



January 27, 2010

Town of Jackson and Teton County Planning Commissions
Re: Theme 4 Comments
Submitted via email to Alex Norton

Dear Planning Commissioners,

On behalf of the Jackson Hole Conservation Alliance, thank you for the opportunity to comment on the April 2009 draft of the Jackson/Teton County Comprehensive Plan. Following are comments specific to Theme Four - "Meet Our Community's Housing Needs."

As we stated at the January 14 hearing, throughout its decades of work in the valley, the Conservation Alliance has addressed affordable housing policies within a larger context of responsible land use planning. We see affordable housing issues as a critical component of long-term strategic land-use. While we believe some of the recent approaches to secure affordable housing have been flawed, such as the unpredictable PUD-affordable housing, we support the broad intent to secure housing for our local workforce, close to the workplace.

With this in mind, attached are detailed comments associated with specific policies and language currently outlined in Theme Four. Thank you for your consideration of these comments.

Sincerely,

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Community Planning Director

Becky Tillson
Community Planning Associate



Meet Our Community's Housing Needs (Theme 4)

Statement of Ideal

Remain a community first and resort second by ensuring that at least 65% of the community workforce lives in Teton County, Wyoming.

What does this theme address?

- 4.1 – *Housing for Diverse Population*
- 4.2 – *Requirements for Workforce Housing (Redevelopment and Development)*
- 4.3 – *Preservation of Workforce Housing*
- 4.4 – *Construction of Workforce Housing*

Why is this theme addressed?

Jackson and Teton County have historically been characterized by a socially and economically diverse population united by a common community commitment to a strong environmental and social ethic. **The preservation of this community characteristic is threatened by high housing prices in Jackson Hole.**¹ In 2005, about 32% of the valley's workforce commuted from neighboring communities; and existing market workforce housing was worth six times what a member of the workforce could afford. If external demand continues to increase housing prices, only the wealthy and transient service workers will be able to

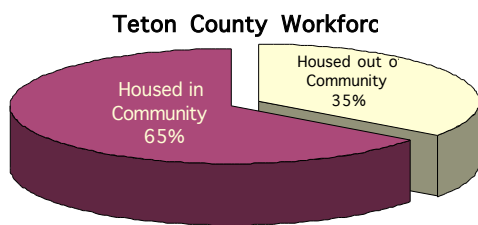
afford to both work and live in the valley. As noted in the 2007 Housing Assessment, the social and economic vitality of the valley depends on a strong local workforce.

Workforce Housing means "all housing occupied by people working in the community regardless of whether the unit is deed restricted or not."

The loss of a resident workforce has a number of environmental, social and economic effects on the community.² A workforce that commutes adds traffic to Teton Pass, Snake River Canyon, and Hoback Canyon, which reduces safety for both humans and wildlife. Moreover, the impacts of development are displaced to adjacent valleys; and the additional vehicle miles traveled increase carbon emissions, reduce air quality, and require new transportation infrastructure. As commuters leave the valley each day, so does their social and financial capital. The more time people spend commuting, the less time they have for civic engagement. They are more likely to volunteer and shop in the community in which they live. This trend has been documented in other mountain resort communities. Therefore, relying on a commuter workforce will diminish Jackson Hole's **unique sense of character**

and export the impacts of our growth to neighboring jurisdictions.

The 1994 Plan identified a clear need for affordable housing, but did not determine how much of the workforce should be housed locally. In response to the pitfalls associated with reliance on a commuter workforce, the community has committed to housing at least 65% of its workforce locally. Many feel that this metric is just above the “tipping point” for a viable local workforce; anything less will significantly diminish our sense of community. **The 65% goal will be achieved through a mix of market and affordable housing and is not a suggested mitigation rate.**⁴



The community is committed to housing 65% of its workforce.

Fulfilling the commitment to house 65% of the workforce locally requires a variety of tools and cooperation from many community groups. Although new development increases the demand for commercial and civic services, developers cannot legally, fairly, or realistically be expected to supply all of the workforce housing that will be needed as the community develops and redevelops. Assurance that units historically occupied by a member of the local workforce will remain in the pool of workforce housing is the most efficient way to address the issue. **Denser market and restricted workforce housing reduces infrastructure investment and related financial subsidies**⁵. Development of restricted housing at the same density as surrounding market housing requires larger subsidies but preserves neighborhood character. The appropriate tool for the provision of workforce housing will vary according to area and situation. It will be important to pursue a comprehensive mix of strategies to meet this goal.

What the community has said about this theme

The community’s views on workforce housing are mixed. Most members of the community identify the cost of housing as a major issue, but opinions vary about the causes and the solutions. In light of recent resort and high end commercial development, many members of the community believe that employers should shoulder a larger responsibility for housing their workers. A number of citizens believe that construction of restricted workforce housing will never catch up with the demand and that it comes at the expense of community character. The community generally agrees that development of restricted single family housing cannot be the only strategy, and that the location and density of workforce housing should be predictable. While most members of the community acknowledge the need for local workforce housing, they also recognize that this need can conflict with other community values such as preservation of wildlife habitat and natural resources, reductions in traffic, and preferred development patterns.

2008 polling indicated that:

- A large majority of the community prioritizes the provision of deed restricted workforce housing over additional commercial or resort development.
- A large majority of the community agrees that new development should be required to build a higher amount of deed restricted workforce housing.
- **A majority of the community believes we should not depend on the provision of workforce housing in neighboring communities in exchange for limited development in Jackson Hole**⁶.
- **A majority of the community agrees that the town and county should continue to use incentives, rather than requirements, to encourage more deed restricted workforce housing in new development.**⁷

Principles and Policies

Principle 4.1—House a diverse population in a variety of housing types

Everyday interaction among members of the community across all income levels is a unique characteristic of Jackson and Teton County that the community is proud of and seeks to preserve. Losing the local workforce to neighboring communities threatens this way of life. The community desires to preserve a spectrum of social and economic classes while maintaining a predictable development pattern⁸.



Single family housing is one component of housing within the community.

Policy 4.1.a: House all members of the community⁹

Our commitment to house at least 65% of the workforce within Teton County, Wyoming refers to all members of the workforce. Every member of the workforce employed within Teton County from emergency service providers to seasonal service workers to year-round professionals is important to the maintenance of a diverse community.

Policy 4.1.b: Set strategic targets¹⁰ for restricted housing opportunities

As the value of land in the county has continued to rise, it is no longer just the lower and lower-middle income segments of our local workforce that cannot afford housing. With the median house price at 1,800% of the median income, even the upper-middle income segment is now unable to afford housing. The Housing Authority and Housing Trust will be the agencies

responsible for setting categories and criteria that will encompass the majority of the local workforce.¹¹

Policy 4.1.c: Housing locations and patterns will be consistent with the Future Land Use Plan

The development and redevelopment of market and restricted housing will be consistent with the locations and desired patterns portrayed by the Future Land Use Plan (FLUP), density bonuses included¹².

Policy 4.1.d: Promote the provision of a variety of housing options¹³

The diverse set of households that compose the local workforce requires a variety of housing options. The desire for detached single-family housing and duplex units is strong, but other housing options respond to the seasonal demand and the desire of the community to reduce its development footprint. Multi-family units require less financial subsidy per unit to be affordable, and are more affordable to the local workforce. Multi-family housing also condenses the development footprint and increases the viability of transit. Especially in areas within walking distance of services, multi-family housing will be allowed and encouraged.

Policy 4.1.e: Consider regional impacts

Exporting our affordable housing and workforce to neighboring counties is not the community's solution for addressing our housing affordability issues.

Principle 4.2—Require that development and redevelopment mitigate the workforce housing impacts

Residential and nonresidential development and redevelopment generate demand for additional employees. Development must include housing for a portion of those new employees.¹⁴

Policy 4.2.a: Require generated employees to be housed

Both residential and non-residential development generates the need for employees. The number of employees generated through development and redevelopment will continue to change as industry standards and types of development evolve. The town and county and partners will update requirements for restricted employee workforce housing in residential and non-residential developments, ensuring the program is fair and understandable.¹⁵ (See Appendix J: Affordable Housing Appendix A & B from 1994 Plan.)

Policy 4.2.b: Minimize¹⁶ workforce housing loss through redevelopment

As redevelopment occurs the replacement of existing workforce housing with new units will often result in a net loss of workforce housing stock and a net increase in the number of needed workers. Conversion of rental housing into ownership housing has similar issues¹⁷. Requirements, prohibitions, and incentives will be pursued that minimize the net loss of workforce housing that occur through redevelopment and resale.

Principle 4.3—Prioritize the preservation of existing workforce housing stock

Even with new development including enough workforce housing to meet its demand for employees, the community cannot house 65% of the workforce locally without additional action¹⁸. Every sale of a market home decreases the percentage of the existing housing stock occupied by the local workforce, and increases the shortage of affordable workforce housing. For example, the worker that replaces a retiree who has owned a home for twenty years will not be able to afford that retiree's home¹⁹.

Policy 4.3.a: Restrict existing housing preferable approach

Restricting existing market units that house members of the workforce is more efficient than building new restricted units. This is because every new residence built requires workers to service its inhabitants (such as grocers, doctors, and teachers) contributing to the need for more housing. Restricting existing homes also avoids the environmental, social, and economic impacts of new construction.

Policy 4.3.b: Promote preservation of existing workforce housing stock

Property owners and developers should be offered incentives for the restriction of existing housing stock. The town and county will explore financial incentives for the voluntary restriction of existing workforce housing, and assist local housing organizations, governmental entities, employers and private citizens in attempts to preserve existing workforce housing stock.



Maintaining existing housing stock is one part of the housing equation²⁰.

Principle 4.4—Incentivize the creation of workforce housing

Even with a dedicated funding source, the subsidy will be too large to house 65% of the workforce locally through the preservation of existing workforce housing stock. As a result, the community will continue to provide incentives for the construction of restricted workforce housing that more than compensates for the employees it generates²¹.

Policy 4.4.a: Allow density increases for restricted workforce housing in county nodes and identified town areas²²

As part of the community's efforts to reduce its development footprint, areas throughout the rural county will have reduced development potential. Conversely, in the nodes (northern South Park²³, Wilson, the Aspens area, Teton Village, and town growth districts), base allowances for density should be low enough to allow for density bonuses²⁴. The town and county can give density bonuses as incentives for restricted workforce housing²⁵ construction that is still consistent with the Future Land Use Plan. Density and floor area bonuses and other incentives consistent with the FLUP provide workforce housing units at less financial cost to the community²⁶. Incentives for the construction of rental units instead of ownership units and the conversion of non-residential floor area into restricted workforce housing should also be considered²⁷.

Policy 4.4.b: Promote public/private cooperation in provision of housing

In addition to providing incentives for the production of workforce housing, the community will also pursue creative cooperative solutions. Local housing organizations will actively pursue cooperation with the federal and state agencies that employ a number of people in Teton County to provide housing solutions that benefit the agencies and the community as a whole. The organizations will also actively work with local government, business owners, care providers such as the hospital and school district, as well as developers and land owners to identify appropriate workforce housing solutions.



The town and county will allow density increases for restricted workforce housing in identified areas.



Example of a deed restricted housing project in Teton County.

Strategies

The Town of Jackson and Teton County will undertake the following strategies in initial implementation of the policies of this theme. The town and county should periodically update strategies as tasks are completed or when additional action is necessary, based on monitoring of the Theme’s indicators.

Strategy 4.1: Establish a dedicated funding source for workforce housing preservation and production

- Identify a seventh cent sales tax, additional mil property tax, or other funding source to allow for the Teton County Housing Authority to restrict existing workforce housing or build new restricted workforce housing.
- Continue attempts to institute a real estate transfer tax.
- Continue to fund the administration of the Teton County Housing Authority out of the General Fund, so that additional funds can be focused on workforce housing preservation and provision.

Strategy 4.2: Establish a workforce housing action plan

- Seek opportunities to restrict existing housing stock.
- Seek opportunities to work cooperatively with governmental and quasi-governmental agencies, employers, and developers to provide restricted workforce housing.
- Seek opportunities to construct restricted workforce housing.

Strategy 4.3: Update Land Development Regulations and the zoning maps

- Update the nexus study for establishment of new mitigation requirements for new development and redevelopment.
- Raise qualifying income for some restricted workforce housing to 200% of area median income.
- Incentivize the preservation and creation of rental housing.
- Determine appropriate base zoning and incentives using land use map maximums for the provision of restricted housing in county nodes.²⁸
- Allow multi-family housing where consistent with the FLUP.

Strategy 4.4: Increase outreach and educational opportunities

- Increase awareness among the region’s employers about opportunities for public/private approaches to increase the supply of workforce housing.
- Seek opportunities to improve public perception of workforce housing needs.

Indicators

The community will use the following indicators to monitor achievement of this theme’s values.

Community Housing Indicators	Goal	Review Period
1. Percentage of workforce housed locally	>65%	5 yr
2. Number of existing units restricted annually	increase	1 yr
3. Percentage of new units that are restricted	increase	1 yr
4. Number of houses lost from workforce housing stock	monitor	5 yr
5. Ratio of workforce to population (FTE/capita)	monitor	1 yr
6. Number of rental units	monitor	1 yr

Jackson Hole Conservation Alliance Comments

¹ High housing prices are one factor that affect workforce housing shortages. We recommend additional language that speaks to additional factors such as median income (job generation in low-income employment industries) and imbalances between commercial and residential development growth and estimated potential.

² We agree with the County Planning Commission recommendation (16) to “more narrowly define ‘workforce housing’.” Refining this term, and clearly outlining the importance of an affordable housing program (with clear definitions and criteria), is critical.

³ Just another reminder that this new draft should build upon the clearer definition of character provided in the 1994 Plan. (The new draft still refers to “unique character” but has removed considerable narrative that describes elements of character, making it more vague now than in our existing plan.)

⁴ As we have stated before, a 65% goal must be based on quantitative analysis. Specifically, if the new plan calls for housing 65% of the workforce locally, the new plan’s policies should provide an estimate of the size of the total estimated workforce to be able to evaluate the feasibility of a “preferred land use plan.” While we can appreciate that the implementation of a quantitative goal will be carried out in other sections of this plan (and not fulfilled in this narrative), it is critical that this goal is based on the best available data and a realistic evaluation of the factors that will affect our ability to achieve this goal. These factors may need to be adjusted in order for housing goals to be consistent with the higher priority goals of the new plan – to protect our natural resources and manage growth responsibly.

⁵ While we understand the intent of this language, it is important to recognize that in certain contexts this statement does not hold. Time and time again, studies have shown that residential development rarely pays its way in the long-term. Throughout this document, the topic of the costs of additional development is consistently underemphasized.

⁶ See Jan. 21, 2010 memo regarding our broad concerns about the “What the Community has said about this Theme” sections. Across a number of questions and surveys, polling suggests that the public supports limiting overall growth across the board.

⁷ Overall, polling suggests that the public strongly supports the use of requirements for affordable housing. Again, see Jan.21, 2010 memo. Based on a comprehensive look across three surveys, two of the surveys demonstrated the opposite result than what is stated in this section – with more people disagreeing than agreeing with the statement.

⁸ The new draft must include language that calls for a predictable amount of development *in addition to* predictable pattern.

⁹ This wording is confusing and should be clarified. See recommendations from the Teton County Housing Authority.

¹⁰ To be strategic, housing production should focus on the income categories where the greatest community needs lie. This policy should include specific language that housing production should *focus* on the lower income categories (as recommended by the Teton County Housing Needs Assessment (2007). As written, it only discusses higher income categories. While the land development regulations should include the more extensive details, these policy-level “targets” should be more clearly defined in the new draft than they are now. The 1994 Plan, Chapter 5, is a good starting point.

¹¹ While diverse housing and land-use planning organizations, as well as the general public, should always be involved in housing policy discussions and share their perspectives, the Housing Authority, as the only government-based housing organization, should be the only entity that oversees criteria and category levels for affordable housing upon which regulations will be based. (As stated by the Housing Authority, elected officials will be the entity that sets regulations.)

¹² As discussed in other sections, policy must direct the formation of the Future Land Use Plan. It is therefore critical to describe the policy intent rather than simply refer to the Future Land Use Plan. Also, as currently drafted, the extensive ranges of potential units proposed in different districts make future densities highly unpredictable.

¹³ Under this principle, additional language should be added that distinguishes ownership versus rental options, and why each are important. The community expressed strong support for increased focus on rental housing, but the draft plan doesn't adequately represent this strategy.

¹⁴ "Development must include housing for a portion of those new employees" is very weakened language. The 2008 draft included a statement that commercial development should **fully mitigate** its demand for employee housing. We recommend significantly strengthened language in this section. For example, the **Housing Needs Assessment (2007) states "Mitigation is the most effective affordable housing tool in Teton County. Improving the mitigation programs is the single most productive action to address the housing needs of the future."** It also states "The community will use its time and money more effectively by restricting mitigation payments and requiring more on-site development."

As mentioned by the Housing Authority, language in the new draft should be clear about the types of approaches it is suggesting, such as linkage requirements versus inclusionary zoning. Language at this point is unclear. As suggested, we also believe it is important to have separate policies for residential and commercial development.

¹⁵ This new draft should be clear about what is "fair" in an affordable housing program. Additional language should be added. This is a critical topic to discuss at the policy level and to specify clear responsibilities for housing preservation and production.

¹⁶ This policy should state "**prevent** workforce housing loss" not "minimize". Policy language must be strengthened. The Housing Needs Assessment (2007) recommends establishing a "no net loss" policy. This report states "As market pressure for redevelopment grows, it is imperative to adopt a no net loss policy to ensure that existing dwelling units are replaced (e.g. if razed for development) in addition to the mitigation requirements imposed on new development."

¹⁷ Policies associated with conversions of rental inventory should be addressed in a separate policy.

¹⁸ The plan's other policies (see points 14 and 16) do not include strong enough language to ensure that new development will be required to meet its own demands.

¹⁹ To be objective, retiree challenges are not restricted to market homes alone. Deed-restricted ownership units will also house retired individuals in the future, causing these homes to not be available to the workforce. As voiced during an affordable housing panel in Fall 2008, affordable housing programs must anticipate the factor of retirees in deed-restricted homes. As a result, Pitkin County Housing Authority is exploring incentives for retirees to relocate out of deed-restricted units to accommodate for new members of the workforce. To assist with long-term planning for deed-restricted housing, the need to plan for this should be acknowledged across the board, not just for market homes.



²⁰ Preserving existing housing stock is a great policy for increasing the number of units available to the workforce. However, with regard to other language on this page that refers to the “housing equation”, this chapter falls short in addressing the inducers of workforce housing shortages, a critical component of the other side of the “housing equation.” Specifically, rapid job growth in low-income sectors, a key variable for affecting the total workforce needing housing, is not addressed. Policies should extend beyond today’s economic conditions.

²¹ Our community needs to have an agreed upon calculation for employee generation and one that is rigorous enough to form the basis of regulations. Both primary demands, such as construction, and secondary demands, such as teachers and emergency services, should be included in an evaluation.

²² It should be clear (as in the rewritten version (1/22/10) of Theme Two) that additive growth is not appropriate. This policy will need to be significantly changed and clarified, particularly given the direction of recommendations on earlier chapters. The new draft must be very clear about what the incentives are targeting, particularly with such vague terminology as “workforce housing.” In general, the entire chapter should be reworked to distinguish between affordable, deed-restricted housing and workforce housing and how different policies address them. The conditions under which “density increases” are promoted are not clear. This chapter must distinguish between incentives as unpredictable density-bonus options versus other types of incentives.

²³ While this area has been removed as a recommended node, it is still important that the plan does not include inconsistencies throughout its text. Some parts of the plan identify “Northern South Park” as a node district, others state “South Park” as the node district.

²⁴ “Baseline densities should be kept low enough” is weak, unpredictable language, and needs to be removed. Overall baseline development potential should not be increased.

²⁵ Terminology should be consistent, using affordability definitions – not just “restricted workforce.”

²⁶ We caution the use of such statements, given that in many contexts this statement would not hold. High-density housing *can* have enormous costs in certain situations.

²⁷ This last sentence refers to topics that should be described under separate, distinct policies. Both rental options and conversion of commercial potential should be emphasized more strongly in the chapter’s policies.

²⁸ The Strategies and Indicators section will need to be significantly reworked for consistency with other chapters as well as from input from the Blue Ribbon Housing Panel.