



# WELCOME: HOUSING REQUIREMENTS & TOWN ZONING UPDATES

## You Spoke...

6 Public Comment Events,  
3 Surveys,  
952 total participants.

- May / June Public Open House and Community Discussion (English and Spanish)
- Oct. 2 Housing Requirements Public Comment Event (Spanish)
- Oct. 9 Housing Requirements Public Comment Event (English)
- Nov. 6 Public Comment Event (Spanish)
- Nov. 8 Public Comment Event (English)

## We listened...

The following public hearings were held to review community feedback:

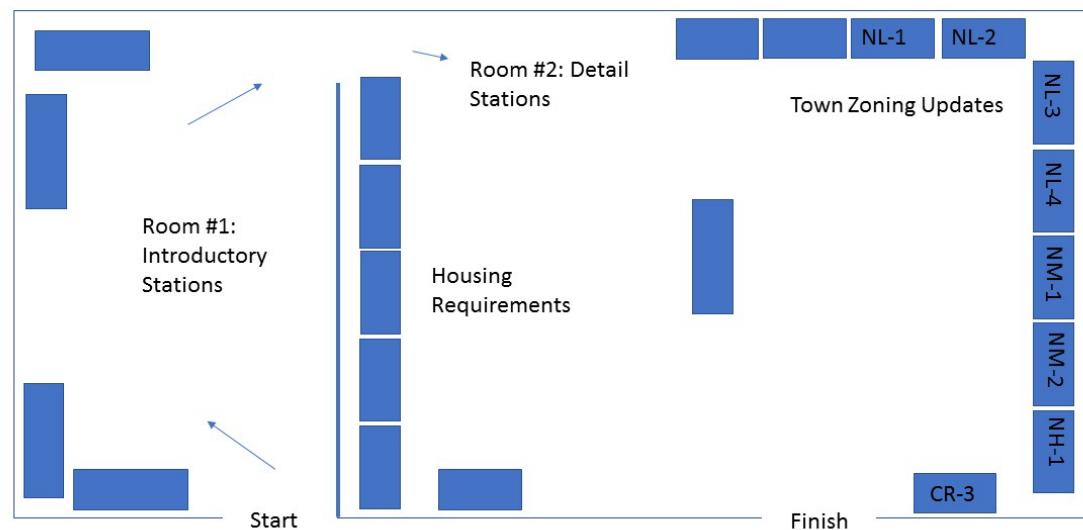
- March 19, 2018 Joint Information Meeting
- Dec. 11, 2017 Town Council Meeting
- Nov. 14, 2017 Town of Jackson Planning Commission Meeting
- Nov. 29, 2017 Town Council Meeting
- Nov. 14, 2017 Town of Jackson Planning Commission Meeting
- Nov. 13, 2017. Joint Town Council & Board of County Commissioners Meeting
- Nov. 1, 2017 Joint Information Meeting
- Oct. 30, 2017 Joint Information Meeting
- Oct. 16, 2017 Teton County and Town of Jackson Joint Planning Commission Meeting
- July 10, 2017 Joint Information Meeting
- June 27, 2017 Special Town Council Meeting

## FORMAT OF TODAY'S OPEN HOUSE

Today's Open House is self-guided. We have different boards for you to review that will bring you up to speed on the Housing Mitigation Requirements and Town Zoning Updates. We also have several comment boards available for you to tell us your thoughts. We have planners on hand to answer your questions. Here's how the information is ordered:

- **Room #1: Introductory Stations** – What are we doing and why.
  - Watch the Videos; Read the Introductory Boards; Review the FAQ Boards
  - Provide comments
- **Room #2: Detail Stations** – The specifics of the updates.
  - Review more detailed information on the updates.
  - Provide comments.
  - Ask Staff your questions.

### Workshop Map:



## PURPOSE OF TODAY'S OPEN HOUSE

The purpose of the open house is to present the proposed D3-6 Zoning and Housing Mitigation Requirements to you so that you can provide comment to improve the drafts prior to adoption.

Our objectives for today are to:

- Share with you the policy direction from last fall that has shaped these draft regulations;
- Explain how the new draft regulations implement the direction;
- And ask you what we can do to better implement that policy direction through these new regulations.

# 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.



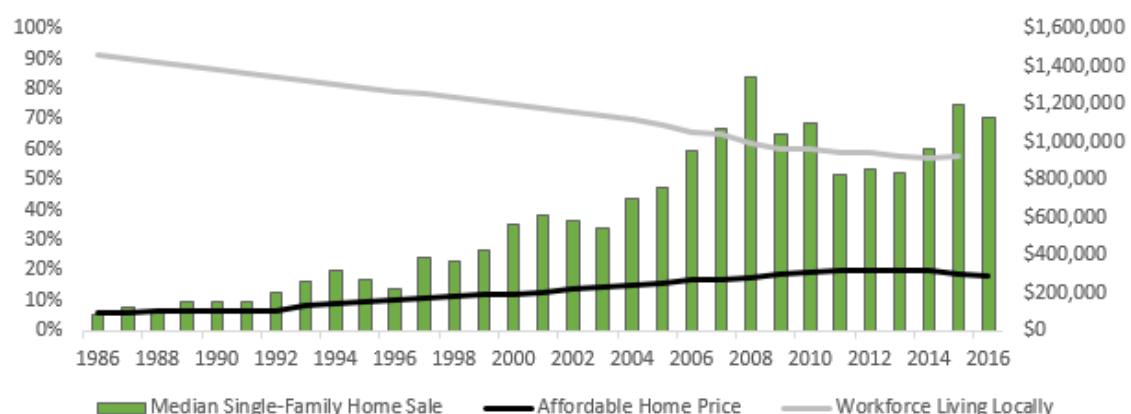
### WHAT IS PROPOSED?

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 1<sup>st</sup> and Resort 2<sup>nd</sup>.** 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.



\$AME



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](http://engage2017.jackstontetonplan.com)

#JHEngage2017

### HOW DO I COMMENT?

At the open house or a hearing

[feedback@jackstontetonplan.com](mailto: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



# HOUSING MITIGATION REQUIREMENTS

## Requirement Amount for Residential Development



Development of a residential unit generates construction employees, operations and maintenance employees (e.g. landscapers, property managers, etc.) and public safety officers. Below is a comparison of the current and proposed housing requirements.

### Current vs. Draft Housing Requirement: Residential

Development Type	Year-round Employees	Current		Draft	
		Units	Fee-In-Lieu	Units	Fee-In-Lieu
1,500 sf SFD (Town)	0.085	exempt		0.034	\$ 7,913
1,500 sf SFD (County)	0.085	exempt			exempt
4,500 sf SFD (Town)	0.312	exempt		0.126	\$ 29,251
4,500 sf SFD (County)	0.312	-	\$ 14,789	0.126	\$ 29,251
8,000 sf SFD (Town)	0.641	exempt		0.261	\$ 60,306
8,000 sf SFD (County)	0.641	-	\$ 40,669	0.261	\$ 60,306
12 unit PRD conservation subdivision	7.693	7.92	n/a	3.129	n/a
90 – 850 sf, 2 bedroom apartments	6.122	20	n/a	2.490	n/a
Replace 8 mobile homes with 12 apts.	0.816	0.889	\$ 359,092	0.332	\$ 76,789

Single family home in town no longer exempt	Currently single-family homes under 2,500 sf in the County and all single-family homes in Town are exempt from housing mitigation because they are assumed to be workforce housing. The proposed regulations exempt housing with an affordable or workforce restriction, but assume unrestricted housing will become unaffordable to the workforce over time.																																								
What if I'm a local building a home?	If a local occupancy restriction is placed on a unit, which requires you to live in the unit 10 months per year, but does not have any price or employment limits, the requirement is reduced. <table border="1"><thead><tr><th></th><th colspan="2">Unrestricted (above)</th><th colspan="2">Local Occupancy Restriction</th></tr><tr><th>Development Type</th><th>Units</th><th>Fee-In-Lieu</th><th>Units</th><th>Fee-In-Lieu</th></tr></thead><tbody><tr><td>1,500 sf SFD</td><td>0.034</td><td>\$ 7,913</td><td>0.030</td><td>\$ 6,950</td></tr><tr><td>4,500 sf SFD</td><td>0.126</td><td>\$ 29,251</td><td>0.103</td><td>\$ 23,727</td></tr><tr><td>8,000 sf SFD</td><td>0.261</td><td>\$ 60,306</td><td>0.201</td><td>\$ 46,517</td></tr><tr><td>12 unit PRD subdivision</td><td>3.129</td><td>n/a</td><td>2.413</td><td>n/a</td></tr><tr><td>90 unit apartment building</td><td>2.490</td><td>n/a</td><td>1.466</td><td>n/a</td></tr><tr><td>8 mobile homes to 12 apts.</td><td>0.332</td><td>\$ 76,789</td><td>0.196</td><td>\$ 45,223</td></tr></tbody></table> If a voluntary workforce or local occupancy restrict is removed at a later date the additional housing requirement must be paid.		Unrestricted (above)		Local Occupancy Restriction		Development Type	Units	Fee-In-Lieu	Units	Fee-In-Lieu	1,500 sf SFD	0.034	\$ 7,913	0.030	\$ 6,950	4,500 sf SFD	0.126	\$ 29,251	0.103	\$ 23,727	8,000 sf SFD	0.261	\$ 60,306	0.201	\$ 46,517	12 unit PRD subdivision	3.129	n/a	2.413	n/a	90 unit apartment building	2.490	n/a	1.466	n/a	8 mobile homes to 12 apts.	0.332	\$ 76,789	0.196	\$ 45,223
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Why reduce the requirement on subdivision?	The current regulations require a developer of multiple residential units to restrict 25% of them as affordable. This requirement is intended to provide housing for all year-round employees generated by any type of development. But when housing growth is slower than job growth it does not work as intended. Instead of waiting for the housing development to occur, the proposed requirements require all development to address the housing need it generates.																																								



# HOUSING MITIGATION REQUIREMENTS

## Requirement Amount for Nonresidential Development



Development of a nonresidential building generates construction employees, employees of the business(es) in the building, and public safety officers. The number of employees generated varies by use. Below is a comparison of the current and proposed housing requirements.

### Current vs. Draft Housing Requirement: Nonresidential

Development Type	Year-round Employees	Seasonal Employees	Current		Draft	
			Units	Fee-In-Lieu	Units	Fee-In-Lieu
3,000 sf restaurant	11.868	7.266	1.8	n/a	4.768	n/a
5,000 sf retail	6.235	13.18	1.244	n/a	2.863	n/a
10,000 sf office	16.43	2.28	0.222	\$ 25,872	6.549	n/a
5,000 sf industrial	3.655	0.99	0.067	\$ 7,761	1.631	n/a
50,000 sf private school	81.65	?	exempt		34.90	n/a
50,000 sf public school	81.65	?	exempt		exempt	
20 – 2 bed short-term rentals	21.120	18.840	5	n/a	8.172	n/a
40 unit conventional hotel	21.120	18.840	3.378	n/a	8.172	n/a

The proposed regulations do not affect all industries the same, because industries have very different reliance on seasonal employees. On average, the effective increase in mitigation rate is from 13% of employees generated to 43%. That accounts for the increase in employees who cannot afford housing (33% in 1995 to 73% today), as well as the shift from mitigation of seasonal employee (41% of all employees) housing need to year-round employee (59%) housing need. However, the actual percentage of employees that are seasonal varies widely by land use – exaggerating the shift for some industries.

	Restaurant	Office	Retail	Industrial	Lodging	Overall
Year-round employees generated per 1,000 sf	3.956	1.643	1.248	0.731	0.528	1.438
Seasonal employees generated per 1,000 sf	2.422	0.228	2.636	0.198	0.471	0.980
Year-round % of Total Employees	62%	88%	32%	79%	53%	59%
Seasonal % of Total Employees	38%	12%	68%	21%	47%	41%
% that could not afford housing in 1995	33%	33%	33%	33%	33%	33%
Current Mitigation "Rate" (Seasonal that could not afford)	13%	4%	22%	7%	16%	13%
% that cannot afford housing today	78%	69%	75%	73%	75%	73%
Proposed Mitigation "Rate" (Year-round that Cannot Afford)	48%	60%	24%	57%	40%	43%

- The proposed requirements expire credit for an existing use if the use has been discontinued for longer than 12 months and mitigation has not already been provided. For example: a restaurant that has existed forever closes and the building it was in sits vacant for 3 years, that building no longer gets credit for having an existing use.
- If no use permit is applied for at the time a building is built, the highest generating use (except restaurant) that is allowed in the zoning district is mitigated.



# HOUSING MITIGATION REQUIREMENTS

## Type of Housing Required



Once you've calculated how many units are required, the proposed regulations define the types of units that must be provided. The type of unit required has two components.

### Affordability

The affordability schedule is based on the distribution of household incomes in the community.

Affordability Restriction	Required Unit
Rental, Affordable at less than 50% of Median Income	3 <sup>rd</sup> unit
	4 <sup>th</sup> unit
	7 <sup>th</sup> unit
Rental, Affordable at 50% - 80% of Median Income	1 <sup>st</sup> unit
	5 <sup>th</sup> unit
Rental or Ownership, Affordable at 80% - 120% of Median Income	2 <sup>nd</sup> unit
	6 <sup>th</sup> unit
Rental or Ownership, Workforce restriction	8 <sup>th</sup> unit

### Size (in Bedrooms)

The unit size schedule is based on the average number of employees in a unit of that size

Size	Required Unit
1 Bedroom/Studio	4 <sup>th</sup> unit
2 Bedroom	1 <sup>st</sup> unit
	2 <sup>nd</sup> unit
3 Bedroom	3 <sup>rd</sup> unit

### Distribution

The final step is to achieve an even distribution of unit sizes and affordability restrictions. Without this requirement all of the workforce units would be 1 bedrooms or studios, all of the 3 bedroom units would be for less than 50% of median income, etc. Below are some examples of distribution of the requirement.

3 Units Required			
	1 Bed	2 Bed	3 Bed
< 50%		1 unit	
50-80%		1 unit	
80-120%			1 unit
WF			

8 Units Required			
	1 Bed	2 Bed	3 Bed
< 50%	1 unit	2 units	
50-80%	1 unit	1 unit	
80-120%		1 unit	1 unit
WF			1 unit

34 Units Required			
	1 Bed	2 Bed	3 Bed
< 50%	3 units	6 units	3 units
50-80%	2 units	5 units	2 units
80-120%	2 units	5 units	2 units
WF	1 unit	2 units	1 unit

- The allocations can be adjusted by the Housing Director under standards that ensure the amount of housing needed for the employees generated is included in the development.
- Required units must be single family units, apartments, or accessory residential units. They cannot be dormitories, lodging units, or other unit types currently allowed to house seasonal employees.
- There are not minimum square footage requirements
- Units must include a kitchen, bathroom, living area, sleeping area, and storage
- Units must comply with the Housing Department Rules and Regulations



# HOUSING MITIGATION REQUIREMENTS

## Method of Providing Required Housing



How the required housing is provided is a prioritized list.

1. Construct the required housing on-site or off-site
  - Proposed zoning in Town and County allows for on-site construction without taking away from market allowances
2. Convey land to the Housing Authority
  - The land must be zoned to allow the required amount of housing
  - The land must be worth at least what the in-lieu fee would be for the requirement
  - The land must have utilities
3. Utilize a banked affordable workforce housing unit
  - A voluntarily restricted unit may be used later to meet a housing requirement
  - This method opens up financing options for residential developers
  - This method creates a market for residential development to assist nonresidential developers who do not want to develop housing
4. Restrict an existing unit
  - The unit must be good condition (it must meet the Housing Department Rules and Regulations)
5. Pay an in-lieu fee

- In order to move to a lower priority on-site option must be shown to be impractical and off-site options not reasonably available
- The decision maker on the application for development (Planning Director, Town Council, or Board of County Commissioners) will make the decision on the method of housing provision
- A Housing Mitigation Agreement is required to be signed by the applicant and Town or County to memorialize the approved Housing Mitigation Plan



# HOUSING MITIGATION REQUIREMENTS

## Policy Direction Reaction



Use a dot to indicate your overall agreement with the direction of the draft housing mitigation requirements on the scale below



Use a stickie note to provide any comments about the direction of the draft housing mitigation requirements

***WHAT I LIKE***

***WHAT I DON'T LIKE***

***HOW I WOULD IMPROVE IT***



# THANK YOU FOR YOUR FEEDBACK

## Next Steps

### MORE INFORMATION AT:

[engage2017.jacksonetonplan.com](http://engage2017.jacksonetonplan.com)

#JHEngage2017

### HOW DO I COMMENT?

At the open house or a hearing.

You can also submit comment to:

[feedback@jacksonetonplan.com](mailto:feedback@jacksonetonplan.com)

### WANT TO SPEAK WITH A PLANNER?

Let's set up a date. You can sign up for a one-on-one conversation with a planner at the exit table.

Or...

You can schedule a presentation by a planner for you and 9 or more of your friends/colleagues (10 person minimum to schedule a presentation). Again, see the exit table for the sign-up sheet or email [feedback@jacksonetonplan.com](mailto:feedback@jacksonetonplan.com) to set up a date and time.

Engage 2017: Phase 4 Schedule	Housing Department Rules & Regulations	Housing Requirements	Town Zoning/Parking
Elected Officials Modifications Workshop	Mar. 21, 2 pm Joint Town Council & County Commissioners Meeting Town Hall	Apr. 24, 5:30 pm Joint Town Council & County Commissioners Meeting & Joint Planning Commission Town Hall	Apr. 23, 5:30 pm Town Council & Town Planning Commission
Recommendation	Mar. 19, 1 pm Housing Authority Board Recommendation Teton County Public Health Building	May 21, 6:00 pm Town & County Planning Commissions May 22, 6 pm (cont.)	May 14, 5:30 pm Town Planning Commission May 15, 5:30 pm (cont.) May 16, 5:30 pm (cont.)
1 <sup>st</sup> Reading/Approval	Apr. 11, 6 pm Joint Town Council & County Commissioners Meeting Town Hall	Jun. 6, 6 pm Joint Town Council & County Commissioners Meeting Town Hall	May 29, 6 pm Town Council
Release Adoption Version	Apr. 12, 9 am (cont.)	Jun. 7, 9 am (cont.)	May 30, 2 pm (cont.) May 31, 2 pm (cont.)
2 <sup>nd</sup> Reading	Apr. 20	Jun. 20	Jun. 20
3 <sup>rd</sup> Reading/Adoption	May 21, 2 pm Joint Town Council & County Commissioners Meeting Town Hall	Jun. 25, 3 pm Joint Town Council & County Commissioners Meeting Town Hall	Jun. 25, 1 pm Town Council
	Jun. 4, 3 pm Joint Town Council & County Commissioners Meeting Town Hall	Jul. 2, 3 pm Joint Town Council & County Commissioners Meeting Town Hall	Jul. 2, 6 pm Town Council