools must be utilized. The availability of workforce housing is the result of a combination of market opportunities and many tools (zoning, commercial mitigation, federal housing programs, bonuses, incentives, private employer initiatives, and the work of local housing organizations, to name a few). The combination of these tools works best when balanced with other community values.

This community has been fortunate to have a variety of tools available to address housing our workforce. Some strategies have been more successful during strong economic times, and others in weaker economies. Housing tools include market solutions, regulations, and funding sources that have led to a variety of housing options. Tools are often combined when they can leverage each other's strengths.

A variety of tools is necessary as not all tools work for all situations. For example, several large workforce housing developments were proposed but not approved because of the perceived cost to the community in terms of traffic, wildlife habitat or other values which outweighed the benefits of proposed housing.

## Use of Housing Tools in the Past

According to the 2014 Teton County Housing Needs Assessment, prior to 2007 52% of restricted workforce housing production came from commercial and residential mitigation requirements, 33% through incentives (ARU's, units built by employers, density bonus, planned unit developments) in Land Development Regulations (LDR's) and 16% through unrequired or voluntary efforts by housing providers. Mitigation requirements and incentives work very well during periods of strong development and Jackson/Teton County should be commended for harnessing that development strength to produce workforce units. As development slowed after 2007, the situation began to change.

### JACKSON/ TETON COUNTY WORKFORCE HOUSING PRODUCTION TOOLS (2007-2014)

	2007-2014	%	Pre-2007
Residential Mitigation	81	11%	52%
Commercial Mitigation	79	10%	52%
Incentive	80	11%	32%
Tax Credits	178	24%	-
Habitat/ JHCHT/ TCHA	52	7%	-
Other Voluntary	286	38%	16%
<b>2007-2014 Total</b>	<b>756</b>	<b>100%</b>	<b>100%</b>

In the last seven years, production through mitigation requirements and incentives has dropped from 84% (prior to 2007) to 32%. Voluntary production has dramatically increased largely due to rental units being used by large employers. Only 7% of the units created in recent years that did not relate to mitigation have come from the efforts of the three housing providers: Habitat/JHCHT/TCHA. 38% (286 units) is presumed to have been voluntary from employers. However, there is no central registry or inventory of those units, and it appears no formal restriction on their occupancy nor use exists other than those imposed by the employer.

## General Highlights on Tools

The following provides an overview of key highlights from the eight housing studies related to housing tools.

- Utilize the following array of tools to help the community achieve its housing goals: commercial mitigation, residential mitigation, ARUs (County, AR Zone, and Town), land development regulations, and lodging overlay.
- Conduct thoughtful and strategic development of housing through the continued use of a balance of all the existing tools to be effective during both up and down markets. Respect neighborhood conservation by including neighbor input from the beginning of any workforce housing development.

## MITIGATION

Mitigation tools are zoning provisions in LDRs that require workforce housing to offset impacts. Mitigation has produced 23% of restricted housing since 2007. (Wake Assessment)

### *Residential Inclusionary*

In a residential inclusionary requirement a percentage of new residential units are required to be workforce housing. The requirement is typically construction units. Currently 25% of new residential units are required to be deed restricted to be affordable at 80%-120% AMI and occupied by a member of the local workforce. Residential inclusionary housing can be applied to require either ownership or rental units, although ownership is more common. Requirements can be complex and determining compliance is staff intensive. Residential inclusionary housing is only effective if density is increased, however the benefit is that the developer builds the units instead of the public having to turn a fee into a unit.

### *Residential Linkage*

Residential linkage is a requirement to provide workforce housing based on employee generation from new residential construction. Requirements are typically in the form of a fee and increase with house size. This tool is not widely used in Jackson and Teton County. Residential linkage fees can yield either ownership or rental units, however rental is most common with this tool. The income category for residential linkage is typically less than or equal to 80% because it is typically designed to mitigate the impact of employees generated to maintain property, who often have lower incomes. This housing type is used to house low wage workers, but could be used in any spectrum. Costs are broadly spread among all new homes, with housing additions and construction paying for units.

The process is simple to administer - if collecting a fee, but turning the fee into units requires administration. Yet residential linkage provides several benefits. For example, there is flexibility in how funds can be spent, construction is more stable than a density increase, and there is the potential for more funding than inclusionary housing. In addition, fees can be used to leverage other funding opportunities.

### *Commercial Linkage*

Commercial linkage is the requirement to provide workforce housing based on employee generation from new commercial development. In the Town/ County's current program, mitigation rates, which vary by industry, are set to house seasonal workers who cannot afford market rent (based on 1994 Needs Assessment). Mitigation units are required to be deed restricted to be affordable at less than or equal to 120% AMI and occupied by a member of the local workforce. However, commercial linkage does not have to be intended for seasonal employees only, in fact most programs focus on all employees or year-round employees. Commercial linkage housing can be applied either through ownership or rental units. Like residential linkage, rental is most common with most programs targeting lower income categories than our current programs. This tool can be simple, employers pay when they expand, but current regulations and guidelines need substantial modification as they are overly complex and confusing. If collecting a fee, turning the fee into units requires administration. Benefits are currently significantly lower than they could be, but potential benefits are high if the focus is on year round workers. Fees can be used to leverage other funding.

## Mitigation Highlights

The following provides an overview of key highlights from the eight housing studies related to mitigation.

- Apply updated residential mitigation fees to County building permits issued on lots platted prior to 1997, lots formed through the family subdivision exemption, and homes permitted on 35-acre tracts. Include lots created outside the subdivision process in a comprehensive residential mitigation program.
- Apply commercial mitigation throughout the County and require standards from all commercial development throughout the County to provide consistency at the community level.
- Modify the residential mitigation fees to base requirements on floor area rather than bedrooms. Ensure residential mitigation requirements are commensurate with the size of home. Mitigation requirements should be assessed at time of plat for new development and should be based on the maximum FAR allowed per the subdivision plat.
- Update commercial mitigation to reflect current year-round employment levels. The standards should be updated to reflect current employment ratios and should be aggregated to simplify the administration, such as accounting for changes in use over time.
- Update commercial mitigation regulations to allow ownership units to meet mitigation requirements. Allow commercial developers to choose to build ownership or rental housing, depending on the needs of their commercial operations and their resources for property management.
- Simplify commercial mitigation requirements to eliminate review of changes in use. Consolidate the different categories of uses to simplify the program while maintaining its effectiveness.
- Revise the commercial mitigation requirements to be consistent between the Town and County, ultimately providing a square footage based requirement that can be easily quantified and enforced that is an accurate reflection of the employees to be housed.
- Lower the AMI cap for rental mitigation from 120% to 80% of AMI.
- Increase the residential and commercial mitigation standards above the current 15 % level to 40%.
- Update residential and commercial affordable housing fees to reflect current market conditions.
- Update commercial mitigation regulations to allow ownership units to meet mitigation requirements. Allow commercial developers to choose to build ownership or rental housing, depending on the needs of their commercial operations and their resources for property management.
- Formalize the selection of mitigation methods, requiring developers to construct the required housing on site. Update mitigation fees, restrict mitigation payments and require more on-site development.
- Develop rental, ownership, and seasonal housing developments that business owners and small-scale developers can buy into to fulfill their mitigation requirements.

## FUNDING SOURCES

All projects built by the Housing Authority have included some subsidy by the community taxpayer. Teton County and Jackson are blessed with significant financial resources - the question is how best to harness them in a fair and equitable way to address housing solutions. Teton County has a Specific Purpose Excise Tax approved by voters through which various community projects and programs are funded. Revenues from this tax have twice been allocated to TCHA for workforce housing, in 2001 for \$9.3 million and in 2006 for \$5 million. Options to fund the organizations that deliver housing include the following:

- A 1% sales tax (only 6 of 7% available is being used currently)
- A 1% Local Option Tax (SPET)
- A portion of the Lodging Tax (housing has a direct impact on Tourism)
- A 0.5% Real Estate Transfer Tax (would require amendment of state statute)
- A 1 mill levy on property tax in the Town

### *Angel Fund*

The Angel Fund (AKA L3) is a for-profit social enterprise with the goal of performing a socially beneficial purpose. Angel Fund developers are not currently providing housing in Teton County, and we are unaware of comparable communities using this type of resource. Angel Fund can be used for both ownership or rental units. While ownership provides a quick return, rental is a long term investment. The income category (AMI) for Angel Funds would be greater than 100%. because projects must generate a return on investment for the tool to work. Start-up time and expenses are required, as well as administration. This is not a public cost but there is limited applicability because of the need to generate a return. This tool may have greater potential when financing is more expensive.

### *Private Donations and Grants*

Private donations and grants are tax deductible contributions to a non-profit organization. Currently JHCHT and Habitat raise funds to augment other funding sources and construct housing. JHCHT is unique among peer resort communities, where non-government housing organizations are rare. Private donations and grants can be applied to ownership or rental units, although ownership seems to have more appeal to donors. The income category (AMI) for private donations and grants is 50% - 150%. Fundraising can be time consuming but the system is established. This is not a public cost rather it is a private decision. There is flexibility in how funds can be spent and the tool builds goodwill within the community regarding housing provision, however it is unlikely to become a major funding source.

### *Dedicated Sales Taxes*

Dedicated sales taxes include optional sales tax, SPET, lodging, and real estate transfer. Currently only SPET has been used as a funding source directed specifically for housing. Dedicated sales taxes can be applied both to ownership or rental units and can respond to changing needs in income category and unit type. The community and visitors are paying for units, and while the public vote is time consuming, long term administrative costs are low. Real Estate Transfer Tax is not currently permissible by statute, so costs to enable Real Estate Transfer Tax at the State level are high. Similarly, requirements on the use of a lodging tax limits effectiveness. A dedicated revenue stream is very beneficial and flexible and can be used to leverage other funding sources. A SPET type funding stream is less beneficial because it is unsteady. The yield is about \$11M per year per penny sales tax.

### *Dedicated Property Taxes*

Dedicated property taxes are property taxes earmarked for housing provision, however they are not currently used by the Town and County. Dedicated property taxes can be used to create ownership or rental units and can respond to changing needs in income category and unit type. The public is paying for units, but the funding is a good source of leverage for other funding mechanisms. Long-term administrative costs are low and the tool provides a dedicated revenue stream that is very beneficial and flexible, yet can be used to leverage other funding sources. Yield is about \$1.1M per County mil of property tax.

### *Tax Credits and Other Fed/State Funds*

Tax Credits and Other Fed/State Funds are programs that directly fund low income housing or authorize credits that can be sold to raise funds. Tax credits have been used by the Town and County in the past. Tax Credits are widely used for rental housing. The income category (AMI) for this tool is less than or equal to 60%. These programs are often done through public/private partnerships and there are some local administration costs. Application for credits requires resources and some are competitive although the market for tax credits is currently quite high. Multifamily zoning is needed. Although infrequently used, Tax Credits and Other Fed/State Funds have provided a number of units when used.

### **Funding Source Highlights**

The following provides an overview of key highlights from the eight housing studies related to funding sources.

- Establish a dedicated revenue source for housing such as a tax or fee specifically for housing.
- Establish a secure funding source after an analysis of viable options. Create a housing fund to manage funds and allocate to all housing providers based on criteria which accomplish the housing objectives and on fee for services such as stewardship of restricted units.
- Pursue additional dedicated revenue sources to diversify revenue sources, and help to stabilize revenue fluctuations due to market upturns and downturns. Local officials should lobby state representatives to change the legislation to allow a Real Estate Transfer Tax (RETT).
- Apply updated residential mitigation fees to County building permits issued on lots platted prior to 1997, lots formed through the family subdivision exemption, and homes permitted on 35-acre tracts. Include lots created outside the subdivision process in a comprehensive residential mitigation program.
- In order to better meet workforce housing demand these funds must be more consistent annually, come from more than one source (SPET) and flow to all housing providers rather than being funneled to one (TCHA).

## USES OF PUBLIC/ NON-PROFIT FUNDS

Funds from public and non-profit groups play an important role in supporting workforce housing programs. In order to better meet workforce housing demand these funds need to be more consistent annually, come from more than one source, and flow to all housing providers rather than being funneled to one. Public/non-profit funds can be used for preservation of existing housing, land acquisition, subsidizing of housing development, and granting.

### *Preservation*

Preservation programs are dedicated to preserving existing housing stock as workforce housing through buy downs, rehab, reverse mortgages, etc. Currently employers are buying existing housing stock to keep it available for their employees and preserving the units as workforce housing. Preservation can be applied to both ownership and rental units. Buy downs and reverse mortgages are oriented toward ownership; while employer rehab is suited for rental units. Preservation programs typically target income categories (AMI) less than or equal to 80%. Buy down and reverse mortgage type programs are staff intensive and start-up and funding have a steep learning curve. This is a unit-by-unit effort. Preservation is arguably more important than production given then limit on the overall amount of growth. Efforts to preserve units that would otherwise leak out of the workforce housing pool are more impactful than the preservation of rental units.

### *Land Acquisition*

Land acquisition consists of funding used to purchase land for future development of housing, prior to and separate from actual design of the development. TCHA has used this approach in the past to leverage current funds against future projects, when funds for a full project are unavailable. Land acquisition

can be applied to an eventual project is either ownership or rental. Similarly, the income category (AMI) can be determined when an eventual project is designed. Some design process efficiencies may be lost by acquiring land separate from project development. However, land acquisition can be leveraged into partnerships and stabilize rising land cost. The benefit can be high if land acquisition is the major project barrier and can catalyze development.

### *Subsidize Housing Development*

Subsidized Housing Development involves the design, permitting, and construction of a workforce housing project where the project costs are subsidized so that the sales or rental price is affordable to the target occupant.. Non-profits and local government have utilized funding for this purpose in the past. Subsidized Housing Development can be applied to either ownership or rental units, however previous efforts have largely focused on ownership. The income category (AMI) is greater than or equal to 80%. Development of new product is often in partnership with non-profits or private developers. This tool has provided a number of units when used, but would be more effective in the future with consistent funding.

### *Granting*

“Granting” is subsidized housing development by contracting for the entire development process rather than managing development with staff. In the past the Town and County have partnered with non-profits and private developers contributing land and/or mitigation fees for development, but have not contracted out of all phases of development. “Granting” could be used to produce either ownership or rental units, however past efforts have focused on ownership. The income category (AMI)

is flexible and projects could be designed to address the highest need at the time of the grant. “Granting” still requires considerable administration but less development management, yet contract fees can cost more than staff resources. The idea behind “Granting” is to optimize development cost through grant application competition.

### **Highlights of Use of Public/ Non-Profit Funds**

The following provides an overview of key highlights from the eight housing studies related to the use of public/non-profit funds.

- Create a housing preservation program and consider methods to improve the condition and livability of existing homes and to preserve affordability through rehabilitation/ weatherization that entail placement of restrictions, buy down assistance and subdivision of lots in some areas within town.
- Create a housing fund by pooling revenues from commercial mitigation, in lieu payments, residential linkage fees, other new taxes or fees that might be created, donations, and the Special Purpose Excise Tax if additional allocations are awarded to housing.
- Develop a program to create units for small employers
- Develop an inventory of potential affordable housing sites and prioritize acquisitions.
- Monitor the rental market and rental housing needs. Look for opportunities to purchase existing rental and lodging properties for affordable housing.
- Develop an inventory of existing multifamily developments including free market and affordable units and identify opportunities for potential acquisition.
- Increasing density from single family and duplex to townhome and condominium can reduce the amount of that per unit funding, but that extra funding should not be further increased by lowering the sale price to a household in a lower AMI category.

# ZONING

## *Existing Zoning*

Workforce housing successes such as Cottonwood Park have been measured by the developments' use of mixed housing types that ranged from single family units to apartments, duplexes and townhomes or small lot offerings. While some deed restricted housing is also offered, the overall neighborhood offerings are targeted at working families and have typically offered free-market ownership opportunities for working families of Teton County.

Existing zoning refers to the market provision and preservation of workforce housing that is going on today. The share of workforce housing provided by the market is diminishing as housing stock turns over, but not all workforce housing has to be restricted. Employers are buying existing stock for use as workforce housing. Existing zoning can be applied to either ownership or rental units, although it is increasingly focused on rentals. The income category (AMI) is greater than 100%. The cost to the public is as low as the market or employer, and provides housing for profit. However, employer preservation of units more often preserves units that would be affordable on the free market than units that would leak out of the workforce housing pool.

## *Rental Zoning*

Rental zoning is zoning that allows multi-unit development but prohibits separate sale of those units. This tool is not currently used by the Town and County. Rental zoning would provide rental units in the income category (AMI) greater than 100% although new units would tend toward higher incomes. The public cost would be to allow zoning to be implemented, and the developer builds units. Market rental product is difficult to pencil but it facilitates the use of other tools.

## *Zone for Density*

Zoning for density seeks to increase by-right density to promote housing that is more affordable. This tool has been used in the past but infrequently, as most density has come in the form of incentivized density bonuses. Zoning for density can be applied to ownership units, or in combination with rental zoning. The income category (AMI) is likely to be greater than 100%. The public allows zoning to be implemented, and the developer builds units. The community character may be compromised if the zoning is not in the right area. The benefit depends on how many unrestricted units are occupied by the workforce.

Accessory Residential Units (ARUs) Accessory Residential Units (ARUs) are secondary rental units allowed as additional density. ARUs are currently allowed in most Town and County zones. Only some units have deed restrictions, but regulations require units be occupied by the local workforce if rented. The income category (AMI) is 80-120%. Enforcement could grow to be more staff intensive without deed restrictions. Use of the ARU tool has resulted in a number of units in the past, however some owners do not want to manage rentals.

## Zoning Highlights

The following provides an overview of key highlights from the eight housing studies related to zoning.

- Zone for workforce housing that will not be desirable to the second home buyer.
- Modify group home provisions. The Town and County both permit group homes within their development codes as an “institutional residential” use, but have slightly different definitions. To reduce confusion among developers, the town and county should explore using a common definition.
- Identify locations for multi-family rental units (four-plex or more) and workforce housing neighborhoods to create predictability and transparency.
- Create an overlay district for affordable housing and establish minimum density standards within the Affordable Housing Overlay.
- Review and modify zoned densities to ensure they have the needed diversity in type and affordability of housing product in alignment with town goal of housing 65% of the workforce and the immediate need for more affordable rental units.
- Increase site coverage and building height to enable the development of workforce housing units by reducing per unit land cost.
- Continue supporting the development of ARUs as another way of providing affordable rental housing for the local workforce and providing local families space for aging relatives. Keep the size at or below 1,000 square feet to maintain affordability and use as long-term rentals.
- Adjust accessory unit regulations. In town, require that the units be rented long term or sold to employee households and enforce prohibitions against renting in the short term (nightly and weekly).
- Consider revisions to the affordable housing sections of Land Development Regulations.
- Work with the Town and County to adopt a uniform set of affordable housing regulations.
- Continue to create subdivisions in the County outside the Town of Jackson will compound the problem
- Land constraints dictate that population growth can only be accommodated by increases in residential density
- Create plenty of opportunity for creative mixed-use and residential solutions

# INCENTIVES

In addition to requirements for housing, the Town and County land development regulations also include some incentives to encourage the development of workforce housing. These incentives allow more square footage or units on a property in exchange for permanent restricted workforce housing.

## *Density Bonus*

Density bonus is the granting of additional floor area or density if the bonus allowance is for workforce housing. The Town currently allows a 25% FAR bonus for price and occupancy restricted housing, however the County's PUD for Affordable Housing has been repealed. Density bonuses can be applied to either ownership or rental units and the income category (AMI) is typically greater than 100%. A developer is unlikely to use a bonus if it does not pencil. Much of the public cost is political in contentious review of individual projects although when utilized, it can yield a lot of units, especially when used in combination with other tools.

## *Technical Assistance*

Technical assistance is the provision of assistance in project design, grant application, partnership building, etc. TCHA and JHCHT currently provide some of these services informally. Technical assistance can be a variety of ownership or rental units categories (AMI). Technical assistance requires staff time and resources, but most of the work is done by the developer. Technical assistance does not provide for units itself, but is helpful in conjunction with other tools.

## Incentives Highlights

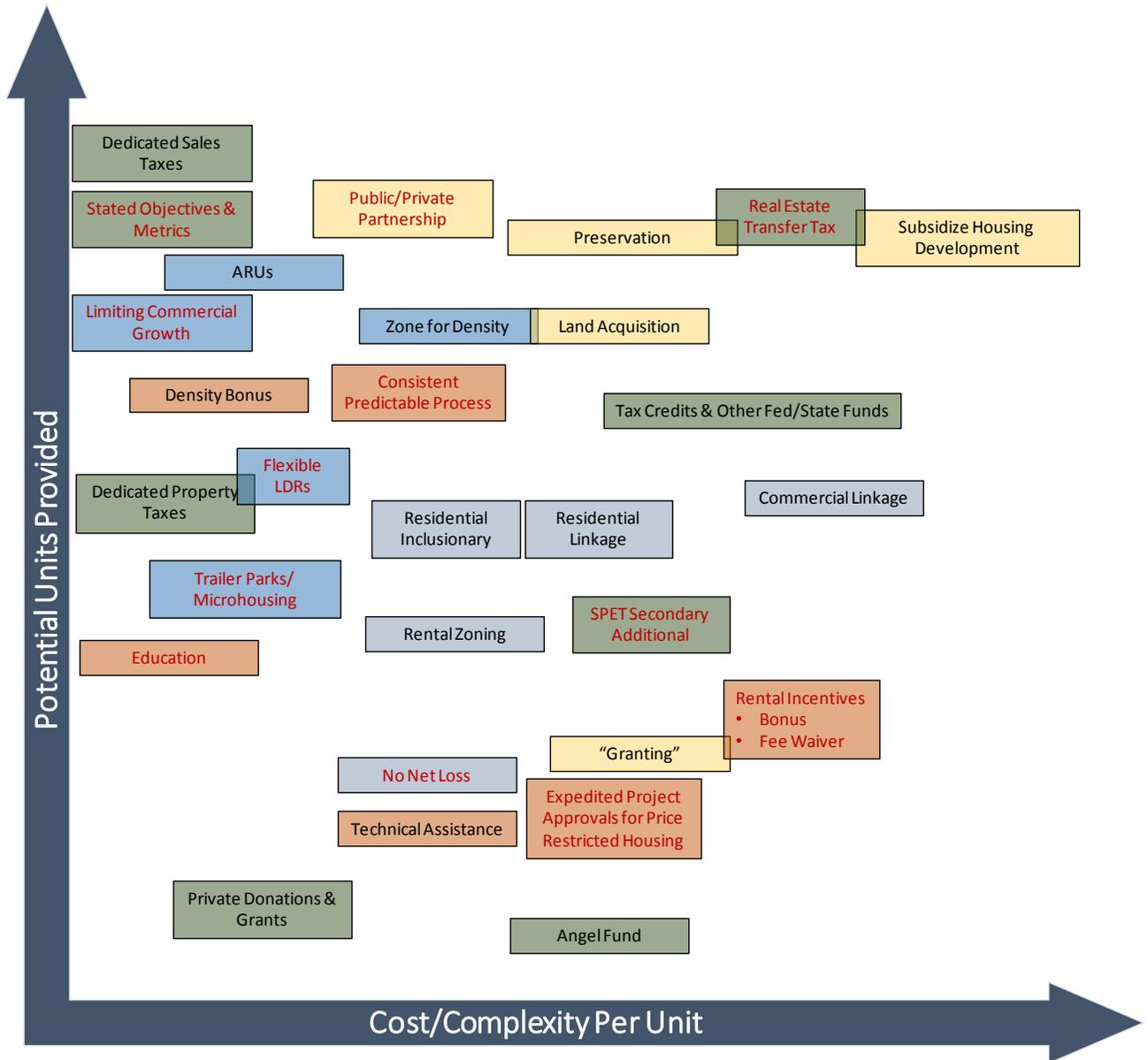
The following provides an overview of key highlights from the eight housing studies related to incentives.

- Explore more incentives to build affordable housing, maintain no net loss of units, provide resident relocation assistance, expand the first-right of refusal purchase regulations for tenants residing in converted apartments, modify ADU standards for affordable housing, and offer renovation programs/assistance.
- Be creative with seasonal rental housing solutions. Provide options for summer workers, such as on-site seasonal housing, lofts/apartments in refurbished industrial areas, or other high density, summer workforce housing.
- Incentivize development of rental opportunities in the free market through zoning, fee waivers, funding and technical advice and offer opportunities for entry level ownership housing.
- Implement responsible development across municipal borders for a comprehensive community strategy for sustaining workforce housing. Embrace density, unite open space and affordable housing, and encourage development through incentives such as density bonuses.
- Revise the Affordable Housing Planned Unit Development (PUD) standards.
- Adjust Accessory Unit Regulations. In town, require that the units be rented long term or sold to employee households and enforce prohibitions against renting in the short term (nightly and weekly).

## HOUSING SUMMIT DIRECTION

Participants in the Housing Summit were asked to evaluate which tools would be best used to provide and preserve workforce housing. The discussion that followed focused on how effective each tool is in providing housing and how costly and complex each tool is to implement. The chart on the following page shows the outcome of the Summit discussion. The bullets below summarize the discussion of the exercise.

- All housing tools are necessary to address the entire spectrum of housing
- Direct a dedicated sales tax to housing provision and transportation
- Focus on the following efforts to provide housing
  - Preserving existing workforce housing stock
  - Providing land as the subsidy and working with developers to get units on the ground
  - Allow the maximum densities permissible in Comp Plan to provide housing
  - Prioritize keeping pace with growth
  - Consolidate/simplify mitigation requirements
- Monitoring progress toward the community's goal of housing 65% of the workforce locally is key



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# APPENDIX A:4

## PROVIDERS AND ORGANIZATIONAL STRUCTURE

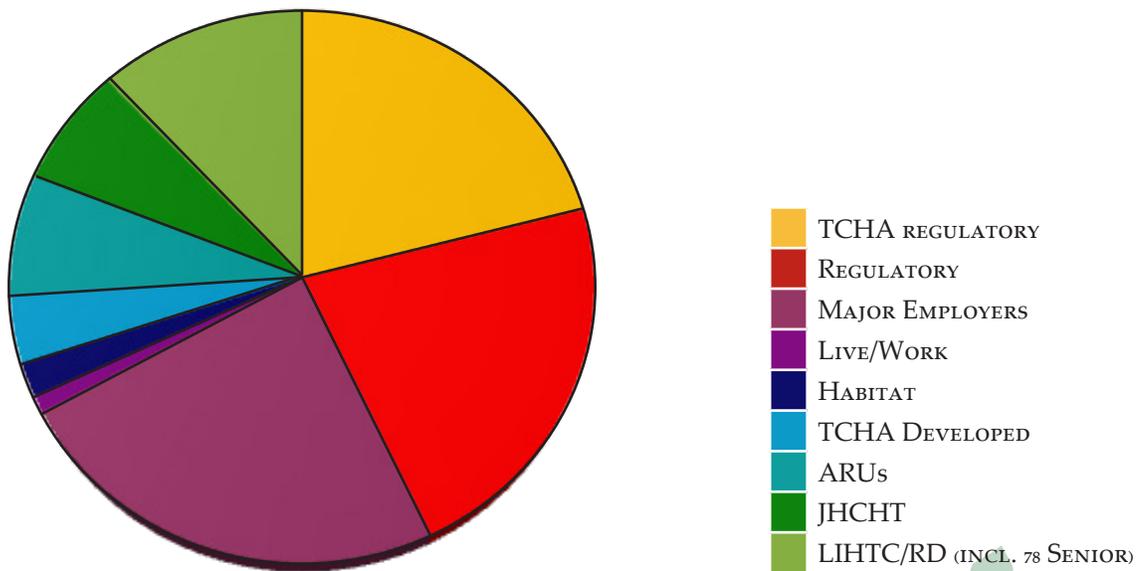


# INTRODUCTION

Chapter A4 presents an overview of the providers of workforce housing and discusses the organizational structure of the public workforce housing program. Discussions at the Housing Summit focused on the Town and County role in enabling provision of workforce housing by the existing market, private developers, employers, non-profits, and the public; and the organizational structure of the public housing entity and the administrative functions related to workforce housing.

The Assessment of Workforce Housing Provision and Management study prepared by Tim Wake in 2014 provides an assessment of the efficiency and effectiveness of various housing providers in preserving and producing housing across the all housing categories. Ensuring an adequate supply of workforce housing has been a challenge in Teton County for decades. The Town of Jackson, the Teton County Commissioners, Housing Authority, JHCHT, Habitat and employers and developers have worked effectively in the past to address this challenge and maintain a vibrant, diverse local workforce. Major employers including the local governments, the ski area, the hospital, grocery stores and the school board have also worked to produce workforce housing, mostly rental, and private sector developers have produced market and deed-restricted units. (Wake)

The chart below shows the total inventory of restricted workforce housing units in Jackson and Teton County in 2014, as quantified by Time Wake. The total of 1488 housing units represents all housing units (restricted formally or informally) that are dedicated to the local workforce including 178 Low Income Housing Tax Credit and Seniors units (presumably housing predominantly employees and retirees).





## **PROVIDERS**

For the purposes of Workforce Housing Action Plan, providers of workforce housing are classified as the existing market, private developers, employers, non-profit organizations and the public. Each of these providers contributes to opportunities for housing and each has its own strengths. There are currently three main providers of restricted workforce housing in Jackson and Teton County, the Teton County Housing Authority, Jackson Hole Community Housing Trust, and Habitat for Humanity. These providers have overlapping and disparate roles. (Wake) The Housing Summit allowed an opportunity for discussion regarding how all providers can contribute to workforce housing, and what role the Town and County can play in supporting these providers.

### **Existing Market**

The workforce housing being provided by the existing market is identified in the 2014 Regional Housing Needs Assessment. That study shows that only 2% of ownership units listed are affordable under 120% of Area Median Income. Rental occupancy in 2014 was extremely high indicating a need for rental product. As might be expected this means that households of less than 50% AMI are burdened by the price of their rents.

### **Private Developers**

Chapter **A2** provides some insight into the workforce housing being provided by private developers, as does the 2014 Regional Needs Assessment. The market is providing a limited number of housing units (60-70 annually over the past 7 years). A portion of these are being occupied by the workforce, and are likely being built by the workers themselves, because listing data would indicate that developed and sold units are only affordable to households making more than 120% of Area Median Income. Private developers are not building rental units.

### **Employers**

Chapter **A2** also identifies the significant contributions of workforce housing by employers over the past 7 years. Many of these units are existing units bought by employers to rent to employees. Others are units built as ARUs or standalone employee housing projects.



### **Non-Profits**

#### *The Jackson Hole Community Housing Trust (JHCHT)*

JHCHT generates considerable funding for housing through private donations and combines this with public funding and other grants to produce workforce housing units, but does not have a clearly defined role that would allow it to collaborate with TCHA. Instead, these two organizations essentially compete with one another to deliver similar products. While competition is beneficial in the delivery of market housing, it is not helpful in the non-profit sector which shares the same resources. (Wake)

#### *Habitat for Humanity*

Habitat for Humanity has a distinct and proven program that has delivered 27 homes to date and plans to build 4 homes per year moving forward. It does seem to have a clear and separate role in housing delivery and works well within the larger system, but would benefit from being part of a more collaborative and integrated delivery system across all forms of workforce housing. (Wake)

### **Public**

#### *Teton County Housing Authority*

The Teton County Housing Authority (TCHA) plays a lead role in the delivery of deed-restricted and some long term rental housing. TCHA reviews plans for the Town and the County, purchases land for its own projects and collaborates, at times, with the Trust and Habitat on land purchases. In some cases it may actually compete with other stakeholders on land purchase. TCHA oversees the restrictions on workforce housing rental units produced by small employers, while large employers tend to create their workforce units voluntarily and operate them independently. TCHA also develops its own projects and administers rentals, sales, resales and restrictions on that inventory. Current activities include both oversight of existing inventory of deed restricted homes and facilitation of building new rental and ownership opportunities at the Category 1 – 3 range. (Wake)

## TCHA STRUCTURE

Structural change in the provision of workforce housing is needed. Small adjustments within the delivery system as currently constructed are unlikely to increase the production and protection of workforce housing that is clearly needed. (Wake) In order to implement a successful workforce housing program and action plan, we should implement a directed management team, create a structure for enforcement, monitor the progress of the program, and educate community members on how they can participate and contribute to its success. The figure below presents the options discussed at the Housing Summit for the structure of workforce housing management and responsibilities a jurisdiction, organization or board could hold. Housing Summit participants reviewed the options and discussed specifics of how to implement.

### *TCHA Organization*

The work of the Housing Authority is driven largely at the staff level and a Board of Directors governs the Housing Authority. Restructuring the housing provider delivery system could be an important change that is needed to more efficiently and effectively deliver all forms of workforce housing. Under the Wyoming statutes, a housing authority is a separate legal entity, meaning that they make all of their own decisions separate and distinct from the governing body that created them (such as the County). The exception is the approval of a housing project to proceed. The powers are vested in a board of housing commissioners that are appointed by the creating government body. The Teton County Board of County Commissioners appoints the housing authority commissioners. Options for the management structure of the Teton County Housing Authority, as detailed by the Teton County Attorney, include:

- The Town of Jackson could jointly with Teton County create the Jackson/Teton County Housing Authority.
- Teton County could dissolve the current Teton County Housing Authority and reconstitute it as a joint department with the Town of Jackson.
- The Town of Jackson could create their own housing department.
- The Town of Jackson could create their own housing authority. (County Attorney)

### **TCHA Organizational Highlights**

The following provides an overview of key highlights from the eight housing studies related to TCHA structure.

- Reduce the TCHA mandate to focus on either project development or administering all restrictions protecting workforce housing inventory.
- Broaden the Board to include broader stakeholder participation and expertise on the reduced mandate.
- Expand the focus of TCHA to that of a master developer that acquires and entitles land and conveys sites for affordable housing to builders.
- Consider moving plan review back to the Town and County Joint Planning Department
- Identify and appoint a Workforce Housing Coordinator on a cost neutral basis to begin the harmonization of the delivery and administration of the inventory of workforce housing units to reduce duplication and confusion.
- Unify Town and County regulation and activity while enhancing consistency in the approval process.
- Recognize TCHA for its stewardship of funds and programs on behalf of the community.

## ADMINISTRATIVE DUTIES

Centralized Town and County Workforce Housing Coordinator reporting to a skills-based Board with representation from all sectors could reduce duplication, confusion and competition. Existing housing providers would “work with” rather than “report to” the Coordinator. Current operational funding (TCHA, JHCHT, Habitat) could be reduced by more than the cost of the Coordinator function. (Wake)

### **Enforcement**

In order for any restrictions to be in place in perpetuity or long term (99 years) they need to be registered and administered, especially during the changeover of a property. While this is happening at Habitat, JHCHT and TCHA, each organization has its own system. There are a multitude of different covenants, ground leases and processes creating confusion for our local employees who are renting, buying and selling.

This administration process could be done in a more comprehensive and consistent manner. It could be located under one roof and include some administration to ensure the employer units without restriction remain workforce housing.

### **Management**

Management of the workforce housing program requires coordination of applications, processes, and restrictions. Currently there are too many portals to access and administrators of workforce housing. Each administrator of workforce housing has its own qualification requirements and process. If you purchase housing through them, there is a multitude of different ground leases, covenants and processes you need to wade through and understand. This is confusing to the user. Harmonizing and centralizing these functions will take a little time and effort but will certainly reduce confusion and increase efficiency with precious resources. (Wake)

### **Monitoring**

An annual monitoring survey should be implemented to measure the progress of the workforce housing program. This monitoring survey could be administered by the Workforce Housing Partnership. Whistler uses an Annual Employer Survey that costs \$10,000 and is conducted by a third party. Aspen and Blaine County (Sun Valley) have utilized similar approaches to avoid costly housing needs assessments. An annual monitoring survey in Teton County would allow ongoing (annual) monitoring of progress towards the 65% target. (Wake)

## Education

Education is fundamental in implementing the workforce housing program and keeping the community informed as the process move forward. The introduction of an educational baseline that would provide a knowledge base to newly elected and appointed individuals would be a first step. Give newly elected/appointed leaders a shared baseline of knowledge by offering a high-quality, day-long seminar covering land use regulations and procedures. Pertinent topics could include: basic building regulations; approval processes; role of planning bodies; case study of a developer (costs, risks); sources of financing; barriers to consistency; role of managing risks in projects; and a detailed description of the current housing program. This intensive session could become a regular occurrence at the onset of new terms.

Educating the community about the role of publicly supported housing programs would generate support and interest in those programs. In addition, increasing opportunities for Fair Housing education of residents and real estate professionals in jurisdictions is an important component of workforce housing, as is improving resident education about the availability of ADA accessible and adaptable units and support programs that help households with disabilities afford needed renovations (2014 RAI).

Structure	Additional Duties
<p>Jurisdiction</p> <ul style="list-style-type: none"> <li>County funds TCHA</li> <li>Town utilizes TCHA and has own programs</li> <li>Single, joint department or entity</li> </ul> <p>Organization</p> <ul style="list-style-type: none"> <li>TCHA is a separate authority</li> <li>Housing could be a department</li> <li>Housing could be a part of an existing department</li> <li>Create Jackson/Teton County Housing Authority</li> </ul> <p>Board (if applicable)</p> <ul style="list-style-type: none"> <li>TCHA has an appointed board</li> <li>Entity could have a board of positions (e.g. Mayor, BCC Chair, Chamber ED, etc.)</li> <li>Develop a Housing Coordinator position to work with the board</li> </ul>	<p>Monitor Indicators</p> <ul style="list-style-type: none"> <li>TCHA does some</li> <li>Planning does some</li> <li>Contract indicator monitoring</li> <li>Provide oversight of monitoring</li> </ul> <p>Management of Restricted Units</p> <ul style="list-style-type: none"> <li>Applications, selections, process varies by restriction</li> <li>Consolidate management of units</li> <li>Identify entity to manage units</li> </ul> <p>Enforcement of Restrictions</p> <ul style="list-style-type: none"> <li>Done by individual entities</li> <li>Consolidate enforcement for consistency</li> <li>Coordinate enforcement</li> </ul> <p>Education</p> <ul style="list-style-type: none"> <li>Done by individual entities</li> <li>Coordinate education and outreach efforts</li> <li>Diversify education and outreach efforts</li> </ul>

Current Practice
  Option from Studies

# HOUSING SUMMIT DIRECTION

Participants in the Housing Summit discussed what the Town and/or County’s role is in the implementation of each tool. The discussion focused on a dedicated funding source such as sales tax, the continuation of SPET, ARUs as a quick and efficient way to address housing, subsidized housing options, and land acquisition, microhomes, and housing preservation. The bullets below summarize the discussion regarding organizational structure and the chart below illustrates the public role in facilitating the use of tools by various providers.

- Joint Town/County housing effort and structure
- Foster a sense of pride in housing work
- Work together and with community
- Elected official accountability for policy decisions
- Separate housing provision and housing management and specialize the structure of each
- Reduce redundancies in process and information between housing organizations

EXISTING MARKET	PRIVATE DEVELOPER	EMPLOYER	NON-PROFIT	PUBLIC
<b>ARUs – ALLOW ARUs IN OTHER AREAS FOR WORKFORCE HOUSING</b> <b>PRESERVATION – SUPPORT PRIVATE SECTOR ACQUISITION</b> <b>TRAILER PARKS/ MICROHOUSING</b> – PRIVATE SECTOR SEASONAL AND PUBLIC CONTROL <b>RESTRICTED RENTAL DEVELOPMENT</b> <b>INCENTIVES – BONUS FEE WAIVER</b>	<b>PRESERVATION – PREVENT APARTMENT CONVERSION TO CONDO</b> <b>LAND ACQUISITION – SUPPORT PRIVATE SECTOR ACQUISITION</b> <b>ZONE FOR DENSITY “GRANTING”</b>	<b>PRESERVATION – ADDRESS THE SHORT-TERM RENTAL ISSUE</b> <b>LAND ACQUISITION – CREATE A PROGRAM</b> <b>ZONE FOR DENSITY</b>	<b>PRESERVATION LAND ACQUISITION – VOLUNTARY DEED RESTRICTION</b> <b>ZONE FOR DENSITY</b>	<b>SUBSIDIZE HOUSING DEVELOPMENT – DIRECT TOWARD LOWER AMIs</b> <b>DEDICATED SALES TAXES – SALES TAX FLEXIBILITY FOR RELATED PROJECTS SUCH AS TRANSPORTATION</b> <b>PRESERVATION – POLITICAL WILL</b> <b>LAND ACQUISITION – VOLUNTARY DEED RESTRICTION</b> <b>ZONE FOR DENSITY</b>
<b>PRESERVATION – PROTECT OPPORTUNITY FOR DENSITY – DIRECT ACQUISITION BY GOVERNMENT, RENOVATE, AND RETROFIT</b>				
<b>LAND ACQUISITION – KEY ROLE OF GOVERNMENT – SUPPORT PRIVATE SECTOR ACQUISITION, CREATE A PROGRAM, VOLUNTARY DEED RESTRICTION</b>				
<b>ZONE FOR DENSITY – MAXIMIZE DENSITY WITHIN COMMUNITY CHARACTER THRESHOLDS</b>				



## SUPPORT STUDIES



## SUPPORT STUDIES

2013-2014 Housing Action Plan Stakeholder Group Work

2007 Housing Needs Assessment

2010 Housing Jackson Hole - Strategies to keep two-thirds of the Teton County workforce living locally

2013 Teton County & Town of Jackson Employee Generation by Land Use Study (Nexus Study)

2014 Western Greater Yellowstone Regional Housing Needs Assessment

2014 Western Greater Yellowstone Regional Analysis of Impediments

2014 Assessment of Workforce Housing Provision and Management – Jackson/Teton County Wyoming

2015 Affordable Housing Review Draft (Opatrny Study, private)