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Meet Our Community's Diverse Housing Needs (Theme 5)

Statement of Ideal

Meet the **housing needs** of at least 65% of our community's workforce in Teton County, Wyoming.

Clarify "housing needs" in terms of ownership versus rental opportunity. This is an important issue that must be discussed at the "big picture" level.

What does the theme address?

Jackson and Teton County have long been known for their social and economic diversity, as a community of residents who have diverse backgrounds and incomes. However, this characteristic of the community is in jeopardy **due to steadily rising housing prices** *(and other factors such as a rising number of low-income jobs)* that force many **middle class households** *(low and middle income)* out of the community and into neighboring counties.

Maintaining

a resident workforce and social diversity strengthens the integrity of our community and **benefits the environment**. *(Why is this mentioned here? Is there an assumed reduction in commuting? When not kept in check with overriding community goals, it can trigger actions that harm the environment in the long-term.)* This Plan includes strategies to promote workforce housing so Jackson and Teton County can maintain a stable and socially diverse population. The magnitude and complexity of the workforce housing issue calls for a multi-faceted approach, involving the private sector, non-profit agencies, local government, employers and residents. This also increases community acceptance, as the burden of providing housing is shared across many parts of the **community to avoid disproportionate impact on any single segment**. *New developments that disproportionately worsen the housing shortage should pay the true costs that they place upon the community.*

Summary of this Theme's Topics

This theme addresses the following topics:

Maintain the community's middle class and a stable resident workforce;

Establish a target for housing programs; *Clarify "target".*

Promote housing as part of town redevelopment;

Increase predictability for neighbors, developers and the community regarding location *(and amount)* of workforce housing *in the long-term*; and

Provide a diversity of housing types.

Where is this theme a priority?

The Future Land Use Plan depicts locations for mixed-use development and town-level housing. Workforce housing is

priority development type in designated locations (Town of Jackson and county mixed-use centers) outside of **Natural Resource Priority areas**, as identified in Principle 2.2 of this Plan. *Again, natural resource priority areas versus NRO should be clarified.*

What is Workforce Housing?

"Workforce housing" means housing that can be **afforded** (*purchase and/or rental?*) by and is intended to meet the **needs** of our workforce (such as police officers, fire fighters, teachers, nurses and medical technicians, office workers, service employees,)

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How does it relate to core values?

Environment:

Development in appropriate locations (close to jobs, services) reduces air quality impacts
Density can be used to protect open space (less sprawl)
Greater percentage of workforce housed locally reduces commuting needs (*Reduced commercial potential/lower job creation potential and conversion of commercial potential to residential potential also reduces "commuting needs"*)

Community:

More diverse community, better social fabric
Maintains traditional small-town feel and character - *How does this maintain "small-town feel"?*
Enhanced community vitality

Guiding Principles

The following guiding principles support this theme:

Principle 5.1—Maintain the community's middle class and a stable resident workforce

Why is this Important?

The community's housing goals serve dual purposes: social and economic (*Above "environment" was also listed as a purpose.*) A large portion of the community's workforce occupies houses they purchased when the prices were much lower.

When

they retire or move away their replacement employees will not be able to afford these existing houses.

Further, as land values increase, gentrification will replace many existing homes with larger and more

expensive houses, and affordable residential units within commercial properties in town will be replaced with more expensive market rate units during redevelopment. In addition to economic factors, the working middle class provides a more sustainable population. **Many of these**

community

members volunteer for public events and non-profit agencies, serve on boards and committees, join

local places of worship, and participate in local government. *We agree, but to be objective, many*

community members that volunteer and contribute are retired or “second home-owners.” It is also important to recognize the contributions that these individuals provide to the community. It is questionably beneficial to differentiate the contributions of the “working middle class” versus other community members. All contribute and add to community vitality. Maintaining social diversity and a resident middle class is crucial to carrying forward this goal to be a community. Other reasons this principle is important are:

The high cost of housing (*accelerating pace of low-income job creation and imbalance between commercial and residential potential are also contributing factors*) in Jackson and Teton County has caused many workers to move to surrounding communities. Between 1990 and 2000, the number of workers commuting to jobs in Teton County increased from 14% to 20% of the county’s workforce, and the number increased to 32% in 2005. This has an adverse impact on our air quality, and increases pressure to add roadway capacity to accommodate commuters.

Comparing the median income in the community to the median home price is a common measure of housing affordability. In 2008, the median priced home costs about 1,800% of the median income.

Another measure of affordability is the number of housing units available within affordable price ranges. Some market rate housing was affordable to workers in the early 1990’s, but the availability of these units has been steadily declining. The housing market essentially provides no opportunities for wage and salary earners to own a home. Deed restricted housing units are the only opportunity local workers **have to live in the community.** (*or only opportunity to own a home?*)

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Policy 5.1a: Preserve existing stock that currently houses the workforce

Producing new workforce housing is both financially and politically difficult. The town and county **will work to maintain** the existing inventory of workforce housing. *Why not “will maintain”?*

Policy 5.1b: Promote a comprehensive strategy of diverse regulatory and programmatic initiatives to produce new workforce housing

New housing will be needed as the community grows, the demand for employee services increases, and **some of the existing inventory is lost** (*this is in conflict with the above policy*) from the pool of affordable housing.

Approaches should include:

Maintaining updated housing requirements on new development;

Facilitating the efforts of the Teton County Housing Authority, Jackson Hole Community Housing Trust and Habitat for Humanity; and

Providing funding from the Special Purpose Excise Tax (SPET).

This needs to be more specific. The use of both regulation and flexible incentives (often excessively flexible) should be better defined to ensure increased predictability in development decisions. Regulatory measures tend to provide more predictable returns. Will incentives be used to address “catch up” only?

Principle 5.2—Establish a quantitative goal for maintaining 65% of the workforce as residents in the community

Why is this Important?

A resident workforce **maintains a higher level of commitment and involvement in the community.** (*Higher than what? – Clarify*) As

the workforce leaves the community and the reliance on commuters grows, the level of service for businesses diminishes and becomes less reliable, and level of community involvement is reduced.

Peer mountain resort community research suggests that when less than 60% of the workforce resides in the community **a tipping point** is reached. (Teton County Housing Authority). When this point occurs, the community has a greater sense of resort and less of a sense of a community. A long standing goal of Jackson and Teton County is to be a community first and a resort second, and maintaining a significant resident workforce is critical to sustaining this goal. *We agree, but it is also important to acknowledge that there are “tipping points” when a “small town” community loses the attributes that a “small, rural town” characteristically holds. The “big picture” of Jackson as a small western town should not be lost.*

Policy 5.2a: Maintain at least 65% of the workforce as community residents

Adopt the **numerical goal of 65%** of the workforce as community residents.

*This is a good conceptual goal that few are likely to debate. However, on a practical land-use planning level, what does the goal suggest for implementation strategies? If you have a policy to maintain at least 65% of the workforce as residents, it is critical to simultaneously identify an estimated number (range at a minimum) for total workforce based on commercial potential. This is why data on residential and commercial buildout ranges and a clear vision of an “end state” is so critical. **How can we have a policy to house 65% of a target (total workforce potential) when we haven’t identified the target (total workforce potential)?** As an example of such a policy for a different theme of the Plan, how effective would it be to have a policy to “conserve 40% of historical moose winter range in Teton County” if we haven’t identified an estimated historical range? One would need baseline data (numbers of acres, etc.) to identify a target, quantitative conservation goal. It is helpful and desirable to have quantitative goals, but in order to predictably direct land-use strategies in the long-term, it is essential to have an adequate and strategic understanding of the overall target.*

Again, we recognize that the calculations of “exact numbers” are difficult, but believe that an analysis based on probable ranges is feasible and essential.

Policy 5.2b: Maintain updated commercial housing mitigation requirements

Adopt and regularly update the employee housing mitigation requirements to ensure commercial development **fully mitigates** its demand for employee housing. *Different people may have different interpretations of “fully mitigates.” Does it mean “meeting a certain percentage of need” or does it mean “providing for all the demands that it generates”?* Anything less than “providing for all demands” will incrementally affect our ability to reach a 65% goal.

Policy 5.2c: Facilitate efforts by commercial development to voluntarily provide accessory workforce housing units

Evaluate land development regulations to remove unessential obstacles to providing accessory residences as part of commercial development. The town and county should pro-actively reconcile conflicting regulations that can impede the provision of accessory residential units with commercial development.

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Policy 5.2d: Limit additional resort developments

Maintain resort development to currently approved master plans, in order to curb demand for workforce housing related to resort uses. *This policy is inconsistent with policy 6.1a “do not approve new planned resorts.” “Limit additional developments”, “maintain resort development...” and “do not approve new planned resorts” all refer to future policies associated*

with resort zoning; policy language needs to be consistent. Language needs to be clear, such as “No new resort developments will be approved and no existing resorts will expand.”

Principle 5.3—Continue a comprehensive housing approach that includes mandatory requirements, incentives and pro-active initiatives

Why is this Important?

Existing workforce housing in the community has been produced by a combination of approaches.

Among the workforce housing units produced through 2006, about half resulted from the housing requirements placed on developers. Another 22% were produced from incentives allowed in the county and town Land Development Regulations. The remaining units were produced by pro-active

initiatives of the local housing agencies and other groups in the community. Mandatory requirements

placed on new development are based on the increased need for workforce housing that is caused by

a new development. But the community has accumulated a large backlog of demand for workforce

housing over the years that is not attributable to new development. The diverse causes for housing

demand call for both mandatory requirements and incentives to produce workforce housing.

Other

reasons this principle is important are:

Incentives (such as allowing additional floor area or an increase in residential density) will not generate a sufficient amount of housing, but they make a significant contribution.

Legal constraints prevent local government from requiring new development to provide housing to help meet an existing backlog of demand. Meeting this backlog, or catching up, is a role for incentives and various community initiatives. **The amount of workforce housing needed to fully catch up is not advocated** or realistic but expresses the need for multiple approaches.

Current mandatory housing requirements focus on households earning 120% of median income or less, yet most workers with higher incomes are unable to enter the local housing market. *These are unrelated. “Most workers” do not have “higher incomes.” See findings of the 2007 Housing Needs Assessment.* The number of households who earn too much to qualify for deed restricted housing

but too little to afford market rate housing represents an **important** segment of the community’s middle class. *Define “important”. Is this meant to imply “significant” in terms of percentage or in terms of importance in jobs held?*

Policy 5.3a: Maintain and regularly update mandatory housing requirements

Workforce housing requirements must be carefully **monitored and refined as needed as conditions in the community change over time.** – *How does this relate to “predictable buildout”? – What “conditions” will we allow to be created? We should simultaneously adopt policies that work to reduce the demand for workforce housing as we adopt policies to increase the supply of housing. Through these combined policies, the gap, in terms of “housing demand” versus “housing availability” will be lessened. There are always unforeseen circumstances, but we need to be very strategic about land use decisions given the rate at which they can accelerate housing demands. Policies need to be proactive and comprehensive, not reactive.*

Policy 5.3b: Pursue all available funding opportunities for workforce housing.

Funding examples to pursue include:

- Tax credit program;
- Grants and dedicated revenue streams such as the fifth cent sales tax;
- Bonding;
- A mill on the property tax rate, and;
- A real estate transfer tax

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Policy 5.3c: Allow a broader workforce population to qualify for deed restricted housing

Broadening the range of incomes that are eligible for deed restricted housing is important to a **sustainable population**, but should be done while maintaining a **uniform effort** to provide workforce housing across all income categories. *Proportionate to percentage of total workforce in need or proportionate across categories?* Revise housing guidelines and regulations to expand the range of incomes that are eligible for deed restricted housing.

Policy 5.3d: Permit higher densities of housing in appropriate locations to increase the supply of workforce housing

Permit higher densities of housing in areas identified for increased housing, provided that increased densities are targeted for dedicated workforce, rather than market-rate, housing. - *While we address the “supply” side of workforce housing, there should also be a political will to address the “demand side”. Not only should we permit higher densities of housing in clearly designated areas, we should also reduce commercial potential (or convert commercial potential to residential potential) in other areas. We should adopt policies that work toward common goals efficiently and that do not work to undermine effectiveness of overarching goals.*

Policy 5.3e: Promote financing programs that minimize or eliminate the subsidy for deed restricted housing for higher income workers

Work with local lenders to explore a local lending pool, shared appreciation mortgages, interest buy downs and other strategies.

Principle 5.4—Promote workforce housing as part of redevelopment and infill “Promote” should be “require.”

Why is this Important?

The Town of Jackson is beginning a major phase of redevelopment as numerous small scale and dated buildings will be demolished and replaced with larger, modern mixed-use structures.

Define “numerous.” What kind of balance will be provided so that not all buildings totally shift in scale? Extremely

high land values have created financial incentives for redevelopment, and the many buildings constructed decades ago provide the opportunities for new development. Also, as development opportunities diminish in the unincorporated county, greater development pressures will turn toward

town, further fueling the redevelopment forces. **Economic forces** and many available properties make

redevelopment inevitable and the community is faced with the challenge of guiding this reconstruction

and infill. This redevelopment creates both a need and an opportunity for workforce housing.

But, the nature of redevelopment should be defined and guided by a community vision – not economic forces. Why does there appear to be an assumption that economic forces should override other factors in the land use planning direction of the Town? And, how does economically-driven redevelopment impact small-rural town character?

Other

reasons this principle is important are:

Commercial uses and high-end market rate housing that will be included in redevelopment

projects will need workers, and **these new developments should off-set the newly created needs.** *Clarify.*

Much of the existing and planned workforce housing has been produced as part of large scale developments in the unincorporated county, but opportunities for such developments are extremely limited.

The redevelopment of town will provide the majority of the new development in the coming years, shifting from the county to the town the opportunity to generate workforce housing via new development.

Redevelopment and infill efforts should include an increased emphasis on rental housing as well as ownership housing. *There are too many “should”s and not enough “will”s. Define “off-set”.*

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Policy 5.4a: Ensure workforce housing is incorporated in redevelopment and infill areas of town.

Establish a mix of workforce and market housing that **mitigates** the increased need for employee housing created by the development, as well as taking advantage of the opportunities to provide additional workforce housing. *Fully mitigates?*

Policy 5.4b: Prevent net loss of housing units during redevelopment

Redevelopment **should** not lead to net loss of housing units due the redevelopment of properties that have pre-existing accessory housing units.

Principle 5.5—Increase predictability for neighbors and developers about future workforce housing development locations and entitlement approvals

Why is this Important?

Recently, workforce housing proposals have been very divisive for the community, for immediate neighbors, and for developers. Obtaining local government approvals typically is long and difficult,

adding expenses to the development of workforce housing. The community and local officials are

faced with difficult decisions of conflicting values and goals with seemingly no room for compromise.

This process for providing housing and making land use decisions serves no one well and an improved and more predictable system is needed. Other reasons this principle is important are:

This Plan will provide both developers and neighborhood residents a level of certainty about **the types and amount of development** that can occur in various locations.

Debates about workforce housing developments repeatedly reargue the balancing of community goals and reasons why a proposed location is inappropriate for the proposed density. Current housing policies and procedures outline general criteria for selecting locations for workforce housing, but a clearer statement will provide improved certainty for everyone.

Policy 5.5a: Locate workforce housing in town and **communities, identified through this Plan and its criteria** *Define “communities”.*

This Plan promotes placing workforce housing in appropriate locations, as identified in the town’s framework plan and the county land use plan. Other criteria include:

Workforce housing **should** occur in the Town of Jackson or county communities, not in remote rural areas of the county;

Workforce housing **should** be designed as part of mixed-use developments or within neighborhoods, if it meets certain infill and redevelopment criteria so it is in

scale (as determined by the town's framework plan or neighborhood planning efforts);

It **should** not create impacts on identified natural resource areas; and

It **should** have access to transit, proximity to community facilities, and shopping and services.

"Will" needs to replace "should."

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Policy 5.5b: Workforce housing developments will be **consistent with other aspects of this Plan, including overall build out and protection of natural resource areas**

The appropriate levels of density established for workforce housing areas should not increase the overall build out potential for Teton County. Workforce housing areas should not encroach onto **critical natural resource areas** (as defined in Theme 1 of this plan). *This hasn't been defined.*

Principle 5.6—Provide a diversity of neighborhoods and housing types

Why is this Important?

In order to provide a true range of housing choices for our diverse workforce, a variety of housing types (rental, condominium ownership, town home, and single family) **should** be considered.

Ensuring

a variety of housing types in neighborhoods helps provide housing for the workforce as well as provides for a diverse population. A balanced strategy for housing diversity will also include techniques **to protect the patterns of stable neighborhoods.**

Policy 5.6a: The town and communities will include a diverse mix of housing types and neighborhood choices to support the needs of all residents

Town and county communities over time should continue to provide a variety of residential uses ranging from low density neighborhoods to mixed-use and workforce housing. Some higher density districts, designed well, will allow residents and visitors to take advantage of a pedestrian-oriented environment, and accommodate varying needs within our community.

Policy 5.6b: Provide criteria for high density housing location and amenities

High-density housing, including mid- to **high-rise apartments**, condominiums, and town homes, **should be located near transit**, retail, and mixed-use developments (**ideally** within walking or cycling distance) as well as being located near connected streets for optimal accessibility. High-density residential developments **should** also include features, such as a central courtyard, recreational facilities, or other outdoor community gathering spaces, to enhance its attractiveness and livability.

Define "high-rise apartments". The public provided clear direction on preferences for four-story buildings – the majority in all surveys did not support them. "Mid-to high-rise apartments" should not be included.

(Clarify "near transit." Does this mean existing transit?)

Policy 5.6c: New neighborhoods will be located **near services and will have amenities** *Define "amenities." "Near services" should be "near existing services."*

Ensure new neighborhoods are located **near** services, jobs, and schools (**ideally within walking or cycling distance**) to reduce dependence on automobile use. New neighborhoods **should** contain neighborhood parks, recreation areas, playgrounds, sidewalks on both sides of streets and roadways, off-street trails, and other amenities.

Policy 5.6d: Preserve stable neighborhoods

Identify and preserve stable neighborhoods and their patterns and housing stock. *Each and every individual development has a potential to incrementally alter neighborhood “patterns.” As discussed in Theme Four, “stable” needs to be adequately defined to ensure predictability.*

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Suggested Strategies (Theme 5—Diverse Housing Needs)

Examples of techniques to be explored include: purchasing existing homes; purchasing life estates with

the unit becoming workforce housing in the future; providing reverse mortgages with the unit becoming workforce housing in the future; establishing mitigation requirements that apply when existing homes are replaced.

Theme 5 Strategies

Programs to prevent loss of housing - No net loss policy; life estates; reverse mortgages; mitigation for consolidations or replacements of existing homes.

Middle Class/

Workforce

Requirements in LDRs – Establish mandatory requirements for deed restricted housing. Reconcile conflicting LDRs; remove **unessential** barriers All - *Who defines “unessential?”*

Long-term funding sources: consider 2nd cent (7th cent), real estate transfer tax, lodging tax, and/or mill on property tax All
Density Incentives for workforce housing - through increased density and floor area All

Identify **specific locations and densities** for housing; establish **density range (Future Land Use Plan) Limit job inducing commercial growth through plan and LDRs.** – *Why isn't this a stated “big picture” policy in this section??*

Funding source for workforce housing program administration – establish funding source for ongoing program administration and monitoring, such as administration fee at time of workforce housing unit sale
All

Land Banking: Secure land for future workforce housing requirements. All

Possible Indicators (Theme 5—Diverse Housing Needs)

Possible indicators to monitor how well the community is achieving the goals of this theme include:

1. 65% of the workforce will be housed as community residents, **monitor number of workforce housing units and % of workforce** *Monitor how often?*
2. Ratio of commercial square footage to residential units.
3. Ratio of resort/lodging accommodations to residential units.

4. No net loss of workforce housing through redevelopment.
5. Relative cost housing

As themes are better linked in the new draft, it will also be important to incorporate indicators that monitor the effectiveness of addressing community priorities in an integrated way (rather than in isolation, as the above indicators reflect.)