

HOUSING MITIGATION REQUIREMENTS

Draft Requirements

You Spoke...

5 Public Comment Events,
2 Surveys,
713 total participants.

Here is what we heard from the community in 2017:

- We have an affordable housing problem. Housing mitigation requirements should be used to help.
- Providing affordable, local housing for employees should be part of the cost of doing business in this community.
- The cost of providing affordable housing should be spread across all types of development. All types of development generate employees. How much affordable housing provided should depend on the number of employees generated.
- Affordable housing programs should focus on housing year-round, full-time employees; Seasonal employees can be housed through market solutions.

We listened...

This is the major policy direction that informed the draft requirements:

- Housing requirements will be used to house year-round, full-time employees.
- The amount of affordable housing required will be equal to amount of affordable housing need that is generated.
- All types of development will be required to provide housing according to how many employees they generate.



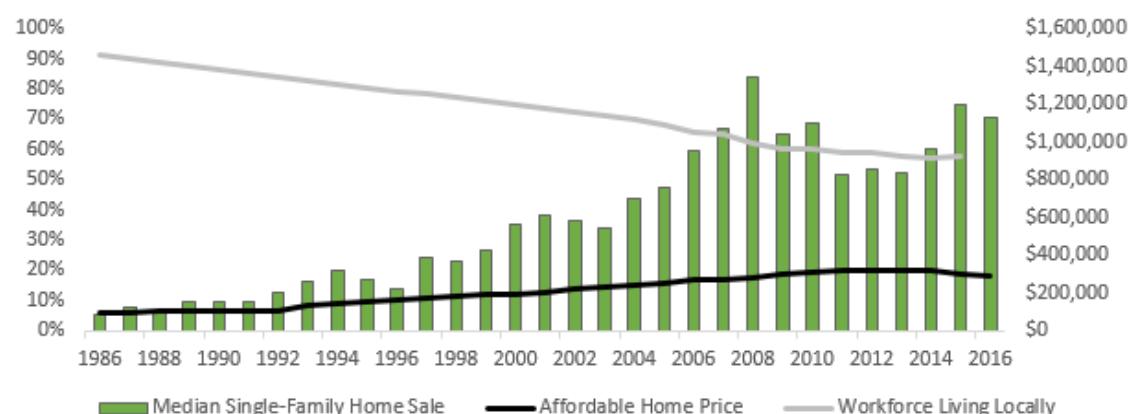
WHAT IS PROPOSED?

All development must include deed-restricted housing for the year-round, fulltime employees who cannot afford market housing that are generated by the development.

WHY?

1. **To be a Community 1st and Resort 2nd.** By housing local workers locally, we maintain our sense of community. Workers who live locally have time to volunteer after work, spend money in our community, and participate in community events like Old Bill's Fun Run. Nurses, policemen, and teachers who live in our community can still make it to work during road closures and weather events. Fewer workers commuting also means fewer cars on the road, fewer CO2 emissions, and fewer collision with wildlife.

Over the past 30 years the percentage of the workforce living locally has dropped from over 90% to under 60%



2. **To address decreased housing affordability since 1995.** In 1995 the average home cost twice what the average family could afford, resulting in about 33% of families being unable to afford a market home. 20 years later the average home costs 4 times what the average family can afford, resulting in about 73% of families being unable to afford a market home.
3. **To get the housing supply at the same time as the housing demand.** Since 2000 the number of jobs in the community has grown 2.1% each year. The number of houses has only grown 1.6% each year. Even if housing was affordable there would be a shortage of housing for new employees generated by development because housing is not being built when jobs are created.

WHAT IS THE RESULT?

Some development costs will decrease, other development costs will increase.



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MULTI-UNIT
RESIDENTIAL DEVELOPMENT

SINGLE-FAMILY
RESIDENTIAL

COMMERCIAL, LODGING
AND INSTITUTIONAL



HOUSING MITIGATION REQUIREMENTS

Frequently Asked Questions

HOW DO I STAY INVOLVED?

April 12

- Open House to take public comment

April 24

- Elected Officials Workshop
- Public comment will be taken

May 21

- Planning Commission Hearing
- Public comment will be taken

June 6

- Elected Officials 1st Hearing
- Public comment will be taken

June 25

- Elected Officials 2nd Hearing
- Public comment will be taken

July 2

- Elected Officials 3rd/Adoption Hearing
- Public comment will be taken

WHERE IS MORE INFO?

engage2017.jackstontetonplan.com

#JHEngage2017

HOW DO I COMMENT?

At the open house or a hearing

feedback@jackstontetonplan.com



Q: I've heard the proposal is to go from 25% mitigation to 100% mitigation?

A: Here is what those numbers actually mean and why they cannot be compared:

- 25% is not the current mitigation of employees generated; it is the current percentage of new units that must be restricted
- "All" does not equal 100%; it equals 100% of 60% of 73%. The proposal is to mitigate for the housing need of all (100%) year-round employees (60% of all employees) generated who cannot afford housing (73% of year-round employees).
- A true comparison is that the proposal is to go from about 33% mitigation of all employees generated to about 43%.
- For reference, the Aspen (Colorado) equivalent is about 53% mitigation of all employees

Q: Then why does the nonresidential requirement look like it is increasing so much?

A: The proposal is that all development include 43% mitigation. Currently nonresidential development includes less than 33% mitigation while residential development includes more than 33% mitigation.

- The current requirement to provide housing for 33% of the employees generated by a nonresidential development is broken into two parts:
 - At the time of a nonresidential development, the developer is required to provide housing for 13% of the employees generated (33% of the seasonal employees)
 - The other 20% mitigation (33% of the year-round employees) is provided by residential developers later when new housing is built
- As a result, nonresidential mitigation is practically increasing from 13% to 43% (although it varies by industry depending on the percentage of employees that are seasonal)
- Subsequently, the housing requirement on residential development is decreasing

Q: Will an increased cost of development stop development and mean no housing?

A: The proposal includes a number of offsets that encourage workforce housing development

- The requirement on multi-unit development is actually going down, which may mean more small-unit, dense development in Town
- At the same time, more allowances and incentives for the construction of workforce housing are being added in the Town
- There is an option for housing developers to build mitigation units before they are required then sell them to nonresidential developers
- If there is less employee generation from development there is less demand for housing

Q: How can a mom-and-pop business afford the proposed mitigation?

A: Mom-and-Pop businesses usually pay rent, they do not develop nonresidential buildings.

- Increased cost of nonresidential development may effect rent in the long-term if supply is limited, but rents will also be affected by demand for commercial space
- Small businesses often start in older, existing spaces that larger businesses do not want, keeping the cost of redevelopment down will encourage redevelopment of such spaces

Q: Why not just let the market build more housing?

A: For the market to supply all the workforce housing demanded would mean building 500 to 700 units per year.

- Over the past 15 years we've averaged 150 units per year
- In addition to housing goals the community also has conservation and growth management goals that preclude a supply side approach