

Special Joint Information Meeting

TOWN COUNCIL & COUNTY COMMISSIONER MEETING

October 7, 2019

1:00 PM

County Commissioners Chambers

Chair: Natalia Macker

NOTICE: THE VIDEO AND AUDIO FOR THIS MEETING ARE STREAMED TO THE PUBLIC VIA THE INTERNET AND MOBILE DEVICES WITH VIEWS THAT ENCOMPASS ALL AREAS, PARTICIPANTS, & AUDIENCE MEMBERS. **PLEASE SILENCE ALL ELECTRONIC DEVICES DURING THE MEETING**

I. CALL TO ORDER AND ROLL CALL

II. COMPREHENSIVE PLAN - GROWTH MANAGEMENT PLAN

1:00 - 3:00 PM Growth Management Plan

III. PUBLIC COMMENT

This section of the agenda is reserved for public comment on items that are not on today's agenda.

IV. CONSENT CALENDAR

All matters listed in this section are considered to be of routine nature by the governing body and will be enacted in one motion, unless it is removed from the consent calendar to be considered separately by an Elected Official. Public comment may be given on any item.

A. Meeting Minutes

1. September 9, 2019 regular JIM
2. September 16, 2019 special JIM

V. DISCUSSION/ACTION ITEMS

- A. Teton County Adoption of Jackson/Teton County Housing Department Rules & Regulations (Stacy Stoker, 5 Minutes)
- B. Town Ordinance J: An Ordinance Amending and Reenacting the Town of Jackson Municipal Code Title 16 Regarding Housing Rules & Regulations (Presented for Third Reading and Designated 1242)
- C. Melody Ranch Townhomes Roof Replacement (April Norton, 45 Minutes)
- D. 430 and 440 West Kelly Avenue Community Housing Development (April Norton, 45 Minutes)

VI. MATTERS FROM COUNCIL, COMMISSIONERS, AND STAFF

VII. PROPOSED AGENDA ITEMS FOR UPCOMING JIMs

VIII. ADJOURN

Please note that at any point during the meeting, the Chairman or Mayor may change the order of items listed on this agenda. In order to ensure that you are present at the time your item of interest is discussed, please join the meeting at the beginning to hear any changes to the schedule or agenda.

County Commission adjourns.

Town Council adjourns to executive session to discuss personnel matters, to consider the selection of a site or the purchase of real estate when the publicity regarding the consideration would cause a likelihood of an increase in price, and matters concerning litigation to which the governing body is a party or proposed litigation to which the governing body may be a party in accordance with Wyoming Statute 16-4-405 (a)(ii)(iii)(vii)(x). Executive session will be held at Town Hall.

Please note that at any point during the meeting, the Chairman or Mayor may change the order of items listed on this agenda. In order to ensure that you are present at the time your item of interest is discussed, please join the meeting at the beginning to hear any changes to the schedule or agenda.



JOINT INFORMATION MEETING TOWN OF JACKSON & TETON COUNTY **AGENDA DOCUMENTATION**

PREPARATION DATE: October 1, 2019
MEETING DATE: October 7, 2019

SUBMITTING DEPARTMENT: Long-Range Planning
DEPT DIRECTORS: Tyler Sinclair
PRESENTER: Tyler Sinclair

SUBJECT: P19-0129 - Joint Growth Management Program review and Comprehensive Plan update

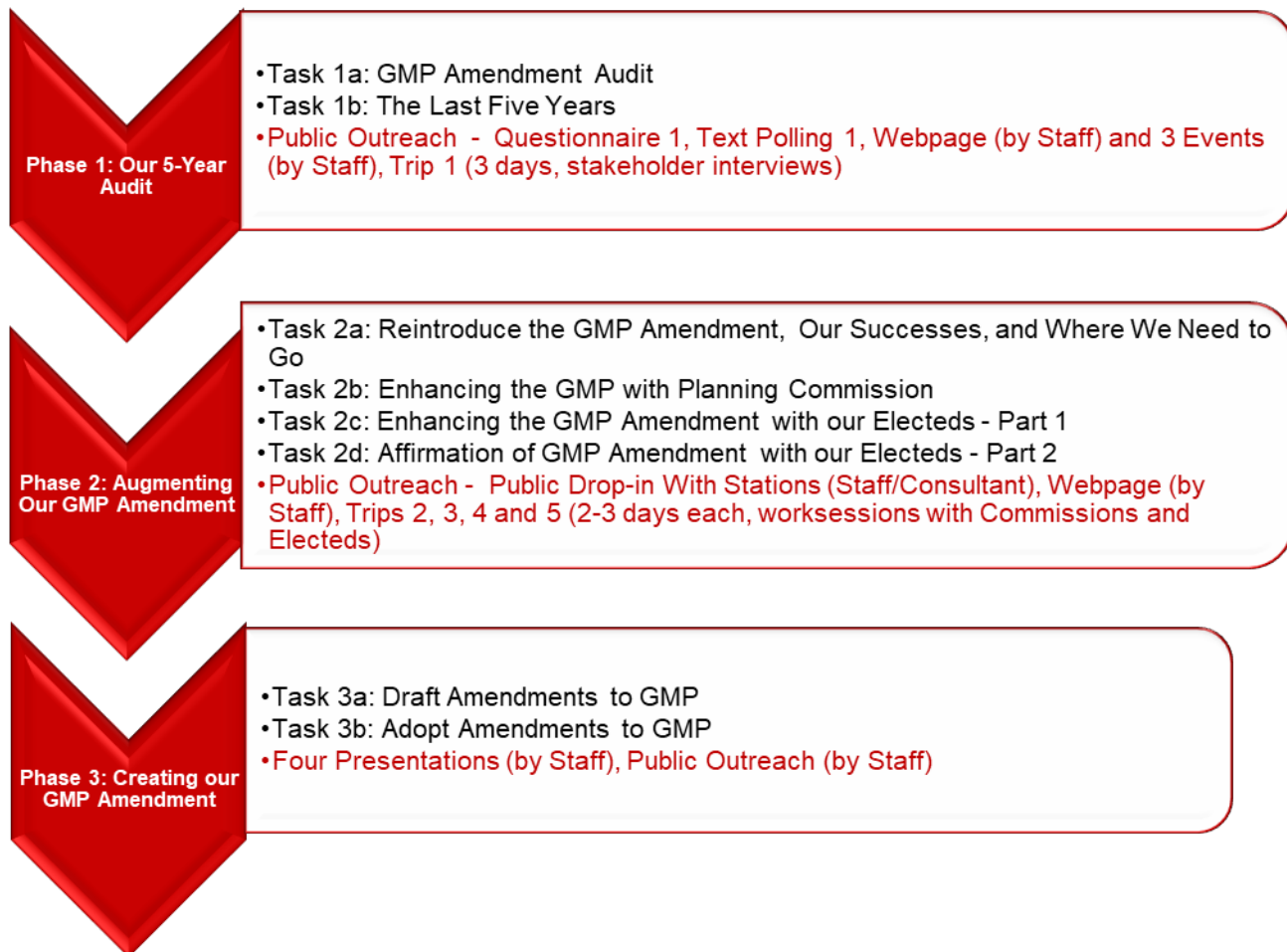
PURPOSE/REQUESTED ACTION

The purpose of this item is for the Boards to review and discuss the results of Phase 1: Our 5-Year Audit of the Joint Growth Management Program.

At the May 6, 2019, Joint Information Meeting the Boards approved the Fiscal Year 2020 Comprehensive Plan Implementation Work Plan. The approved Work Plan identified this project as the priority joint task for the upcoming year as follows:

1. ***Joint Comprehensive Plan Review (Growth Management Program):*** *The Growth Management Program is a systematic review of the Comprehensive Plan principles, policies, strategies, and indicators to identify corrective actions that are needed before it is too late to make the corrections. The Growth Management Program was triggered in 2016 upon hitting 5% growth in residential units since adoption of the Comprehensive Plan. In 2017 the Board and Council chose to delay the Growth Management Program because the Engage 2017: Housing, Parking, and Natural Resource Updates needed to be complete, especially the Town District 3-6 Zoning Updates and Housing Mitigation Requirements Update, before the community could accurately reflect on and adapt the Comprehensive Plan principles, policies, and strategies. The Council and Board requested that this task be prioritized and achieved as expediently as possible with a primary focus on locational density preference and allocation.*

On June 3, 2019, the Town and County entered into a contract with Logan Simpson Design to complete the Joint Growth Management Program review and Comprehensive Plan update. The approved Scope of Work included a 3-phase schedule as follows:



Below staff has provided an update on the work completed to date (in Green) and an overview of next steps in the project (in Yellow).

Phase 1: Our 5% Audit

The purpose of phase 1 is to examine the implementation efforts of 2012-2019 and provide insight as to whether the community has been moving toward its aspirations. The task included an audit of the vision, policies, strategies, and indicators, because we hit the 5% residential unit trigger, met our 60/40 locational goal but did not meet our 65% workforce housing goal. As well as evaluation of new opportunities, additions, deletions, and clarifications to the Plan.

Staff and the consultant have completed phase 1 of the project including the following tasks:

• Task 1a: GMP Amendment Audit

An electronic plan audit was conducted of the vision, policies, strategies, and indicators to identify which were working, which needed minor modifications, and which are unnecessary. For each vision, principles/policies, indicators, strategies, the audit asked participants to affirm those that are still relevant, have become irrelevant, need modification, or are missing. The GMP audit was completed by approximately 55 participants largely made up of staff, local consultants, past and current elected officials and others who use the Comprehensive Plan regularly.

- Task 1b: The Last 5 Years

Stakeholder Interviews

As part of the Audit process 28 stakeholders were interviewed to gauge their perception of plan implementation and success based upon their response to the following questions:

1. What are the most positive things you have observed in our community over the last five years?
2. What are three things we as a community need to work on?
3. Based on what you have seen over the past five years in the community, what are three lessons learned? In other words, is there anything you would do differently moving forward?
4. How are you personally contributing to our vision and values?
5. In regards to ecosystem stewardship, growth management, and/or quality of life, how would you rate the community's performance over the past five years on a scale good, fair, or poor?
 - Good – Fair – Poor
 - Why did you choose that rating?
 - What ideas do you have that would help increase the community's performance related to ecosystem stewardship, growth management, and/or quality of life?

Community Survey

To supplement the GMP Audit a community survey was completed to evaluate how the GMP Audit compared with the community's perception of how we are doing in meeting the Community Vision and Goals stated in the Plan. The survey was structured to be approachable to the everyday citizen with no prior knowledge of the Plan, focusing on the following three questions:

1. What are three positive things you've observed in the community over the last five years?
2. What are three things we need to work on as a community?
3. How are you contributing to the community vision?

GMP White Paper

Based upon the Audit, Community Survey and review of the Comprehensive Annual Indicator reports and other available data, the consultant completed a qualitative and quantitative analysis of the Plan including the following topics for each Section:

- Community Goal Review
- Where has the community been?
- What is the community perception?
- What do we do next?

This document will be available by the end of the week at www.jacksonstetontetonplan.com.

Phase 2: Augmenting Our GMP Amendment

The purpose of this phase will be to first restate and reeducate the elected officials, planning commissioners and public on the vision and intent of the Comprehensive Plan and its Growth Management Plan. Once completed the second step will be to ask the community what corrective actions and plan amendments may be desirable to better achieve the Community's Vision and Plan goals. This phase will be completed through the following tasks:

- **Task 2a: Reintroduce the GMP, Our Successes and Where We Need to Go**

Joint Town/County Elected Official and Planning Commission Workshop – October 7

The purpose of this workshop will be to first restate and reeducate the Boards on the Vision and Goals of the Comprehensive Plan and its Growth Management Plan then move on to discuss the results of GMP White Paper. The goal of the workshop and White Paper is the understand where we have been including what has worked and what has not prior to moving forward and setting direction on further implementation. The Boards will not be asked to comment on corrective actions or plan amendments as that will occur later in the process once the public and Planning Commissions have provided their thoughts and ideas.

Community Open House – How are We Doing? Where are we Going? – October 8

Like the workshop above the goal of the open house will be to first restate and reeducate the public on the Vision and Goals of the Comprehensive Plan and its Growth Management Plan then move on to discuss the results of GMP White Paper. In addition, the public will be asked to provide their thoughts and ideas on how the Plan could be amended to better meet the Community Vision and Goals moving forward.

Community Online Presentation and Survey – October 11

An online version of the Community Open House will be made available to the community for a two-week period for those unable to attend the event.

- **Task 2b: Enhancing the GMP with Planning Commission – October/November 2019**

The goal of this task will be to complete a Joint Planning Commission work session to review the modifications to the Plan based on Phase 1 and Task 2a (including staff's recommendations and key things we have heard) and identify if there are any other clarifications/additions necessary to each chapter. The goal of the task is to recommend modifications that help clarify, update, and enhance the intent of the GMP. It is assumed that the vision, structure, and general direction of the GMP remain the same.

A key focus will be to identify new strategies to replace completed ones that will help accelerate the community's vision. The work session will primarily be focused on prioritizing future strategies and identifying additional corrective actions. We will also ask questions such as, "Are we thinking big enough?" "Are there new big ideas?" and "Are there any preliminary strategies we need to accelerate our progress?" These could include a series of interactive exercises that focus on any strategies or corrective actions that are critical for the plan to be effective. The consultant will prepare a list of recommended enhancements and strategies for the next two work sessions with electeds.

- **Task 2c: Enhancing the GMP Amendment with our Electeds - Part 1 - – November 2019**

The goal of this task and the corresponding Elected work session is to review the modifications to the chapters based on Phase 1 and Task 2a, 2b (including staff's recommendations, key things we have heard and Planning Commission recommendations) and identify if there are any other clarifications necessary to each chapter. The goal of the task is to recommend modifications that help clarify, update, and enhance the intent of the GMP Amendment following the same process as utilized with the Planning Commission in Task 2b. It is assumed that the vision, structure, and general direction of the GMP remain the same.

A key focus will be to identify new strategies to replace completed ones that will help accelerate the community's vision. The work session will primarily be focused on prioritizing future strategies and identifying additional corrective actions. We will also ask questions such as, "Are we thinking big enough?" "Are there new big ideas?" and "Are there any preliminary strategies we need to accelerate our progress?" These could include a series of interactive exercises that focus on any strategies or corrective actions that are critical for the plan to be effective.

- **Task 2d: Affirmation of GMP Amendment with our Electeds - Part 2 – November/December 2019**

The goal of this task and the corresponding elected official session is to affirm and discuss the recommendations and changes to the Public Draft GMP Amendment. Based on the recommended changes a draft Public GMP Amendment will be prepared.

Phase 3: Creating our GMP Amendment December –January 2020

- **Task 3a: Public Draft GMP Amendment December 2019**

The Preliminary Draft GMP Amendment will be delivered for review. Based on staff comments, a public draft will be prepared. Staff will attend to facilitate any meetings and provide necessary notifications.

[FISCAL IMPACT](#)

The total project cost is \$127,052.00, split over two fiscal years with funding being cost shared as follows:

- Town: \$63,526
- County: \$63,526

To date the project is on budget and on schedule.

[STAFF IMPACT](#)

The FY 2019 and 2020 Implementation Work Program accounts for the following hours associated with this project:

	<i>Total</i>
<i>Long-Range Planning</i>	<i>1000 hrs.</i>
<i>County Planning Director</i>	<i>320 hrs.</i>
<i>County Planning</i>	<i>40 hrs.</i>
<i>Town Planning Director</i>	<i>320 hrs.</i>
<i>Town Planning</i>	<i>40 hrs.</i>
<i>Total</i>	<i>2040 hrs.</i>

This estimate is approximately one full time equivalent (FTE) for a full calendar year worth of work being completed in a 6-month timeline, primarily by the Joint Long-Range Planner and Town Community Development Director.

LEGAL REVIEW

None at this time

ATTACHMENTS

None

RECOMMENDATION

The Town Community Development Director has not recommendation on this item at this time.

SUGGESTED MOTIONS

None required at this time.

SPECIAL JOINT INFORMATION PROCEEDINGS - UNAPPROVED
TOWN COUNCIL AND BOARD OF COUNTY COMMISSIONERS MEETING

SEPTEMBER 9, 2019

JACKSON, WYOMING

The Jackson Town Council met in conjunction with the Teton County Commission in a Joint Information Meeting (JIM) located in the County Commissioner's Chambers located at 200 S. Willow St. at 2:00 P.M. Upon roll call the following were present:

COUNTY COMMISSIONERS: Natalia Macker Chair, Vice-Chair Greg Epstein, Mark Barron, Mark Newcomb, and Luther Propst.

TOWN COUNCIL: Mayor Pete Muldoon, Hailey Morton Levinson, Arne Jorgensen, Jim Stanford, and Jonathan Schechter.

STAFF: Alyssa Watkins, Larry Pardee, Sherry Daigle, Keith Gingery, Lea Colasuonno, Steve Ashworth, Darren Brugmann, Roxanne Robinson, Heather Overholser, Tyler Sinclair, Amy Ramage, April Norton, Kristen Waters, Keith Sbrial, Kelly Thompson, and Shelley Fairbanks.

Public Comment. There was no public comment.

Consent Calendar. On behalf of the County, a motion was made by Commissioner Barron and seconded by Commissioner Epstein to approve the consent calendar items A, B, and C. On behalf of the Town, a motion was made by Councilwoman Morton Levinson and seconded by Councilman Schechter to approve the consent calendar items A, B, and C.

- A. **Meeting Minutes.** To approve the meeting minutes as presented for the August 5, 2019 regular JIM meeting as presented.
- B. **Office of State Lands Investment Board (SLIB) Grant – Countywide Consensus Reallocation.** To approve the SLIB CWC reallocation in the amount of \$846,420.00
- C. **Scope of Work and Contract Approval for Consultant Services for a Childcare Baseline Inventory and Needs Assessment.** On behalf of the County - To approve a Scope of Work dated September 2, 2019 with OPS Strategies for the completion of the Childcare Baseline Inventory and Needs Assessment and agree to reimburse the Town of Jackson for 50% of the fixed-fee, not-to-exceed amount of \$6,875. On behalf of the Town - To authorize the Mayor to execute a Professional Services Contract between the Town and OPS Strategies with a fixed-fee, not-to-exceed amount of \$13,750.00 for the completion of the Childcare Baseline Inventory and Needs Assessment, subject to any final review and approval by the Town Attorney.

The vote showed all in favor and the motion carried for the County. The vote showed all in favor and the motion carried for the Town.

Scope of Work and Contract Approval for the Integrated Transportation Plan (ITP) Technical Update.

Tyler Sinclair, Community Development Director for the Town of Jackson, presented to the Joint Board for consideration of approval of Charlier Associates as consultant for the Integrated Transportation Plan (ITP) Technical Update and to execute the contract with scope of work and timeline to commence this project.

There was no public comment.

On behalf of the County a motion was made by Commissioner Newcomb and seconded by Commissioner Epstein to approve a Scope of Work dated September 4, 2019 with Charlier Associates for the completion of the Integrated Transportation Plan (ITP) Technical Update and agree to reimburse the Town of Jackson for 50% of the fixed-fee, not-to-exceed amount of \$29,632.50. Chair Macker called for the vote. The vote showed all in favor and the motion carried.

On behalf of the Town a motion was made by Councilwoman Morton Levinson and seconded by Councilman Stanford to authorize the Mayor to execute a Professional

Services Contract between the Town and Charlier Associates with a fixed-fee, not-to-exceed amount of \$59,265.00 for the completion of the Integrated Transportation Plan (ITP) Technical Update, subject to any final review and approval by the Town Attorney. Mayor Muldoon called for the vote. The vote showed all in favor and the motion carried.

Parks and Recreation Work Plan.

Steve Ashworth, Director of Parks and Recreation, presented to the Joint Board for review and to ask to provide direction on the Teton County/Jackson Parks and Recreation (TCJPR) Planning and Project Work Plan for fiscal year 2020.

TCJPR continues to receive public requests and board and elected input on policy, planning and project priorities. TCJPR has seen a significant increase in volume of such requests over the last 18-months. As a result, TCJPR is following the lead of other departments by developing a work plan for review to better set department priorities, expectations and resources.

The work plan identifies special policies, planning efforts or capital projects that are not routine to the ongoing operations of the department. Often these tasks are one-time or only re-occur with multi-year breaks. The work plan looks at both calendar year and fiscal year impacts over the course of a four-year period. Staff has identified direct staff resources required for the tasks, along with the estimated outside consultant services required for three fiscal years. Staff directly impacted by the work plan are the Director, Park Manager, Rec. Center Manager, and Program Manager. Capacity hours for the work plan outside normal operational responsibilities are as follows: Director- 768hrs/year, Park Manager- 288hrs/year, Rec. Center Manager- 96hrs/year, and Program Manager- 96hrs/year.

Staff and the Parks and Recreation Board have identified twenty-three (23) tasks for work plan consideration. Staff has a capacity deficit of 3,298 hours over three fiscal years to complete all tasks. As a result, the P&R Board has identified projects in three priority tiers.

Tier 1 – High Priority

- Recreation Center Expansion
- Karns Meadow Management Plan
- Facility Priority of Use Policy
- Park and Facility Rules and Regulations
- Programming Strategic Planning
- Park and Facility Chemical Use Policy
- Phil Baux Park Master Plan

Tier 2 – Medium Priority

- Wayne May Park Master Plan
- BLM 13, 14, and 26 Land Transfer
- Skateboard Park Expansion
- Wayne May Park Wellness Garden

Tier 3 – Low Priority

- Stilson Park Master Plan
- Memorial and Naming Policy
- Wayne May Park Dog Off-Leash Area
- BLM 9/10 Master Plan
- Melody Ranch Trailhead Dog Off-Leash Area
- Melody Ranch Trailhead Bike Park
- Powderhorn Park Dog Off-Leash Area

There was no public comment.

On behalf of the Town, a motion was made by Mayor Muldoon and seconded by Councilman Stanford to approve the Teton County/Jackson Parks and Recreation FY20 Work Plan with an emphasis on Priority 1 projects as listed in the staff report and also request that our staff give us a recommendation on the feasibility of an additional full-time employee (FTE) for planning purposes during the budget. Mayor Muldoon called for the vote. The vote showed all in favor and the motion carried.

On behalf of the County, a motion was made by Commissioner Newcomb and seconded by Commissioner Propst to approve the Teton County/Jackson Parks and Recreation FY20 Work Plan with an emphasis on Priority 1 projects as listed in the staff report and also request that our staff give us a recommendation on the feasibility of an additional full-time employee (FTE) for planning purposes during the budget. Chair Macker called for the vote. The vote showed 4-1 in favor with Commissioner Barron opposed and the motion carried.

Letter to the Jackson Hole Travel and Tourism Board. This item was withdrawn.

440 West Kelly Development.

April Norton, Director of Housing, presented to the Joint Board seeking direction on how to move forward with the 430 and 440 West Kelly Avenue housing project. Time is of the essence if we are to break ground on a project next year and with over 1,000 households representing almost 2,300 people on the Intake Form the demand for safe, stable housing persists for many of our working households.

On May 13, 2019 the Board and Council awarded the project to Roller/Tack and directed staff to work with the developers to bring back revised 12 and 16-unit options for consideration. On July 23 the Council directed staff to move forward with the revised 16-unit option; the Board did not approve the same motion, essentially stalling the project until the two boards can agree on a path forward.

On July 30, the Board met to reconsider the July 23 vote against the 16-unit option. During that meeting Commissioners Barron and Epstein indicated support for a 12-unit option, Commissioners Newcomb and Macker supported the 16-unit option, and Commissioner Propst remained opposed to the project as currently being discussed. The motion to support 16 units was withdrawn by Commissioner Newcomb and no vote was taken. Since this meeting, at least one 15-unit private sector rental project that was slated for workforce housing in this neighborhood has been abandoned.

Since the August 19 meeting, staff has worked with Roller/Tack on a possible 12-unit option that would provide 24 bedrooms in the following mix: • 3, 1-bedroom units at 500 SF each priced at \$250,000 • 6, 2-bedroom units at 800 SF each priced at \$350,000 • 3, 3-bedroom units at 1200 SF each priced at \$500,000 • 18 parking spaces provided on-site (16.5 spaces required)

In this revised scenario, units would have a Workforce Ownership deed restriction and would be subject to annual requalification and an annual appreciation set at CPI capped at 3%.

On August 26, Commissioner Propst raised the possibility of partnering with Habitat for Humanity to develop the site. Habitat chose not to respond to the RFP and is currently developing the Grove Phase III with 16 units left to complete and an estimated date of completion on that project slated for early 2021. Keith Gingery, representing the Teton County Attorney's Office, advised the Board that they must first reject their current partner, Roller/Tack, before proceeding with a different developer.

On behalf of the County, a motion was made by Commissioner Barron and seconded by Commissioner Epstein to approve a development of eight (8) 500sf one-bedroom units and four (4) 800sf two-bedroom units for a total of sixteen (16) bedrooms in a two-story application.

Town Attorney Lea Colasuonno clarified that the motion stated "fully parked" and was affirmed by Commissioner Barron.

Chair Macker called for the vote. The vote showed 3-2 in favor with Commissioners Newcomb and Propst opposed and the motion carried.

On behalf of the Town, a motion was made by Councilman Stanford and seconded by Councilwoman Morton Levinson to approve a development of eight (8) 500sf one-bedroom units and four (4) 800sf two-bedroom units for a total of sixteen (16) bedrooms in a two-story application. Mayor Muldoon called for the vote. The vote showed 2-3 in favor with Councilwoman Morton Levinson, and Councilmen Jorgensen, and Schechter opposed, and the motion failed.

The meeting was recessed at 3:52pm and reconvened at 4:00pm.

Chair Macker stated that her and the Mayor would confer procedurally on what would come next regarding the 440 West Kelly Development.

Ratification of Funding Formula for Jackson Hole Mountain Resort/Teton Village Association START Service.

Darren Brugmann, START Manager, and Susan Mick, START Board Chair, presented to the Joint Board for consideration of making a policy determination on the funding contribution for service to Teton Village that would be applied to Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) for FY20. In addition, the START Finance Committee makes three Policy Guideline Requests from the Joint Board:

- 1. As a policy perspective, should the public subsidize any portion of JHMR/TVA's obligation to the provide transportation for their employees as required by the applicable Master Plan(s)?
- 2. Are you in agreement with a 21st Century cost of service allocation – business based approach for START?
- 3. Are you in agreement with a 1-year transition to this approach (partial implementation in FY20 and full implementation in FY21)?

The START Board has worked extensively on this issue in order to provide policy recommendations to the elected officials that will allow for a more predictable and consistent funding methodology that captures appropriate contribution levels by the Town, County, JHMR and TVA. It has become apparent continued discussions regarding a funding methodology will need to be re-evaluated for the upcoming FY2021 Budget process. The START Board will continue to evaluate funding levels and sources for all service modes in upcoming Board meetings, including the Board retreat scheduled for October 10, 2019. The goal is to have a preliminary budget plan before the start of calendar year 2020.

At this time, the START Board is unanimously recommending the following methodology:

START Finance Committee Recommendation - August 21, 2019					
Teton Village - Annual Operating Cost:					\$ 2,529,368
Unfunded Need					\$ 848,988
JHMR & TVA Employee Ridership		(%age of Total Winter Ridership)			
TOTAL Winter Village Runs:		433,469			
JHMR Employees:		176,031	41%		
TVA Employees:		104,790	24%		
			65%	X	65%
					\$ 551,842
Current Adopted Budget Contribution				<less>	\$ 309,794
					\$ 242,048
Split Difference				X	50%
					\$ 121,024
				+	\$ 309,794
Recommended Contribution: FY2020					\$ 430,818

Note:

The START Board's recommendation above does NOT include factors for:

- Capital Cost of Vehicles
- Capital Depreciation for Facilities
- Ski Pass holder privileges (START Board has confirmed their intention of honoring ski pass holder START privileges for the upcoming Winter 2019/20 Season. This will be reevaluated for FY21 and may not continue).

Jackson Hole Mountain Resort (JHMR) and Teton Village Association (TVA) Proposal

JHMR and TVA do not concur with the START Board recommendation and have proposed that they contribute the following towards the operational and capital expenditures for the Teton Village service:

- TVA's operational portion – \$115,500
 - o TVA is proposing to pay the same amount they paid last year plus an offered market adjustment
- JHMR's operational portion: \$299,087
 - o JHMR is proposing to pay based on the number of peak employees riding the bus for winter and summer and a ticket volume discount for the season (including 7 & 10 day) ski pass product. Both calculations were based on an outdated bulk rate bus pass fare that has not been utilized since 2006 and has since been repealed by the START Board.
- Capital – \$0
 - o no amount has been proposed to fund capital by JHMR or TVA
- **Total TVA and JHMR Contribution: \$414,587**

Public comment was given by Melissa Turley – Teton Village Association, Matt McCreedy – Jackson Hole Mountain Resort, and Seadar Rose Davis – START Board.

On behalf of the County, Commissioner Newcomb attempted a motion to approve the START Board recommendation establishing a cost-based approach for START service to Teton Village. Chair Macker asked if this was an attempt to make a motion to answer question number one formally. After some discussion from Commissioner Newcomb, Chair Macker summarized the attempted motion as “to direct START to implement a cost-based government enterprise approach for contracts and fare structures.” Commissioner Newcomb confirmed that is his motion.

On behalf of the County, a motion was made by Commissioner Newcomb and seconded by Commissioner Propst to direct START to implement a cost-based government enterprise approach for contracts and fare structures. Chair Macker called for the vote. The vote showed 3-2 in favor with Commissioners Barron and Epstein opposed and the motion carried for the County.

On behalf of the Town, a motion was made by Councilwoman Morton Levinson and seconded by Councilman Jorgenson to direct START to implement a cost-based government enterprise approach for contracts and fare structures. Mayor Muldoon called for the vote. The vote showed all in favor and carried for the Town.

On behalf of the County a motion was made by Commissioner Epstein and seconded by Commissioner Barron to approve a cost basis using the Jackson Hole Mountain Resort's (JHMR) proposal which was based on Teton Village Association's (TVA) operational portion of \$115,500.00 and TVA is proposing to pay the same amount they paid last year plus an offered market adjustment. JHMR's operational portion is \$299,087.00 and JHMR is proposing to pay based on the number of peak employees riding the bus for winter and summer and a ticket volume discount for the season (including 7 & 10 day) ski pass product. Both calculations were based on a bulk rate bus pass fare that has not been utilized since 2006. The total for TVA and JHMR is \$414,587.00. Chair Macker called for the vote. The vote showed 3-2 in favor with Commissioners Macker and Newcomb opposed and the motion carried for the County.

On behalf of the Town, a motion was made by Councilwoman Morton Levinson to approve a cost basis using the Jackson Hole Mountain Resort's (JHMR) proposal which was based on Teton Village Association's (TVA) operational portion of \$115,500.00 and TVA is proposing to pay the same amount they paid last year plus an offered market adjustment. JHMR's operational portion is \$299,087.00 and JHMR is proposing to pay based on the number of peak employees riding the bus for winter and summer and a ticket volume discount for the season (including 7 & 10 day) ski pass product. Both calculations were based on a bulk rate bus pass fare that has not been utilized since 2006. The total for TVA and JHMR is \$414,587.00. The motion dies for lack of a second.

Adjourn. On behalf of the County, a motion was made by Commissioner Epstein and seconded by Commissioner Barron to adjourn the meeting. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Councilwoman Morton Levinson and seconded by Mayor Muldoon to adjourn. The vote showed 4-1 in favor with Councilman Stanford opposed and the motion carried for the Town.

The meeting adjourned at 5:03pm.

minutes:sdf

TETON COUNTY

ATTEST:

Natalia D. Macker, Chairwoman

Sherry L. Daigle, County Clerk

SPECIAL JOINT INFORMATION PROCEEDINGS - UNAPPROVED
TOWN COUNCIL AND BOARD OF COUNTY COMMISSIONERS MEETING

SEPTEMBER 16, 2019

JACKSON, WYOMING

The Jackson Town Council met in conjunction with the Teton County Commission in a special joint information meeting (JIM) located at Town Hall in the Council Chambers located at 150 East Pearl Avenue at 2:00 p.m. Upon roll call the following were present:

TOWN COUNCIL: Pete Muldoon, Hailey Morton Levinson, Arne Jorgensen, Jonathan Schechter, and Jim Stanford.

COUNTY COMMISSIONERS: Chair Natalia Macker, Greg Epstein, Mark Newcomb, and Luther Propst. Mark Barron arrived at 2:04 p.m.

STAFF: Larry Pardee, Roxanne Robinson, Tyler Sinclair, Lea Colasuonno, Alyssa Watkins, Keith Gingery, Darren Brugmann, Brady Hansen, Matt Redwine, Shelley Fairbanks, and Sandy Birdyshaw.

Encroachment Agreement for Fire Station One. Lea Colasuonno made staff comment.

On behalf of the Town, a motion was made by Hailey Morton Levinson and seconded by Jim Stanford approve the Encroachment Agreement to allow temporary shoring nails and related temporary construction to encroach into the Town's alley right-of-way south of 60 East Pearl Avenue. The vote showed all in favor and the motion carried for the Town.

On behalf of the County, a motion was made by Greg Epstein and seconded by Luther Propst to approve the Encroachment Agreement and agree to the obligations and rules as delineated in the Town of Jackson Encroachment Agreement. The vote showed all in favor and the motion carried for the County, with Mark Barron absent.

Mark Barron arrived at 2:04 p.m.

Cost-Based Formula for Teton Village START Service. Natalia Macker stated the County Commissioners voted at their Voucher Meeting this morning to reconsider their vote made on the September 9, 2019 Special JIM motion *"to direct START to implement a cost-based government enterprise approach for contracts and fare structures"*.

Darren Brugmann and Larry Pardee made staff comment. Susan Mick made comment on behalf of the START Board. The Council and Commission posed questions and held discussion with Ms. Mick and staff regarding approaches for setting fares, funding contributions, season passes, and the County Commissioners' reconsideration.

A motion was made by Luther Propst and seconded by Mark Newcomb to direct START to implement a cost-based accounting approach with application system-wide. Chair Macker called for the vote. The vote showed all in favor and the motion carried on behalf of the County.

A motion was made by Hailey Morton Levinson and seconded by Arne Jorgensen to approve similar language for the Town and be in agreement with the County, in addition to the motion made on September 9, 2019 [approved motion stated *"to direct START to implement a cost-based government enterprise approach for contracts and fare structures"*]. Mayor Muldoon called for the vote. The vote showed all in favor and the motion carried.

The Council and Commission then discussed if the Town and County should subsidize the required employee service provision? The START Board recommended that Jackson Hole Mountain Resort and Teton Village Association pay their proportionate amount of 65% of only operations in providing service to Teton Village. The Council and Commission discussed options for funding service to Teton Village.

A motion was made by Mark Barron and seconded by Greg Epstein to continue this item to a later date to include cost information. Chair Macker called for the vote. The vote showed 2-3 in favor, with Macker, Newcomb, and Propst opposed. The motion failed on behalf of the County.

On behalf of the Town, a motion was made by Hailey Morton Levinson and seconded by Jim Stanford to approve a budget amendment for fiscal year 2020 that requires Jackson Hole Mountain Resort and Teton Village Association to pay for their proportionate amount (65%) of only

operations to provide Teton Village service and full implementation for fiscal year 2021, which may be modified as informed by route plan analysis and revenue recommendations. Mayor Muldoon called for the vote. The vote showed all in favor and the motion carried for the Town.

On behalf of the County, a motion was made by Luther Propst and seconded by Mark Newcomb to approve a budget amendment for fiscal year 2020 that requires Jackson Hole Mountain Resort and Teton Village Association to pay for their proportionate amount (65%) of operations to provide Teton Village service and full implementation for fiscal year 2021, which may be modified as informed by route plan analysis and revenue recommendations. Chair Macker called for the vote. The vote showed 3-2 in favor, with Barron and Epstein opposed. The motion carried for the County.

Adjourn. On behalf of the County, a motion was made by Mark Barron and seconded by Greg Epstein to adjourn the meeting. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Hailey Morton Levinson and seconded by Arne Jorgensen to adjourn to executive session to discuss personnel matters in accordance with Wyoming Statute 16-4-405(a)(ii)(x). The vote showed all in favor and the motion carried for the Town. The meeting adjourned at 3:59 p.m. minutes:spb

TOWN OF JACKSON

ATTEST:

Pete Muldoon, Mayor

Sandra P. Birdyshaw, Town Clerk

JHNAG Publish: September 25, 2019



**BOARD OF COUNTY
COMMISSIONERS**



TOWN COUNCIL

**JOINT INFORMATION MEETING
AGENDA DOCUMENTATION**

PREPARATION DATE: October 2, 2019
MEETING DATE: October 7, 2019

SUBMITTING DEPARTMENT: Affordable Housing
DEPARTMENT DIRECTOR: April Norton
PRESENTER: Stacy Stoker

SUBJECT: Third Reading: Town of Jackson Ordinance J, Housing Rules and Regulations and County Commissioners Adoption of the Jackson/Teton County Housing Department Rules and Regulations

STATEMENT/PURPOSE

The Town Council will consider the Third Reading of the Town of Jackson Ordinance J, Housing Rules and Regulations, and the Board of County Commissioners will vote to approve the updates to the Jackson/Teton County Housing Department Rules and Regulations.

BACKGROUND/ALTERNATIVES

In June of 2018, the Jackson Town Council ("Council") and Teton County Board of County Commissioners ("Board") adopted the Jackson/Teton County Housing Department Rules and Regulations ("Rules and Regulations"). After working with the Rules and Regulations for the past year, staff recognized several necessary changes and brought them to the Council and Board for direction. On July 23, 2019, the Council and Board directed staff to make the following changes and to bring the updated Ordinance for the Three Readings to the Council along with posting the updated Rules and Regulations for the required 45-day public Comment Period. The Town Council heard and approved the First Reading on August 19 and the Second Reading on September 3.

1. Policy Changes

a. Title: The current rule is all adults residing in a restricted home must go on title. This has been changed to all adults residing in a home must sign an Occupancy Agreement with the Owner. The Occupancy Agreement will bind them to compliance with the Restrictions, HOA rules, and other Covenants on the property. The owner will no longer be required to add anyone to title.

b. Adding Residents to Household After Purchase: The current rule is owners of restricted units must wait one year after purchasing before the owner can be approved to move another adult in with them. This rule was changed to allow Workforce unit owners to move another person in with them immediately after purchase with the approval of the Housing Department. Affordable owners must still wait one year before moving someone in.

c. Minimum Occupancy Requirements: To be eligible to enter a drawing for a two-bedroom Affordable or Workforce unit, the current rule is a household must consist of one or two adults with one or more dependents. This rule has been changed to allow a two or more-person household to enter drawings for two-bedroom units. Workforce units will not have minimum occupancy requirements. Three-person households will meet the minimum occupancy requirements for 3-bedroom rentals and 4 persons for 4-bedroom rentals.

d. Teacher: If a person meets the definition of Teacher, they can add 250 hours to their annual hours worked.

e. Definitions: The following definitions were added or changed to provide clarification:

Combined Loan to Value (CLTV) Loan to Value is the ratio of the loan amount to the value of the home. Combined Loan to Value is when a second and/or third mortgage exists, and the loan amounts are combined and compared to the value of the home.

Debt to Income (DTI) A ratio that compares the amount of debt a household has to the amount of income they make. It is used to analyze the ability of a household to pay their debt.

Dependent A child or adult who lives with the household and can be claimed on the tax returns of an adult in the household.

Local Business:

A. A local business means (1) a business physically located within Teton County, Wyoming, holding a business license with the Town of Jackson, Wyoming or one that can provide other verification of business status physically located in Teton County, Wyoming, and (2) the business serves clients or customers who are physically located in Teton County, Wyoming, and (3) the employees/owners must work in Teton County, Wyoming to perform their job.

Or

B. A business physically located in Teton County, Wyoming who employs two or more Qualified Employees who must work in Teton County Wyoming to perform their job.

Qualified Employee A person who works for a local business in Teton County Wyoming a minimum of 1,560 hours annually (average of 30 hours per week).

Qualified Household Households that have applied for housing through the Housing Department, where Housing Department staff deem them as eligible to purchase a restricted housing unit after verification of information, based on the unit's Deed Restriction and the Housing Department Rules and Regulations. Information includes but is not limited to household income, assets, employment, and minimum occupancy requirements.

Restrictive Covenant A contract between the Board of County Commissioners or Town of Jackson and the owner of real property developed or designated to ensure the affordability of a housing unit for perpetuity (sometimes referred to as Special Restrictions, Deed Restrictions, or Restrictions)

Teacher is defined as any individual who [1] works with individuals age three (3) - twenty-four (24), and [2] whose duties involve classroom or other instruction or other direct educational support, and [3] whose primary employment is at least thirty (30) hours a week for at least nine (9) months per year, but is not employed in that position for at least two (2) months per year.

Safe, Decent, Sanitary Housing Safe, decent sanitary housing means that housing units must be kept in a habitable state fit for human occupancy to protect the physical health and safety of the renter. Landlords must:

- a. Maintain common areas of the residential unit in a sanitary and reasonably safe condition.
- b. Maintain electrical systems, gas systems, plumbing, heating and hot and cold water and keep them in working order.
- c. Unit must be structurally sound, clean, weathertight, in good repair, and meet local building codes in place at time of construction or as required for a change of use, if applicable.
- d. Maintain other appliances and facilities as specifically contracted in the rental agreement.

f. Clarifications Changes and additions to language in the Rules and Regulations that provide clarification only and are not substantive changes.

g. Clerical Corrections. Corrections of scrivener's errors, incorrect references, formatting, etc. There are no substantive changes.

ATTACHMENTS

- Town of Jackson Ordinance J, Housing Rules and Regulations.
- Jackson/Teton County Housing Department Rules and Regulations.

FISCAL IMPACT

Fiscal impacts are minimal and primarily related to staff time.

STAFF IMPACT

Tracking, reviewing, and keeping notes on needed or potential changes to the Housing Rules and Regulations continues to take a significant amount of Housing and Legal staff scrutiny and time.

STAKEHOLDER ANALYSIS

Stakeholders include owners and tenants of restricted homes, the public, elected officials, and staff.

LEGAL REVIEW

Reviewed by Lea Colasuonno and John Graham.

RECOMMENDATIONS

Staff recommends 1) the Town Council adopt Ordinance J at third reading and 2) that the County Commissioners adopt the Jackson/Teton County Housing Department Rules and Regulations.

SUGGESTED MOTION

Town: I move to approve Ordinance J at Third Reading and designate it Ordinance 1242.

County: I move to approve the Jackson/Teton County Housing Department Rules and Regulations as posted for the required 45-day public comment period.

Synopsis for PowerPoint (120 words max):

Purpose:

Background:

Fiscal Impact:

ORDINANCE J

AN ORDINANCE AMENDING AND REENACTING SECTION 1 OF TOWN OF JACKSON ORDINANCE NO. 1195 AND SECTION 16.10 OF THE MUNICIPAL CODE OF THE TOWN OF JACKSON REGARDING HOUSING RULES AND REGULATIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING, IN REGULAR SESSION DULY ASSEMBLED THAT:

SECTION I.

Section 1 of Town of Jackson Ordinance No. 1195 and Section 16.10 of the Municipal Code of the Town of Jackson are hereby amended and reenacted read as follows:

Title 16 Housing

Title 16
Housing

Chapters:

16.10 TOWN OF JACKSON HOUSING RULES AND REGULATIONS

**Chapter 16.10
TOWN OF JACKSON HOUSING RULES AND REGULATIONS**

Sections:

- 16.10.000 Introduction.**
- 16.10.100 Purpose and General Goals.**
- 16.10.200 Housing Development Standards and Procedures.**
- 16.10.300 Qualification and Eligibility.**
- 16.10.400 Weighted Drawing.**
- 16.10.500 Purchase and Sale Standards and Procedures.**
- 16.10.600 Rental Standards and Procedures.**
- 16.10.700 Compliance and Exception, Appeal, Grievance Standards and Procedures.**
- 16.10.800 Definitions.**

16.10.000 Introduction.

A. List of Commonly Used Acronyms.

Acronym	Full Text
ARU	Accessory Residential Units
AMI	Area Median Income

CC&Rs	Covenants, Conditions, & Restrictions
CPI	Consumer Price Index
HOA	Homeowners Association
HUD	U.S. Department of Housing and Urban Development
JTCHA	Jackson/Teton County Housing Authority
LDRs	Land Development Regulations
MFI	Median Family Income
MRP	Maximum Resale Price
OPP	Original Purchase Price
SF	Square Feet

B. Summary of Housing Programs.

The general goal of all housing programs covered by the Housing Department Rules and Regulations is to provide and maintain housing affordable to persons and families who make a living primarily from employment located in Teton County, Wyoming. The housing programs addressed in the Housing Department Rules and Regulations are: Affordable Ownership, Affordable Rental, Workforce Ownership, and Workforce Rental. Legacy programs (including Accessory Residential Units, Attainable units, Employee units, and Employment-based units) are referenced in some properties' restrictions, so these Housing Department Rules and Regulations also contain the rules that pertain to these programs.

Descriptions of Applicable Programs:

1. Accessory Residential Units (ARU) – Units created through this program are developed as part of nonresidential developments that are exempt from the housing requirements set by the LDRs. These units are rented to workers employed in Teton County, and they must remain as rental property (i.e., they cannot be converted to condominiums). Accessory Residential Units developed after June 4, 2018 will be part of the “Workforce Rental” program. To qualify to rent these units, at least one person in the household must be employed at a local business for a minimum of 1,560 hours per year. They may not own residential real estate within 150 miles of Teton County. A minimum of 75% of the household’s income must be earned from a local business(es) The tenants must physically occupy the unit a minimum of 80% of their lease term. Tenants will be required to requalify annually or upon lease renewal. The units are not allowed to remain vacant in excess of 60 days. Rents are set by the owner.
2. Affordable – These are units created through the mandatory affordable housing mitigation requirements included in the Town and County Land Development Regulations (LDRs). The Affordable housing program is divided into “Affordable Ownership” and “Affordable Rental,” and each has restricted pricing based on applicable affordability ranges. To qualify to purchase these units, household income and assets must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed. The owners must physically occupy the units a minimum of 10 months each year. Tenants must physically occupy the units a minimum of 80% of their lease term.

Tenants will be required to requalify annually. Owners will be required to provide proof of continued local employment, occupancy, and non-ownership of residential real estate. Maximum rents and sales prices are based on median family income as published by HUD. Ownership units appreciate based on the Consumer Price Index.

3. **Attainable** – These units were built before housing standards were codified in the LDRs. No more Attainable housing units will be constructed, but the Housing Department Rules and Regulations still apply through the management of existing units. Specific requirements for these units are recorded as covenants on the property deed, and the Housing Department Rules and Regulations are referenced through these covenants. To qualify to purchase these units, household income and assets must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed at time of purchase. The owners must physically occupy the units a minimum of 10 months each year. No requalification or future documentation will be required after purchase of the unit.
4. **Employee** – These rental housing units are built to comply with the housing mitigation requirements for new nonresidential development set out in the Town and County LDRs. Initially, these units were intended to provide housing to seasonal workers, but they are not restricted to occupancy by seasonal workers. These Housing Department Rules and Regulations have been updated to reflect the Town and County’s policy direction in 2017, which aligns with the Comprehensive Plan’s goal of housing the local year-round workforce. The owner of the Employee housing units ultimately makes the decision about unit tenancy so long as the household qualifies. These units can be converted to condominiums for workforce employers. Employee units developed after June 4, 2018 will be part of the “Affordable Rental” program. To qualify to rent these units, household income must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed. Tenants will be required to requalify annually. The units are not allowed to remain vacant in excess of 60 days.
5. **Employment-Based** – This is a program that the Town of Jackson initiated to create restricted ownership units for sale to households that are employed in Teton County, but do not fit within the affordability ranges set out in the LDRs. These units are not developed under a mandatory requirement set out in the Town’s LDRs. Employment-Based units developed after June 4, 2018 will be part of the “Workforce Ownership” program. To qualify to purchase these units, at least one person in the household must be employed at a local business for a minimum of 1,560 hours per year. They may not own residential real estate within 150 miles of Teton County. A minimum of 75% of the household’s income must be earned from a local business(es). Owners must physically occupy the units for a minimum of 10 months of each year. Owners will be required to re-qualify annually.
6. **Workforce Housing Programs** – This program is divided into “Workforce Rental” units and “Workforce Ownership” units. They are provided through incentives in the LDRs. Households who purchase or rent Workforce units are required to earn a minimum of 75% of their income from a local business. They may not own other residential real estate within 150 miles of Teton County, and at least one person in the household must earn 1,560 hours

annually from a local business. There is no cap on the original purchase price. Once a unit is sold or rented, the maximum resale price or rental rate is restricted to an appreciation cap on the unit as indicated in the Special Restrictions recorded on the property. The owners of Workforce Rental Units set the rental rates. There is no cap on rental rates. Owners and tenants will be required to re-qualify annually.

16.10.100 Purpose and General Goals.

- A. Purpose** – The Jackson/Teton County Affordable Housing Department (“Housing Department”) was created by Teton County, Wyoming and the Town of Jackson, Wyoming on March 14, 2016 Town Resolution 16-04 and County Resolution 16-008. The purpose of these Housing Department Rules and Regulations (“Housing Rules”) is to provide comprehensive and consistent provisions that apply to housing units created through the Town or County established housing programs and/or administered by the joint Town of Jackson/Teton County Housing Department (hereafter “Housing Department”).

The Housing Department Rules and Regulations were formerly known as the “Guidelines.” When the Housing Guidelines are referenced in documents promulgated prior to the adoption of the 2018 Housing Department Rules and Regulations, the reference of guidelines refers to these Housing Department Rules and Regulations.

1. Applicability.

- a. Subject to Provisions that are Unique to Specific Program - Each housing program covered in these Housing Department Rules and Regulations is subject to provisions that are unique to that program as indicated in these Housing Department Rules and Regulations.
- b. Subject to Provisions of the Restrictions Recorded on the Property - Restricted housing units are subject to individual deed restrictions, special restrictions, or ground leases, (collectively “restrictions”) which may have additional requirements or provisions. If the Housing Department Rules and Regulations and the restrictions conflict, then the language, requirement, and/or provision of the Restrictions shall be applied and followed, not the Housing Department Rules and Regulations. The Restrictions recorded on the property supersede any inconsistency in these Housing Department Rules and Regulations.
- c. Subject to Federal Fair Housing Law (The Fair Housing Amendments Act of 1988) - The Housing Department recognizes that the Office of Fair Housing and Equal Opportunity administers and enforces federal laws and establishes policies that ensure that all Americans have equal access to the housing of their choice. The Housing Department does business in accordance with the Federal Fair Housing Law (The Fair Housing Amendments Act of 1988).
 - i. Discrimination - It is Illegal to discriminate against any person because of race, color, religion, sex, handicap, familial status, or national origin in the sale or rental of housing, in the financing of housing, in the provision of real estate brokerage services, or in the appraisal of housing.

- a) Filing a Complaint - Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination to the HUD Housing Discrimination Hotline, 1-800-669-9777 (Toll Free), or the TDD line for the hearing impaired, 1-800-927-9275.
- ii. Blockbusting - Blockbusting is also prohibited. Blockbusting is the practice of illegally frightening homeowners by telling them that people who are members of a particular race, religion, or national origin are moving into their neighborhood and that they should expect a decline in the value of their property. The purpose of this scheme is to get the homeowners to sell at a deflated price.
- d. Disclaimer - The Jackson/Teton County Affordable Housing Department (“Housing Department”) expressly disclaims any and all warranties, express or implied, including without limitation fitness for a particular purpose with respect to the provision of restricted housing units. The Housing Department does not represent, warrant, or promise to construct, finance, or otherwise produce, in whole or in part, any restricted housing units pursuant to these Housing Department Rules and Regulations or under any other programs. No applicant may rely upon any promise implied or expressed that restricted housing units shall be constructed, financed, or otherwise produced, in whole or in part, by the Housing Department. In no event shall the Housing Department be liable to any applicant for any direct, indirect, incidental, punitive, or consequential damage of any kind whatsoever, including without limitation lost profits, lost sales, lost business, lost opportunity, lost information, lost or wasted time. None of the information contained in these Housing Department Rules and Regulations constitutes an offer to sell or the solicitation of an offer to buy a restricted housing unit.

B. General Policy Goals – The general goal of all housing programs covered by these Housing Department Rules and Regulations is to provide and maintain housing affordable to persons and families who make a living primarily from employment located in Teton County, Wyoming, which includes the Affordable, Attainable, Employee, Employment-Based, Accessory Residential Unit, and Workforce housing programs. This is accomplished by regulating the occupancy, use, sale and/or rental of the restricted housing units covered by the Housing Department Rules and Regulations to qualified households as defined herein.

- 1. Promoting Economic and Social Diversity - Certain housing programs also limit initial eligibility of qualified households based on financial means criteria, which may include both household income and household net assets. Such financial qualifying factors promote economic and social diversity within the Jackson Hole community.
- 2. Ensuring Long-Term Affordability - Many of the restricted housing units covered by these Housing Department Rules and Regulations are subject to price limitations for sale, resale and/or rental. These limitations are intended to ensure affordability

for both the current household occupying the restricted housing unit and to ensure the long-term affordability of the restricted housing unit.

3. Providing Housing for the Local Workforce - Minimum occupancy requirements apply to all restricted housing units to ensure that the unit meets the community's goals of providing housing for the local workforce by maximizing the space and filling the bedrooms, and to ensure that the restricted housing unit does not serve as a second home.
 4. Providing Fair and Consistent Administration - These Housing Department Rules and Regulations are intended to provide clear, fair, and consistent administration of the housing programs to which they apply. It is recognized that there are individual households or restricted housing units that may not fit clearly into the specific provisions of the Housing Department Rules and Regulations, but still meet these general policy goals. For these cases, exception, appeal, and grievance processes have been included in Section **16.10.007** Compliance and Exception, Appeal, and Grievance Standards and Procedures.
- C. Relationship to Land Development Regulations** – The Town of Jackson and Teton County Land Development Regulations (LDRs) set out standards for the development and use of land within each jurisdiction. The LDRs include requirements for certain developments to provide affordable housing or fees to offset the additional housing need that the developments create. Specific programs address different types of development. The Planning Department of each jurisdiction reviews development applications to check for compliance with the LDRs.

These Housing Department Rules and Regulations impose additional requirements on the developers of any type of restricted housing units. The Housing Department reviews compliance with these Housing Department Rules and Regulations, both prior to development and during occupancy and use.

1. Standards Applicable Under LDRs versus Housing Department Rules and Regulations - Generally, the LDRs address any provisions that must be met during the development approval phase, while the Housing Department Rules and Regulations address provisions that ensure proper use and maintenance of the restricted housing units throughout their lifetime.

LDR Provisions	Housing Department Rules and Regulations Provisions
Rental/Sale Mix (required mix of units)	Livability Standards (Interior)
Occupancy Standards	Dormitory Livability Standards
Distribution of Income Categories	Livability Requirements for Conversion of Existing Housing Stock
Requirements for Fees in Lieu	Restrictive Covenant Form and Process
Requirements for Conveyance of Land or Conversion of Existing Housing Stock	Sale/Rental Standards and Procedures including Qualification and Eligibility for Each Program

LDR Provisions	Housing Department Rules and Regulations Provisions
Procedure for Banking Credits	Compliance with Housing Department Rules and Regulations.
Phasing Plan	Compliance with Restrictive Covenants
Mix by Number of Bedrooms	

2. References Retained for Convenience - All references to the LDRs in these Housing Department Rules and Regulations are for convenience and are not a part of the Housing Department Rules and Regulations.

16.10.200 Housing Development Standards and Procedures.

- A. Purpose** - The Jackson/Teton County Comprehensive Plan lists three common community values, one of which is quality of life. One of the ways called out to achieve quality of life is through local workforce housing. With regards to workforce housing, the Comprehensive Plan includes the four following principles:

1. Maintain a diverse population by providing workforce housing
2. Strategically locate a variety of housing types
3. Reduce the shortage of housing that is affordable to the workforce
4. Use a balanced set of tools to meet our housing goal

The Town of Jackson and Teton County have several tools to increase the amount of housing that is affordable to the workforce. One of these tools is the requirement and/or incentive in the LDRs for residential and non-residential development to provide permanently restricted workforce housing. This housing represents a substantial and long-term public investment. As such, it is imperative the restricted housing produced be livable and of good quality.

This section, Housing Development Standards and Procedures, is meant to provide guidance to the prospective developers of restricted housing units. Subsection **B** lays out the requirements of the Housing Mitigation Plan, which is reviewed by both the Planning Department and the Housing Department. Subsection **C** sets out the Livability Standards, which are under the Housing Department's purview.

1. **Applicability** - This Section applies to all developments subject to Division 6.3 of the County LDRs and Division 6.3 of the Town LDRs. It also applies to any restricted housing units not required through the LDRs that are presented to the Board of County Commissioners or Town Council in development applications.
2. **General Policy Goals.**
 - a. **Inform Developers of Standards and Procedures** - These Housing Development Standards and Procedures inform prospective developers of the standards and guidelines for construction and sale of restricted housing units, as required by the LDRs and the Housing Department Rules and Regulations.

- b. Provide Fair and Consistent Implementation of Standards and Procedures - These Housing Development Standards and Procedures help the Housing Department implement policies of the LDRs and the Housing Department Rules and Regulations in a fair and consistent manner.
- B. Housing Mitigation Plan** - A Housing Mitigation Plan for each project shall be submitted according to the provisions of the Teton County and Town of Jackson LDRs [See Teton County Land Development Regulations: Divisions 6.3 and 7.4 or Town of Jackson Land Development Regulations: Divisions 6.3 and 7.4]. A packet with a checklist for a Housing Mitigation Plan can be obtained through the Housing Department or the Town or County Planning Departments.
- 1. Procedures.
 - a. Consultation with Applicant (Optional) - Applicants may meet with Housing Department staff prior to submitting a Housing Mitigation Plan. Although this step is not required, it is often helpful for the applicant and the Housing Department staff to discuss the development proposal and how it meets the LDRs and Housing Department Rules and Regulations.
 - b. Review - Applications for development that have been submitted to the Town or County Planning and/or Building Departments are reviewed by the Housing Department for compliance with these Housing Department Rules and Regulations.
 - c. Streamlined Applications - Applications that have housing units required that are allowed to go directly to building permit are required to get their units approved by the Housing Department prior to submitting for building permit.
 - 2. Content - The Housing Mitigation Plan contains some provisions that fall under the purview of the Planning Department, while others fall under the purview of the Housing Department. Specifically, the Housing Department oversees the Livability Standards. Developers should refer to the LDRs for requirements such as the mitigation methods, the mix of units by number of bedrooms and the mix of units by affordability ranges.
 - a. Mitigation Method - See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.
 - b. Requirement Calculation - See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.
 - c. Fee Calculations - If the developer proposes Fees In-Lieu as the preferred form of mitigation, the developer shall submit the proposed amount with a Final Development Plan.

The Planning Department shall update the fees in-lieu for the restricted housing units on an annual basis. Fees in-lieu figures are available at the Planning Department.

d. Unit Descriptions.

- i. Unit Size - There is no minimum or maximum unit size based on square footage. Size by bedroom mix is located in the LDRs.
- ii. Rental/Sale Mix - As part of the Housing Mitigation Plan, the developer shall state which units are intended as rentals and which are intended as ownership in accordance with the LDRs (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).
- iii. Mix of Units by Number of Bedrooms - The intent of the restricted housing programs is to provide a variety of unit types to meet the housing needs of our diverse workforce. The Town and County LDRS set out the specific occupational requirements for housing units. The mix of units by number of bedrooms in each unit is also determined by the Town and County LDRs.
- iv. Distribution of Income Ranges- See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.

e. Special Restriction Form and Process - A Special Restriction is a contract between the Board of County Commissioners/Town of Jackson and the owner of real property developed or designated to satisfy the Town or County LDRs. It also applies to other restricted housing units that will be administered by the Housing Department. Special Restrictions shall keep the restricted housing units affordable in perpetuity and provide proper notification of this obligation to subsequent buyers or other interested parties. (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).

- i. Requirement - The developer shall record Special Restrictions in the public land records for the subject property prior to the issuance of a Certificate of Occupancy by the County or Town.
- ii. Process - The Housing Department shall prepare special restrictions according to the process below. Restrictive covenant templates are available from the Housing Department or the Housing Department website.
 - a) Special Restriction Information Sheet - The developer shall complete the “Special Restriction Information Sheet” and submit to the Housing Department. This form is found at the Housing Department website, or at the Housing Department offices. There are four types of restrictions, Workforce Ownership, Workforce Rental, Affordable Ownership, and Affordable Rental.

- b) Preparation of Special Restriction - The Housing Department will prepare the special restriction and provide the document to the developer for review via email or other delivery method.
 - c) Review - Once reviewed by the developer for accuracy, the Housing Department and the developer (“declarant”) will sign the special restriction and deliver to the County or Town for the required signature.
 - d) Developer Responsibilities - The developer is responsible for signing the special restriction, recording the special restriction with the Teton County Clerk, and paying for the recording fees. The original restriction will be returned to the Jackson/Teton County Housing Department office. The Housing Department shall witness the recording.
 - e) Modification/Amendment - The developer shall not make modifications to the special restrictions with the exception that when an alternate housing program is approved by the Town Council or County Commissioners. Modifications or amendments to the restricted covenant must be approved by the Town Council or Teton County Commissioners. The developer or owner may be responsible for any legal costs to amend a restrictive covenant.
- C. Livability Standards** - To meet the community’s goals of providing working families a viable choice of housing, to protect social diversity, and to contribute to economic stability, the LDRs and the Housing Department Rules and Regulations require that restricted housing units are designed to provide adequate size, building and site design, and finishings to serve future tenants. These are all criteria in the Housing Department’s decisions as to whether a development meets the goals of the LDRs and the Housing Department Rules and Regulations. For additional construction standards, see Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.
- 1. Process - These Livability Standards are associated with interior components of the units, functionality, light, and outdoor space. Review by the Housing Department will be completed during the planning process and at time of building permit. It is encouraged that applicants review restricted housing unit designs with the Housing Department early in the design process.
- Restricted housing units will also be subject to Planning Department review, as some livability standards are requirements of the LDRs (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).
- 2. Intent - The livability standards in the LDRs do not include minimum size requirements for units. To ensure functionality of units regardless of size, these Livability Standards have been adopted. The Housing Department may consider flexibility within these standards as long as the intent of functionality is being met. All building, plumbing,

electrical, and fire code requirements are still required to be met. These standards do not supersede other requirements.

Restricted housing units are expected to be designed with logical and functional room layout. This includes adequate space for normal living based on two (2) persons per one-bedroom unit, three (3) persons per two-bedroom unit, and four (4) persons per three-bedroom unit and adequate circulation pathways through the unit based on a reasonable furniture configuration.

The standards contained in this document provide minimum requirements for specific items and are not intended to be “build to” specifications.

- a. Exceptions - Applicants may request approval of components that don’t conform to these Livability Standards by completing the “Request for Exception” form. The request must include a detailed explanation of why the applicant wishes to diverge from these Livability Standards, and how the proposed difference is meeting the intent of these Livability Standards. Detailed drawings of what is being proposed shall also be submitted (See Section 7-3)
3. Acceptance of Restricted Housing Units - Proposed floor plans will be reviewed by the Housing Department at time of Sketch Plan submittal, Final Development Plan submittal and/or other permit submittal. Proposed unit designs and components must be approved by the Housing Department prior to submittal for building permit. The Housing Department will inspect all restricted units before certificate of occupancy to ensure that the unit is built according to the approved designs.
4. Standards for Restricted Ownership Units.
 - a. Kitchen.
 - i. Cabinets - All units shall have kitchen cabinet or other storage area (such as a pantry) proportionate to unit size that, at a minimum, meet the required space listing in the table below. A stove/oven may not be used to meet cabinet requirements, and no more than two cabinet spaces less than one foot in width may be used to meet cabinet requirements.

Unit Size	Lineal Ft of Base Cabinets*	Lineal ft of Upper Cabinets*
Efficiency / studio / one-bedroom < 475 SF	4	4
One bedroom > 475 SF	5	5
Two bedrooms	6	6
Three bedrooms or more	7	7

*Assumes standard 24” depth and 26” height for base cabinets and 12” depth and 30” height for upper cabinets.

Note that additional kitchen storage beyond the minimum is desirable. In some cases, additional cabinetry is provided as either base or upper cabinets and credit is requested to reduce cabinetry elsewhere. Requests to storage

requirements will be considered as an exception to be approved by the Housing Department.

- ii. Countertops - The surface of countertops shall be made of new, durable, easily cleaned materials that are commonly used for countertops. One, two- and three-bedroom units must provide a minimum 3 feet of continuous countertop work space not including interior corner space.

iii. Appliances.

- a) Table of Appliance Specifications - The following table specifies minimum appliance requirements.

Unit Size	Sink width*	Range/oven width*	Refrigerator cubic feet*	Dishwasher*
Studio/One bedroom < 475 SF	24"	24"	18	18"
One bedroom >475 SF	30"	30"	25	24"
Two bedroom	32"	30"	30	24"
Three bedrooms or more	32"	30"	30	24"

*Minimum Size

- b) Quality and Warranty - All appliances shall be new, Energy Star, and UL (Underwriters Laboratories Standards for Safety) listed, and approved appliances. Documentation of the estimated reliability of proposed appliances, such as Consumer Report ratings, should be provided. Appliances must be of sound quality with the following minimum warranties:

- 1) Range or Stove and Oven - One-year minimum warranty. All major appliances used for surface cooking must have a ventilation system that meets code (typically, a fan rated at a minimum of 150 CFM).
- 2) Refrigerator - One-year minimum warranty on the entire appliance.
- 3) Dishwasher - One-year minimum warranty on the entire appliance.
- 4) Garbage Disposal - If provided in the market rate units, all restricted ownership units shall include a garbage disposal each with a one-year minimum warranty on the entire appliance.
- 5) Microwaves and other small appliances are optional.

- b. Bathrooms - At least one full bathroom is required and must contain a bathtub with shower, sink, toilet, and a minimum of four (4) square feet of storage. Flexibility is allowed as to how the storage is provided and will be approved by the Housing Department

- c. Closets and Storage Areas - Adequate storage is essential to providing livable housing. For safety reasons, mechanical rooms should be separate from any storage space and to ensure usable storage space should not open into storage space. All closets and storage areas should have a minimum 7.5' height except those under stairs which can include sloping ceilings down to 6' height unless it is not being counted toward the requirement. All dimensions shall be calculated from the finish trim dimension.

i. Table of Minimum Storage Dimensions.

Unit Size	Bedroom closet width	Linen closet* width	Additional storage square feet
Studio/one-bedroom < 475 SF	6 feet	24 inches	25 square feet
One-bedroom > 475 SF	6 feet	30 inches	30 square feet
Two-bedroom	6 feet	30 inches	40 square feet
Three-bedroom or more	6 feet	36 inches	50 square feet

ii. Other Storage Standards.

- a) Closet depth must be 26 inches.
- b) Bedrooms must each contain a closet that includes one shelf over a rod.
- c) Entryway closets are not a requirement. If an entryway closet is not provided that will adequately store coats and shoes/boots for one person in a studio, two persons in a one-bedroom, three persons in a two-bedroom and four persons in a three-bedroom, then an area for hanging/storing coats and shoes/boots near the entryway is required that will adequately provide for the same persons per unit.
- d) In addition to bedroom, linen and entryway storage, additional storage must be provided. Locations may include the basement, garage, exterior to the unit or interior to the unit. The intent of this storage is to provide space for large or outdoor items such as bicycles, strollers, recreational gear, etc. If appliances are located in this area, their footprint cannot be counted toward square footage of storage and must be approved by the Housing Department.
- e) Closet and storage doors must be sliding doors, folding doors, or doors that open outwards to allow for access to space. Doors are not required on interior storage. Closets and storage space may not have any other doors opening into the space.

- D. Floor Coverings** - New carpet, wood, tile, vinyl or linoleum floor covering shall be provided, with a minimum 10-year warranty. New water-resistant floor covering other than carpet is required in kitchens and bathrooms. Floor coverings are required on all subfloor material with the exception that concrete can be used as flooring material.

- E. Room Sizes and Shapes** - All units must include appropriate and adequate room sizes and room shapes (generally rectilinear) that allow for functional furniture placement. Minimum sizes should be measured at the narrowest point in the room. Where any room such as the dining room is adjacent to the kitchen area, a 3' wide buffer between all kitchen cabinets, appliances and workspaces may not be included in the minimum room calculation. All dimensions shall be calculated from the finish trim dimension.

It is highly recommended that room dimensions include an additional 1-2" as a margin of error to accommodate discrepancies in the framing and finish.

i. Minimum Room Size.

Unit Size	Minimum Square Feet
Studio/One-bedroom <475 SF	100 SF
One-bedroom	120 SF
Two-bedroom	180 SF
Three-bedroom or more	200 SF

- ii. Bedrooms - The first bedroom shall be a minimum of 120 square feet. Additional bedrooms shall be a minimum of 90 square feet. No bedroom shall have a finish dimension less than nine feet (9'0).
- iii. Living/Dining Rooms - Living/Dining Rooms shall provide the following minimum dimensions with no dimension less than ten feet (10'0).
- iv. Connections and openings, circulation to and through, and exterior doors and windows shall not compromise the ability to furnish the living/dining area. Furniture layouts shall be used to set critical room dimensions. There shall be a minimum of one layout that is possible that will seat every household member assuming one (1) person for a studio, two (2) persons for a one-bedroom, three (3) persons for a two-bedroom and four (4) persons for a three-bedroom and at least one seven-foot sofa, space for side tables, and ample leg room. Mechanical features, such as fuse boxes, shall not be visible or a central feature in the living area.
- v. The eating/dining area may be in a separate room, part of a combined living/dining area, or in the kitchen provided a 3' wide buffer between all kitchen cabinets, appliances and work spaces is not included in the minimum room calculation and a table and chairs (minimum 2 chairs – 4 chairs for two-bedroom or larger) can be shown to fit into the space without blocking circulation or doorways. A countertop eating area a minimum of 12" deep and 36" in length may be an acceptable alternative for units with less than two-bedrooms.
- vi. Studios and One-Bedrooms less than 475 square feet - All units must include appropriate room shapes (generally rectilinear) that allow for functional furniture placement including a sleeping area that will accommodate a twin bed,

a living area that can accommodate a 6' sofa, and a cooking eating area (table or island) that will accommodate two persons/chairs or stools. Furniture layouts shall be used to set critical room dimensions that include room for circulation.

- F. Windows/Noise Mitigation** - All living areas and bedrooms shall have a minimum of one window that can be opened.

Housing units that share walls with other residential or non-residential spaces must provide noise mitigation in walls, floors and ceilings for both airborne and impact sound.

All windows in rental units that have locations where pedestrians or passersby can see directly into the window must provide window shades or coverings that open from the top down to allow partial closing that provides privacy but also allows for the maximum amount of natural light to enter the unit and for ventilation.

For developments that propose affordable units facing on and within 100 yards of road-ways with allowable speeds in excess of 35 miles per hour or other types of industrial or other noise must have windows facing these conditions that meet a 32 Sound Transmission Class (STC) rating standard for noise mitigation or greater.

- g. Laundry - Restricted ownership units shall include washer/dryer hookups.
- h. Heating and Hot Water - Furnaces, boilers, or hot water heaters provided must have a 5-year minimum warranty. Hot water heaters must be appropriately sized to adequately serve the number of anticipated occupants based on one (1) person for a studio, two (2) persons for a one-bedroom, three (3) persons for a two-bedroom and four (4) persons for a three-bedroom.

Heating mechanical units may not be located on any patio or deck used to meet open space requirements or interior to the unit in a way that reduces usable floor area.

- i. Other Design Features - The following features are encouraged and may be used in the place of other requirements with approval from the Housing Department:
- i. Built-in storage space such as drawers under beds, stairs, etc.
 - ii. Creative shelving in dead space
 - iii. Washer/Dryer or communal laundry area in rental units
 - iv. Extra storage for recreational equipment
 - v. Additional closet space
 - vi. Additional cabinetry

5. Standards for Dormitories - General livability standards (Section: C) will apply except when these dormitory standards differ. There shall be a minimum of 150 square feet net livable floor area per person, including sleeping, bathroom, kitchen, and lounge

space. Net livable floor area shall not include interior or exterior hallways, parking, patios, decks, laundry rooms, mechanical areas, and storage.

- a. Bathroom - At least one bathroom shall be provided for shared use by no more than four persons, containing at least one toilet, one sink, one bathtub with a shower, and a total area of at least 60 habitable square feet.
- b. Kitchen Facility - A kitchen facility or access to a common kitchen or common eating facility shall be provided subject to the Housing Department's approval and determination that the facilities are adequate in size to service the number of persons using the facility.

Provide seating at a table or bar area for each person proposed to use the facility. The kitchen must have a range with a minimum of 4 burners and an oven. A refrigerator at least 5 cubic feet per person proposed to use the dorm. Each unit must have a minimum of 7 lineal feet of base cabinets and upper cabinets. Each unit shall have a kitchen sink at least 31 inches wide.

- c. Storage Space - Each unit occupant shall be provided at least 20 net square feet of enclosed storage space located within, or in close proximity to, the unit. This is in addition to the required 150 square feet of net livable floor area of living space per person.
 - d. Occupancy - A dormitory unit shall not be occupied by more than eight persons.
 - e. Variances - At its discretion, Housing Department staff may allow a variance to the requirement of 150 square feet. To receive approval for a variance, an applicant shall provide a minimum of 60 square feet of sleeping area per person and meet conditions 1- 4, listed above.
6. Standards for Conversions of Existing Housing Stock - If existing unrestricted housing is offered and accepted by the Town of Jackson or Teton County, as adequate to meet an affordable housing requirement, the existing units must be upgraded in accordance with the following standards, unless a variance from these requirements is approved by the Planning Department of the Town or County.

Applicants shall bear the costs of any required upgrades to meet the standards, as listed below. Applicants will also be responsible for any structural/engineering reports requested by the Housing Department to assess compliance with the Housing Department standards of the proposed units.

- a. Standards.
 - i. All units must be freshly painted;
 - ii. All appliances must be purchased within the last five years and be in good condition and in working order. Evidence must be provided to verify the appliance was purchased within the last five years;

- iii. New carpet shall be provided (unless carpet has been purchased in the last five years and is in good condition and repair). Evidence must be provided to verify the carpet was installed within the last five years;
 - iv. The exterior walls shall be freshly painted within one year of dedication, a general level of upgrade to yards and landscaping shall be provided, and windows, heating, plumbing, and electrical systems, fixtures and equipment shall be in good condition and working order;
 - v. For ownership units, the roof must have a remaining useful life of at least ten years. Evidence must be provided to verify this; and
 - vi. The unit shall meet Uniform Building Code minimum standards, as well as any applicable housing code.
 - vii. See Section 6.3 of the LDRs for other existing housing stock requirements.
- b. Compliance with Section 2-3 Livability Standards – it is recognized that use of existing housing stock makes it more difficult for units to be in compliance with Section 2-3 Livability Standards. The Housing Department will inspect the unit prior to approval to analyze the unit based on the Livability Standards. Flexibility will be allowed according to Section 2-3.d.9 at the sole discretion of the Housing Department.

16.10.300 Qualification and Eligibility.

- A. General Descriptions** - Each housing program described in these Housing Department Rules and Regulations is evaluated on two levels to determine the requirements of occupants and/or owners to purchase and/or occupy the housing unit in question; the two levels of evaluation are herein referred to as qualification and eligibility.
- 1. Qualification - Qualification is the most general and applies to all housing programs.
 - 2. Eligibility - Eligibility refers to additional requirements specific to a particular restricted housing unit or program.
- B. Qualification** - To be considered a qualified household under these Housing Department Rules and Regulations, all of the following criteria must be met prior to the time of closing:
- 1. Employment Requirement - At least one member of the household must fit one of the following categories:
 - a. Employed in Teton County - Be employed at a local business or organization located in Teton County an average of at least thirty (30) hours per week or 1560 hours annually. For purchases outside of a Weighted Drawing, the household can

be under contract for employment at a local business or organization located in Teton County, Wyoming, where such contract commences employment before move-in or closing on a restricted housing unit, and the employment will be for a minimum of 30 hours per week or 1560 hours per year. For teachers, 250 hours are added to their annual hours to account for hours worked without pay such as renewing certifications, grading papers, etc.

- b. Self-Employed - If self-employed, hours of work must be documented to substantiate meeting the 30-hour per week / 1560 hours per year requirement. Since self-employment is often unique, different methods of verification may be used. Reasonable annual income is the first method that will be reviewed. Other methods may include verification from vendors, employees, or other applicable methods.
- c. Employment Exemptions.
 - i. Military Service - Active military service in the U.S. Armed Services counts as employment in Teton County, Wyoming if that member of the household met employment criteria in Teton County, Wyoming for a minimum of two years prior to enlisting.
 - ii. Disabled - An individual who is defined as disabled and is unable to be gainfully employed due to the disability meets the employment qualifications for housing in Teton County if the individual has a minimum of one (1) year of full-time residency in Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming.
 - iii. Caregiver - Work as a caregiver counts as an employment exemption if the following criteria are met:
 - a) Full-time Resident - The caregiver is a full-time resident of Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming.
 - b) Duration and Timing of Caregiving - The caregiver was or is volunteering all or a portion of their time caring for their own children or an ailing or disabled immediate family member and, therefore, was unable to gain full-time employment in Teton County. Verification will be required using varying methods including but not limited to birth certificates, letter from health provider, and affidavits from family members or neighbors.
 - iv. Secondary School Attendance - Secondary education counts as an employment exemption if other employment criteria were met in Teton County, Wyoming at least two (2) years immediately prior to seeking secondary education.
 - v. Hospitalization - Hospitalization counts as an employment exemption if the hospitalized member of the household worked in Teton County, Wyoming at least two (2) years immediately prior to becoming hospitalized.

2. Citizenship - At least one (1) member of the household must be a U.S. Citizen or be hold a Lawful Permanent Residency card in the United States in order to qualify to purchase a restricted housing unit.
3. Age - At least one (1) member of the household must be eighteen (18) years of age.
4. Financial Ability - The Household must qualify without a cosigner for a loan through an institutional lender to purchase a restricted housing unit.
 - a. Contingencies - Any contingencies on lender's qualification may be a cause for the Housing Department to deny qualification to the household. If a contingency requires the household to sell a home prior to the purchase of a restricted housing unit, it will be disclosed to the seller, and the seller will have the option to deny going under contract with the selected household.
 - b. Disclosure of Financial Gifts - Financial gifts received by the household must be disclosed to the Housing Department and will be counted toward household net assets. A letter from the gift or certifying the gift and the amount of the gift will be required.
 - c. Use of Retirement Savings for Down Payment - Down payment funds that are withdrawn from retirement accounts will be counted toward household net assets.
 - d. Qualified Mortgages - All liens that encumber the property must be 'qualified mortgages' made by a 'qualified mortgagee' or will not be secured by the property (See Section **16.10.900** Definitions).
- c. **Eligibility** - Households may be required to meet one or all of the following eligibility criteria to be eligible to purchase, rent and / or occupy a housing unit. The restriction on the housing unit and / or the specific housing program will determine if additional eligibility requirements apply.
 1. Household Income - Eligibility Criteria differs between units that are targeted to different affordability ranges. The "Household Income and Asset Chart" that sets income and asset requirements is updated annually and published on the Housing Department website. It can also be obtained from the Housing Department.
 - a. Affordability Ranges - Below are the affordability ranges based on percentage of Median Family Income (MFI) as calculated by the U.S. Department of Housing and Urban Development (HUD). Legacy units restricted prior to 2018 adoption of Housing Mitigation Standards in the LDRs used different "income categories." These income categories will still apply to legacy units that set out these income categories in the unit's restrictive covenants.

i. Affordable and Affordable Rental.

Legacy Units developed prior to 2018 adoption of Housing Mitigation Standards:

0 – 80%	Category 1
80% – 100%	Category 2
100% – 120%	Category 3
120% – 140%	Category 4
140% – 175%	Category 5
175% – 200%	Category 6

Rental units developed after 2018 adoption of Housing Mitigation Standards:

0 – 50%
50% – 80%
80% – 120%
≥120%

Ownership units developed after 2018 adoption of Housing Mitigation Standards:

50% - 80%
80% – 120%
≥120%

ii. Legacy Attainable Units.

Category 2 = ≤120%
Category 3 = ≤140%
Category 4 = ≤175%

iii. Employee.

Legacy Units developed prior to 2018 adoption of Housing Mitigation Standards. Households are eligible for these Employee housing units if they make up to 120% MFI. If this is inconsistent with the deed restriction recorded on the particular Employee Housing Unit, the deed restriction shall supersede these Housing Department Rules and Regulations.

iv. Employment-Based - There is no income eligibility for Employment-Based units. However, at least 75% of the household's combined income must be earned from a business or organization located in Teton County continuously during ownership. If one (1) person in the household is at the age the Social Security Administration allows a person to begin receiving Social Security, their income will no longer be used to calculate the 75% of household income from a local business.

v. Workforce Housing Program - There is no income eligibility for Workforce housing units. However, at least 75% of the household's combined income must be earned from a business or organization located in Teton County continuously during ownership. If one (1) person in the household is at the age the Social Security Administration allows a person to begin receiving Social Security,

their income will no longer be used to calculate the 75% of household income from a local business.

- vi. Other Restricted Housing Units - Income eligibility for other restricted housing units may be set out in restrictive covenants that apply to the particular restricted housing unit.
- b. Calculation of Income -Household income is based on the current income earned by all intended adult occupants of the restricted housing unit at estimated closing date and is calculated by the Housing Department using the current household income to estimate an annual (12 month) income basis. W-2 earners who have inconsistent incomes and have the same jobs as prior years will have their income averaged over three (3) years or less if less than three (3) years were worked. Households must use their current income and may not make changes or adjustments to earnings in order to fit into a category. Any changes to income must be given to the Housing Department prior to the initiation of a weighted drawing process in order to be eligible to enter the weighted drawing.
 - i. College-Aged Children - The income of adult children who are members of the household and who are attending college will not be counted.
 - ii. Business Income - Gross income is used minus cash expenses.
 - a. Businesses that do not have 2 full prior years of income:
 - i. Tax returns are used to get gross income earned in the first year of business minus cash expenses (if taxes have not been paid, the Profit and Loss will be used for that year to get gross income minus cash expenses).The gross income will be divided by the number of months the business was operating during that year. That number will be multiplied by 12 to get one year of income for the first year.
 - ii. If the business has a full year of income in the second year of operation, the tax returns will be used to get gross income minus cash expenses. This will be the income for the second year.
 - iii. If there is no income for the current year. The first and second years will be averaged.
 - iv. If there is income for the current year, the Year to Date (YTD) Profit and Loss will be used to get gross income minus cash expenses. The gross income will be divided by the number of months to date in the current year. That number will be multiplied by 12 to get one year of income for the current year.
 - v. The current year will then be averaged with the past year(s).
 - vi. If there is only the current year, the current year number will be used.
 - b. Businesses that have 2 full prior years of income:
 - i. Tax returns will be used for each of the 2 prior years.

- ii. The gross income minus cash expenses for each year will be used.
 - iii. For the current year, the YTD Profit and Loss will be used. The gross income minus cash expenses divided by the number of months to date in the current year to get average monthly income. The average monthly income will be multiplied by 12 to get one year of income for the current year.
 - iv. The current year will be averaged with the 2 prior years.
 - v. If there is no income for the current year, Step 1 will be used to calculate for 3 prior years and the 3 prior years will be averaged.
 - vi. If the third prior year is the first year the business was operating, tax returns will be used to get gross income minus cash expenses. The gross income will be divided by the number of months the business was operating in that year to get average monthly income. Average monthly income will be multiplied by 12 to get one full year for the first year in business.
- c. Seasonal Businesses:
 - i. 1. The steps above will be used to get average monthly income. The average monthly income will be multiplied by 12 to get one full year of income.
- iii. Household Members - All individuals who are intending to occupy the unit must be included on the application. All adults not attending college and/or age 25 or older must include income and assets on the application. For Affordable units, adults not listed on the application may not reside in the home within the first year and without prior approval from the Housing Department. For Workforce units, additional adults may reside in the home at any time, but the household must qualify and have approval from the Housing Department. No approval will be given to either Affordable or Workforce owners without all adult occupant signing an Occupancy Agreement. For Affordable units, divorces must be finalized prior to closing on the home. For Workforce units divorces are not required to be finalized, and applicants are allowed to apply without their spouse, and the spouse's income/assets, etc. will not be counted.
- 2. Household Net Assets - Eligibility for some restricted housing units is also based on a qualifying household's net assets.
 - a. Calculation of Net Assets - Household net assets include the value of all assets over \$500 in value including, but not limit too, bank accounts, investment accounts, life insurance, furniture, automobiles, jewelry, computer equipment, real estate, and recreational equipment; less any debt the household has. Net assets do not include retirement accounts, unless money will be withdrawn to be used as a down payment or closing costs. Business assets are limited to liquid assets.

Total household net assets shall not exceed two times the four-person household Income requirement for the income category of the housing unit. All household members' shares of liquid business assets shall be included in determination of total household net assets. Net assets of all household members shall be combined in

determination of total household net assets. See the “Household Income and Asset Chart” for net asset thresholds, which is updated annually and published on the Housing Department website. A copy may be obtained from the Housing Department.

Rental units do not have asset limits.

b. Ownership of Real Property.

i. Ownership at Time of Application - At the time of application, a Household may own other undeveloped or developed residential or commercial property. The fair market value of such property will be taken into consideration when determining household net assets. A price opinion using a market analysis will be obtained by the Housing Department through a local real estate firm within thirty (30) days from the date of submittal of an application for a restricted housing unit to determine fair market value of the other undeveloped or developed property. The owner of the property will be solely responsible to pay for the price opinion in conjunction with submittal of the Housing Department Application.

a) Ownership of Commercial Property - A household will be able to maintain ownership of commercial property.

b) Designation of Mobile Homes - Mobile homes situated in a mobile home park or on other land with hook-ups to water/sewer and electricity will be considered residential property, and thus, will be required to be sold as with other residential property. If the mobile home is not situated in a mobile home park or other land with hook-ups to water/sewer and electricity, it will only be considered an asset.

c) Rental Income and Rental Assets - Rental income from any residential real estate will be counted toward household income and the asset will be counted toward net assets.

c. Required Sale of Residential Property - Once under contract for a restricted housing unit, the qualifying Household must list residential property (developed or undeveloped), located within 150 miles driving distance from the Town of Jackson, for sale at a price commensurate with the price opinion. If the property has not sold or is not under contract after one year from the listing date, within 30 days of the year expiring, another price opinion will be obtained. If the price opinion is lower than the listed price, the owner will have 30 days from the date of the price opinion to lower the asking price to that of the price opinion. If after 24 months from the date first listed, the property still has not sold or gone under contract, the Housing Manager of the Housing Department will issue an analysis of the property with a determination of the salability of the restricted housing unit along with the next steps required. A copy of the analysis will be provided to the owner, and the owner will have the opportunity to appeal the determination of the Housing Authority

Board. The owner may be required to sell their restricted housing unit if the residential property has not sold.

- d. Disposition of Assets - Any member of a household who has assigned, conveyed, transferred or otherwise disposed of property or other assets within the last two (2) years in order to meet the net asset limitation or the property ownership limitation shall be ineligible to purchase a restricted housing unit.
3. Readiness to Purchase - Individuals purchasing a restricted housing unit must demonstrate readiness to purchase by showing the following:
 - a. Contingencies - Contingencies on lender's qualification must be approved by the Housing Department prior to entering a weighted drawing. Such contingencies include but are not limited to requirement to sell property, requirement to prove down payment via account statement, gift letter or other, and requirement to pay off debt. Examples of proof of down payment are a letter from a family member who may be providing a gift or a bank statement showing funds available.
 - b. Age - At least one individual in the household must be at least 18 years of age.
 - c. Execution of Legally Binding Contract - Individuals must be capable to legally enter into a contract.
 4. Homebuyer Education - Completion of the Homebuyer Education course is required to meet eligibility criteria to enter a weighted drawing for a restricted housing unit and/or purchase a restricted housing unit. The required course is offered by Wyoming Housing Network or another Housing Department approved organization.
 5. Online Intake Form - The Online Intake Form must be completed prior to entering a weighted drawing for a home. Completion of this form will put a household on the Housing Department's email list, and the household will begin receiving emails with information about homes when they are available. All advertising of homes available will be done through email to those who have completed the Online Intake Form and on the Housing Department website. The online Intake Form can be found on the Housing Department's website: jhaffordablehousing.org. This form must be completed in its entirety and updated at least annually. It cannot be completed or updated during a weighted drawing process that the household wishes to enter. The Online Intake Form does not enter a household into a weighted drawing. The weighted drawing is a separate process. See Section **16.10.004.C.5**.

16.10.400 Weighted Drawing.

The Affordable and Workforce Housing requirements may utilize the weighted drawing process to select a qualified household using the procedures listed below. The weighted drawing will be advertised on the Housing Department website, jhaffordablehousing.org, and via email to all households that have completed the Online Intake Form. See Section 3-3e: Online Intake Form.

- A. Minimum Occupancy Requirement** - In order to ensure that the units meet the intended goals of housing the Teton County workforce and are consistent with mitigation requirements, the following occupancy requirements for units in the Affordable Program are:

Studio:	One (1) or two (2) people
One-bedroom:	One (1) or more people
Two-bedroom:	Two (2) more people
Three-bedroom:	One (1) or two (2) adults with two (2) or more dependents For rental units; 3 or more people
Four-bedroom:	One (1) or two (2) adults with three (3) or more dependents For rental units; 4 or more people

For purposes of counting household size, children or adult dependents must live with the household and be claimed as a dependent on Federal Income tax returns. Any deviation from the minimum occupancy requirements must be approved prior to the drawing through the exception process. There are no Minimum Occupancy Requirements for units in the Workforce Housing Program. However, if a household enters a drawing for a Workforce Housing unit and meets the occupancy requirements as listed above for the Affordable Program, the household will receive an extra point (entry) in the drawing.

- B. Weighted Drawing Points** - Eligible households receive points that will determine the number of entries the household will receive in the weighted drawing. One point equals one entry in the weighted drawing. One point is assigned for each full year of consecutive full-time employment at a local business immediately prior to entering a weighted drawing, with a maximum of ten (10) points. One point is assigned for each qualified critical services provider with a maximum of two (2) points. In a weighted drawing for a Workforce unit, a household that meets the minimum occupancy requirements for the Affordable program will receive one (1) point. The total maximum points a household can receive is twelve (12). Households are not eligible to enter a weighted drawing until they have one (1) full year of full-time employment in Teton County for a local business or one (1) point.

Points are given based on one person in the household. Years working in Teton County cannot be doubled up and must be verifiable. For example, a two-person household, one of which has been employed in Teton County for two years and the other for four years, would be assigned four (4) points.

To enter a drawing for an Affordable unit, the intake form must be completed prior to the opening of a drawing and information cannot be changed during the drawing entry period. You may not have more than one intake form. For the Workforce Program, an intake form must be completed prior to entering a drawing. Households may only have one (1) intake form.

1. **Employment** - At least one member of a household must be employed full-time in Teton County at a local business. Full-time employment is defined as at least one thousand five hundred sixty (1,560) hours per year or an average of at least thirty (30)

hours per week. Employment exemptions found in Section **16.10.300.B**. Qualifications apply.

- a. **Interruption of Employment** - Interruption of employment will be allowed in special circumstances if other employment criteria are met in Teton County, Wyoming at least two (2) years immediately prior to the interruption of employment. Interruption of employment will only be allowed for a maximum period of two (2) years. Points will not be given for the time period during the interruption of employment. Points will be given for years employed full-time at a local business immediately prior to the interruption of employment. To obtain points for prior employment, a household must have reestablished full-time employment at a local business within one (1) month upon termination of the reason for the interruption of employment. Reasons for allowed interruption of employment include: caring for a sick or disabled immediate family member, attending secondary school, and hospitalization. Verification documentation of the reason for interruption of employment will be required to obtain points for prior employment.

2. **Additional Points.**

- a. **Critical Services Provider** - Qualified critical services providers, as defined in Section **16.10.900** Definitions, may be eligible for a maximum of two (2) additional points. Any household may not receive more than two (2) points. However, if a household has one (1) person who qualifies as a critical services provider for two (2) organizations, they will receive two (2) points.

The following conditions must be met to receive the critical services provider designation and priority:

- i. **Critical Services Provider Designation** - Organizations who believe their employees or volunteers meet the definition of critical services provider can apply to the Housing Department to become an approved critical services provider organization and have certain job positions deemed “qualified.” The Teton County Board of County Commissioners and the Jackson Town Council will approve or deny critical services provider organization applications.
 - a) **Required Documentation** - Employees who work in these “qualified” positions for approved critical services provider organizations can enter a weighted drawing and receive additional points. These individuals must submit a “Critical Services Provider Supervisor Questionnaire” along with their weighted drawing entry documents. These will be held on file for a period of six months before needing to be updated. The Housing Department will contact the CSP’s supervisor to update the Supervisor’s Questionnaire.
- ii. **One Year of Full-Time Employment** - A qualified critical services provider must earn one (1) point for one (1) year of full-time employment in Teton County at a local business prior to receiving points as a critical services provider.

- iii. Approval Process - Applications received by the Housing Department for approval as Critical Services Provider Organizations will be processed by staff. The Housing Manager will make a recommendation to the Jackson/Teton County Housing Authority Board who will approve or deny the application.
3. Accessible Units - Priority will be given to households with member(s) who are mobility impaired. If more than one weighted drawing entry is received for Accessible units, a weighted drawing will be held. If no households with members who have mobility impairments apply, the weighted drawing will be held with all other applicants.
4. No Qualified Entries - After a weighted drawing where no qualified entries exist, the unit will be offered again in a weighted drawing. It will be open to households in the next tier of the minimum occupancy requirements. If there are still no qualified entries, the home will be offered first come, first served. The first qualified household to submit a complete application will have the opportunity to purchase.
5. Drawing Results - Drawing results are kept on file with the Housing Department and may be requested by the public.

16.10.500 Purchase and Sale Standards and Procedures.

A. Sale and Resale Standards.

1. Applicability - Each restricted housing program dictates both the initial sales price and the maximum resale price. The restrictions for each unit should be consulted for exact details.
 - a. Affordable Housing Program - For the Affordable housing program, these Housing Department Rules and Regulations set out how to determine both the initial sales price and the maximum resale price.
 - b. Employment-Based Housing Program - The initial sales prices and maximum resale prices for Employment-Based housing units are determined by these Housing Department Rules and Regulations.
 - c. Workforce Housing Program - The initial sales prices for Workforce housing units are negotiated between the owner and the buyer. After the initial sale, the value will appreciate according to the Denver-Aurora-Lakewood CPI with a maximum of 3%. If the Denver-Aurora-Lakewood CPI no longer exists, another similar index will be used.
 - d. Attainable Housing Program – The Attainable housing program does not place limits on sale or resale prices, but buyers still must meet the qualification and eligibility rules laid out in Section **16.10.300**. Qualification and Eligibility.
 - e. Other Programs – For other restricted housing units, the property’s restrictions clarify how the sale and resale prices are configured.

- f. Rental Rates - For information on maximum rental rates permitted by the rental housing programs, see Section **16.10.500.B. Tenancy and Rental Standards and Procedures.**
2. Maximum Sales Price.

The Housing Department updates the maximum sales prices for Affordable housing units obligated by the LDRs on April 1st of each year. The maximum sales prices are available on the Housing Department's website or at the Housing Department. The methodology listed below shall determine the maximum sales prices. The intent of the maximum sales prices is to ensure initial and long-term affordability.

- a. Median Family Income - Each year, the U.S. Department of Housing and Urban Development (HUD) releases Median Family Income figures for Teton County, Wyoming. The Housing Department uses this data to determine household incomes for the applicable restricted housing units based on number of bedrooms and persons per bedroom.
- b. Household Size - The Household Size for determining maximum sales price is based on number of persons per bedroom in the applicable restricted housing unit.
- c. Affordability Range - The household income for the applicable restricted housing unit is set at the middle of the affordability range to ensure affordability. For example: the income range for affordability range 3 is 81% - 120% MFI; therefore, an income of 100% MFI would be used in calculating the maximum sales price.
- d. Percentage of Income - The national standard for household affordability is that a household does not pay more than 30% of its gross income toward housing costs. Therefore, monthly payments (including principle, interest, taxes, insurance and HOA dues) cannot exceed 30% of the Median Family Income for each affordability range.
- e. Maximum Sales Price Calculation - The maximum sales price for a restricted housing unit is determined by calculating 30% of a qualifying household's income, using the following assumptions:
 - i. 22% of household income covers principal and interest,
 - ii. 8% of household income covers HOA dues, taxes, and insurance,
 - iii. Assumptions for the mortgage include: 30-year mortgage, 5% down payment, 20-year rolling average interest rate for a qualifying household earning the median of the applicable income category.
- f. Potential Variability of Maximum Sales Price.

- i. The maximum sales prices will be lower if the unit is below grade, or if there is no garage.
- ii. If an owner is determined to be in default of their restrictions, the Housing Department will have the option to purchase the property for a purchase price equal to the maximum resale price or the appraised value, whichever is less, subject to the Housing Department's ability to limit appreciation and/or reduce proceeds, and on such other terms as are provided in the restrictions.
- iii. If an owner is found to be in default of their restrictions, the Housing Department may cease the appreciation of the property when determining the maximum resale value beginning on the known date the owner began being in default.

3. Maximum Resale Price.

- a. The intent of the maximum resale price is to ensure long-term affordability of the restricted housing units at resale. The maximum resale price (MRP) shall be the original purchase price (OPP) with the following adjustments:

Appreciation 3% or Denver-Boulder-Greeley CPI - Appreciation of the value of the restricted housing unit is based on the Denver-Boulder-Greeley CPI each year capped at 3%. The latest published numbers for Quarter 2 and Quarter 4 of each year will be used unless the deed restrictions or ground lease specifically reference an alternative appreciation method or no measured appreciation.

The following standards apply:

- 1) Date of purchase is defined as seller's original closing date (date seller purchased the restricted housing unit). If the closing date is on or after the 15th of the month, the month is not counted for prorating the value. If the closing date is before the 15th of the month, the entire month is counted.
 - 2) Three (3) months will be added to the date that the "Letter of Intent to Sell" is received and will be considered the estimated closing date.
 - 3) If the Letter of Intent to Sell is received on or before the 15th of the month, the entire month is counted. If the "Letter of Intent to Sell" is received after the 15th of the month, the month will not be counted.
 - 4) Each eligible whole month will be prorated.
- i. Denver-Boulder-Greeley CPI - The CPI used to calculate maximum resale prices in some restrictions is the Denver Boulder Greeley CPI. New figures are published by the Colorado Department of Labor and Statistics twice a year, normally in March and August. In calculating the allowed maximum appreciation of a home, the latest reported figure will be averaged with the other reported figure for the year and used up to the date new figures are released.

Once a Facilitation Agreement has been signed, new figures will not affect the maximum resale price. If the Denver Boulder Greeley Colorado CPI ceases to exist, a comparable index will be used.

- ii. Northwest Wyoming Cost of Living Index - The NWCLI figure used to calculate maximum resale prices in some ground leases is obtained from the Wyoming State Division of Economic Analysis and is calculated with All Items minus Housing. It is updated quarterly and released generally in June for the First (1) Quarter, October for the Second (2nd) Quarter, December for the Third (3rd) Quarter and March for the Fourth (4th) Quarter. The latest reported figure will be averaged with the other reported Quarters of the year and will be used up to the date the new figures are released. Once a Facilitation Agreement has been signed, new figures will not affect the maximum resale price. If the NWCLI ceases to exist, a comparable index will be used.
- iii. Flat Appreciation Rate of 2.5 Percent - The flat appreciation rate of 2.5% found in some restrictions is not based on an index. Rather, it is based on an analysis of incomes over 20 years, where it was found that incomes rose on average by 2.5% per year.
- b. Cost of Actual Capital Improvements - Restricted housing units that have deed restrictions or ground leases allowing for improvement credits can add the value of these improvements to the appreciated value to calculate the MRP based on the following.

Credit for capital improvement expenditures on the restricted housing unit given at resale will be no more than 10% of the OPP of the home except where the Housing Department has determined otherwise. All capital improvements must be pre-approved by the Housing Department and properly permitted and inspected by the Town of Jackson or Teton County Building Official. Approval/disapproval must be determined prior to actual construction to be considered at time of sale. Improvements done without prior approval will not be considered for capital improvement credit. It is the owner's responsibility to secure any approval necessary from the restricted housing unit's Homeowners Association and obtain any necessary permits prior to undertaking any Capital Improvement. Please consult Section **16.10.50.A.5** for more details.

- c. Depreciated Costs of Capital Improvements - The depreciated costs of Capital Improvements can be added to the appreciated value to calculate the MRP, so long as they do not exceed ten percent (10%) of the OPP or as determined by the Housing Department on a project-specific basis. All capital improvements will be depreciated as applicable according to the Marshall and Swift Residential Cost Handbook or a similar resource.
- d. Maintenance Adjustment - Households are required to keep restricted housing units in a properly maintained state. Housing Department staff and/or a third-party inspector hired by the Housing Department will inspect the property after receiving the "Letter of Intent to Sell" from the owner. The inspector will provide an

inspection report to the Housing Department. The Housing Department may require the owner to repair or replace items on the inspection report. The buyer also has the opportunity to inspect the property and provide the Housing Department with a list of items. If required repairs, replacement, or cleaning are not made by the owner prior to the Housing Department's final walkthrough two (2) business days before closing, the Housing Department will estimate the costs at its sole discretion, and an adjustment may be made to the seller's proceeds or to the maximum resale price. These funds will either be given to the buyer to make the repairs or held by the Housing Department at the Housing Department's sole discretion. If funds are given to the buyer, the buyer will be expected to make the repairs on their own. If the repairs are not made, the buyer will be charged when they sell the home. If the Housing Department holds the funds, the buyer will be reimbursed based on receipts received from the buyer. If any funds remain after the repairs are completed, they will be released to the seller.

- e. Other Costs - Any additional costs allowed by the Housing Department pursuant to the policies in effect on the date of the restricted household's "Letter of Intent to Sell."
4. Selling Procedures - All restricted housing units shall be sold in accordance with applicable restrictions and/or these Housing Department Rules and Regulations as determined by the Housing Department, Town and/or County, which may vary depending on the specific housing program under which the restricted housing units were created.
- a. Letter of Intent to Sell - The seller shall submit a completed Letter of Intent to sell form to the Housing Department to begin the selling process. The form can be found on the Housing Department's website or can be obtained from the Housing Department. The Housing Department staff will set up a meeting with the seller to review the selling process and the seller documents. The Letter of Intent must be submitted and the meeting with the seller must occur the week prior to the beginning of the weighted drawing entry period. See section 4. The seller shall be given the option to choose the Title Company. If the seller has no preference, the Housing Department will choose the Title Company. If the seller decides not to sell the unit after submitting the Letter of Intent to sell, the seller must reimburse the Housing Department for any costs the Housing Department has incurred. Once the contract has been signed by buyer and seller, both parties are legally bound by the contract.
 - b. Facilitation of Sale - The Housing Department facilitates the sales of restricted housing units to accomplish the sale according to the instructions in the Grund Lease/Deed Restriction and to provide a transfer to a Qualified Household. Specifically, the Housing Department facilitates sales of Affordable housing units, Employment-Based units, Workforce housing units, and Accessory Residential Units. Sellers will be required to enter into a Facilitation Agreement with the Housing Department to sell their home. The Facilitation Agreement must be executed prior to advertising the home for sale through a weighted drawing process.

- c. Maximum Resale Letter - The resale price of the restricted housing unit shall be calculated according to its restriction and stated in the "Maximum Resale Letter." Maximum resale prices will be rounded to the nearest dollar. An official copy will be mailed, or hand delivered. A copy can be requested from the Housing Department by email or fax. The Maximum Resale Price shall be the only exchange of value between parties to any sale of the restricted housing unit. Any exchange of value outside the allowed sale price shall invalidate the sale.
- d. Facilitation Fee (2%) - At the closing of the sale, the seller will pay to the Housing Department a fee equal to two percent (2%) of the sales price, unless otherwise instructed in the deed restriction, for facilitation services. The Housing Department may instruct the Title Company to pay such fees out of the funds held for the seller at closing. The Housing Department may also waive the fee, or a portion thereof, in its sole discretion.
- e. Cost of Declining Initiated Sale - If the seller decides not to sell the restricted housing unit at any point before closing, the seller will be responsible for all advertising and/or other costs associated with listing the unit for sale.
- f. Viewing of Unit - Once the weighted drawing is completed, the first household drawn will be contacted by the Housing Department and a time set up to view the unit. This viewing shall occur within five (5) business days of the household being notified that they were selected first in the drawing. The household will have two (2) business days to respond to the Housing Department's efforts to contact them to notify them that they were selected. A phone call and an email will be sent to the household. If there is no response, the Housing Department will move on to the next household drawn. The seller is required to make the restricted housing unit available with reasonable notice on a minimum of two (2) occasions to show the property to the selected household prior to going under contract.
- g. Inspection - The Housing Department will order a third-party inspection to be done on the home by a qualified home inspector. The inspection information/report is for the use of the Housing Department and will not be released to any buyer. Buyers shall have the option to order their own inspection to be done on the home. It is the Housing Manager's sole discretion as to whether items found by an inspector will be required to be repaired. A list of items required to be repaired will be given to the seller by the Housing Department. The seller is expected to have the items completed no later than three (3) business days prior to the closing date.
- h. Complete Application - The household shall have five (5) business days from the day they are notified that they were selected first in the drawing to submit a complete application to the Housing Department. The Checklist for Complete Application and Application form can be obtained from the Housing Department's website or from the Housing Department. The Housing Department reserves the right to request additional documentation when verifying a Household's eligibility and qualification. If for any reason the buyer cannot close within three (3) weeks

of the seller's timeline, the seller may choose to move on to the next household drawn.

- i. Qualification - The Housing Department shall review the application and supporting documents and calculate income, assets, and hours worked to verify eligibility and qualification. This process normally is complete within five (5) business days of receiving the application. However, it may take longer in unique circumstances. Once the Housing Department completes the review and verification of eligibility and qualification, the applicant is notified of approval or denial. If the applicant does not qualify, the next household drawn in the weighted drawing will be notified and the process will start over.
 - j. Qualified Household Meeting - When the Housing Department has identified a qualified household who wishes to move forward with the purchase of the home, the qualified household will have five (5) business days to attend a meeting to review the purchase process and purchase documents, which include the Contract for Purchase and Sale of Residential Real Estate or Residential Improvements in the case of a Ground Lease and the buyer's Facilitation Agreement. The applicant has five (5) business days from the meeting day to review and execute the purchase documents and return them to the Housing Department with earnest money as called for in the Contract. If the contract is not signed and returned within five (5) business days, the next household selected in the drawing will be notified and given the option to purchase the home if qualified. The seller shall be notified immediately upon receipt of the signed contract and earnest money to execute the contract. The seller shall have two (2) business days to return the signed contract or the closing may be delayed. A copy of the contract and the earnest money are then delivered by the Housing Department to the Title Company.
 - k. Final Walk Through - A final walk through will occur generally two (2) business days prior to the closing date. If the Housing Department finds maintenance or repair items that have not been completed, the Housing Department will estimate the costs of the maintenance/repair items and withhold funds from the seller's proceeds. The funds are then given to the buyer and the buyer is responsible for completing the maintenance/repair items.
 - l. Closing - The closing will be held on or before fifty (50) days from complete execution of the Contract. The Buyer will take possession of the unit on closing day.
5. Capital Improvement Standards.
- a. Approval Required - Owners must receive written approval from the Housing Department prior to beginning the work in order to receive credit for the capital improvement. To obtain approval, the "Request for Capital Improvement" form must be submitted along with estimated costs and drawings and/or plans and a narrative of the work to be done. Once the improvement is complete, copies of all receipts for materials and labor must be given to the Housing Department. No credit will be given for sweat equity.

- b. Workmanlike Manner - All improvements whether approved Capital Improvements or other must be built in a workmanlike manner, and according to Town of Jackson or Teton County building codes. All required permits and completion releases must be obtained from the Town or County. Any owner that does capital improvements without obtaining the proper permits or if it is determined at the Housing Department's sole discretion that the improvements have not been done in a workmanlike manner may be required to make repairs or remove the improvements and return the home to its original condition.
- c. Approved Capital Improvements - A Capital Improvement is an improvement done to the home for which the homeowner can receive credit. The capital improvement requires an expenditure that either increases the value of the property or extends its life expectancy but is not a luxury item. The term "approved capital improvement" shall only include the following:
 - i. Fixtures erected, installed or attached as permanent, functional, non-decorative improvements to real property, excluding repair, replacement and/or maintenance improvements;
 - ii. For the benefit of seniors and/or handicapped persons;
 - iii. Health and safety protection devices (including radon);
 - iv. Adding and/or finishing of permanent/fixed storage space;
 - v. Finishing of unfinished space;
 - vi. Landscaping; Adding trees, shrubs, lawn, patio, walkways, or sprinkler systems;
 - vii. Decks and balconies, and any extension thereto;
 - viii. Partial credit may be given for upgrade improvements that will increase the life of the component as compared to the original product or increase the long-term affordability of the home.
- d. Improvements Not Approved for Credit - Approved capital improvements shall not include the following:
 - i. Jacuzzis, saunas, steam showers and other similar items;
 - ii. Upgrades or addition of decorative items, including lights, window treatments and other similar items;
 - iii. Upgrades of appliances, plumbing and mechanical fixtures, carpets and other similar items included as part of the original construction of a unit, unless

replacement is shown to improve the lifespan of the component or the long-term affordability of the restricted housing unit;

- iv. Repair and Maintenance Items – a repair or maintenance item is an expenditure that restores a property to a sound state.

6. Resale and Transfer Limitations.

- a. Transfer of Title - Transfer of title is not allowed unless approved by the Housing Department. To apply for approval, owners need to complete the Housing Department's "Request for Transfer of Ownership (Title)" form and submit it to the Housing Department along with a fee in accordance with the Housing Department Fee Schedule published annually, which covers legal and recording fees. In some cases, a complete application will be required to be submitted for qualifying purposes.
 - i. Divorce - In the event of the divorce of an owner, the Housing Department may consent to the transfer of the residential unit to a spouse of an owner, which spouse may not otherwise qualify as a qualified household, only upon receipt of an order issued by a Court of competent jurisdiction ordering such transfer.
 - ii. Death - In the event of the death of an owner, the Housing Department may consent to the transfer of the residential unit to an heir or devisee of such deceased owner, which heir or devisee may not otherwise qualify as a qualified household only upon receipt of an order issued by a Court of competent jurisdiction ordering such transfer.
 - iii. Nonqualified Transferee - If title to the restricted housing unit vests in a nonqualified transferee, as defined in these Housing Department Rules and Regulations Section **16.10.500.B**. Qualification, the restricted housing unit shall immediately be listed for sale in accordance with the restrictions and the Housing Department Rules and Regulations. The following shall apply when the Housing Department determines there is a nonqualified transferee:
 - a) A nonqualified transferee shall cooperate with the Housing Department to affect the sale, conveyance or transfer of the restricted housing unit to a qualified household (or the Housing Authority in the event of its exercise of its option to purchase) and shall execute any and all documents necessary to such sale conveyance or transfer.
 - b) A nonqualified transferee shall comply with the restrictions, the Housing Department Rules and Regulations, and all other covenants regulations, ordinances, statutes, laws, or rules governing the ownership, occupancy, use, development or transfer of the restricted housing unit, and further may only occupy the restricted housing unit with the prior written consent of the Housing Department.

- b. Trusts - Restricted housing units may not be put into any type of a trust. This is the equivalent of transferring ownership, and trusts are not qualified to be the owner of a restricted housing unit.
 - c. Nontestamentary Transfer on Death - A “Nontestamentary Transfer on Death” deed is allowed to be recorded on restricted housing units, and must include the following:
 - i. It conveys an interest in real property to a beneficiary designated by the owner and states the deed is effective upon the death of the owner.
 - ii. It must be subject to all other encumbrances on the property to which the owner was subject to during their lifetime, including the Restrictions on the property.
 - iii. The Housing Department must approve the document before recordation.
 - d. Title - All adults who occupy the restricted housing unit for more than thirty (30) accumulative days in a calendar year, except for children attending college, must sign an Occupancy Agreement along with the owner. Situations that require an Occupancy Agreement include but are not limited to marriage, a significant other moving in, a friend moving in, a renter, etc. Additions and removal of names on the title constitute a transfer of title. The Housing Department must approve all transfers of title. An adult may not be moved into an Affordable unit for at least one year after closing and only with approval from the Housing Department. Adults may be moved into workforce units prior to one year, however, the household must be qualified and approved by the Housing Department. Owners and any adult residents of the unit must sign an Occupancy Agreement.
7. Other Sale and Resale Standards.
- a. Privity to Purchase and Sales Agreement - Sellers and buyers shall provide a copy of the “Purchase and Sale Agreement” to the Housing Department. All financial information shall remain confidential, except as follows:
 - i. Public Records - Any document that would customarily be a matter of public record in the public records of Teton County, Wyoming, and is subject to the Wyoming Public Records Act;
 - ii. Weighted Drawing Positions - The names and positions of all persons who have participated in any Rental Weighted drawing held under these Housing Department Rules and Regulations;
 - iii. Freedom of Information Act or Wyoming Public Records Act - Any other information, which a court of competent jurisdiction rules must be released under the Freedom of Information Act or the Wyoming Public Records Act; and

- iv. Audits - In addition, the Housing Department may allow access to personal and private information to any person or entity undertaking an independent audit of the records kept under these Housing Department Rules and Regulations, provided that such person or entity agrees to be subject to this confidentiality provision.
- b. Independent Legal Counsel - All sellers and buyers of restricted housing units are advised to consult independent legal counsel to examine all contracts, CC&Rs, deed restrictions, agreements, affidavits, closing statement, title documents, etc. The retention of such counsel, or related services, shall be at the seller's and buyer's own expense. The sellers and buyers and/or their attorneys will not be allowed to make changes to Housing Department documents. A "Buyer's Acknowledgement" form will be required to be signed prior to closing acknowledging recommendation to obtain legal counsel. The "Buyer's Acknowledgement" form will be provided to the buyer for review prior to closing.
- c. Title Company - The Housing Department advises sellers to use a title company and escrow agent located in Jackson, Wyoming to close the transaction because of their expertise with the Housing Department's restricted housing programs and their unique and technical closing documents. The seller and buyer shall authorize the Housing Department to review the "Settlement Statement" prior to closing. Sellers can select a title company and escrow agent of their choice. If no title company is indicated, the Housing Department will select one.
- d. Lenders.
 - i. Approved Lending Institutions - Borrowers are restricted to the following lending institutions licensed to engage in mortgage lending practices in the State of Wyoming:
 - a) An "institutional lender" such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan association or insured credit union), an insurance company, or any combination of the foregoing, the policies and procedures of which Institutional Lender are subject to direct governmental supervision; or
 - b) A "community loan fund", or similar non-profit lender to housing projects for income-eligible persons (e.g. is not given to or acquired by any individual person); or
 - c) A non-affiliated, legitimate, "finance company." In no event shall such finance company be an individual or any company that is affiliated with or has any affiliation with the owner or any family member of the owner.
 - ii. Required Down Payment and Loan to Value Ratio - The Housing Department requires that all buyers have at least 3.5% down payment on a purchase, and no refinance or second mortgage obtained after the original purchase is allowed to be higher than 95% loan to value.

- iii. Debt to Income Ratio - The total debt to income ratio for a household may not exceed 45%.
- iv. Qualified Mortgage - Lenders may submit a “Qualifying Mortgage” form to the Housing Department to have the mortgage deemed a “qualifying mortgage.” When submitting a qualified mortgage request, a copy of the title commitment and the Transmittal Summary (HUD Form 1008), or other documentation containing the same information, is required to be attached. The “Qualifying Mortgage” form can be obtained from the Housing Department or from the Housing Department’s website.

For homes that do not have a measured appreciation, such as Attainable homes, an appraisal recognizing the restriction on the property is required.

The Housing Department reserves the right to require additional information before approving a mortgage as a “qualifying mortgage”.

- e. Total Debt - Owners shall not incur debt, liens or other obligations secured by the restricted housing unit that exceed 95% of the Original Purchase Price of the unit and shall notify the Housing Department immediately when a change in the total of these secured obligations is anticipated. No second mortgages, including but not limited to home equity lines of credit, shall encumber the restricted housing unit without advance approval by the Housing Department.
- f. Co-Ownership - Any co-ownership arrangement other than Joint Tenancy or Tenancy-In-Common must be approved by the Housing Department. All adults occupying the unit, with the exception of children attending college, must be on the title of the restricted housing unit or sign an Occupancy Agreement.
- g. Co-Signors - Co-signors are guarantors for payment of mortgage. If an exception to the “no co-signors” rule is granted, co-signors shall not occupy the unit. Co-signors are not co-owners, so they are not allowed on the title. No lien or security can be placed on the property besides the mortgage itself.
- h. Homeowners Associations - The restricted housing unit may be subject to a Homeowners Association (HOA). All owners of restricted housing units are required to pay HOA dues, and potential special assessments and fees if applicable, unless otherwise exempted. HOA dues may be substantial and are factored into the maximum sales price. Homeowners Associations frequently have interests and regulations, other than the Restriction, that affects the restricted housing unit. It is the owner’s responsibility to be aware of these interests and regulations. Failure of an owner to comply with the HOA Rules and Regulations or CC&Rs constitutes default of the Housing Department Rules and Regulations.
- i. Homeowners’ Hazard Insurance - Owners are required to keep hazard insurance on their homes for 100% replacement cost. Since the homes are subsidized, this amount could be more than the price of the home. Often times Homeowners

Associations provide insurance. Depending on how much coverage the HOA provides, the owner may be required to provide additional insurance to guarantee complete replacement of the home. Ground lease properties are required to name the Jackson/Teton County Housing Authority as additionally insured.

B. Tenancy and Rental Standards and Procedures - To maintain the character of neighborhoods and respect the nature of the community, restricted ownership units are not allowed to be rented without prior approval from the Housing Department. This includes renting any portion of the dwelling, any room within the dwelling or the garage.

1. Primary Residence - Owners of restricted housing units shall maintain the home as their primary residence.
 - a. Occupancy Requirement - Households shall occupy their home full-time at least 10 months out of each calendar year.
 - b. Business Activity Restricted - Households who rent a restricted housing unit shall not engage in any business activity in such dwelling, other than any home occupation use permitted in that zoning district and as permitted in the Lease Agreement.
 - c. No Guests for an Extended Period - Households who own restricted housing units shall not permit any adult guests over the age of 18 for periods in excess of thirty (30) cumulative days per calendar year.
 - d. Leave of Absence - A one-year exception may be granted in cases of illness, short-term leaves of absence for education or training purposes, or other exigent circumstances with the advance written approval of the Housing Department.
 - i. Rental of Restricted Unit during Leave of Absence - If granted a leave of absence, the owner is allowed to rent the property according to the provisions below in Section **16.10.500.B.2. Rental Procedures for Owner-Occupied Properties**.
 - ii. Post Leave of Absence.
 - a) After the restricted housing unit is rented for nine (9) months, owner will be required to notify the Housing Department in writing of either, (a) their intention to move back to the restricted housing unit upon expiration of the lease and/or the rent approval period; or (b) provide the Housing Department with a “Letter of Intent of Sell” form, which will begin the selling process of the restricted housing unit.
 - b) If the owner chooses to sell the restricted housing unit instead of returning when the lease expires, there will be no accrual of appreciation during the term of the rental (this does not apply to medical emergencies).

2. Rental Procedures for Owner-Occupied Properties - The Housing Department may approve rental of space within owner-occupied Affordable, Employment-Based, and Workforce units when pressing circumstances exist. The owner must continue to occupy the unit, and the Housing Department must certify that the renter meets the qualification and eligibility standards set out in Section **16.10.300** Qualification and Eligibility. A fee will be charged along with the request as set forth in the Annual Schedule of Fees.
 - a. Requests to Rent during Leave of absence - Approvals for “Requests to Rent” are given at the sole discretion of the Housing Department’s Housing Manager. Approvals to rent will only be given for a maximum period of one (1) year. Approvals to rent will only be given in unique and pressing circumstances.
 - i. Medical Emergency Documentation - Medical emergencies applicable to a restricted housing unit homeowner will require documentation using the “Housing Department Medical Emergency Leave” form to substantiate the need to leave the area.
 - ii. Processing Fee - A fee will be charged to a restricted housing unit homeowner for a “Request to Rent.” A separate “Annual Schedule of Fees” document that is updated annually and published by the Housing Department provides the processing fee amount.
 - b. Qualification and Eligibility of Tenants.
 - i. Tenants shall be a Qualified Household according to the general Qualification and Eligibility Criteria contained in the recorded Restriction and these Housing Department Rules and Regulations.
 - ii. Tenants shall meet the Eligibility Criteria with respect to Income and Assets that apply to the particular restricted housing unit in question at time of initial occupancy.
 - iii. Prior to signing a lease for or occupancy of a restricted housing unit, owner must provide the Housing Department with proof of the tenant’s qualification under the housing unit’s specific program prior to occupancy.
 - iv. Qualification and eligibility shall be recertified by owner of the restricted housing unit at any time there is a change in occupancy of the restricted housing unit or renewal of lease agreement.
 - c. Execution of Lease - Rental of restricted ownership units must be by a written Lease provided by the Housing Department. The Housing Department will retain a copy of the fully executed lease.
 - i. Rent Limitations - Rent charged while the owner is on leave will be limited to Fair Market Rents as published by HUD or total housing costs (mortgage

payment, taxes, insurance, Ground Lease Fees and HOA dues), whichever is less.

- ii. Housing Department Fee - A fee will be charged by the Housing Department for a request to rent as set forth in the Annual Schedule of Fees updated annually and published by the Housing Department.
- d. Requests to Rent a Room - Approvals to rent a room in a restricted unit are at the sole discretion of the Housing Manager and are only allowed in pressing circumstances. The following process will be followed:
 - i. Submittal of Request to Rent - The owner will submit a “Request to Rent” form to the Housing Department along with the associated fee as outlined on the fee schedule published annually by the Housing Department. The form can be found on the Housing Department website or from the Housing Department.
 - ii. Approval by the Housing Manager - If the owner is in compliance with their restrictions, the Housing Manager will review the request to rent and approve or deny the request based on the circumstances. Approval can be given for a maximum of one year.
 - iii. Identification of Tenant - When the owner has identified a potential tenant who they believe qualifies under the income, asset, and employment requirements of the restriction on the unit, the potential tenant is required to submit a complete application to the Housing Department.
 - iv. Tenant Approval - The Housing Department will verify that the tenant qualifies under the income, asset, and employment requirement.
 - v. Lease Agreement - The Housing Department provides the Lease Agreement to be signed by the owner, tenant, and the Housing Department.
 - vi. Notification of Termination of Lease - The owner is required to notify the Housing Department upon termination of the lease. If the owner still wishes to rent the room and still has approval from the Housing Department, the process will start again with Step **d.iii**. Identification of Tenant, above.
 - vii. Rental Rates - The Housing Department will approve the rental rate based on the housing costs of the owner.

C. Purchase Procedures.

- 1. Selection of Qualified Household - A unique process applies for selecting each qualified household within each housing program. The following sections provide specific details regarding each housing program. The restrictive covenant should be consulted for exact details.

- a. Weighted Drawing - In the event that the Housing Department receives one or more weighted drawing entry sheets at the maximum resale price from qualified households during the weighted drawing entry period, the buyer will be selected according to preferences set for that particular Housing Program. In the event no weighted drawing entry sheets are received during the weighted drawing entry period, the selection process would be determined either by a bid process or a “first come first served” process. The restrictions on the property clarify which selection procedure to use.
 - i. Errors - Every effort is made by the Housing Department to ensure fair and equitable lotteries. Lotteries are not drawn by the Housing Department. Housing Department staff compiles weighted drawing entry sheets with all eligible households included. The weighted drawing is drawn by outside counsel. On the rare occasion that an error is made in compiling or drawing of a weighted drawing, the error will be corrected and the weighted drawing will be re-drawn.
- a. Bid Process - If the restrictions require it, the qualified household submitting the highest bid price (not to exceed the maximum resale price) during the Bid Period shall have the first right to purchase the unit. The owner of the unit shall have the right to accept or reject the bid.
- b. No Qualified Weighted Drawing Entries – Refer to Section 16.10.004(B)(4) .
- c. Other Sale/Resale Procedure.
 - i. Owner Selection - If the restriction permits, the owner of the restricted housing unit may be allowed to select the qualified household. Other than verifying that the qualified household meets the qualification and eligibility requirements for the restricted housing unit, the Housing Department shall not have any authority to choose the buyer of the restricted housing unit unless authorized by the owner.
 - ii. Attainable Housing Program Sale Procedures.
 - a) When an owner wishes to sell an Attainable housing unit, they can either list the home with a realtor or for sale by owner.
 - b) The owner of the Attainable housing unit is required to submit a “Letter of Intent to Sell” to the Housing Department before listing or advertising the unit for sale.
 - c) The owners will be responsible for advertising their Attainable housing unit for sale with the exception that the Housing Department will advertise the unit on their website at no cost to the owner.
 - d) There is not a maximum resale price for Attainable housing units. The owner will set the price with the understanding that the household who buys

the unit will need to qualify under income, asset, and employment criteria. The price may be negotiated before entering into an agreement to purchase.

- e) The buyer will be responsible for providing the “Purchase and Sale Agreement” at the time of making an offer to purchase an Attainable housing unit. The seller may make a counteroffer that includes changes to the “Purchase and Sale Agreement.” The Attainable housing unit is under contract when an offer and/or a counteroffer is accepted and both the buyer and seller have signed it. The “Purchase and Sale Agreement” must contain a contingency that the Housing Department must verify that the buyer is “qualified” to purchase the Attainable housing unit. The Housing Department will not deem a buyer “qualified” until a contract has been executed by the seller and the potential buyer.
- f) A full copy of the fully executed Purchase and Sale Agreement shall be provided to the Housing Department. All financial information shall remain confidential except as noted in Section **16.10.500.D.7.a**. Privy to Purchase and Sales Agreement.
- g) In addition to the items listed in Section **16.10.500.D.3.a**. Materials Included with Application, applicants must also include a complete copy of the fully executed “Purchase and Sale Agreement.”
 - 1) Time of Submittal: The Attainable housing unit must be under contract before the buyer provides an application to the Housing Department.
 - 2) Time to Process: If the application is complete and thorough, the Housing Department will have a determination of qualification within five (5) business days of receiving the application. It may take longer if the Housing Department has to request further information from the applicant.
 - 3) Qualified Buyer Letter: Once the household is deemed to be “Qualified” to purchase the Attainable housing unit, the Housing Department will provide a “Qualified Buyer Letter” to the applicant. This letter will be used to verify to the seller and the title company that the household is qualified to purchase the unit.
 - 4) Lenders: See Section **16.10.500.A.7.d**. Lenders.
 - 5) Closing: The closing date and time is set between the sellers, buyers, financial institution, the title company, and the Housing Department. The buyers will be required to sign a “Buyer’s Acknowledgement” at the time of closing. This document will certify that the buyers acknowledge receiving a copy of the restrictions as well as agreeing to allow the Housing Department to release the sales price of the home, and also agreeing to the Housing Department’s right of first option to

purchase the unit in case of default by signing a Power of Attorney in Case of Default.

2. Viewing of Restricted Housing Unit - The seller of the restricted housing unit will allow the potential buyer to view the unit to see that it meets their household's needs. If the household decides to purchase the restricted housing unit, they will have the opportunity to inspect the unit further once it is under contract.
3. Submit Application - The potential buyer will have five (5) business days to submit a complete application. The required Housing Department documents are available from the Housing Department or from the Housing Department website.

a. Materials Included with Application.

- i. Housing Department Application for Restricted Ownership or Rental Housing.
 - ii. The Housing Department "Application for Homeownership" is a three (3) page form with an additional two (2) pages made up of a "Certification and Oath" section that will need to be signed by all applicants and notarized, as well as an "Authorization to Release Information." Buyers may be required to sign a "Power of Attorney in Case of Default" form appointing the Housing Manager of the Housing Department Attorney in Fact in the case of default and forced sale. The Housing Department may use other methods for remedying a default such as a mortgage against the property or a Quit Claim Deed held in Escrow, which would be agreed to at time of purchase. All documentation submitted with the complete application for the purchase of a home is the documentation that will be used to qualify a buyer. Documents will not be allowed to be changed once they are submitted (e.g. taxes submitted will be those used to qualify. Applicants will not be allowed to re-file taxes). The Housing Department will review the application before accepting it to ensure it is complete. The Housing Department may ask for additional documentation.
- a) Weighted Drawing Entry Form - A "Weighted Drawing Entry" form must be completed and signed and submitted when entering a weighted drawing according to Housing Department processes. "Weighted Drawing Entry" forms may be submitted online, in person, or by USPS.

No incomplete "Weighted Drawing Entry" forms will be accepted. This means that every blank must contain information, "N/A," or a strikethrough so that the Housing Department knows that it was not overlooked.

The Housing Department is not responsible for receiving Weighted Drawing Entry Forms. It is the responsibility of the household to confirm that the Weighted Drawing Entry Form was received and the household is entered in the weighted drawing.

- b) Intake Form - All households are required to complete the "Online Intake Form." This form must be completed in its entirety before entering a

weighted drawing. Any changes made to the form must be made prior to the opening of a weighted drawing the household wishes to enter or the household will be ineligible to enter the weighted drawing. The Intake form must be updated annually to be eligible to continue to enter lotteries.

- iii. Lender's Qualification Worksheet - A current "Lender's Qualification Worksheet" (within one year of the date the weighted drawing begins) is required to be completed by a lending institution. The "Lender's Qualification Worksheet" must be submitted to enter a weighted drawing. "Lender's Qualification Worksheets" may not be faxed; they can either be emailed or submitted in person or mailed by USPS. The worksheet must reflect a loan amount and down payment amount that is equal to or greater than the sale price of the home.
- iv. Credit Report - A three bureau credit report including credit scores (not more than one year old) is required to help Housing Department Staff determine if the Household is financially healthy and able to make payments on a mortgage. The credit report also helps determine debt to income ratios.
- v. Verification of Down Payment - An account statement or signed and notarized letter from someone supplying a gift, or other verification of funds for a down payment is required.
- vi. Verification of Hours and Years Worked - "Affidavits of Employment," detailed check stubs, or other adequate proof of hours and years worked is required at weighted drawing entry to receive points in the weighted drawing. Affidavits are required to be completed, signed, and notarized by the employer. They may not be completed by the applicant. If hours or years worked cannot be verified, they will not be counted.

Historical information for hours and years worked will be kept on file with the Housing Department. Information is required to be updated annually or if any changes occur.

- vii. Federal Tax Returns - Signed federal income tax returns and all attachments (including W-2s and 1099s) and schedules for the last two (2) years for all adult household members are required. If there is self-employment, three (3) years of business and personal tax returns, along with a current "Profit and Loss Statement" and balance sheet, are required. The Housing Department uses tax returns to verify several different aspects of qualification such as but not limited to income, assets, residential homeownership, and sources of income.
- viii. Power of Attorney in Case of Default - Buyers may be required to sign a "Power of Attorney in Case of Default" form appointing the Housing Manager of the Housing Department Attorney in Fact in the case of default and forced sale. The Housing Department may use other methods for remedying a default such as a mortgage against the property or a Quit Claim Deed held in Escrow, which would be agreed to at time of purchase.

- ix. Certification and Oath - A sworn statement of the facts contained in the application will be required including at least the following certifications:
- a) That the facts contained in the application are true and correct to the best of the applicant's knowledge;
 - b) That the applicant has been given the standard application information packet by Housing Department Staff; and
 - c) That the applicant, on the basis of the application presented, believes the Household qualifies to occupy the restricted housing unit in question according to the restriction, these Housing Department Rules and Regulations, and all other applicable procedures.

This "Certification and Oath" is required to be signed by all applicants and notarized. There are public notaries available at the Housing Department.

- x. Additional Information - Additional information may be requested to determine eligibility or qualification status. This may include:
- a) Verification of Household Net Assets - Household net assets are verified through tax returns, account statements, verification of deposits from financial institutions, and the NADA or Kelly Blue Book.
 - b) Verification of Current Employment in Teton County - One or more of the following are needed to verify employment in Teton County:
 - 1) Wage stubs.
 - 2) Employer name, address, and phone number.
 - 3) Contract for employment.
 - 4) "Affidavit of Employment" (Housing Department).
 - 5) "Authorization to Release Information" form signed by all adults in the household to obtain third party employment verifications.
 - c) Verification of Completion of Homebuyer Education Course - At least one adult per household must complete the "Homebuyer Education Course." The required course is offered by the Wyoming Housing Network or if not available, another course approved by the Housing Department. This applies to all households regardless of whether they have owned a home or not. This certification only needs to be completed once; however, if a household changes size and the adult who completed the certification is no longer a part of the household, it will need to be taken by an adult who is a part of the household. The Housing Department will keep a record of the

certificate. It is encouraged that households keep a copy as well. The applicant must provide evidence of attendance of an approved “Homebuyer Education Course” prior to purchase. This is required to be submitted at time of weighted drawing.

- d) Uniform Residential Loan Application - Applicants must provide a copy of the final “Uniform Residential Loan Application” at closing.
 - e) Occupancy Agreement - No persons outside of the persons included in the household on the “Weighted Drawing Entry Form” and “Intake Form” at time of weighted drawing entry may be moved into the home without express written approval of the Housing Department. Approval will not be given within twelve (12) months from closing on a home for adults being added to the household. An “Occupancy Agreement” will be required to be signed by buyers at or before closing. Any adult that is added to a household will be required to sign an Occupancy Agreement along with the Owner.
 - 1) Power of Attorney in the Case of Default - All households purchasing a home are required to sign a Power of Attorney in the Case of Default at closing. The Power of Attorney will be assigned to the Housing Manager to affect the sale of the housing unit. The Housing Department may use other methods for remedying a default such as a mortgage against the property or a Quit Claim Deed held in Escrow, which would be agreed to at time of purchase.
 - f) Accessible Unit Preference - Applicants that wish to be considered for accessible units must submit a “Verification Form for Accessible Unit Preference.”
 - g) Critical Services Provider - Organizations applying for critical services provider approval and their corresponding approved positions must gain approval before a critical service worker can gain points in a weighted drawing. The organization must complete a “Critical Services Organization Application” and submit it to the Housing Department. If the organization and positions are approved, a “Supervisor Questionnaire” must be completed by the applicant’s supervisor and submitted with the other required documents when entering the weighted drawing. All certifications must be completed for the position and a recommendation from the supervisor is required. The “Supervisor Questionnaire” will need to be updated every six months.
 - h) Birth Certificate for Children Under One (1) Year of Age - Applicants must provide the birth certificate for children less than one (1) year of age.
4. Verification of Application - To protect the interests of the community that has invested in the creation of restricted housing units, the Housing Department verifies that information submitted on the Application is true and correct and may request documents outlined in Section **16.10.500.D.3.a.x**. Additional Information to assist in

this process. The Housing Department strives to complete verification within two (2) weeks of application submittal. Any material misstatement of fact or deliberate fraud by the household in connection with any information supplied to the Housing Department shall be cause for immediate expulsion from the application process and/or forced sale of the restricted housing unit.

5. Verification of Qualified Household - The Housing Department verifies that each Household selected to purchase a restricted housing unit meets the qualification and eligibility requirements specific to the restricted housing unit. See Section **16.10.300** for more details on the verification process for each housing program.
6. Qualification Letter - Once the Housing Department verifies that the household meets the Qualification and Eligibility criteria for the particular restricted housing unit, it will issue a "Qualification Letter" to the buyer, a copy of which will be provided to the title company upon request.
7. Purchase and Sale Agreement - Buyers must sign a "Purchase and Sale Agreement" within five (5) business days of the date of the Buyer Meeting with the Housing Department. Buyers will be given the five (5) business days to review the "Purchase and Sale Agreement" and are encouraged to get legal advice. Sellers and buyers shall make the Housing Department privy to the "Purchase and Sale Agreement." All financial information shall remain confidential except as noted in Section **16.10.500.A.7.a. Privy to Purchase and Sales Agreement.**
 - a. Earnest Money - At time of signing the "Purchase and Sale Agreement," one thousand dollars (\$1,000.00) in earnest money will be required. The check is made out to the title company referenced in the "Purchase and Sale Agreement."
 - b. Closing Date - In most cases, the buyer has fifty (50) days to close on the property. The Closing Date will be agreed upon between the buyer and the seller and will be included in the "Purchase and Sale Agreement." The closing date will be the date the buyer takes possession of the restricted housing unit.
 - c. Inspections - The buyer may perform inspections on the restricted housing unit commencing on the effective date of the contract until closing. However, the buyer will have 30 days from the effective date of the contract to notify the Housing Department of any objections to items found during inspections. Sellers shall make the restricted housing unit available for inspections. If the seller refuses to remedy the objection, the Housing Department will notify the buyer, and the buyer will have three (3) business days to give notice to the Housing Department of their intention, either:
 - i. Waiving the objection and proceeding to closing, or
 - ii. Terminating the "Purchase and Sale Agreement."
 - d. Facilitation - Pursuant to Wyoming Statute 33-28-101 through 124, the "Real Estate License Act of 1971", the Housing Department is participating in the transaction as

a facilitator without a Wyoming real estate license and in the performance of official duties.

- e. **Buyer's Acknowledgement** - The buyers will be required to sign a "Buyer's Acknowledgement" at closing. This document will certify that the buyers acknowledge receiving a copy of the restrictions as well as agreeing to allow the Housing Department to release the sales price of the home. In addition, by signing this form, the buyer agrees to the JTCHA's right of first option to purchase the unit in case of default.
- D. Business Option** - The "Business Option" is a mechanism specific to a developer's Housing Mitigation Plan that must be approved by elected officials on a case-by-case basis. It only applies to exempt units, meaning restricted housing units that are not required by the LDRs. The "Business Option" allows a business to identify a proposed purchaser from their employees or someone who has a material nexus to the business or organization, which would allow the household to have the first option to purchase the restricted housing unit.
- 1. **Purpose and Program Goals** - The intent of the "Business Option" program is to help qualified businesses house their employees by providing the employees first option to purchase. This program furthers the Jackson/Teton County Comprehensive Plan's goal of housing 65% of the workforce locally and its transportation goals.
 - 2. **Applicability** - This section applies to restricted housing units that have been approved by the Board of County Commissioners or Town Council for the "Business Option" program.
 - 3. **Qualified Business** - A qualified business is a non-profit entity, governmental entity, charitable foundation, or for-profit business which meets the definition of a qualified business according to the special restrictions on the property and/or the Housing Department Rules and Regulations.
 - a. **Qualified Business Application** - The business completes a "Qualified Business Application," which can be obtained from the declarant or from the Housing Department and submits it to the Housing Department. If the business has affiliates, it must be indicated on the application.
 - b. **Verification** - The Housing Department verifies that the business meets the criteria of a qualified business with the following documentation. The Housing Department may ask for additional documentation.
 - i. **Option Agreement** - The Housing Department verifies that the business is a true local business, organization, or government agency operating in Teton County.
 - ii. **Determination of Qualification.**
 - a) The Housing Department will provide a "Qualified Business Letter" once the verification process is complete and the business is approved to be a

qualified business. The Housing Department will then sign the “Option Agreement”; or

- b) If the business is not deemed to be a qualified business, the Housing Department will inform the business with a written letter and copy the declarant or option holder. The business will not be allowed to obtain an option if it is not approved as qualified by the Housing Department.
- iii. Cause for Expulsion - Any material misstatement of fact or deliberate fraud by a business in connection with any information supplied to the Housing Department shall be cause for immediate expulsion from the application process and/or for obtaining or keeping an option.

4. Option Procedures.

- a. Obtaining an Option - Options are available from a declarant or from another option holder. A declarant can choose to provide an option if the business is a qualified business and does so by recording an “Option Agreement” signed by the declarant, the Housing Department, and the qualified business. An option holder may provide an option to a qualified business by assigning the option.
- b. Notice of Right to Exercise or Waive Option - The Housing Department will immediately send a notice to the business holding the option (optionor) upon the following three events:
 - i. Housing Department’s receipt of a “Notice to Sell” by the owner of the property.
 - ii. Housing Department’s exercise of its default option as set forth in the special restrictions.
 - iii. The occurrence of a default and forced sale as set forth in the special restrictions.

This notice triggers the timeframe the optionor has to identify a proposed purchaser as outlined in the “Option Agreement.”

- c. Exercise of Option - An optionor shall have a timeframe as outlined in the “Option Agreement” to exercise the option. The timeframe will begin upon receipt of the “Option Notice.” To exercise the option, an optionor must notify the Housing Department on or before the expiration of the timeframe that they have identified a proposed purchaser for the home. Additionally, the proposed purchaser must submit a complete application, as outlined in Section **16.10.500.E.3.a**. Qualified Business Application, on or before the expiration of the timeframe. The Housing Department will take approximately five (5) business days to determine whether the proposed purchaser is:
 - i. Qualified under “Option Agreement.”

- ii. Qualified under terms of the Housing Department’s special restrictions.

The Housing Department will verify that the business continues to be a qualified business each time the option is exercised (See Section **16.10.500.E.3.b.** Verification).

- d. Waiver of Option - If the Optionor does not wish to exercise the option, they can sign the “Affidavit of Waiver” indicating they are waiving the option. This affidavit will be recorded with the Teton County Clerk’s Office.

In the case where an option is waived, the Housing Department will find a buyer using the process outlined in Section **16.10.500.C.** Sales and Resale Procedures of these Housing Department Rules and Regulations.

- i. Failure to Identify Purchaser during Required Timeframe - If the optionor does not identify a proposed purchaser on or before the expiration of the timeframe, the optionor will automatically have waived their option.
- e. Assignment - An optionor can assign its option to another qualified business. If at any time the business holding the option ceases to be a qualified business, they must assign the option. This is done using the following process:
 - i. Written Notice - The optionor provides the Housing Department with written notice that they wish to assign their option.
 - ii. Application - The business that is being assigned the option submits an application to the Housing Department to become a qualified business (see Section **16.10.500.E.3.a.** Qualified Business Application).
 - iii. Housing Department Approval - If the business qualifies, the Housing Department will provide a “Qualified Business Letter” to the business and sign the “Option Agreement.”
 - iv. Consideration - The assignment may not have any consideration except for consideration required to make the assignment legal.

- 5. Qualified Purchaser - The Housing Department will determine whether a household is qualified to purchase based on the following criteria:
 - a. Letter of Certification - The purchaser will be qualified by the Housing Department only if they have a material nexus to the optionor as approved by the Housing Department. A “Letter of Certification” form demonstrating the material nexus the proposed purchaser has with the Optionor must be completed by the optionor. The “Letter of Certification” form is available from the Housing Department. The optionor must deliver documentation satisfactory to the Housing Department that verifies (1) that the proposed buyer is a full-time employee of optionor; or (2) that the identified purchaser otherwise has a material nexus to optionor.

- b. **Qualified Household** - A Household will be qualified by the Housing Department using the Application and Verification process outlined in Section **16.10.500.D**. Purchase Procedures of the Housing Department Rules and Regulations.

If the identified purchaser does not qualify because of not meeting the Housing Department Rules and Regulations requirements, Housing Department special restrictions, or “Option Agreement,” and the timeframe has not expired, the optionor may identify another proposed purchaser.

- c. **Affidavit of Exercise** - When the Housing Department determines the household meets qualifying criteria of the “Option Agreement,” these Housing Department Rules and Regulations, and Housing Department special restrictions, the Housing Department will sign an “Affidavit of Exercise of Option Right” indicating the household is qualified. The optionor will also sign the “Affidavit of Exercise of Option Right” indicating they are exercising the option right. The affidavit will be recorded with the Teton County Clerk’s land records.

16.10.600 Rental Standards and Procedures.

- A. **Applicability** - All rental housing units administered by the Housing Department, including the Affordable Rental program (which includes legacy Employee housing units) and the Workforce Rental program (which includes the legacy ARU program), are subject to these Housing Department Rules and Regulations, with the exception of units that are owned by Teton County or the Town of Jackson and used for housing their employees. Section 6-1 does not apply to cases where the Housing Department has approved rental of a room in a unit.

- B. **Rental Standards.**

- 1. **Affordability** - To ensure that the rents are affordable to households earning less than one hundred and twenty percent (120%) AMI for Affordable units, rents will be calculated using the following method (rents for workforce units are set by owner and have no cap):
 - a. **Standard of Affordability** - The standard for affordability provided by HUD is that no more than thirty percent (30%) of a household’s income should be spent on housing costs. Included in this thirty percent (30%) are rent, property tax, water, sewer, gas and/or electric, and trash removal. One parking space is required at no charge to the tenant unless otherwise approved by the Town Council or Board of County Commissioners.
- b. **Household Size for Rent Calculation** - For purposes of calculating rental rate only:

Studio:	One (1) person
One-bedroom:	One (1) person
Two-bedroom:	Two (2) persons
Three-bedroom:	Three (3) persons
Four-bedroom:	Four (4) persons

- c. Calculation of Rent - Monthly rent will be the lower income limit for each respective affordability range (specific to the number of bedrooms to determine household size), divided by twelve (12), and multiplied by thirty percent (30%). Studio units may charge eighty percent (80%) of a one-bedroom unit. Dorm units may charge seventy-five (75%) of a studio. See Section 16.10.003(C) for income ranges.
 - i. “Plus” Units - Fifty dollars (\$50) will be added for “Plus” units. “Plus” units have extra floor area for offices, play areas, etc.
 - ii. Lease Renewals - The rent will be calculated each year and applied to a lease renewal. Tenants will be notified three (3) months in advance of the new lease amount. The new calculation will also be applied for new households signing a lease.
 - d. Tenant households must qualify under the housing program designated to each unit. See Section 3-3. Tenant households will be required to re-qualify annually. Household income will qualify as long as it is below the income limit for the income range.
 - e. All leases are required to be approved by the Housing Department.
2. Primary Residence.
- a. Occupancy Requirement - Households shall physically occupy their home full-time at least eighty percent (80%) of the term of their lease.
 - b. Business Activity Restricted - Households who rent a restricted housing unit shall not engage in any business activity in such dwelling, other than any home occupation use permitted in that zoning district and as permitted in the Lease Agreement.
 - c. No Guests for an Extended Period - Households who rent restricted housing units shall not permit any adult guests over the age of 18 for periods in excess of thirty (30) cumulative days per calendar year.
3. Eviction - In the event that a tenant household is in default of their lease agreement, they will be evicted from the rental unit. The eviction process will be in accordance with Wyoming law and all applicable Wyoming Statutes.

C. Rental Procedures.

- 1. Selection Process - A unique process applies for selecting each qualified household within each housing program. The following sections provide specific details regarding the Housing Department-administered rental housing programs.
 - a. Weighted Drawing - When an Affordable rental owned by the Housing Authority is available, tenants will be identified through the weighted drawing process.

Applicants will submit a complete application, which will be kept on file for one year (Affidavits of Current Employment will need updating after six (6) months). Weighted Drawing entries for drawings entered within the one year will only need to submit a Weighted Drawing Entry Form assuming a complete up to date application is on file with the Housing Department. A qualified household shall be selected to rent according to the rules set forth in these Housing Department Rules and Regulations, Section **16.10.400** Weighted Drawing.

- b. First Come First Served - In the event no weighted drawing entries are received during the weighted drawing entry period, the selection process will be determined by a first come first served basis. The first qualified household submitting a complete application will be allowed an opportunity to rent if eligible.
 - c. Complete Application – Each household entering a weighted drawing to rent a restricted housing unit owned by the Housing Authority is required to submit a completed “Application for Restricted Rental Housing” and or a “Weighted Drawing Entry” form. Weighted Drawing Entry Forms will only be accepted if a complete and up to date application is on file with the Housing Department. A certification page will also be signed by the applicant and notarized. In addition, an “Authorization to Release Information” is signed by the applicant, which allows the Housing Department to obtain banking information and any other relevant information. Application forms can be obtained from the Housing Department or from the Housing Department’s website.
- 2. Verification of Selected Household - The Housing Department verifies that each household selected to rent a restricted housing unit meets the qualification and eligibility requirements specific to the restricted housing unit.
 - 3. Materials Required - To determine that a household desiring to rent a restricted housing unit meets all of the required criteria, the Housing Department will request all of the following for a complete application, which will be submitted at weighted drawing entry:
 - a. Housing Department Application for Restricted Ownership or Rental Housing - Completed and signed Housing Department Application for Housing.
 - b. Weighted Drawing Entry Form - Completed and signed “Weighted drawing Entry” form. See Section **16.10.500.D.3.a**. Materials Included with Application.
 - c. Credit Report - Full three-bureau credit report that reflects credit scores for all adult household members dated no more than 30 days from submittal of application.
 - d. Federal Income Tax Returns - Signed federal income tax returns (electronic signature is not sufficient) and all attachments (including W-2s, 1099s) and schedules for the last two (2) years for all adult household members.

- e. Verification of Current Employment in Teton County - One or more of the following will be required for verification of Current Employment in Teton County includes:
 - i. Wage stubs;
 - ii. Employer name, address, and phone number;
 - iii. Contract for employment;
 - iv. "Authorization to Release Information" form signed by all adults in the household to obtain third party employment verifications; and

If deemed applicable, the Housing Department may request the following be submitted with an application:

- i. If self-employed, three (3) years of business and personal tax returns along with a current "Profit and Loss Statement" and balance sheet.
 - ii. "Verification Form for Accessible Unit Preference."
 - iii. Any other documentation that the Housing Department deems necessary to determine qualification, such as, divorce decrees, Social Security income, rental income, etc.
- 4. Verification of Application - To protect the interests of the community that has invested in the creation of restricted housing units, the Housing Department verifies that information submitted on the application is true and correct and may request documents outlined in Section **16.10.500.D.4**. Verification of Application to assist in this process. All financial information shall remain confidential, except as documented in Section **16.10.500.A.7.a**. Privy to Purchase and Sales Agreement.
- 5. Qualification Letter - After the Housing Department verifies that the household meets the qualification and eligibility criteria for the particular restricted housing unit, it will issue a "Qualification Letter" to the potential renter within 10 business days.

16.10.700 Compliance and Exception, Appeal, and Grievance Standards and Procedures.

- A. **Compliance Process** - Special Restrictions are recorded on all Housing Department homes. These restrictions control the occupancy and use of the unit. They also refer to these Rules and Regulations

The Housing Department Compliance Specialist monitors occupancy and use restrictions to ensure owners are in compliance, and acts on various complaints from the public concerning compliance issues. The Housing Department Compliance Specialist also receives and processes requests for exceptions, appeals, leave of absence, requests to rent, transfer of title, and qualified mortgages.

1. Compliance Requirements.

- a. Affordable Units - - Owners of Affordable housing units with restrictions recorded after June 4, 2018 will receive annual requests for information concerning employment, insurance requirements, ownership of residential real estate and occupancy of the unit. Owners of Affordable housing units with restrictions recorded prior to June 4, 2018 are not required to verify continued employment annually or ownership of residential real estate, however, they may be required to verify occupancy and insurance requirements.
- b. Employment-based and Workforce Housing Units - Employment-based units and Workforce housing units are required to provide information to the Housing Department annually concerning income, employment and ownership of other residential real estate.
- c. Employee Housing Units - Owners of Employee housing units will be required to submit information annually about the occupants of the units, their income, employment, and ownership of other residential real estate.
- d. Accessory Residential Units - Owners of ARUs will be required to annually submit information concerning the occupants of the units, their employment, and ownership of residential real estate.
- e. Exemption for Retirees - During ownership, if one (1) member of the household meets the retirement age as defined by the Federal Social Security Administration defined in these Housing Department Rules and Regulations, the household will be exempt from continued compliance with income and employment eligibility standards.

2. Submittal and Timeline.

- a. Housing Department Request for Information - The Housing Department will send a letter to owners of restricted units requesting information. The letter will outline what type of information is required based on the unit's restrictions. The owner will be given thirty (30) days from the date of the letter to submit the requested information to the Housing Department.
- b. Default - Failure by the owner to submit requested information will be considered default.

3. Common Default Violations - In cases where the restriction defines the default process, it will control the process. If the restriction does not define the process, the default process is as follows:

Common violations include, but are not limited to:

- a. Occupancy - A household that does not occupy the restricted housing unit for the number of months in a calendar year as required by the restriction is in violation of the Housing Department Rules and Regulations.
- b. Guests - Guests over the age of 18 are not allowed to occupy a restricted housing unit in excess of 30 cumulative days per calendar year.
- c. Renting - Renting a restricted ownership unit is only allowed per the restrictive covenant or as set out in Section **16.10.500.B.2. Rental Procedures for Owner-Occupied Properties.**
- d. Leave of Absence - Leaves of absence must be preapproved if the household is expected to be gone longer than permitted by the Housing Department Rules and Regulations or the deed restrictions.
- e. Pets - Specific policies for pet ownership are outlined in the Covenants, Conditions and Restrictions and/or the Master Rules and Regulations and are enforced by the Homeowners Association. Policies for rental units are outlined in the lease agreement.
- f. Mortgage Delinquency - Failure to maintain obligations required under any mortgages is considered a default under special restrictions.
- g. HOA Delinquency - Failure to pay Homeowners Association dues is considered a violation of the special restrictions.
- h. Ground Lease Delinquency - It shall be an event of default if lessee fails to pay the ground lease fee or other charges required by the terms of the lease.
- i. Water/Sewer Dues Delinquency - Unpaid water and sewer dues can result in a lien placed on property that would constitute a violation of the special restrictions.
- j. Employment Verification - Employment-based and Workforce units require an owner to work an average of 30 hours per week at a local business located in Teton County, Wyoming. The owner must earn at least 75% of their household income at a local business within Teton County. Annual verification of employment and income is required for owners of Employment-based and workforce restricted housing units.

Affordable units built after June 4, 2018 will be required to provide proof of employment in Teton County at a local business.

- k. Ownership of Residential Property - Owners of Employment-based and Workforce housing units are not allowed to own residential property within 150 miles of Teton County. All renters of Housing Department-administered rental units are not allowed to own residential property within 150 miles of Teton County.

- l. Estate Planning - Restricted housing units cannot be put into a trust. A trust does not meet the definition of qualified household and therefore cannot own a restricted housing unit. The Housing Department does accept other related documents for estate planning (Non-testamentary Deed upon Death).
 - m. Covenants, Conditions and Restrictions (CCR) Violations - Any default or breach of the CCRs, Mortgage Agreements, and/or Master Rules and Regulations is considered a default of the special restrictions or ground lease. This includes but is not limited to prompt payment of Homeowners Association dues and ground lease fees.
 - n. Bankruptcy – Restrictions are recorded on properties with the strict intent that the restrictions will run with the property in perpetuity. Restrictions may not be stripped from the property in cases of bankruptcy
- B. Process for Default Contested Case Hearings** - All default hearings are conducted in compliance with the Wyoming Administrative Procedures Act and are contested cases for which the rules and processes are set forth herein. All requests for hearings and subsequent documents shall be submitted and filed with the Housing Department, and all records related to the contested case hearing shall be maintained by the Housing Department.
1. Notice of Default - When the Housing Department deems an owner to be in default of a special restriction, the Housing Department shall notify the owner with a Notice of Default Letter.
 - a. The Notice of Default shall be sent to the owner via U.S. Mail certified with return receipt requested and via email, if an email address is known. The letter will be considered delivered on the date it is sent.
 - b. The owner shall have thirty (30) days from the date of the Notice of Default to:
 - i. Cure the default,
 - ii. Request a default hearing of the Jackson/Teton County Housing Authority Board, or
 - iii. Provide the Housing Department with a “Letter of Intent to Sell” the home or unit in accord with the special restriction.
 - c. The Housing Department shall determine what constitutes a cure of the default based upon the special restriction and the circumstances of the owner.
 2. Request for Default Hearing - In the event the owner fails to cure the default or desires to challenge the default identified by the Housing Department, the owner may request a hearing before the Jackson/Teton County Housing Authority Board (JTCHA) to determine the merits of the allegations of the default.

- a. To request a hearing, the owner must submit a “Request for Default Hearing” form to the Housing Department within the thirty (30) day cure period.
 - b. A fee shall be charged by the Housing Department for such “Request for Default Hearing.” The fee amount will be set annually in a separate document titled “Annual Fees” to be updated and published by the Housing Department.
3. Failure to Respond to Default - If the owner fails to respond to the Notice of Default, the Housing Department will consider the non-action or failure to respond as a breach of default and shall take steps to enforce the default in accord with the applicable Special Restriction and/or the Housing Department Rules and Regulations. Enforcement of the breach or violation includes but is not limited to forcing the sale of the home or unit.
4. Default Hearing.
 - a. JTCHA may designate a Hearing Officer and sign an “Order Appointing the Hearing Officer.” If JTCHA desires, they can elect to appoint a non-exclusive Hearing Officer for a period of two (2) years, recognizing that there may be a need to appoint a different Hearing Officer in some cases including but not limited to a conflict of interest or absence.
 - b. Within thirty (30) days of the signed Order, the Hearing Officer will issue a scheduling order, which shall include the Official Notice of Hearing, and deadlines for the parties to submit evidentiary documents, exhibits, witness lists, and/or pre-hearing memorandums.
 - c. Evidentiary documents, exhibits, witness lists, and/or pre-hearing memorandums, to include a written statement of facts, conclusions of law, and proposed order shall be exchanged by the parties, filed with the Housing Department in the contested case proceeding, submitted to the Hearing Officer and to the JTCHA, at least fifteen (15) days prior to the hearing date. Any document or witness not included in these submissions by the deadline shall not be raised at the hearing and shall not be admitted into evidence at the hearing.
 - d. Hearing proceedings may be recorded but are not required to be transcribed. If either party wishes to have a court reporter present to transcribe a hearing, all associated costs shall be paid by the party unless the parties agree to share costs.
 - e. All witnesses who provide testimony at the hearing will be sworn in under oath by either a court reporter if one is present, the Hearing Officer, and if no Hearing Officer, the JTCHA Chair. The parties shall be permitted to cross-examine witnesses, and the JTCHA and the Hearing Officer shall have the opportunity to ask questions of the witnesses and Housing Department staff.
 - f. The Housing Department’s determination the Notice of Default is presumed to be correct, and the burden of proof shall be on the complainant, not on the Housing Department.

- g. If the owner requires an interpreter, the Housing Department will make arrangements to provide one and bear the costs.
 - h. If the complainant fails to appear at the hearing, the JTCHA may make a determination to postpone the hearing, can proceed to review the evidence based upon the written submissions, or can deem the failure to appear as a breach of default.
5. JTCHA Deliberation and Decision.
- a. Deliberation - The Hearing Officer or JTCHA Chair, if no Hearing Officer is present, shall close the evidentiary hearing, and the Housing Authority Board will commence deliberation in public to include the following:
 - i. The JTCHA will examine the special restriction, the evidence presented in writing, and any testimony provided at the hearing and shall make a determination on the allegations of the Notice of Default based upon the preponderance of evidence standard of review.
 - ii. The burden of proof shall be on the owner to refute the alleged default.
 - b. JTCHA Decision - The JTCHA Decision will be to either:
 - i. Affirm the Housing Department's Notice of Default. The Housing Department would proceed to exercise its remedies against the owner according to the special restriction or ground lease recorded on the property, or
 - ii. Reject the Notice of Default of the Housing Department and no further action would be pursued for the specific alleged default under the special restriction or ground lease recorded on the property.
 - c. JTCHA Decision and Motion - The JTCHA shall make a motion in the affirmative {e.g.: I move to affirm the Housing Department's assertion that the owner (owner's name) of (address) is in default of the Special Restriction recorded on the property pursuant to the Notice of Default.} The motion shall receive a second. JTCHA will enter into discussion on the motion and vote. If the motion carries, the JTCHA affirms the Notice of Default. If the motion fails, the JTCHA has decision.
 - d. Order of Decision - The prevailing party will draft the Findings of Fact and Conclusions of Law and Order, which shall set forth the Board's decision. The Findings of Fact and Conclusions shall be transmitted to the Hearing Officer, then reviewed and approved by the JTCHA at a subsequent meeting of the JTCHA in a timely manner no later than sixty (60) days following the hearing date, which shall be properly noticed and open to the public. The Order shall be filed in the contested case file with the Housing Department. No appeal of the JTCHA decision shall be made to the Jackson Town Council or the Board of County Commissioners. Any

appeal of the JTCHA Order shall be to the District Court of Teton County, Wyoming, unless otherwise stated in the Special Restriction.

C. Process for Exception Hearing Process.

1. Request for Exception - The Housing Department will consider requests for exceptions to rules pertaining to qualification and eligibility criteria as well as to rules pertaining to occupancy and use. Granting of exceptions is rare; however, it is recognized that certain unique circumstances exist that are not contemplated in these Housing Department Rules and Regulations. Exceptions will only be granted in unique circumstances that are beyond control of the household and are not addressed in these Housing Department Rules and Regulations. Requests for exceptions must be submitted prior to the opening of a weighted drawing for a home. In cases where a weighted drawing is not used for identifying a buyer, the request must be submitted prior to submission of an application. All Requests for Exceptions are subject to the review and approval of the Housing Manager

A household may submit a “Request for Exception” to the Housing Department using the “Request for Exception” form with the required fee, which is specified in a separate “Fee Schedule” document that is updated annually. The Housing Manager will review and render a decision on the Request for Exception within fifteen (15) days from the date of submittal.

2. Request for Exception Hearing Process - If the Request for Exception is denied by the Housing Manager, the applicant may request a hearing of the JTCHA.
 - a. Submit a Request for Hearing form with a fee to the Housing Department within fifteen (15) days of the date of denial of “Request for Exception.”
 - i. Requests for Exception Hearings must contain the following information:
 - a) The particular ground(s) upon which it is based, including a copy of the Request for Exception and the Housing Manager's decision;
 - b) The action or remedy requested;
 - c) The name address, telephone number of the complainant and similar information of complainant’s representative, if any;
 - d) Proof of notification of hearing request to the housing unit’s Homeowners Association, if applicable; and
 - e) Appeal Fee.

3. Housing Department Review and Recommendation - All requests for hearings will be reviewed by Housing Department for completeness and provided to the JTCHA Board within thirty (30) days with a recommendation for action, copied to the complainant and/or representative.

4. Hearing - The hearing will be heard by the JTCHA Board at a properly noticed meeting scheduled at least thirty (30) days following the Housing Department's receipt of the "Request for Hearing" to ensure notice and due process.
 - a. Hearing Officer.
 - i. JTCHA may designate a Hearing Officer and sign an "Order Appointing the Hearing Officer." If JTCHA desires, they can elect to appoint a non-exclusive Hearing Officer for a period of two (2) years, recognizing that there may be a need to appoint a different Hearing Officer in some cases including but not limited to a conflict of interest or absence.
 - ii. If a Hearing Officer is designated, within thirty (30) days of the signed order, the Hearing Officer will send out a scheduling order (Official Notice of Hearing) and timeline.
 - iii. Hearings may be recorded and are not required to be transcribed. If owner wishes to have a hearing transcribed, all associated costs shall be paid by owner.
 - b. Hearing Process.
 - i. JTCHA may designate a Hearing Officer and sign an "Order Appointing the Hearing Officer."
 - ii. Within thirty (30) days of the signed order, the Hearing Officer will send out a scheduling order (Official Notice of Hearing) and timeline for the parties to submit evidentiary documents and a list of witnesses.
 - iii. Evidentiary documents and witness list along with a written statement of facts shall be submitted by each party to the opposite party fifteen (15) days prior to the hearing date.
 - iv. Hearings may be recorded and are not required to be transcribed. If owner wishes to have a hearing transcribed, all associated costs shall be paid by owner.
 - v. All witnesses that provide testimony will be sworn in under oath by the court reporter, and if no court reporter, the Hearing Officer, and if no Hearing Officer, the JTCHA Chair. Both parties shall be permitted to cross-examine witnesses, and the JTCHA shall have the opportunity to ask questions of the witnesses and Housing Department staff.
 - vi. The Housing Department's decision concerning the exception will be assumed correct, and the burden of proof shall be on the complainant.
 - vii. If the complainant fails to appear at the hearing, the JTCHA may make a determination to postpone the hearing, may make a determination based upon the evidence submitted, or may dismiss the matter for failure to appear.

- c. JTCHA Decision Binding - Based on the evidence considered at the hearing, the JTCHA will provide a decision by means of a motion and majority vote. The decision of the JTCHA shall be binding, and the Housing Department shall take all actions necessary to carry out the decision. No appeal of the JTCHA shall be made to the Town Council or County Commissioners. Any appeal shall be made to the District Court of Teton County, Wyoming.
- 5. Other Remedies - The Housing Department shall have the right to enforce the provisions of these Housing Department Rules and Regulations under any civil or criminal remedy provided under Wyoming Law.
- D. Grievance Procedure** - A grievance is any dispute that seller, buyer, or owner may have with the Housing Department with respect to an action or failure to act in accordance with the individual's rights, duties, welfare, or status. A grievance may be presented to the Housing Department under the procedures below.
 - 1. Request for Grievance Form - Any grievance must be presented in writing to the Housing Department on the "Request for Grievance" form and include:
 - a. The particular ground(s) upon which it is based;
 - b. The action or remedy requested;
 - c. The name address, telephone number of the complainant and similar information of complainant's representative, if any; and
 - d. Grievance fee.
 - 2. Housing Department Review and Decision.
 - a. The Housing Department Housing Manager will review all "Requests for Grievances."
 - b. The Housing Manager shall issue a written letter summarizing the decision regarding the requested grievance within thirty (30) days of receipt of the "Request for Grievance." The letter will be sent via U.S. mail certified return receipt requested and via email if an email address is known.
 - c. The applicant may request a hearing of the JTCHA pursuant to Section 16.10.007.3.a.2. if the grievance decision of the Housing Manager is disputed.

16.10.800 Occupancy and Use

Rental and ownership units have occupancy and use restrictions. Households will be required to obey the following occupancy and use restrictions.

- A. **Household Income** - Households who own or rent a Workforce home and households who rent an Affordable home will be required to requalify annually to verify that their income meets the requirements of the restriction.
- B. **Employment Requirement** - Households who own or rent a Workforce or Affordable home will be required to verify that they are meeting the employment requirement. At least one adult in the household must be employed with a local business a minimum of an average of thirty (30) hours per week or one thousand five hundred sixty hours annually. The employment calculation will be based on the prior calendar year. Affordable homes sold prior to June 4, 2018 will not have this requirement.
- C. **No Teton County Residential Real Estate** - No member of the Qualified Household may own (whether individually, in trust, or through an entity including without limitation a partnership, limited partnership, limited liability company, corporation, association, or the like) residential real estate within one hundred fifty (150) miles of Teton County, Wyoming at any time during occupancy of the Residential Unit.
- D. **Occupancy**
1. Household Occupancy - Each residential unit shall be occupied as the Qualified Household's sole and exclusive primary residence, and each tenant of a residential unit shall physically reside therein on a full-time basis, at least eighty percent (80%) of the term of the lease. Each owner of an owner-occupied residential unit shall physically reside therein on a full-time basis, at least ten (10) months each year (a year being twelve (12) months beginning with the first month following the month the household took ownership).
 - a. Leave of Absence - The Housing Manager of the Housing Department may grant a one (1) year leave of absence if the household submits a "Request for Leave of Absence" form, along with the coinciding fee.
 - b. Permission to Rent - Owners who need a leave of absence may request to rent their residential unit. This is done by submitting a "Request to Rent" form to the Housing Department along with the coinciding fee.
 - c. Attainable Housing Program Exception - Attainable housing owners are allowed to rent a room in their home as long as the owner still occupies the units on a substantially full-time basis (9 months per year as required by their Special Restriction).
 2. Owner Occupancy - Owners of Affordable or Workforce rental units shall not reside in or occupy the residential unit. For purposes of this paragraph, if owner is an entity (including without limitation, a partnership, limited partnership, Limited Liability Company, corporation, association, or other) or a trust, this prohibition on owner-occupancy shall extend to any partner, member, shareholder, other principal or owner of the entity, and any trustee or beneficiary of the trust.
 3. Household Composition - Only members of the Qualified Household may occupy a Residential Unit, except that Owner may restrict who may reside in a residential unit, provided that such owner-restriction does not violate federal or state fair housing laws. Notwithstanding the foregoing, occupancy of the residential unit shall be in compliance with any and all building codes (or other relevant law, code, statute, ordinance or the like) regarding maximum occupancy standards or limitations.

4. Guests - No persons other than those comprising the Qualified Household shall be permitted to occupy Affordable or Workforce rental units for periods in excess of ten percent (10%) of the rental term in cumulative days per calendar year. No persons other than those comprising the Qualified Household shall be permitted to occupy Affordable or Workforce ownership units in excess of thirty (30) cumulative days per calendar year.

E. Use

1. Business Activity - No business activities shall occur in a residential unit, other than a home occupation use that is allowed by applicable zoning and properly permitted.
2. Compliance with Laws, Declaration - The residential unit shall be occupied in full compliance with these Housing Rules and Regulations, Special Restrictions, along with all laws, statutes, codes, rules, or regulations, covenants, conditions and restrictions, and all supplements and amendments thereto, and any other rules and regulations of any applicable homeowner's association, as the same may be adopted from time to time.
3. Maintenance - The owner shall take good care of the interior of the residential unit and all other aspects of the residential unit not otherwise maintained by the homeowner's association and shall make all repairs and maintain the residential unit in a safe, decent, sanitary (see definitions) manner. In case of damage to the residential unit the owner shall repair the damage or replace or restore any destroyed parts of the residential unit as speedily as practical.
4. Capital Improvements - The owner may only undertake capital improvements according to these Rules and Regulations (Section 5-1.e). The policy includes but is not limited to, a limitation on the valuation of such improvements at resale, requirements regarding the advance written approval of such improvements, and documentation of proposed and completed improvements.
5. Insurance - The owner shall keep the residential unit continuously insured against "all risks" of physical loss (not otherwise covered by a homeowner's association insurance), for the full replacement value of the residential unit.
6. Periodic Reporting, Inspection - In order to confirm compliance with the Special Restrictions, the Rules and Regulations and other covenants, regulations, ordinances, or rules governing the ownership, occupancy, use, development or transfer of a Residential Unit, Owner shall comply, and shall cause all occupants to comply, with any reporting or inspection requirements as set forth herein and as may be required by the Housing Department from time to time. Upon reasonable notice to Owner, the Housing Department shall have the right to inspect the Residential Unit from time to time to determine compliance with the Special Restrictions and the Rules and Regulations and to review the written records required to be maintained by Owner. Owner shall maintain such records for a period of two (2) years.

16.10.900 Definitions.

A. Definitions.

1. **Accessible Unit:** A unit that has been built or adapted with specific design features that make the unit accessible to those with mobility and hearing handicaps.

2. **Application:** A packet that households who are selected in an affordable housing weighted drawing submit for Housing Authority staff to verify that the household is qualified to purchase the home. The application consists but is not limited to the following:
 - a. Housing Department Application for Restricted Ownership or Rental Housing
 - b. Signed Certification and Oath
 - c. Signed Authorization to Release Information
 - d. Completed Lender's Qualification Worksheet (completed by lender)
 - e. Full three tier Credit Report that includes credit scores. (Can be obtained from lender)
 - f. Previous two years of tax returns with W-2s
 - g. Employment Affidavit for each job currently held by wage earners in the household
 - h. If self-employed, previous three years of tax returns with an income statement and a balance sheet.
3. **Appeal:** A process requested by an applicant/owner/renter when they understand the qualification, eligibility, and preference criteria and have requested an exception from the Housing Manager and have been denied.
4. **Approved Lending Institution:** Approved lending institutions include institutional lenders; community loan funds, or other similar nonprofits; or other legitimate, non-affiliated finance companies. See Definitions of Institutional Lenders and Community Loan Fund.
5. **Asset:** see Household Net Asset.
6. **Assigned Number:** A computer-generated number based on first name of applicants in alphabetical order that households are listed in a weighted drawing.
7. **Area Median Income (AMI):** A figure published annually by HUD which is calculated by dividing households residing in counties into two equal segments with the first half of households earning less than the median household income and the other half earning more.
8. **Authorization to Release Information Form:** This form, which an affordable housing applicant signs, allows the Housing Department staff to verify information supplied by applicants from banks, employers, etc.
9. **Balance Sheet:** A statement of the total assets and liabilities of a business.
10. **Bid Period:** The time period that the Housing Authority accepts bids for an available housing unit. The bid period only takes place if no weighted drawing entry sheets are submitted for an available restricted housing unit.

11. **Borrowed Light:** An indirect source of natural light; for example, a room in a home uses borrowed light when it has a window that looks into another room, where the other room receives direct sunlight.
12. **Capital Improvements:** Improvements done to the home for which the homeowner can receive credit. The capital improvement requires an expenditure that either increases the value of the property or extends its life expectancy.
13. **Caregiver:** A full-time Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming resident who is or was volunteering all or a portion of their time caring for their own children or an ailing or disabled immediate family member and was therefore unable to gain full-time employment in Teton County.
14. **Closing Date:** The date on which ownership of property transfers from the former owner to the new owner.
15. **Combined Loan to Value. (CLTV)** Loan to Value is the ratio of the loan amount to the value of the home. Combined Loan to Value is when a second mortgage exists and the two loan amounts are combined and compared to the value of the home
16. **Community Loan Fund:** A loan fund that is set up in a community for the purpose of providing down payment assistance or other types of loans for restricted housing units.
17. **Critical Services Provider:** An employee or volunteer of a community based institutional or non-profit organization on call 24 hours per day for public safety emergencies.
18. **Debt to Income. (DTI)** This is a ratio that compares the amount of debt a household has to the amount of income they make. It is used to analyze the ability of a household to pay their debt.
19. **Deed Restriction:** A document recorded against a housing unit that describes the unit's housing program. It provides restrictions on the purchase, occupancy, use, and resale of the restricted housing unit. A deed restriction is a type of restrictive covenant that is recorded at the time of certificate of occupancy.
20. **Dependent:** A child or adult who lives with the household and can be claimed on the tax returns of an adult in the household
21. **Developer:** An individual or group who builds housing.
22. **Disabled:** Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment.
23. **Earnest Money:** Money that a buyer gives to a seller to bind a contract. Earnest money goes toward the costs of the purchase of the home and is held in escrow by the title company until closing.

24. **Eligibility Criteria:** Criteria defined in either the Deed Restriction or the Housing Department Rules and Regulations, which are used to measure whether a household is eligible to apply for a unit.
25. **Employment-Based:** A restricted housing unit where occupancy is limited to employees in Teton County, Wyoming. There are no income qualifications for an occupant. This type of unit may include, but is not limited to, Accessory Residential Units and Employment-Based Units.
26. **Employment Requirement:** At least one member of a household must demonstrate an average of 30 hours per week (1560 hours per year) of employment in Teton County, Wyoming; or demonstrate a clear intent to work an average of 30 hours per week in Teton County, Wyoming (must have been hired even if hasn't started the job yet.)
27. **Exception:** If a household understands the eligibility and qualification criteria, but feels their situation is unique and there is a compelling reason the rule(s) should not apply to them, they may request an exception. Exceptions are only considered before a weighted drawing process opens or before an application is submitted.
28. **Fair Market Rents (FMR):** Fair market rents are the maximum chargeable gross rent, including utilities, in an area for projects participating in the Housing and Urban Development (HUD) Section 8 Program. The HUD Section 8 Program targets incomes of 80% and below of the Median Family Income (MFI). The Jackson/Teton County Affordable Housing Department does not participate in HUD's Section 8 Program; however, FMR applies to some Employee Housing rental units. The rental rate corresponds to the amount of bedrooms in a unit.
29. **Final Development Plan Approval:** The point in the development review process when either the Teton County Board of County Commissioners or the Town of Jackson Town Council approves a development.
30. **Final Inspection:** The inspection that is done on a home at least 48 business hours before closing on the sale of the home. The purpose is to determine whether the home has been properly cleaned and that proper maintenance and repairs have been completed.
31. **Finance Company:** A company that regularly makes loans to clients.
32. **Garage:** An enclosed shelter for automotive vehicles.
33. **Grievance:** A dispute that sellers, buyers, or owners may have with the Housing Department with respect to an action or failure to act in accordance with the individual's rights, duties, welfare, or status.
34. **Habitable Floor Area:** Habitable floor area is floor area used for living purposes, usually having access to heat, plumbing, and electricity. It includes foyers, hallways, restrooms, closets, storage, and other common areas within a building. Habitable floor area does not include mechanical rooms, elevators and fireplaces. Habitable floor area is measured either

from the exterior of the faces of the building or the exterior limits of any interior wall that separates habitable floor area from uninhabitable floor area, whichever is applicable.

35. **Handicapped:**

- a. **Hearing Impaired:** Individuals with hearing measures between 25 dB and total hearing loss.
- b. **Mentally Challenged:** Individuals who have an intellectual functioning level that is well below average and that causes significant limitations in daily living skills.
- c. **Mobility Impaired:** Individuals who have reduced function of legs and feet that leads them to be permanently dependent on a wheelchair or an artificial aid to walking.

36. **Heir:** A person legally entitled to the property of another person upon the latter person's death.

37. **Homebuyer Education:** Class required by the Jackson/Teton County Housing Authority for households to be eligible to purchase a restricted housing unit. The class educates homebuyers about the entire home buying process.

38. **Homeowners' Association:** An organization comprised of neighbors concerned with managing the common areas of a subdivision or condominium complex. These associations take on issues such as plowing, clearing sidewalks, painting exteriors of a subdivision and collecting dues from residents. The homeowners' association is also responsible for enforcing Covenants, Conditions & Restrictions (CC&Rs) that apply to the property. They do not enforce Deed Restrictions.

39. **Household Income:** The current income going forward 12 months of all adult wage earners within a household before taxes. Income from dependents that are enrolled in college or another type of school is not included in the household income calculation. For self-employed individuals, Income is the net income from the business with depreciation added back in averaged over either the life of the business or the last three (3) years, whichever is shorter. Other types of deductions may be added back in as well, such as home business use.

40. **Household Net Assets:** The value of all assets over \$500 in value including, but not limit too, bank accounts, investment accounts, life insurance, furniture, automobiles, jewelry, computer equipment, real estate, and recreational equipment; less any debt the household has. Net assets do not include retirement accounts, business assets are limited to liquid assets.

41. **Housing Programs:** Programs intended to provide housing for the workforce of Teton County and administered under the Jackson/Teton County Affordable Housing Department. They include ownership and rental units created through the Land Development Regulations, through the direct construction of restricted housing units, or the financing thereof.

42. **Housing Mitigation Plan:** The portion of a development plan that specifies how an applicant will satisfy the Affordable and/or Workforce Housing requirements in Division 6.3.6 of the Teton County and Town of Jackson Land Development Regulations.
43. **Immediate Family Member:** Individuals that include a parent, spouse or child, including stepchildren, foster children, step-parents and foster parents.
44. **Initial Inspection:** An inspection done on a home once a letter of intent to sell is received by the Housing Department. The purpose is to inform the seller of the selling process and to check for maintenance and repairs that may be required before the sell occurs.
45. **Institutional Lender:** A lender that is a legitimate financial institution that regularly loans money for real estate transactions.
46. **Joint Tenancy:** When two or more people own property as joint tenants and one owner dies, the other owners automatically own the deceased owner's share. No will is required.
47. **Leave of Absence:** Permission granted by the Housing Department for an owner of a restricted housing unit to be absent from the unit for an extended period of time for a legitimate and compelling reason, without violating the unit's deed restriction.
48. **Lawful Permanent Resident:** Any foreign national who has been granted the right to reside permanently in the United States. Lawful Permanent Residents may apply for Affordable and Attainable housing but are ineligible to apply for Employment-Based housing, as it is available for US Citizens only.
49. **Lender's Qualification:** The Institutional Lender's judgement of the household's financial ability to obtain financing for purchasing a home.
50. **Letter of Intent to Sell:** A letter that a homeowner submits to the Teton County Housing Authority informing the Housing Department that they desire to sell their restricted housing unit. The Housing Department must receive this letter before the selling process can begin.
51. **Liabilities:** Any debt, loans, or balances that a household owes. Liabilities are subtracted from assets when calculating Household Net Assets.
52. **Living Space:** A room in a home used by a family for leisure activities, entertaining guests, etc. It includes space for couches, chairs, tables, and may open to the kitchen.
53. **Local Business:** A) A local business means (1) a business physically located within Teton County, Wyoming, holding a business license with the Town of Jackson, Wyoming or one that can provide other verification of business status physically located in Teton County, Wyoming, and (2) the business serves clients or customers who are physically located in Teton County, Wyoming, and (3) the employees/owners must work in Teton County, Wyoming to perform their job Or B) A business physically located in Teton County Wyoming who employs two or more Qualified Employees, which qualified employees must work in Teton County Wyoming to perform their job

54. **Maintenance:** A repair or maintenance item is an expenditure that restores a property to a sound state.
55. **Maintenance Adjustment:** The amount of money credited to the buyer at closing for maintenance, cleaning, or repairs that are found to be needed on the home at the final inspection.
56. **Maximum Rental Rates:** The maximum rental rate that may be charged to a tenant occupying an Employee Housing unit. The rates must include basic utilities (water/sewer, electric, gas, and trash removal). The specific restriction recorded on the unit instructs the method to be used to calculate maximum rental rates.
57. **Maximum Resale Price:** The maximum amount that a restricted housing unit can be sold for. This price is calculated by the Housing Department according to the restricted housing unit's deed restriction or the Housing Department Rules and Regulations.
58. **Maximum Resale Letter:** A letter given to a seller of an Affordable or Employment-Based housing unit informing them of the maximum amount that the unit may be sold for
59. **Maximum Sales Price:** The maximum amount that newly-provided ownership housing units can be sold for initially. There is 10 percent reduction from the maximum sales price for no garage and a 20 percent reduction from the maximum sales price if the unit is below grade.
60. **Median Family Income (MFI):** The Department of Housing and Urban Development (HUD) calculates this figure by dividing households residing in counties into two equal segments with the first half of households earning less than the median household income and the other half earning more. Then, adjustments are made based on family size. The Jackson/Teton County Affordable Housing Department uses MFI to determine eligibility for restricted housing units. The Housing Department also uses MFI to calculate maximum sales prices.
61. **Military Service:** Active deployment in the U.S. Armed Services for any amount of time. Military Service counts as employment in Teton County, Wyoming for the sake of gaining the 1-year eligibility in the weighted drawing if the person deployed met employment criteria in Teton County Wyoming for minimum of two years immediately prior to deployment.
62. **Net Livable Floor Area:** This area is calculated on interior living area and is measured interior wall to interior wall, including all interior partitions including, but not limited to habitable basements and interior storage areas, closets and laundry areas. Exclusions include, but are not limited to, uninhabitable basements, mechanical areas, exterior storage, stairwells, garages (either attached or detached), patios, decks and porches.
63. **Nonqualified Transferee:** A household to whom the title of a restricted housing unit is transferred, but it does not meet the qualification and eligibility standards set out in these Housing Department Rules and Regulations.

64. **Occupancy Requirements:** A type of preference used in the Affordable and Employment-Based Programs' weighted drawing selection processes through which household is eligible to enter a weighted drawing based on how closely it aligns with the unit size.
65. **Original Purchase Price (OPP):** The amount the current homeowner originally paid for the home.
66. **"Plus" Units:** Restricted housing units that have extra floor area for offices, play areas, etc.
67. **Post-Secondary Education:** Attendance as a full-time student at an educational establishment after high school or college preparatory school.
68. **Possession Date:** The date a buyer takes possession of a home. This is normally the date of closing unless for some reason funds are unable to be disbursed on that day or other arrangements are made.
69. **Price Opinion:** The market value of residential or commercial property, as determined by a local real estate firm.
70. **Primary Education:** Attendance at a school for primary education located in Teton County Wyoming.
71. **Primary Residence:** A Household's sole residence, occupied at least ten (10) months during each calendar year, or as otherwise stated in the Housing Unit's Restriction.
72. **Profit and Loss Statement:** A statement showing a business's income and expenses up through the month prior to application.
73. **Purchase and Sales Contract:** Contract entered into by the seller and the buyer which outlines the terms and conditions under which the property will be sold.
74. **Qualified Critical Services Provider:** An employee or volunteer on call 24 hours per day for public safety emergencies of an approved community-based organization that provides immediate response to health and safety services.
75. **Qualified Employee:** A person who works for a local business in Teton County Wyoming a minimum of 1,560 hours annually (average of 30 hours per week).
76. **Qualification Letter:** Letter issued to applicant confirming that they are qualified to purchase the home. This letter is needed by the Title Company in order to allow the closing to take place.
77. **Qualified Households:** Households that have applied for housing through the Housing Department, where Housing Department staff deem them as eligible to purchase a restricted housing unit after verification of information, based on the unit's Deed Restriction and the Housing Department Rules and Regulations. Information includes but

is not limited to household income, assets, employment, and minimum occupancy requirements.

78. **Qualified Mortgage/Qualified Mortgagee:** A loan attained from an Approved Lending Institution/the buyer of a restricted housing unit that has been approved for a mortgage.
79. **Resale Process:** The process by which an owner of a restricted housing unit sells it to a new owner.
80. **Residential Property:** A parcel that either includes a residential dwelling unit, or has the by-right potential for developing a residential dwelling unit per local zoning regulations.
81. **Restricted Housing Unit:** Any housing units in the Town of Jackson or Teton County that have Restrictive Covenants or Ground Leases that regulate the occupancy, use, sale, and/or rental of the unit or are restricted by the Land Development Regulations in order to further the Town/County's workforce housing goals.
82. **Restrictive Covenant:** a contract between the Board of County Commissioners/Town of Jackson and the owner of real property developed or designated to ensure the affordability of a housing unit for perpetuity (sometimes referred to as Special Restrictions, Deed Restrictions, or Restrictions).
83. **Restrictive Covenant Template:** A standard form to be used as a recorded instrument on all restricted housing units.
84. **Restrictive Covenant Information Sheet:** A form that the developers of restricted housing units must fill out as part of the Housing Mitigation Plan.
85. **Retirement Age:** The age at which the Federal Social Security Administration allows an individual to begin collecting Social Security.
86. **Safe Decent Sanitary Housing:** Safe, decent sanitary housing means that housing units must be kept in a habitable state fit for human occupancy to protect the physical health and safety of the renter. Landlords must:
- a. Maintain common areas of the residential unit in a sanitary and reasonably safe condition.
 - b. Maintain electrical systems, gas systems, plumbing, heating and hot and cold water and keep them in working order.
 - c. Unit must be structurally sound, clean, weathertight, in good repair, and meet local building codes in place at time of construction or as required for a change of use, if applicable.
 - d. Maintain other appliances and facilities as specifically contracted in the rental agreement.
87. **Secondary Education:** Attendance at a high school or college preparatory school located in Teton County, Wyoming.

88. **Settlement Statement:** Itemizes all costs, and/or credits due from the buyer and seller at closing.
89. **Teacher:** Any individual who (1) works with individuals age three (3) – eighteen (18), and (2) whose duties involve classroom or other instruction or the supervision or direction of classroom or other instruction, and (3) whose primary employment is at least thirty (30) hours a week for at least nine (9) months per year, but is not employed in that position for at least two (2) months per year.
90. **Tenancy-In-Common:** When two or more people own a shared interest in a property. If one owner dies, they can will their portion to other beneficiary(s) and not to the other owner(s) if they desire.
91. **Uniform Residential Loan Application (or Fannie Mae Form 1003):** The application required by law for mortgage lenders to use to supply home loans. The Housing Department may require that applicants supply this application when applying for a restricted housing unit.
92. **Verification Checklist:** Checklist used by JTCHA to verify whether a household is qualified to purchase a particular home.
93. **Voluntary Affordable/Employee Housing Units:** Units with a restricted rent or sale price to be affordable to households earning no more than 200 percent of Teton County Median Family Income. An applicant may propose these units in addition to those required by the Land Development Regulations.
94. **Weighted Drawing:** The event that selects the order, of all the applicants for an applicable restricted housing unit, which the home will be offered for sale.
95. **Weighted Drawing Entry Period:** The period (normally two weeks) that the Housing Department accepts weighted drawing entry sheets for an available restricted housing unit.
96. **Weighted Drawing Entry Sheet:** Households complete a weighted drawing entry sheet and submit it to the Housing Department along with other documentation within the weighted drawing entry period when the household is interested in purchasing an available restricted housing unit.
97. **Weighted Drawing Number:** A number that a household receives from a weighted drawing that reflects the household's standing in the weighted drawing for an applicable restricted housing unit.
98. **Weighted Drawing Form:** The form used to record all households who submitted weighted drawing entry sheets for a particular home. The households are recorded in alphabetical order. This form is given to outside counsel who then assigns each household a number. The numbers are placed in a pool and drawn out one by one. The results of the drawing are recorded in order on the Weighted drawing Form and returned to the Housing Department.

99. **Weighted Drawing Process:** The process by which the Housing Department accepts weighted drawing entries from households wishing to purchase a restricted home and determines the order the households will be offered the home for purchase. (Separate lotteries are conducted for each program).

100. **Workforce Housing Program:** An incentive program applicable within the Town of Jackson through which bonus floor areas are available in nonresidential or mixed-use buildings if the developer provides restricted housing units. These units can be either Ownership or Rental, and the number of units to be provided is determined by a ratio set out in the Town LDRs.

SECTION II.

All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION III.

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed as a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of the ordinance.

SECTION IV.

This Ordinance shall become effective after its passage, approval and publication.

PASSED 1ST READING THE 19TH DAY OF AUGUST, 2019.

PASSED 2ND READING THE 3RD DAY OF SEPTEMBER, 2019.

PASSED AND APPROVED THE ____ DAY OF _____, 2019.

TOWN OF JACKSON

Pete Muldoon, Mayor

ATTEST:

Sandra P. Birdyshaw, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 1242 was duly published in the Jackson Hole News and Guide, a newspaper of general circulation published in the Town of Jackson, Wyoming, on the ____ day of _____, 2019. I further certify that the foregoing Ordinance was duly recorded on page ____ of Book ____ of Ordinances of the Town of Jackson, Wyoming.

Sandra P. Birdyshaw, Town Clerk

Teton County & Town of Jackson *Wyoming*



Jackson/Teton County Housing Department Rules and Regulations



June 4, 2018 – Updated July 23, 2019

Prepare by:

CLARION

List of Commonly Used Acronyms

Acronym	Full Text
ARU	Accessory Residential Units
AMI	Area Median Income
CC&Rs	Covenants, Conditions, & Restrictions
CPI	Consumer Price Index
HOA	Homeowners Association
HUD	U.S. Department of Housing and Urban Development
JTCHA	Jackson/Teton County Housing Authority
LDRs	Land Development Regulations
MFI	Median Family Income
MRP	Maximum Resale Price
OPP	Original Purchase Price
SF	Square Feet

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SUMMARY OF HOUSING PROGRAMS

The general goal of all housing programs covered by the *Housing Department Rules and Regulations* is to provide and maintain housing affordable to persons and families who make a living primarily from employment located in Teton County, Wyoming. The housing programs addressed in the *Housing Department Rules and Regulations* are: Affordable Ownership, Affordable Rental, Workforce Ownership, and Workforce Rental. Legacy programs (including Accessory Residential Units, Attainable units, Employee units, and Employment-based units) are referenced in some properties' deed restrictions, so these *Housing Department Rules and Regulations* also contain the rules that pertain to these programs.

Descriptions of Applicable Programs:

Accessory Residential Units (ARU) – Units created through this program are developed as part of nonresidential developments that are exempt from the housing requirements set by the LDRs. These units are rented to workers employed in Teton County, and they must remain as rental property (i.e., they cannot be converted to condominiums). Accessory Residential Units developed after June 4, 2018 will be part of the “Workforce Rental” program. To qualify to rent these units, at least one person in the household must be employed at a local business for a minimum of 1,560 hours per year. They may not own residential real estate within 150 miles of Teton County. A minimum of 75% of the household’s income must be earned from a local business(es). The tenants must physically occupy the unit a minimum of 80% of their lease term. Tenants will be required to requalify annually or upon lease renewal. The units are not allowed to remain vacant in excess of 60 days. Rents are set by the owner.

Affordable – These are units created through the mandatory affordable housing mitigation requirements included in the Town and County Land Development Regulations (LDRs). The Affordable housing program is divided into “Affordable Ownership” and “Affordable Rental,” and each has restricted pricing based on applicable affordability ranges. To qualify to purchase these units, household income and assets must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed. The owners must physically occupy the units a minimum of 10 months each year. Tenants must physically occupy the units a minimum of 80% of their lease term. Tenants will be required to requalify annually. Owners will be required to provide proof of continued local employment, occupancy, and non-ownership of residential real estate. Maximum rents and sales prices are based on median family income as published by HUD. Ownership units appreciate based on the Consumer Price Index.

Attainable – These units were built before housing standards were codified in the LDRs. No more Attainable housing units will be constructed, but the *Housing Department Rules and Regulations* still apply through the management of existing units. Specific requirements for these units are recorded as covenants on the property deed, and the *Housing Department Rules and Regulations* are referenced through these covenants. To qualify to purchase these units, household income and assets must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed at time of purchase. The owners must physically occupy the units a minimum of 10 months each year. No requalification or future documentation will be required after purchase of the unit.

Employee – These rental housing units are built to comply with the housing mitigation requirements for new nonresidential development set out in the Town and County LDRs. Initially, these units were intended to provide housing to seasonal workers, but they are not restricted to occupancy by seasonal workers. These *Housing Department Rules and Regulations* have been updated to reflect the Town and County’s policy direction in 2017, which aligns with the Comprehensive Plan’s goal of housing the local year-round workforce. The owner of the Employee housing units ultimately makes the decision about unit tenancy so long as the household qualifies. These units can be converted to condominiums for workforce employers. Employee units developed after June 4, 2018 will be part of the “Affordable Rental” program. To qualify to rent these units, household income must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed. Tenants will be required to requalify annually. The units are not allowed to remain vacant in excess of 60 days.

Employment-Based – This is a program that the Town of Jackson initiated to create restricted ownership units for sale to households that are employed in Teton County, but do not fit within the affordability ranges set out in the LDRs. These units are not developed under a mandatory requirement set out in the Town’s LDRs. Employment-Based units developed after June 4, 2018 will be part of the “Workforce Ownership” program. To qualify to purchase these units, at least one person in the household must be employed at a local business for a minimum of 1,560 hours per year. They may not own residential real estate within 150 miles of Teton County. A minimum of 75% of the household’s income must be earned from a local business(es). Owners must physically occupy the units for a minimum of 10 months of each year. Owners will be required to re-qualify annually.

Workforce Housing Programs – This program is divided into “Workforce Rental” units and “Workforce Ownership” units. They are provided through incentives in the LDRs. Households who purchase or rent Workforce units are required to earn a minimum of 75% of their income from a local business. They may not own other residential real estate within 150 miles of Teton County, and at least one person in the household must earn 1,560 hours annually from a local business. There is no cap on the original purchase price. Once an ownership unit is sold, the maximum resale price is restricted to an appreciation cap on the unit as indicated in the Special Restrictions recorded on the property. The owners of Workforce Rental Units set the rental rates. There is no cap on rental rates. Owners and tenants will be required to re-qualify annually.

Deed Restrictions, January 2019

	Affordable Mitigation Ownership	Affordable Mitigation Rental	ARU (Incentive)	Workforce Ownership (Incentive)	Workforce Rental (Incentive)
Applicability	All non-exempt residential or commercial development	All non-exempt residential or commercial development	Commercial or Residential Voluntary ARU	25% Bonus or additional height in UR-PUD	25% Bonus or additional height in UR-PUD
Rent/Own	Own	Rent (no owner occupancy)	Rent	Own or Rent	Rent (no owner occupancy)
Income/Asset Restrictions	Yes	Yes	No	No	No
Ownership of Real Estate	Not within 150 miles	Not within 150 miles.	Not within Teton Co., WY	Not within 150 miles	Not within 150 miles
Income Ranges	0 - 50%, 50 - 80%, 80% - 120% of median income	0 - 50%, 50 - 80%, 80% - 120% of median income	None	None	None
Income Limit for Tenant Qualification	N/A	<50%, <80%, <120%	None	None	None
Teton County, WY Employment	Avg 30 hrs/wk - 1,560 hrs per year	Avg 30 hrs/wk - 1,560 hrs per year	Avg 30 hrs/wk - 1,560 hrs per year	Avg 30 hrs/wk and 75% of income from local business	Avg 30 hrs/wk and 75% of income from local business
Residency Requirement	US Citizen or Lawful Permanent Resident	None	None	US Citizen or Lawful Permanent Resident	None
Occupancy Requirement	10 months/yr	Minimum 80% of lease term.	Minimum 80% of lease term	10 months/yr, 80% of lease term if rental	Minimum 80% of lease term
Vacancy Requirement	N/A	No more than 60 days		No more than 60 days	No more than 60 days
Household Qualification	At time of purchase and must continue to be employed full-time	Continuous	Continuous	Continuous	Continuous
Appreciation Restrictions	CPI with max. 3% per year compounded	No measured appreciation	No measured appreciation	CPI with max. 3% per year compounded	No measured appreciation
Sales Process	Weighted Drawing	By Owner	By Owner	Weighted Drawing after initial sale	By Owner
Rental Rate	N/A	Max. 30% of low end of income range	None	None	None
Rental Term	N/A	Not less than 6 months	90 days or more	Not less than 31 days	Not less than 6 months
Incentive	N/A	N/A	FAR exempt	Height in UR-PUD & FAR exempt	Height in UR-PUD and FAR exempt
Requirement	Formula, according to LDR 6.3 - Restriction	Formula, depending on use (LDR 6.3) - Restriction	If gaining from providing - needs Restriction. Commercial only	Restriction	Restriction

SECTION 1. PURPOSE AND GENERAL GOALS

1-1. Purpose

The Jackson/Teton County Affordable Housing Department (“Housing Department”) was created by Teton County, Wyoming and the Town of Jackson, Wyoming on March 14, 2016 Town Resolution 16-04 and County Resolution 16-008. The purpose of these *Housing Department Rules and Regulations* (“Housing Rules”) is to provide comprehensive and consistent provisions that apply to housing units created through the Town or County established housing programs and/or administered by the joint Town of Jackson/Teton County Housing Department (hereafter “Housing Department”).

The Housing Department Rules and Regulations were formerly known as the “Guidelines.” When the Housing Guidelines are referenced in documents promulgated prior to the adoption of the 2018 Housing Department Rules and Regulations, the reference of guidelines refers to these Housing Department Rules and Regulations.

a. Applicability

1. Subject to Provisions that are Unique to Specific Program

Each housing program covered in these *Housing Department Rules and Regulations* is subject to provisions that are unique to that program as indicated in these *Housing Department Rules and Regulations*.

2. Subject to Provisions of the Restrictions Recorded on the Property

Restricted housing units are subject to individual deed restrictions, special restrictions, or ground leases, (collectively “restrictions”) which may have additional requirements or provisions. If the *Housing Department Rules and Regulations* and the restrictions conflict, then the language, requirement, and/or provision of the Restrictions shall be applied and followed, not the *Housing Department Rules and Regulations*. The Restrictions recorded on the property supersede any inconsistency in these *Housing Department Rules and Regulations*.

3. Subject to Federal Fair Housing Law (The Fair Housing Amendments Act of 1988)

The Housing Department recognizes that the Office of Fair Housing and Equal Opportunity administers and enforces federal laws and establishes policies that ensure

that all Americans have equal access to the housing of their choice. The Housing Department does business in accordance with the Federal Fair Housing Law (The Fair Housing Amendments Act of 1988).

a. Discrimination

It is illegal to discriminate against any person because of race, color, religion, sex, handicap, familial status, or national origin in the sale or rental of housing, in the financing of housing, in the provision of real estate brokerage services, or in the appraisal of housing.

1. Filing a Complaint

Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination to the HUD Housing Discrimination Hotline, 1-800-669-9777 (Toll Free), or the TDD line for the hearing impaired, 1-800-927-9275.

b. Blockbusting

Blockbusting is also prohibited. Blockbusting is the practice of illegally frightening homeowners by telling them that people who are members of a particular race, religion, or national origin are moving into their neighborhood and that they should expect a decline in the value of their property. The purpose of this scheme is to get the homeowners to sell at a deflated price.

4. Disclaimer

The Jackson/Teton County Affordable Housing Department (“Housing Department”) expressly disclaims any and all warranties, express or implied, including without limitation fitness for a particular purpose with respect to the provision of restricted housing units. The Housing Department does not represent, warrant, or promise to construct, finance, or otherwise produce, in whole or in part, any restricted housing units pursuant to these *Housing Department Rules and Regulations* or under any other programs. No applicant may rely upon any promise implied or expressed that restricted housing units shall be constructed, financed, or otherwise produced, in whole or in part, by the Housing Department. In no event shall the Housing Department be liable to any applicant for any direct, indirect, incidental, punitive, or consequential damage of any kind whatsoever, including without limitation lost profits, lost sales, lost business, lost opportunity, lost information, lost or wasted time. None of the information contained in these *Housing Department Rules and Regulations* constitutes an offer to sell or the solicitation of an offer to buy a restricted housing unit.

1-2. General Policy Goals

The general goal of all housing programs covered by these *Housing Department Rules and Regulations* is to provide and maintain housing affordable to persons and families who make a living primarily from employment located in Teton County, Wyoming, which includes the Affordable, Attainable, Employee, Employment-Based, Accessory Residential Unit, and Workforce housing programs. This is accomplished by regulating the occupancy, use, sale and/or rental of the restricted housing units covered by the *Housing Department Rules and Regulations* to qualified households as defined herein.

a. Promoting Economic and Social Diversity

Certain housing programs also limit initial eligibility of qualified households based on financial means criteria, which may include both household income and household net assets. Such financial qualifying factors promote economic and social diversity within the Jackson Hole community.

b. Ensuring Long-Term Affordability

Many of the restricted housing units covered by these *Housing Department Rules and Regulations* are subject to price limitations for sale, resale and/or rental. These limitations are intended to ensure affordability for both the current household occupying the restricted housing unit and to ensure the long-term affordability of the restricted housing unit.

c. Providing Housing for the Local Workforce

Minimum occupancy requirements apply to all restricted housing units to ensure that the unit meets the community's goals of providing housing for the local workforce by maximizing the space and filling the bedrooms, and to ensure that the restricted housing unit does not serve as a second home.

d. Providing Fair and Consistent Administration

These *Housing Department Rules and Regulations* are intended to provide clear, fair, and consistent administration of the housing programs to which they apply. It is recognized that there are individual households or restricted housing units that may not fit clearly into the specific provisions of the *Housing Department Rules and Regulations*, but still meet these general policy goals. For these cases, exception, appeal, and grievance processes have been included in Section 7: Compliance and Exception, Appeal, and Grievance Standards and Procedures.

1-3. Relationship to Land Development Regulations

The Town of Jackson and Teton County Land Development Regulations (LDRs) set out standards for the development and use of land within each jurisdiction. The LDRs include requirements for certain developments to provide affordable housing or fees to offset the additional housing need that the developments create. Specific programs address different types of development. The Planning Department of each jurisdiction reviews development applications to check for compliance with the LDRs.

These *Housing Department Rules and Regulations* impose additional requirements on the developers of any type of restricted housing units. The Housing Department reviews compliance with these *Housing Department Rules and Regulations*, both prior to development and during occupancy and use.

a. Standards Applicable Under LDRs versus Housing Department Rules and Regulations

Generally, the LDRs address any provisions that must be met during the development approval phase, while the *Housing Department Rules and Regulations* address provisions that ensure proper use and maintenance of the restricted housing units throughout their lifetime.

LDR Provisions	Housing Department Rules and Regulations Provisions
Rental/Sale Mix (required mix of units)	Livability Standards (Interior)
Occupancy Standards	Dormitory Livability Standards
Distribution of Income Categories	Livability Requirements for Conversion of Existing Housing Stock
Requirements for Fees in Lieu	Restrictive Covenant Form and Process
Requirements for Conveyance of Land or Conversion of Existing Housing Stock	Sale/Rental Standards and Procedures including Qualification and Eligibility for Each Program
Procedure for Banking Credits	Compliance with Housing Department Rules and Regulations.
Phasing Plan	Compliance with Restrictive Covenants
Mix by Number of Bedrooms	

b. References Retained for Convenience

All references to the LDRs in these *Housing Department Rules and Regulations* are for convenience and are not a part of the *Housing Department Rules and Regulations*.

SECTION 2. HOUSING DEVELOPMENT STANDARDS AND PROCEDURES

2-1. Purpose

The Jackson/Teton County Comprehensive Plan lists three common community values, one of which is quality of life. One of the ways called out to achieve quality of life is through local workforce housing. With regards to workforce housing, the Comprehensive Plan includes the four following principles:

- Maintain a diverse population by providing workforce housing
- Strategically locate a variety of housing types
- Reduce the shortage of housing that is affordable to the workforce
- Use a balanced set of tools to meet our housing goal

The Town of Jackson and Teton County have several tools to increase the amount of housing that is affordable to the workforce. One of these tools is the requirement and/or incentive in the LDRs for residential and non-residential development to provide permanently restricted workforce housing. This housing represents a substantial and long-term public investment. As such, it is imperative the restricted housing produced be livable and of good quality.

This section, Housing Development Standards and Procedures, is meant to provide guidance to the prospective developers of restricted housing units. Subsection 2-2 lays out the requirements of the Housing Mitigation Plan, which is reviewed by both the Planning Department and the Housing Department. Subsection 2-3 sets out the Livability Standards, which are under the Housing Department's purview.

a. Applicability

This Section applies to all developments subject to Division 6.3 of the County LDRs and Division 6.3 of the Town LDRs. It also applies to any restricted housing units not required through the LDRs that are presented to the Board of County Commissioners or Town Council in development applications.

b. General Policy Goals

1. Inform Developers of Standards and Procedures

These Housing Development Standards and Procedures inform prospective developers of the standards and guidelines for construction and sale of restricted housing units, as required by the LDRs and the *Housing Department Rules and Regulations*.

2. Provide Fair and Consistent Implementation of Standards and Procedures

These Housing Development Standards and Procedures help the Housing Department implement policies of the LDRs and the *Housing Department Rules and Regulations* in a fair and consistent manner.

2-2. Housing Mitigation Plan

A Housing Mitigation Plan for each project shall be submitted according to the provisions of the Teton County and Town of Jackson LDRs [See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3]. A packet with a checklist for a Housing Mitigation Plan can be obtained through the Housing Department or the Town or County Planning Departments.

a. Procedures

1. Consultation with Applicant (Optional)

Applicants may meet with Housing Department staff prior to submitting a Housing Mitigation Plan. Although this step is not required, it is often helpful for the applicant and the Housing Department staff to discuss the development proposal and how it meets the LDRs and *Housing Department Rules and Regulations*.

2. Review

Applications for development that have been submitted to the Town or County Planning and/or Building Departments are reviewed by the Housing Department for compliance with these Housing Department Rules and Regulations.

3. Streamlined Applications

Applications that have housing units required that are allowed to go directly to building permit are required to get their units approved by the Housing Department prior to submitting for building permit.

b. Content

The Housing Mitigation Plan contains some provisions that fall under the purview of the Planning Department, while others fall under the purview of the Housing Department. Specifically, the Housing Department oversees the Livability Standards. Developers should refer to the LDRs for requirements such as the mitigation methods, the mix of units by number of bedrooms and the mix of units by affordability ranges.

1. Mitigation Method

See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.

2. Requirement Calculation

See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.

3. Fee Calculations

If the developer proposes Fees In-Lieu as the preferred form of mitigation, the developer shall submit the proposed amount with a Final Development Plan.

The Planning Department shall update the fees in-lieu for the restricted housing units on an annual basis. Fees in-lieu figures are available at the Planning Department.

4. Unit Descriptions

a. Unit Size

There is no minimum or maximum unit size based on square footage. Size by bedroom mix is located in the LDRs.

b. Rental/Sale Mix

As part of the Housing Mitigation Plan, the developer shall state which units are intended as rentals and which are intended as ownership in accordance with the

LDRs (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).

c. Mix of Units by Number of Bedrooms

The intent of the restricted housing programs is to provide a variety of unit types to meet the housing needs of our diverse workforce. The Town and County LDRS set out the specific occupational requirements for housing units. The mix of units by number of bedrooms in each unit is also determined by the Town and County LDRs.

d. Distribution of Income Ranges

See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.

5. Special Restriction Form and Process

A Special Restriction is a contract between the Board of County Commissioners/Town of Jackson and the owner of real property developed or designated to satisfy the Town or County LDRs. It also applies to other restricted housing units that will be administered by the Housing Department. Special Restrictions shall keep the restricted housing units affordable in perpetuity and provide proper notification of this obligation to subsequent buyers or other interested parties. (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).

a. Requirement

The developer shall record Special Restrictions in the public land records for the subject property prior to the issuance of a Certificate of Occupancy by the County or Town.

b. Process

The Housing Department shall prepare special restrictions according to the process below. Restrictive covenant templates are available from the Housing Department or the Housing Department website.

1. Special Restriction Information Sheet

The developer shall complete the “Special Restriction Information Sheet” and submit to the Housing Department. This form is found at the Housing Department website, or at the Housing Department offices.

There are four types of restrictions, Workforce Ownership, Workforce Rental, Affordable Ownership, and Affordable Rental.

2. Preparation of Special Restriction

The Housing Department will prepare the special restriction and provide the document to the developer for review via email or other delivery method.

3. Review

Once reviewed by the developer for accuracy, the Housing Department and the developer (“declarant”) will sign the special restriction and deliver to the County or Town for the required signature.

4. Developer Responsibilities

The developer is responsible for signing the special restriction, recording the special restriction with the Teton County Clerk, and paying for the recording fees. The original restriction will be returned to the Jackson/Teton County Housing Department office. The Housing Department shall witness the recording.

5. Modification/Amendment

The developer shall not make modifications to the special restrictions with the exception that when an alternate housing program is approved by the Town Council or County Commissioners. Modifications or amendments to the restricted covenant must be approved by the Town Council or Teton County Commissioners. The developer or owner may be responsible for any legal costs to amend a restrictive covenant.

2-3. Livability Standards

To meet the community’s goals of providing working families a viable choice of housing, to protect social diversity, and to contribute to economic stability, the LDRs and the *Housing Department Rules and Regulations* require that restricted housing units are designed to provide adequate size, building and site design, and finishings to serve future tenants. These are all criteria in the Housing Department’s decisions as to whether a development meets the goals of the LDRs and the *Housing Department Rules and Regulations*. For additional construction standards, see Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.

a. Process

These Livability Standards are associated with interior components of the units, functionality, light, and outdoor space. Review by the Housing Department will be completed during the planning process and at time of building permit. It is encouraged that applicants review restricted housing unit designs with the Housing Department early in the design process.

Restricted housing units will also be subject to Planning Department review, as some livability standards are requirements of the LDRs (See Teton County Land Development Regulations: Divisions 6.3 or Town of Jackson Land Development Regulations: Divisions 6.3).

b. Intent

The livability standards in the LDRs do not include minimum size requirements for units. To ensure functionality of units regardless of size, these Livability Standards have been adopted. The Housing Department may consider flexibility within these standards as long as the intent of functionality is being met. All building, plumbing, electrical, and fire code requirements are still required to be met. These standards do not supersede other requirements.

Restricted housing units are expected to be designed with logical and functional room layout. This includes adequate space for normal living based on two (2) persons per one-bedroom unit, three (3) persons per two-bedroom unit, and four (4) persons per three-bedroom unit and adequate circulation pathways through the unit based on a reasonable furniture configuration.

The standards contained in this document provide minimum requirements for specific items and are not intended to be “build to” specifications.

1. Exceptions

Applicants may request approval of components that don’t conform to these Livability Standards by completing the “Request for Exception” form. The request must include a detailed explanation of why the applicant wishes to diverge from these Livability Standards, and how the proposed difference is meeting the intent of these Livability Standards. Detailed drawings of what is being proposed shall also be submitted (See Section 7-3)

c. Acceptance of Restricted Housing Units

Proposed floor plans will be reviewed by the Housing Department at time of Sketch Plan submittal, Final Development Plan submittal and/or other permit submittal. Proposed unit designs and components must be approved by the Housing Department prior to submittal for

building permit. The Housing Department will inspect all restricted units before certificate of occupancy to ensure that the unit is built according to the approved designs.

d. Standards for Restricted Units

1. Kitchen

a. Cabinets

All units shall have kitchen cabinet or other storage area (such as a pantry) proportionate to unit size that, at a minimum, meet the required space listing in the table below. A stove/oven may not be used to meet cabinet requirements, and no more than two cabinet spaces less than one foot in width may be used to meet cabinet requirements.

Unit Size	Lineal Ft of Base Cabinets*	Lineal ft of Upper Cabinets*
Efficiency/studio/one-bedroom < 475 SF	4	4
One bedroom > 475 SF	5	5
Two bedrooms	6	6
Three bedrooms or more	7	7

*Assumes standard 24" depth and 26" height for base cabinets and 12" depth and 30" height for upper cabinets.

Note that additional kitchen storage beyond the minimum is desirable. In some cases, additional cabinetry is provided as either base or upper cabinets and credit is requested to reduce cabinetry elsewhere. Requests to storage requirements will be considered as an exception to be approved by the Housing Department.

b. Countertops

The surface of countertops shall be made of new, durable, easily cleaned materials that are commonly used for countertops. One, two and three bedroom units must provide a minimum 3 feet of continuous countertop work space not including interior corner space.

c. Appliances

1. Table of Appliance Specifications

The following table specifies minimum appliance requirements.

Unit Size	Sink width*	Range/oven width*	Refrigerator cubic feet*	Dishwasher*
Studio/One bedroom < 475 SF	24"	24"	18	18"
One bedroom >475 SF	30"	30"	25	24"
Two bedroom	32"	30"	30	24"
Three bedrooms or more	32"	30"	30	24"

*Minimum Size

2. Quality and Warranty

All appliances shall be new, Energy Star, and UL (Underwriters Laboratories Standards for Safety) listed, and approved appliances. Documentation of the estimated reliability of proposed appliances, such as Consumer Report ratings, should be provided. Appliances must be of sound quality with the following minimum warranties:

i. Range or Stove and Oven

One-year minimum warranty. All major appliances used for surface cooking must have a ventilation system that meets code (typically, a fan rated at a minimum of 150 CFM).

ii. Refrigerator

One-year minimum warranty on the entire appliance.

iii. Dishwasher

One-year minimum warranty on the entire appliance.

iv. Garbage Disposal

If provided in the market rate units, all restricted ownership units shall include a garbage disposal each with a one-year minimum warranty on the entire appliance.

v. Microwaves and other small appliances are optional.

2. Bathrooms

At least one full bathroom is required and must contain a bathtub with shower, sink, toilet, and a minimum of four (4) square feet of storage. Flexibility is allowed as to how the storage is provided and will be approved by the Housing Department

3. Closets and Storage Areas

Adequate storage is essential to providing livable housing. For safety reasons, mechanical rooms should be separate from any storage space and to ensure usable storage space should not open into storage space. All closets and storage areas should have a minimum 7.5' height except those under stairs which can include sloping ceilings down to 6' height unless it is not being counted toward the requirement. All dimensions shall be calculated from the finish trim dimension.

a. Table of Minimum Storage Dimensions

Unit Size	Bedroom closet width	Linen closet* width	Additional storage square feet
Studio/one-bedroom < 475 SF	6 feet	24 inches	25 square feet
One-bedroom > 475 SF	6 feet	30 inches	30 square feet
Two-bedroom	6 feet	30 inches	40 square feet
Three-bedroom or more	6 feet	36 inches	50 square feet

b. Other Storage Standards

1. Closet Depth

Closet depth must be 26 inches.

2. Bedrooms

Bedrooms must each contain a closet that includes one shelf over a rod.

3. Entryway Closets

Entryway closets are not a requirement. If an entryway closet is not provided that will adequately store coats and shoes/boots for one person in a studio,

two persons in a one-bedroom, three persons in a two-bedroom and four persons in a three-bedroom, then an area for hanging/storing coats and shoes/boots near the entryway is required that will adequately provide for the same persons per unit.

4. Additional Storage

In addition to bedroom, linen and entryway storage, additional storage must be provided. Locations may include the basement, garage, exterior to the unit or interior to the unit. The intent of this storage is to provide space for large or outdoor items such as bicycles, strollers, recreational gear, etc. If appliances are located in this area, their footprint cannot be counted toward square footage of storage and must be approved by the Housing Department.

5. Closet and Storage Doors

Closet and storage doors must be sliding doors, folding doors, or doors that open outwards to allow for access to space. Doors are not required on interior storage. Closets and storage space may not have any other doors opening into the space.

4. Floor Coverings

New carpet, wood, tile, vinyl or linoleum floor covering shall be provided, with a minimum 10-year warranty. New water-resistant floor covering other than carpet is required in kitchens and bathrooms. Floor coverings are required on all subfloor material with the exception that concrete can be used as flooring material.

5. Room Sizes and Shapes

All units must include appropriate and adequate room sizes and room shapes (generally rectilinear) that allow for functional furniture placement. Minimum sizes should be measured at the narrowest point in the room. Where any room such as the dining room is adjacent to the kitchen area, a 3' wide buffer between all kitchen cabinets, appliances and workspaces may not be included in the minimum room calculation. All dimensions shall be calculated from the finish trim dimension.

It is highly recommended that room dimensions include an additional 1-2" as a margin of error to accommodate discrepancies in the framing and finish.

a. Minimum Room Size

Unit Size	Minimum Square Feet
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Studio/One-bedroom <475 SF	100 SF
One-bedroom	120 SF
Two-bedroom	180 SF
Three-bedroom or more	200 SF

d. Bedrooms

The first bedroom shall be a minimum of 120 square feet. Additional bedrooms shall be a minimum of 90 square feet. No bedroom shall have a finish dimension less than nine feet (9'0).

e. Living/Dining Rooms

Living/Dining Rooms shall provide the following minimum dimensions with no dimension less than ten feet (10'0).

Connections and openings, circulation to and through, and exterior doors and windows shall not compromise the ability to furnish the living/dining area. Furniture layouts shall be used to set critical room dimensions. There shall be a minimum of one layout that is possible that will seat every household member assuming one (1) person for a studio, two (2) persons for a one-bedroom, three (3) persons for a two-bedroom and four (4) persons for a three-bedroom and at least one seven-foot sofa, space for side tables, and ample leg room. Mechanical features, such as fuse boxes, shall not be visible or a central feature in the living area.

The eating/dining area may be in a separate room, part of a combined living/dining area, or in the kitchen provided a 3' wide buffer between all kitchen cabinets, appliances and work spaces is not included in the minimum room calculation and a table and chairs (minimum 2 chairs – 4 chairs for two-bedroom or larger) can be shown to fit into the space without blocking circulation or doorways. A countertop eating area a minimum of 12" deep and 36" in length may be an acceptable alternative for units with less than two-bedrooms.

f. Studios and One-Bedrooms less than 475 square feet

All units must include appropriate room shapes (generally rectilinear) that allow for functional furniture placement including a sleeping area that will accommodate a twin bed, a living area that can accommodate a 6' sofa, and a cooking eating area (table or island) that will accommodate two persons/chairs or stools. Furniture layouts shall be used to set critical room dimensions that include room for circulation.

6. Windows/Noise Mitigation

All living areas and bedrooms shall have a minimum of one window that can be opened.

Housing units that share walls with other residential or non-residential spaces must provide noise mitigation in walls, floors and ceilings for both airborne and impact sound.

All windows in rental units that have locations where pedestrians or passersby can see directly into the window must provide window shades or coverings that open from the top down to allow partial closing that provides privacy but also allows for the maximum amount of natural light to enter the unit and for ventilation.

For developments that propose affordable units facing on and within 100 yards of roadways with allowable speeds in excess of 35 miles per hour or other types of industrial or other noise must have windows facing these conditions that meet a 32 Sound Transmission Class (STC) rating standard for noise mitigation or greater.

7. Laundry

Restricted ownership units shall include washer/dryer hookups.

8. Heating and Hot Water

Furnaces, boilers, or hot water heaters provided must have a 5-year minimum warranty. Hot water heaters must be appropriately sized to adequately serve the number of anticipated occupants based on one (1) person for a studio, two (2) persons for a one-bedroom, three (3) persons for a two-bedroom and four (4) persons for a three-bedroom.

Heating mechanical units may not be located on any patio or deck used to meet open space requirements or interior to the unit in a way that reduces usable floor area.

9. Other Design Features

The following features are encouraged and may be used in the place of other requirements with approval from the Housing Department:

- Built-in storage space such as drawers under beds, stairs, etc.

- Creative shelving in dead space
- Washer/Dryer or communal laundry area in rental units
- Extra storage for recreational equipment
- Additional closet space
- Additional cabinetry

e. Standards for Dormitories

General livability standards (Section 2-3: Livability Standards) will apply except when these dormitory standards differ. There shall be a minimum of 150 square feet net livable floor area per person, including sleeping, bathroom, kitchen, and lounge space. Net livable floor area shall not include interior or exterior hallways, parking, patios, decks, laundry rooms, mechanical areas, and storage.

1. Bathroom

At least one bathroom shall be provided for shared use by no more than four persons, containing at least one toilet, one sink, one bathtub with a shower, and a total area of at least 60 habitable square feet.

2. Kitchen Facility

A kitchen facility or access to a common kitchen or common eating facility shall be provided subject to the Housing Department's approval and determination that the facilities are adequate in size to service the number of persons using the facility.

Provide seating at a table or bar area for each person proposed to use the facility. The kitchen must have a range with a minimum of 4 burners and an oven. A refrigerator at least 5 cubic feet per person proposed to use the dorm. Each unit must have a minimum of 7 lineal feet of base cabinets and upper cabinets. Each unit shall have a kitchen sink at least 31 inches wide.

3. Storage Space

Each unit occupant shall be provided at least 20 net square feet of enclosed storage space located within, or in close proximity to, the unit. This is in addition to the required 150 square feet of net livable floor area of living space per person.

4. Occupancy

A dormitory unit shall not be occupied by more than eight persons.

5. Variances

At its discretion, Housing Department staff may allow a variance to the requirement of 150 square feet. To receive approval for a variance, an applicant shall provide a minimum of 60 square feet of sleeping area per person and meet conditions 1- 4, listed above.

f. Standards for Conversions of Existing Housing Stock

If existing unrestricted housing is offered and accepted by the Town of Jackson or Teton County, as adequate to meet an affordable housing requirement, the existing units must be upgraded in accordance with the following standards, unless a variance from these requirements is approved by the Planning Department of the Town or County.

Applicants shall bear the costs of any required upgrades to meet the standards, as listed below. Applicants will also be responsible for any structural/engineering reports requested by the Housing Department to assess compliance with the Housing Department standards of the proposed units.

1. Standards

a. Paint

All units must be freshly painted;

b. Appliances

All appliances must be purchased within the last five years and be in good condition and in working order. Evidence must be provided to verify the appliance was purchased within the last five years;

c. Carpet

New carpet shall be provided (unless carpet has been purchased in the last five years and is in good condition and repair). Evidence must be provided to verify the carpet was installed within the last five years;

d. Exterior

The exterior walls shall be freshly painted within one year of dedication, a general level of upgrade to yards and landscaping shall be provided, and windows, heating,

plumbing, and electrical systems, fixtures and equipment shall be in good condition and working order;

e. Roof

For ownership units, the roof must have a remaining useful life of at least ten years. Evidence must be provided to verify this; and

f. Building Standards

The unit shall meet Uniform Building Code minimum standards, as well as any applicable housing code.

g. Existing Housing Stock

See Section 6.3 of the LDRs for other existing housing stock requirements.

2. Compliance with Section 2-3 Livability Standards

It is recognized that use of existing housing stock makes it more difficult for units to be in compliance with Section 2-3 Livability Standards. The Housing Department will inspect the unit prior to approval to analyze the unit based on the Livability Standards. Flexibility will be allowed according to Section 2-3.d.9 at the sole discretion of the Housing Department.

SECTION 3. QUALIFICATION AND ELIGIBILITY

3-1. General Descriptions

Each housing program described in these *Housing Department Rules and Regulations* is evaluated on two levels to determine the requirements of occupants and/or owners to purchase and/or occupy the housing unit in question; the two levels of evaluation are herein referred to as qualification and eligibility.

a. Qualification

Qualification is the most general and applies to all housing programs.

b. Eligibility

Eligibility refers to additional requirements specific to a particular restricted housing unit or program.

3-2. Qualification

To be considered a qualified household under these *Housing Department Rules and Regulations*, all of the following criteria must be met prior to the time of closing:

a. Employment Requirement

At least one member of the household must fit one of the following categories:

1. Employed in Teton County

Be employed at a local business or organization located in Teton County an average of at least thirty (30) hours per week or 1560 hours annually. For purchases outside of a Weighted Drawing, the household can be under contract for employment at a local business or organization located in Teton County, Wyoming, where such contract commences employment before move-in or closing on a restricted housing unit, and the employment will be for a minimum of 30 hours per week or 1560 hours per year. For teachers, 250 hours are added to their annual hours to account for hours worked without pay such as renewing certifications, grading papers, etc.

a. Self-Employed

If self-employed, hours of work must be documented to substantiate meeting the 30-hour per week / 1560 hours per year requirement. Since self-employment is often unique, different methods of verification may be used. Reasonable annual income is the first method that will be reviewed. Other methods may include verification from vendors, employees, or other applicable methods.

2. Employment Exemptions

a. Military Service

Active military service in the U.S. Armed Services counts as employment in Teton County, Wyoming if that member of the household met employment criteria in Teton County, Wyoming for a minimum of two years prior to enlisting.

b. Disabled

An individual who is defined as disabled and is unable to be gainfully employed due to the disability meets the employment qualifications for housing in Teton County if the individual has a minimum of one (1) year of full-time residency in Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming.

c. Caregiver

Work as a caregiver counts as an employment exemption if the following criteria are met:

1. Full-time Resident

The caregiver is a full-time resident of Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming.

2. Duration and Timing of Caregiving

The caregiver was or is volunteering all or a portion of their time caring for their own children or an ailing or disabled immediate family member and, therefore, was unable to gain full-time employment in Teton County. Verification will be required using varying methods including but not limited to birth certificates, letter from health provider, and affidavits from family members or neighbors.

d. Secondary School Attendance

Secondary education counts as an employment exemption if other employment criteria were met in Teton County, Wyoming at least two (2) years immediately prior to seeking secondary education.

e. Hospitalization

Hospitalization counts as an employment exemption if the hospitalized member of the household worked in Teton County, Wyoming at least two (2) years immediately prior to becoming hospitalized.

b. Citizenship

At least one (1) member of the household must be a U.S. Citizen or be hold a Lawful Permanent Residency card in the United States in order to qualify to purchase a restricted housing unit.

c. Age

At least one (1) member of the household must be eighteen (18) years of age.

d. Financial Ability

The Household must qualify without a cosigner for a loan through an institutional lender to purchase a restricted housing unit.

1. Contingencies

Any contingencies on lender's qualification may be a cause for the Housing Department to deny qualification to the household. If a contingency requires the household to sell a home prior to the purchase of a restricted housing unit, it will be disclosed to the seller, and the seller will have the option to deny going under contract with the selected household.

2. Disclosure of Financial Gifts

Financial gifts received by the household must be disclosed to the Housing Department and will be counted toward household net assets. A letter from the gift or certifying the gift and the amount of the gift will be required.

3. Use of Retirement Savings for Down Payment

Down payment funds that are withdrawn from retirement accounts will be counted toward household net assets.

4. Qualified Mortgages

All liens that encumber the property must be ‘qualified mortgages’ made by a ‘qualified mortgagee’ or will not be secured by the property (See 0: section 9. Definitions).

3-3. Eligibility

Households may be required to meet one or all of the following eligibility criteria to be eligible to purchase, rent and / or occupy a housing unit. The restriction on the housing unit and / or the specific housing program will determine if additional eligibility requirements apply.

a. Household Income

Eligibility Criteria differs between units that are targeted to different affordability ranges. The “Household Income and Asset Chart” that sets income and asset requirements is updated annually and published on the Housing Department website. It can also be obtained from the Housing Department.

1. Affordability Ranges

Below are the affordability ranges based on percentage of Median Family Income (MFI) as calculated by the U.S. Department of Housing and Urban Development (HUD). Legacy units restricted prior to 2018 adoption of Housing Mitigation Standards in the LDRs used different “income categories.” These income categories will still apply to legacy units that set out these income categories in the unit’s restrictive covenants.

a. Affordable and Affordable Rental

Legacy Units developed prior to 2018 adoption of Housing Mitigation Standards

0 – 80%	Category 1
80% – 100%	Category 2
100% – 120%	Category 3
120% – 140%	Category 4
140%– 175%	Category 5

175% – 200% Category 6

Rental units developed after 2018 adoption of Housing Mitigation Standards

0 – 50%

50% – 80%

80% – 120%

>120%

Ownership units developed after 2018 adoption of Housing Mitigation Standards

50% - 80%

80% – 120%

>120%

b. Legacy Attainable Units

Category 2 = <=120%

Category 3 = <=140%

Category 4 = <=175%

c. Employee

Legacy Units developed prior to 2018 adoption of Housing Mitigation Standards

Households are eligible for these Employee housing units if they make up to 120% MFI. If this is inconsistent with the deed restriction recorded on the particular Employee Housing Unit, the deed restriction shall supersede these *Housing Department Rules and Regulations*.

d. Employment-Based

There is no income eligibility for Employment-Based units. However, at least 75% of the household's combined income must be earned from a business or organization located in Teton County continuously during ownership. If one (1) person in the household is at the age the Social Security Administration allows a person to begin receiving Social Security, their income will no longer be used to calculate the 75% of household income from a local business.

e. Workforce Housing Program

There is no income eligibility for Workforce housing units. However, at least 75% of the household's combined income must be earned from a business or organization located in Teton County continuously during ownership. If one (1) person in the household is at the age the Social Security Administration allows a person to begin receiving Social Security, their income will no longer be used to calculate the 75% of household income from a local business.

f. Other Restricted Housing Units

Income eligibility for other restricted housing units may be set out in restrictive covenants that apply to the particular restricted housing unit.

2. Calculation of Income

Household income is based on the current income earned by all intended adult occupants of the restricted housing unit at estimated closing date and is calculated by the Housing Department using the current household income to estimate an annual (12 month) income basis. W-2 earners who have inconsistent incomes and have the same jobs as prior years will have their income averaged over three (3) years or less if less than three (3) years were worked. Households must use their current income and may not make changes or adjustments to earnings in order to fit into a category. Any changes to income must be given to the Housing Department prior to the initiation of a weighted drawing process in order to be eligible to enter the weighted drawing.

a. College-Aged Children

The income of adult children who are members of the household and who are attending college will not be counted.

b. Business Income

Gross income is used minus cash expenses

Businesses that do not have 2 full prior years of income:

1. Tax returns are used to get gross income earned in the first year of business minus cash expenses (if taxes have not been paid, the Profit and Loss will be used for that year to get gross income minus cash expenses). The gross income will be divided by the number of months the business was operating during that year. That number will be multiplied by 12 to get one year of income for the first year.

2. If the business has a full year of income in the second year of operation, the tax returns will be used to get gross income minus cash expenses. This will be the income for the second year.
3. If there is no income for the current year. The first and second years will be averaged.
4. If there is income for the current year, the Year to Date (YTD) Profit and Loss will be used to get gross income minus cash expenses. The gross income will be divided by the number of months to date in the current year. That number will be multiplied by 12 to get one year of income for the current year.
5. The current year will then be averaged with the past year(s).
6. If there is only the current year, the current year number will be used.

Businesses that have 2 full prior years of income:

1. Tax returns will be used for each of the 2 prior years.
2. The gross income minus cash expenses for each year will be used.
3. For the current year, the YTD Profit and Loss will be used. The gross income minus cash expenses divided by the number of months to date in the current year to get average monthly income. The average monthly income will be multiplied by 12 to get one year of income for the current year.
4. The current year will be averaged with the 2 prior years.
5. If there is no income for the current year, Step 1 will be used to calculate for 3 prior years and the 3 prior years will be averaged.
6. If the third prior year is the first year the business was operating, tax returns will be used to get gross income minus cash expenses. The gross income will be divided by the number of months the business was operating in that year to get average monthly income. Average monthly income will be multiplied by 12 to get one full year for the first year in business.

Seasonal Businesses:

1. The steps above will be used to get average monthly income. The average monthly income will be multiplied by 12 to get one full year of income.

c. Household Members

All individuals who are intending to occupy the unit must be included on the application. All adults not attending college and/or age 25 or older must include income and assets on the application. For Affordable units adults not listed on the application may not reside in the home within the first year and without prior

approval from the Housing Department. For Workforce units, additional adults may reside in the home at any time, but the household must qualify and have approval from the Housing Department. No approval will be given to either Affordable or Workforce owners without all adult occupants signing an Occupancy Agreement. For Affordable units, divorces must be finalized prior to closing on the home. For Workforce units divorces are not required to be finalized, and applicants are allowed to apply without their spouse, and the spouse's income/assets, etc. will not be counted.

b. Household Net Assets

Eligibility for some restricted housing units is also based on a qualifying household's net assets.

1. Calculation of Net Assets

Household net assets include the value of all assets over \$500 in value including, but not limit too, bank accounts, investment accounts, life insurance, furniture, automobiles, jewelry, computer equipment, real estate, and recreational equipment; less any debt the household has. Net assets do not include retirement accounts unless money will be withdrawn to be used as a down payment or closing costs. Business assets are limited to liquid assets.

Total household net assets shall not exceed two times the four-person household Income requirement for the income category of the housing unit. All household members' shares of liquid business assets shall be included in determination of total household net assets. Net assets of all household members shall be combined in determination of total household net assets. See the "Household Income and Asset Chart" for net asset thresholds, which is updated annually and published on the Housing Department website. A copy may be obtained from the Housing Department.

Rental units do not have asset limits.

2. Ownership of Real Property

a. Ownership at Time of Application:

At the time of application, a Household may own other undeveloped or developed residential or commercial property. The fair market value of such property will be taken into consideration when determining household net assets. A price opinion using a market analysis will be obtained by the Housing Department through a local real estate firm within thirty (30) days from the date of submittal of an application for a restricted housing unit to determine fair market value of the other

undeveloped or developed property. The owner of the property will be solely responsible to pay for the price opinion in conjunction with submittal of the Housing Department Application.

1. Ownership of Commercial Property

A household will be able to maintain ownership of commercial property.

2. Designation of Mobile Homes

Mobile homes situated in a mobile home park or on other land with hook-ups to water/sewer and electricity will be considered residential property, and thus, will be required to be sold as with other residential property. If the mobile home is not situated in a mobile home park or other land with hook-ups to water/sewer and electricity, it will only be considered an asset.

3. Rental Income and Rental Assets

Rental income from any residential real estate will be counted toward household income and the asset will be counted toward net assets.

d. Required Sale of Residential Property

Once under contract for a restricted housing unit, the qualifying Household must list residential property (developed or undeveloped), located within 150 miles driving distance from the Town of Jackson, for sale at a price commensurate with the price opinion. If the property has not sold or is not under contract after one year from the listing date, within 30 days of the year expiring, another price opinion will be obtained. If the price opinion is lower than the listed price, the owner will have 30 days from the date of the price opinion to lower the asking price to that of the price opinion. If after 24 months from the date first listed, the property still has not sold or gone under contract, the Housing Manager of the Housing Department will issue an analysis of the property with a determination of the salability of the restricted housing unit along with the next steps required. A copy of the analysis will be provided to the owner, and the owner will have the opportunity to appeal the determination of the Housing Authority Board. The owner may be required to sell their restricted housing unit if the residential property has not sold.

3. Disposition of Assets

Any member of a household who has assigned, conveyed, transferred or otherwise disposed of property or other assets within the last two (2) years in order to meet the

net asset limitation or the property ownership limitation shall be ineligible to purchase a restricted housing unit.

c. Readiness to Purchase

Individuals purchasing a restricted housing unit must demonstrate readiness to purchase by showing the following:

1. Contingencies

Contingencies on lender's qualification must be approved by the Housing Department prior to entering a weighted drawing. Such contingencies include but are not limited to requirement to sell property, requirement to prove down payment via account statement, gift letter or other, and requirement to pay off debt. Examples of proof of down payment are a letter from a family member who may be providing a gift or a bank statement showing funds available.

2. Age

At least one individual in the household must be at least 18 years of age.

3. Execution of Legally Binding Contract

Individuals must be capable to legally enter into a contract.

d. Homebuyer Education

Completion of the Homebuyer Education course is required to meet eligibility criteria to enter a weighted drawing for a restricted housing unit and/or purchase a restricted housing unit. The required course is offered by Wyoming Housing Network or another Housing Department approved organization.

e. Online Intake Form

The Online Intake Form must be completed prior to entering a weighted drawing for a home. Completion of this form will put a household on the Housing Department's email list, and the household will begin receiving emails with information about homes when they are available. All advertising of homes available will be done through email to those who have completed the Online Intake Form and on the Housing Department website. The online Intake Form can be found on the Housing Department's website: jhaffordablehousing.org. This form must be

completed in its entirety and updated at least annually. It cannot be completed or updated during a weighted drawing process for a unit in the Affordable Program that the household wishes to enter. The Online Intake Form does not enter a household into a weighted drawing. The weighted drawing is a separate process. See Section 4: Weighted Drawing.

SECTION 4. WEIGHTED DRAWING

The Affordable and Workforce Housing requirements may utilize the weighted drawing process to select a qualified household using the procedures listed below. The weighted drawing will be advertised on the Housing Department website, jhaffordablehousing.org, and via email to all households that have completed the Online Intake Form. See Section 3-3e: Online Intake Form.

4-1. Minimum Occupancy Requirement

In order to ensure that the units meet the intended goals of housing the Teton County workforce and are consistent with mitigation requirements, the following occupancy requirements for units in the Affordable Program are:

Studio:	One (1) or two (2) people
One-bedroom:	One (1) or more people
Two-bedroom:	Two (2) or more people
Three-bedroom:	One (1) or two (2) adults with two (2) or more dependents For rental units; 3 or more people
Four-bedroom:	One (1) or two (2) adults with three (3) or more dependents For rental units; 4 or more people

There are not minimum occupancy requirements for units in the Workforce Housing program, except that if a household enters a drawing and meets the minimum occupancy requirements in accordance with the requirements for the Affordable Program, the household will be given one (1) point (entry) in the drawing.

For purposes of counting household size, children or adult dependents must live with the household and be claimed as a dependent on Federal Income tax returns.

Any deviation from the minimum occupancy requirements must be approved prior to the drawing through the exception process.

4-2. Weighted Drawing Points

Eligible households receive points that will determine the number of entries the household will receive in the weighted drawing. One (1) point equals one entry in the weighted drawing. One (1) point is assigned for each full year of consecutive full-time employment at a local business

immediately prior to entering a weighted drawing, with a maximum of ten (10) points. One (1) point is assigned for each qualified critical services provider with a maximum of two (2) points. One (1) point is given to a household who enters a drawing for a unit in the Workforce Program and meets the minimum occupancy requirements in accordance with the requirements for units in the Affordable Program. The total maximum points a household can receive is thirteen (13). Households are not eligible to enter a weighted drawing until they have one (1) full year of full-time employment in Teton County for a local business or one (1) point.

Points are given based on one person in the household. Years working in Teton County cannot be doubled up and must be verifiable. For example, a two-person household, one of which has been employed in Teton County for two years and the other for four years, would be assigned four (4) points.

a. Employment

At least one member of a household must be employed full-time in Teton County at a local business. Full-time employment is defined as at least one thousand five hundred sixty (1,560) hours per year or an average of at least thirty (30) hours per week. Employment exemptions found in Section 3-2 apply.

1. Interruption of Employment

Interruption of employment will be allowed in special circumstances if other employment criteria are met in Teton County, Wyoming at least two (2) years immediately prior to the interruption of employment. Interruption of employment will only be allowed for a maximum period of two (2) years. Points will not be given for the time period during the interruption of employment. Points will be given for years employed full-time at a local business immediately prior to the interruption of employment. To obtain points for prior employment, a household must have reestablished full-time employment at a local business within one (1) month upon termination of the reason for the interruption of employment. Reasons for allowed interruption of employment include: caring for a sick or disabled immediate family member, attending secondary school, and hospitalization. Verification documentation of the reason for interruption of employment will be required to obtain points for prior employment.

b. Additional Points

1. Critical Services Provider

Qualified critical services providers, as defined in 0: section 9. Definitions, may be eligible for a maximum of two (2) additional points. Any household may not receive more than two (2) points. However, if a household has one (1) person who qualifies as a critical services provider for two (2) organizations, they will receive two (2) points.

The following conditions must be met to receive the critical services provider designation and priority:

a. Critical Services Provider Designation

Organizations who believe their employees or volunteers meet the definition of critical services provider can apply to the Housing Department to become an approved critical services provider organization and have certain job positions deemed ‘qualified.’ The Teton County Board of County Commissioners and the Jackson Town Council will approve or deny critical services provider organization applications.

1. Required Documentation

Employees who work in these “qualified” positions for approved critical services provider organizations can enter a weighted drawing and receive additional points. These individuals must submit a “Critical Services Provider Supervisor Questionnaire” along with their weighted drawing entry documents. These will be held on file for a period of six months before needing to be updated. The Housing Department will contact the CSP’s supervisor to update the Supervisor’s Questionnaire.

b. One Year of Full-Time Employment

A qualified critical services provider must earn one (1) point for one (1) year of full-time employment in Teton County at a local business prior to receiving points as a critical services provider.

c. Approval Process

Applications received by the Housing Department for approval as Critical Services Provider Organizations will be processed by staff. The Housing Manager will make a recommendation to the Jackson/Teton County Housing Authority Board who will approve or deny the application.

c. Accessible Units

Priority will be given to households with member(s) who are mobility impaired. If more than one weighted drawing entry is received for Accessible units, a weighted drawing will be held. If no households with members who have mobility impairments apply, the weighted drawing will be held with all other applicants.

d. No Qualified Entries

After a weighted drawing where no qualified entries exist, the unit will be offered again in a weighted drawing. It will be open to households in the next tier of the minimum occupancy requirements. If there are still no qualified entries, the home will be offered first come, first served. The first qualified household to submit a complete application will have the opportunity to purchase.

e. Drawing Results

Drawing results are kept on file with the Housing Department and may be requested by the public.

SECTION 5. PURCHASE AND SALE STANDARDS AND PROCEDURES

5-1. Sale and Resale Standards

a. Applicability

Each restricted housing program dictates both the initial sales price and the maximum resale price. The restrictions for each unit should be consulted for exact details.

1. Affordable Housing Program

For the Affordable housing program, these *Housing Department Rules and Regulations* set out how to determine both the initial sales price and the maximum resale price.

2. Employment-Based Housing Program

The initial sales prices and maximum resale prices for Employment-Based housing units are determined by these *Housing Department Rules and Regulations*.

3. Workforce Housing Program

The initial sales prices for Workforce housing units are negotiated between the owner and the buyer. After the initial sale, the value will appreciate according to the Denver-Aurora-Lakewood CPI with a maximum of 3%. If the Denver-Aurora-Lakewood CPI no longer exists, another similar index will be used.

4. Attainable Housing Program

The Attainable housing program does not place limits on sale or resale prices, but buyers still must meet the qualification and eligibility rules laid out in Section 3: Qualification and Eligibility.

5. Other Programs

For other restricted housing units, the property's restrictions clarify how the sale and resale prices are configured.

6. Rental Rates

For information on maximum rental rates permitted by the rental housing programs, see Sections 5-2 and 6.

b. Maximum Sales Price

The Housing Department updates the maximum sales prices for Affordable housing units obligated by the LDRs on April 1st of each year. The maximum sales prices are available on the Housing Department's website or at the Housing Department. The methodology listed below shall determine the maximum sales prices. The intent of the maximum sales prices is to ensure initial and long-term affordability.

1. Median Family Income

Each year, the U.S. Department of Housing and Urban Development (HUD) releases Median Family Income figures for Teton County, Wyoming. The Housing Department uses this data to determine household incomes for the applicable restricted housing units based on number of bedrooms and persons per bedroom.

2. Household Size

The Household Size for determining maximum sales price is based on number of persons per bedroom in the applicable restricted housing unit.

3. Affordability Range

The household income for the applicable restricted housing unit is set at the middle of the affordability range to ensure affordability. For example: the income range for affordability range 3 is 81% - 120% MFI; therefore, an income of 100% MFI would be used in calculating the maximum sales price.

4. Percentage of Income

The national standard for household affordability is that a household does not pay more than 30% of its gross income toward housing costs. Therefore, monthly payments (including principle, interest, taxes, insurance and HOA dues) cannot exceed 30% of the Median Family Income for each affordability range.

5. Maximum Sales Price Calculation

The maximum sales price for a restricted housing unit is determined by calculating 30% of a qualifying household's income, using the following assumptions:

- 22% of household income covers principal and interest,
- 8% of household income covers HOA dues, taxes, and insurance,
- Assumptions for the mortgage include: 30-year mortgage, 5% down payment, 20-year rolling average interest rate for a qualifying household earning the median of the applicable income category.

6. Potential Variability of Maximum Sales Price

- The maximum sales prices will be lower if the unit is below grade, or if there is no garage.
- If an owner is determined to be in default of their restrictions, the Housing Department will have the option to purchase the property for a purchase price equal to the maximum resale price or the appraised value, whichever is less, subject to the Housing Department's ability to limit appreciation and/or reduce proceeds, and on such other terms as are provided in the restrictions.
- If an owner is found to be in default of their restrictions, the Housing Department may cease the appreciation of the property when determining the maximum resale value beginning on the known date the owner began being in default.

c. Maximum Resale Price

The intent of the maximum resale price is to ensure long-term affordability of the restricted housing units at resale. The maximum resale price (MRP) shall be the original purchase price (OPP) with the following adjustments:

1. Appreciation 3% or Denver-Aurora-Lakewood CPI

Appreciation of the value of the restricted housing unit is based on the Denver-Aurora-Lakewood CPI each year not to exceed 3%. The latest published numbers for Quarter two (2) and Quarter four (4) of each year will be used unless the deed restrictions or ground lease specifically reference an alternative appreciation method or no measured appreciation.

The following standards apply:

a. Date of Purchase

Date of purchase is defined as seller's original closing date (date seller purchased the restricted housing unit). If the closing date is on or after the 15th of the month,

the month is not counted for prorating the value. If the closing date is before the 15th of the month, the entire month is counted.

b. Proration

Three (3) months will be added to the date that the “Letter of Intent to Sell” is received and will be considered the estimated closing date.

c. Date of Receipt of Letter of Intent to Sell

If the Letter of Intent to Sell is received on or before the 15th of the month, the entire month is counted. If the “Letter of Intent to Sell” is received after the 15th of the month, the month will not be counted. Each eligible whole month will be prorated.

d. Denver-Aurora-Lakewood CPI

The CPI used to calculate maximum resale prices in some restrictions is the Denver-Aurora-Lakewood (formerly Denver-Boulder-Greeley) CPI. New figures are published by the Colorado Department of Labor and Statistics twice a year, normally in March and August. In calculating the allowed maximum appreciation of a home, the latest reported figure will be averaged with the other reported figure for the year and used up to the date new figures are released. Once a Facilitation Agreement has been signed, new figures will not affect the maximum resale price. If the Denver-Aurora-Lakewood Colorado CPI ceases to exist, a comparable index will be used.

e. Northwest Wyoming Cost of Living Index

The NWCLI figure used to calculate maximum resale prices in some ground leases is obtained from the Wyoming State Division of Economic Analysis and is calculated with All Items minus Housing. It is updated quarterly and released generally in June for the First (1) Quarter, October for the Second (2nd) Quarter, December for the Third (3rd) Quarter and March for the Fourth (4th) Quarter. The latest reported figure will be averaged with the other reported Quarters of the year and will be used up to the date the new figures are released. Once a Facilitation Agreement has been signed, new figures will not affect the maximum resale price. If the NWCLI ceases to exist, a comparable index will be used.

f. Flat Appreciation Rate of 2.5 Percent

The flat appreciation rate of 2.5% found in some restrictions is not based on an index. Rather, it is based on an analysis of incomes over 20 years, where it was found that incomes rose on average by 2.5% per year.

2. Cost of Actual Capital Improvements

Restricted housing units that have deed restrictions or ground leases allowing for improvement credits can add the value of these improvements to the appreciated value to calculate the MRP based on the following.

Credit for capital improvement expenditures on the restricted housing unit given at resale will be no more than 10% of the OPP of the home except where the Housing Department has determined otherwise. All capital improvements must be pre-approved by the Housing Department and properly permitted and inspected by the Town of Jackson or Teton County Building Official. Approval/disapproval must be determined prior to actual construction to be considered at time of sale. Improvements done without prior approval will not be considered for capital improvement credit. It is the owner's responsibility to secure any approval necessary from the restricted housing unit's Homeowners Association and obtain any necessary permits prior to undertaking any Capital Improvement. Please consult Section 5-1.e: Capital Improvement Standards for more details.

3. Depreciated Costs of Capital Improvements

The depreciated costs of Capital Improvements can be added to the appreciated value to calculate the MRP, so long as they do not exceed ten percent (10%) of the OPP or as determined by the Housing Department on a project-specific basis. All capital improvements will be depreciated as applicable according to the Marshall and Swift Residential Cost Handbook or a similar resource.

4. Maintenance Adjustment

Households are required to keep restricted housing units in a properly maintained state. Housing Department staff and/or a third-party inspector hired by the Housing Department will inspect the property after receiving the "Letter of Intent to Sell" from the owner. The inspector will provide an inspection report to the Housing Department. The Housing Department may require the owner to repair or replace items on the inspection report. The buyer also has the opportunity to inspect the property and provide the Housing Department with a list of items. If required repairs, replacement, or cleaning are not made by the owner prior to the Housing Department's final

walkthrough two (2) business days before closing, the Housing Department will estimate the costs at its sole discretion, and an adjustment may be made to the seller's proceeds or to the maximum resale price. These funds will either be given to the buyer to make the repairs or held by the Housing Department at the Housing Department's sole discretion. If funds are given to the buyer, the buyer will be expected to make the repairs on their own. If the repairs are not made, the buyer will be charged when they sell the home. If the Housing Department holds the funds, the buyer will be reimbursed based on receipts received from the buyer. If any funds remain after the repairs are completed, they will be released to the seller.

5. Other Costs

Any additional costs allowed by the Housing Department pursuant to the policies in effect on the date of the restricted household's "Letter of Intent to Sell."

d. Selling Procedures

All restricted housing units shall be sold in accordance with applicable restrictions and/or these *Housing Department Rules and Regulations* as determined by the Housing Department, Town and/or County, which may vary depending on the specific housing program under which the restricted housing units were created.

1. Letter of Intent to Sell

The seller shall submit a completed Letter of Intent to sell form to the Housing Department to begin the selling process. The form can be found on the Housing Department's website or can be obtained from the Housing Department. The Housing Department staff will set up a meeting with the seller to review the selling process and the seller documents. The Letter of Intent must be submitted and the meeting with the seller must occur the week prior to the beginning of the weighted drawing entry period. See section 4. The seller shall be given the option to choose the Title Company. If the seller has no preference, the Housing Department will choose the Title Company. If the seller decides not to sell the unit after submitting the Letter of Intent to sell, the seller must reimburse the Housing Department for any costs the Housing Department has incurred. Once the contract has been signed by buyer and seller, both parties are legally bound by the contract.

2. Facilitation of Sale

The Housing Department facilitates the sales of restricted housing units to accomplish the sale according to the instructions in the Grund Lease/Deed Restriction and to provide a transfer to a Qualified Household. Specifically, the Housing Department facilitates sales of Affordable housing units, Employment-Based units, Workforce housing units, and Accessory Residential Units. Sellers will be required to enter into a Facilitation Agreement with the Housing Department to sell their home. The Facilitation Agreement must be executed prior to advertising the home for sale through a weighted drawing process.

3. Maximum Resale Letter

The resale price of the restricted housing unit shall be calculated according to its restriction and stated in the "Maximum Resale Letter." Maximum resale prices will be rounded to the nearest dollar. An official copy will be mailed, or hand delivered. A copy can be requested from the Housing Department by email or fax. The Maximum Resale Price shall be the only exchange of value between parties to any sale of the restricted housing unit. Any exchange of value outside the allowed sale price shall invalidate the sale.

4. Facilitation Fee (2%)

At the closing of the sale, the seller will pay to the Housing Department a fee equal to two percent (2%) of the sales price, unless otherwise instructed in the deed restriction, for facilitation services. The Housing Department may instruct the Title Company to pay such fees out of the funds held for the seller at closing. The Housing Department may also waive the fee, or a portion thereof, in its sole discretion.

5. Costs for Declining Initiated Sale

If the seller decides not to sell the restricted housing unit at any point before closing, the seller will be responsible for all advertising and/or other costs associated with listing the unit for sale.

6. Viewing of Unit

Once the weighted drawing is completed, the first household drawn will be contacted by the Housing Department and a time set up to view the unit. This viewing shall occur within five (5) business days of the household being notified that they were selected first in the drawing. The household will have two (2) business days to respond to the Housing Department's efforts to contact them to notify them that they were selected. A

phone call and an email will be sent to the household. If there is no response, the Housing Department will move on to the next household drawn. The seller is required to make the restricted housing unit available with reasonable notice on a minimum of two (2) occasions to show the property to the selected household prior to going under contract.

7. Inspection

The Housing Department will order a third-party inspection to be done on the home by a qualified home inspector. The inspection information/report is for the use of the Housing Department and will not be released to any buyer. Buyers shall have the option to order their own inspection to be done on the home. It is the Housing Manager's sole discretion as to whether items found by an inspector will be required to be repaired. A list of items required to be repaired will be given to the seller by the Housing Department. The seller is expected to have the items completed no later than three (3) business days prior to the closing date.

8. Complete Application

The household shall have five (5) business days from the day they are notified that they were selected first in the drawing to submit a complete application to the Housing Department. The Checklist for Complete Application and Application form can be obtained from the Housing Department's website or from the Housing Department. The Housing Department reserves the right to request additional documentation when verifying a Household's eligibility and qualification. If for any reason the buyer cannot close within three (3) weeks of the seller's timeline, the seller may choose to move on to the next household drawn.

9. Qualification

The Housing Department shall review the application and supporting documents and calculate income, assets, and hours worked to verify eligibility and qualification. This process normally is complete within five (5) business days of receiving the application. However, it may take longer in unique circumstances. Once the Housing Department completes the review and verification of eligibility and qualification, the applicant is notified of approval or denial. If the applicant does not qualify, the next household drawn in the weighted drawing will be notified and the process will start over.

10. Qualified Household Meeting

When the Housing Department has identified a qualified household who wishes to move forward with the purchase of the home, the qualified household will have five (5)

business days to attend a meeting to review the purchase process and purchase documents, which include the Contract for Purchase and Sale of Residential Real Estate or Residential Improvements in the case of a Ground Lease and the buyer's Facilitation Agreement. The applicant has five (5) business days from the meeting day to review and execute the purchase documents and return them to the Housing Department with earnest money as called for in the Contract. If the contract is not signed and returned within five (5) business days, the next household selected in the drawing will be notified and given the option to purchase the home if qualified.

11. Final Walk Through

The seller shall be notified immediately upon receipt of the signed contract and earnest money to execute the contract. The seller shall have two (2) business days to return the signed contract or the closing may be delayed. A copy of the contract and the earnest money are then delivered by the Housing Department to the Title Company. Final Walk Through

A final walk through will occur generally two (2) business days prior to the closing date. If the Housing Department finds maintenance or repair items that have not been completed, the Housing Department will estimate the costs of the maintenance/repair items and withhold funds from the seller's proceeds. The funds are then given to the buyer and the buyer is responsible for completing the maintenance/repair items.

12. Closing

The closing will be held on or before fifty (50) days from complete execution of the Contract. The Buyer will take possession of the unit on closing day.

e. Capital Improvement Standards

1. Approval Required

Owners must receive written approval from the Housing Department prior to beginning the work in order to receive credit for the capital improvement. To obtain approval, the "Request for Capital Improvement" form must be submitted along with estimated costs and drawings and/or plans and a narrative of the work to be done. Once the improvement is complete, copies of all receipts for materials and labor must be given to the Housing Department. No credit will be given for sweat equity.

2. Workmanlike Manner

All improvements whether approved Capital Improvements or other must be built in a workmanlike manner, and according to Town of Jackson or Teton County building codes. All required permits and completion releases must be obtained from the Town or County. Any owner that does capital improvements without obtaining the proper permits or if it is determined at the Housing Department's sole discretion that the improvements have not been done in a workmanlike manner may be required to make repairs or remove the improvements and return the home to its original condition.

3. Approved Capital Improvements

A Capital Improvement is an improvement done to the home for which the homeowner can receive credit. The capital improvement requires an expenditure that either increases the value of the property or extends its life expectancy but is not a luxury item. The term "approved capital improvement" shall only include the following:

- Fixtures erected, installed or attached as permanent, functional, non-decorative improvements to real property, excluding repair, replacement and/or maintenance improvements;
- For the benefit of seniors and/or handicapped persons;
- Health and safety protection devices (including radon);
- Adding and/or finishing of permanent/fixed storage space;
- Finishing of unfinished space;
- Landscaping; Adding trees, shrubs, lawn, patio, walkways, or sprinkler systems;
- Decks and balconies, and any extension thereto;
- Partial credit may be given for upgrade improvements that will increase the life of the component as compared to the original product or increase the long-term affordability of the home.

4. Improvements Not Approved for Credit

Permitted capital improvements shall not include the following:

- Jacuzzis, saunas, steam showers and other similar items;
- Upgrades or addition of decorative items, including lights, window treatments and other similar items;

- Upgrades of appliances, plumbing and mechanical fixtures, carpets and other similar items included as part of the original construction of a unit, unless replacement is shown to improve the lifespan of the component or the long-term affordability of the restricted housing unit.
- Repair and Maintenance Items – a repair or maintenance item is an expenditure that restores a property to a sound state.

f. Resale and Transfer Limitations

1. Transfer of Title

Transfer of title is not allowed unless approved by the Housing Department. To apply for approval, owners need to complete the Housing Department’s “Request for Transfer of Ownership (Title)” form and submit it to the Housing Department along with a fee in accordance with the Housing Department Fee Schedule published annually, which covers legal and recording fees. In some cases, a complete application will be required to be submitted for qualifying purposes.

a. Divorce

In the event of the divorce of an owner, the Housing Department may consent to the transfer of the residential unit to a spouse of an owner, which spouse may not otherwise qualify as a qualified household, only upon receipt of an order issued by a Court of competent jurisdiction ordering such transfer.

b. Death

In the event of the death of an owner, the Housing Department may consent to the transfer of the residential unit to an heir or devisee of such deceased owner, which heir or devisee may not otherwise qualify as a qualified household only upon receipt of an order issued by a Court of competent jurisdiction ordering such transfer.

c. Nonqualified Transferee

If title to the restricted housing unit vests in a nonqualified transferee, as defined in these *Housing Department Rules and Regulations* Section 3-2: Qualification, the restricted housing unit shall immediately be listed for sale in accordance with the restrictions and the *Housing Department Rules and Regulations*. The following shall apply when the Housing Department determines there is a nonqualified transferee:

1. Cooperatio with the Housing Department

A nonqualified transferee shall cooperate with the Housing Department to affect the sale, conveyance or transfer of the restricted housing unit to a qualified household (or the Housing Authority in the event of its exercise of its option to purchase) and shall execute any and all documents necessary to such sale conveyance or transfer.

2. Compliance with Restriction

A nonqualified transferee shall comply with the restrictions, the *Housing Department Rules and Regulations*, and all other covenants regulations, ordinances, statutes, laws, or rules governing the ownership, occupancy, use, development or transfer of the restricted housing unit, and further may only occupy the restricted housing unit with the prior written consent of the Housing Department.

2. Trusts

Restricted housing units may not be put into any type of a trust. This is the equivalent of transferring ownership, and trusts are not qualified to be the owner of a restricted housing unit.

3. Nontestamentary Transfer on Death

A “Nontestamentary Transfer on Death “deed is allowed to be recorded on restricted housing units, and must include the following:

a. Beneficiary

It conveys an interest in real property to a beneficiary designated by the owner and states the deed is effective upon the death of the owner.

b. Subject to Encumbrances

It must be subject to all other encumbrances on the property to which the owner was subject to during their lifetime, including the Restrictions on the property.

c. Approval by Housing Department

The Housing Department must approve the document before recordation.

4. Title

All adults who occupy the restricted housing unit for more than 30 accumulative days in a calendar year, except for children attending college, must sign an Occupancy Agreement along with the Owner. Situations that require an Occupancy Agreement

include but are not limited to marriage, a significant other moving in, a friend moving in, renter etc. Additions and removal of names on the title constitute a transfer of title. The Housing Department must approve all transfers of title. An adult may not be moved into an Affordable unit for at least one year after closing and only with approval from the Housing Department. Adults may be moved into workforce units prior to one year, however, the household must be qualified and approved by the Housing Department. Buyers will be required to sign an Occupancy Agreement at closing.

g. Other Sale and Resale Standards

1. Privy to Purchase and Sales Agreement

Sellers and buyers shall provide a copy of the “Purchase and Sale Agreement” to the Housing Department. All financial information shall remain confidential, except as follows:

a. Public Records

Any document that would customarily be a matter of public record in the public records of Teton County, Wyoming, and is subject to the Wyoming Public Records Act;

b. Weighted Drawing Positions

The names and positions of all persons who have participated in any Rental Weighted drawing held under these *Housing Department Rules and Regulations*;

c. Freedom of Information Act or Wyoming Public Records Act

Any other information, which a court of competent jurisdiction rules must be released under the Freedom of Information Act or the Wyoming Public Records Act; and

d. Audits

In addition, the Housing Department may allow access to personal and private information to any person or entity undertaking an independent audit of the records kept under these *Housing Department Rules and Regulations*, provided that such person or entity agrees to be subject to this confidentiality provision.

2. Independent Legal Counsel

All sellers and buyers of restricted housing units are advised to consult independent legal counsel to examine all contracts, CC&Rs, deed restrictions, agreements, affidavits, closing statement, title documents, etc. The retention of such counsel, or related services, shall be at the seller's and buyer's own expense. The sellers and buyers and/or their attorneys will not be allowed to make changes to Housing Department documents. A "Buyer's Acknowledgement" form will be required to be signed prior to closing acknowledging recommendation to obtain legal counsel. The "Buyer's Acknowledgement" form will be provided to the buyer for review prior to closing.

3. Title Company

The Housing Department advises sellers to use a title company and escrow agent located in Jackson, Wyoming to close the transaction because of their expertise with the Housing Department's restricted housing programs and their unique and technical closing documents. The seller and buyer shall authorize the Housing Department to review the "Settlement Statement" prior to closing. Sellers can select a title company and escrow agent of their choice. If no title company is indicated, the Housing Department will select one.

4. Lenders

a. Approved Lending Institutions

Borrowers are restricted to the following lending institutions licensed to engage in mortgage lending practices in the State of Wyoming:

1. Institutional Lender

An "institutional lender" such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan association or insured credit union), an insurance company, or any combination of the foregoing, the policies and procedures of which Institutional Lender are subject to direct governmental supervision; or

2. Community Loan Fund

A "community loan fund", or similar non-profit lender to housing projects for income-eligible persons (e.g. is not given to or acquired by any individual person); or

3. Non-affiliated Legitimate Finance Company

A non-affiliated, legitimate, “finance company.” In no event shall such finance company be an individual or any company that is affiliated with or has any affiliation with the owner or any family member of the owner.

b. Required Down Payment and Loan to Value Ratio

The Housing Department requires that all buyers have at least 3.5% down payment on a purchase, and no refinance or second mortgage obtained after the original purchase is allowed to be higher than 95% loan to value.

c. Debt to Income Ratio

The total debt to income ratio for a household may not exceed 45%.

d. Qualified Mortgage

Lenders may submit a “Qualifying Mortgage” form to the Housing Department to have the mortgage deemed a “qualifying mortgage.” When submitting a qualified mortgage request, a copy of the title commitment and the Transmittal Summary (HUD Form 1008), or other documentation containing the same information, is required to be attached. The “Qualifying Mortgage” form can be obtained from the Housing Department or from the Housing Department’s website.

For homes that do not have a measured appreciation, such as Attainable homes, an appraisal recognizing the restriction on the property is required.

The Housing Department reserves the right to require additional information before approving a mortgage as a “qualifying mortgage”.

5. Total Debt

Owners shall not incur debt, liens or other obligations secured by the restricted housing unit that exceed 95% of the Original Purchase Price of the unit and shall notify the Housing Department immediately when a change in the total of these secured obligations is anticipated. No second mortgages, including but not limited to home equity lines of credit, shall encumber the restricted housing unit without advance approval by the Housing Department.

6. Co-Ownership

Any co-ownership arrangement other than Joint Tenancy or Tenancy-In-Common must be approved by the Housing Department. All adults occupying the unit, with the exception of children attending college, must sign an Occupancy Agreement.

7. Co-Signors

Co-signors are guarantors for payment of mortgage. If an exception to the “no co-signors” rule is granted, co-signors shall not occupy the unit. Co-signors are not co-owners, so they are not allowed on the title. No lien or security can be placed on the property besides the mortgage itself.

8. Homeowners Associations

The restricted housing unit may be subject to a Homeowners Association (HOA). All owners of restricted housing units are required to pay HOA dues, and potential special assessments and fees if applicable, unless otherwise exempted. HOA dues may be substantial and are factored into the maximum sales price. Homeowners Associations frequently have interests and regulations, other than the Restriction, that affects the restricted housing unit. It is the owner’s responsibility to be aware of these interests and regulations. Failure of an owner to comply with the HOA Rules and Regulations or CC&Rs constitutes default of the *Housing Department Rules and Regulations*.

9. Homeowners’ Hazard Insurance

Owners are required to keep hazard insurance on their homes for 100% replacement cost. Since the homes are subsidized, this amount could be more than the price of the home. Often times Homeowners Associations provide insurance. Depending on how much coverage the HOA provides, the owner may be required to provide additional insurance to guarantee complete replacement of the home. Ground lease properties are required to name the Jackson/Teton County Housing Authority as additionally insured.

5-2. Tenancy and Rental Standards and Procedures

To maintain the character of neighborhoods and respect the nature of the community, restricted ownership units are not allowed to be rented without prior approval from the Housing Department. This includes renting any portion of the dwelling, any room within the dwelling or the garage.

a. Primary Residence

Owners of restricted housing units shall maintain the home as their primary residence.

1. Occupancy Requirement

Households shall occupy their home full-time at least 10 months out of each calendar year.

2. Business Activity Restricted

Households who rent a restricted housing unit shall not engage in any business activity in such dwelling, other than any home occupation use permitted in that zoning district and as permitted in the Lease Agreement.

3. No Guests for an Extended Period

Households who own restricted housing units shall not permit any adult guests over the age of 18 for periods in excess of thirty (30) cumulative days per calendar year.

4. Leave of Absence

A one-year exception may be granted in cases of illness, short-term leaves of absence for education or training purposes, or other exigent circumstances with the advance written approval of the Housing Department.

a. Rental of Restricted Unit during Leave of Absence

If granted a leave of absence, the owner is allowed to rent the property according to the provisions below in Section 5-2.b.

b. Post Leave of Absence

After the restricted housing unit is rented for nine (9) months, owner will be required to notify the housing department in writing of either, (a) their intention to move back to the restricted housing unit upon expiration of the lease and/or the rent approval period; or (b) provide the housing department with a "letter of intent of sell" form, which will begin the selling process of the restricted housing unit.

If the owner chooses to sell the restricted housing unit instead of returning when the lease expires, there will be no accrual of appreciation during the term of the rental (this does not apply to medical emergencies).

b. Rental Procedures for Owner -Occupied Properties

The Housing Department may approve rental of space within owner-occupied Affordable, Employment-Based, and Workforce units when pressing circumstances exist. The owner must continue to occupy the unit, and the Housing Department must certify that the renter meets

the qualification and eligibility standards set out in Section 3: Qualification and Eligibility. A fee will be charged along with the request as set forth in the Annual Schedule of Fees.

1. Requests to Rent during Leave of absence

Approvals for “Requests to Rent” are given at the sole discretion of the Housing Department’s Housing Manager. Approvals to rent will only be given for a maximum period of one (1) year. Approvals to rent will only be given in unique and pressing circumstances.

a. Medical Emergency Documentation

Medical emergencies applicable to a restricted housing unit homeowner will require documentation using the “Housing Department Medical Emergency Leave” form to substantiate the need to leave the area.

b. Processing Fee

A fee will be charged to a restricted housing unit homeowner for a “Request to Rent.” A separate “Annual Schedule of Fees” document that is updated annually and published by the Housing Department provides the processing fee amount.

2. Qualification and Eligibility of Tenants

a. Qualified Household

Tenants shall be a Qualified Household according to the general Qualification and Eligibility Criteria contained in the recorded Restriction and these *Housing Department Rules and Regulations*.

b. Eligibility Criteria

Tenants shall meet the Eligibility Criteria with respect to Income and Assets that apply to the particular restricted housing unit in question at time of initial occupancy.

c. Verification of Qualification

Prior to signing a lease for or occupancy of a restricted housing unit, owner must provide the Housing Department with proof of the tenant’s qualification under the housing unit’s specific program prior to occupancy.

d. Recertification

Qualification and eligibility shall be recertified by owner of the restricted housing unit at any time there is a change in occupancy of the restricted housing unit or renewal of lease agreement.

3. Execution of Lease

Rental of restricted ownership units must be by a written Lease provided by the Housing Department. The Housing Department will retain a copy of the fully executed lease.

a. Rent Limitations

Rent charged while the owner is on leave will be limited to Fair Market Rents as published by HUD or total housing costs (mortgage payment, taxes, insurance, Ground Lease Fees and HOA dues), whichever is less.

b. Housing Department Fee

A fee will be charged by the Housing Department for a request to rent as set forth in the Annual Schedule of Fees updated annually and published by the Housing Department.

4. Requests to Rent a Room

Approvals to rent a room in a restricted unit are at the sole discretion of the Housing Manager and are only allowed in pressing circumstances. The following process will be followed:

a. Submittal of Request to Rent

The owner will submit a "Request to Rent" form to the Housing Department along with the associated fee as outlined on the fee schedule published annually by the Housing Department. The form can be found on the Housing Department website or from the Housing Department.

b. Approval by the Housing Manager

If the owner is in compliance with their restrictions, the Housing Manager will review the request to rent and approve or deny the request based on the circumstances. Approval can be given for a maximum of one year.

c. Identification of Tenant

When the owner has identified a potential tenant who they believe qualifies under the income, asset, and employment requirements of the restriction on the unit, the potential tenant is required to submit a complete application to the Housing Department.

d. Tenant Approval

The Housing Department will verify that the tenant qualifies under the income, asset, and employment requirement.

e. Lease Agreement

The Housing Department provides the Lease Agreement to be signed by the owner, tenant, and the Housing Department.

f. Notification of Termination of Lease

The owner is required to notify the Housing Department upon termination of the lease. If the owner still wishes to rent the room and still has approval from the Housing Department, the process will start again with Step c *Identification of Tenant*.

g. Rental Rates

The Housing Department will approve the rental rate based on the housing costs of the owner.

5-3. Purchase Procedures

a. Selection of Qualified Household

A unique process applies for selecting each qualified household within each housing program. The following sections provide specific details regarding each housing program. The restrictive covenant should be consulted for exact details.

1. Weighted Drawing

In the event that the Housing Department receives one or more weighted drawing entry sheets at the maximum resale price from qualified households during the weighted drawing entry period, the buyer will be selected according to preferences set for that particular Housing Program. In the event no weighted drawing entry sheets are received

during the weighted drawing entry period, the selection process would be determined either by a bid process or a “first come first served” process. The restrictions on the property clarify which selection procedure to use.

a. Errors

Every effort is made by the Housing Department to ensure fair and equitable lotteries. Lotteries are not drawn by the Housing Department. Housing Department staff compiles weighted drawing entry sheets with all eligible households included. The weighted drawing is drawn by outside counsel. On the rare occasion that an error is made in compiling or drawing of a weighted drawing, the error will be corrected, and the weighted drawing will be re-drawn.

5. Bid Process

If the restrictions require it, the qualified household submitting the highest bid price (not to exceed the maximum resale price) during the Bid Period shall have the first right to purchase the unit. The owner of the unit shall have the right to accept or reject the bid.

6. No Qualified Weighted Drawing Entries

Refer to Section 4-2.d. Other Sale/Resale Procedure

a. Owner Selection

If the restriction permits, the owner of the restricted housing unit may be allowed to select the qualified household. Other than verifying that the qualified household meets the qualification and eligibility requirements for the restricted housing unit, the Housing Department shall not have any authority to choose the buyer of the restricted housing unit unless authorized by the owner.

b. Attainable Housing Program Sale Procedures

1. Listing of Unit

When an owner wishes to sell an Attainable housing unit, they can either list the home with a realtor or for sale by owner.

2. Letter of Intent to Sell

The owner of the Attainable housing unit is required to submit a “Letter of Intent to Sell” to the Housing Department before listing or advertising the unit for sale.

3. Advertising

The owners will be responsible for advertising their Attainable housing unit for sale with the exception that the Housing Department will advertise the unit on their website at no cost to the owner.

4. Sale Price

There is not a maximum resale price for Attainable housing units. The owner will set the price with the understanding that the household who buys the unit will need to qualify under income, asset, and employment criteria. The price may be negotiated before entering into an agreement to purchase.

5. Purchase and Sale Agreement (Contract)

The buyer will be responsible for providing the “Purchase and Sale Agreement” at the time of making an offer to purchase an Attainable housing unit. The seller may make a counter offer that includes changes to the “Purchase and Sale Agreement.” The Attainable housing unit is under contract when an offer and/or a counter offer is accepted and both the buyer and seller have signed it. The “Purchase and Sale Agreement” must contain a contingency that the Housing Department must verify that the buyer is “qualified” to purchase the Attainable housing unit. The Housing Department will not deem a buyer “qualified” until a contract has been executed by the seller and the potential buyer.

6. Housing Department Privy to Purchase and Sale Agreement

A full copy of the fully executed Purchase and Sale Agreement shall be provided to the Housing Department. All financial information shall remain confidential except that the Housing Department will provide information concerning sales prices when needed.

7. Application for Qualification

- i. Time of Submittal: The Attainable housing unit must be under contract before the buyer provides an application to the Housing Department.
- ii. Time to Process: If the application is complete and thorough, the Housing Department will have a determination of qualification within five (5) business days of receiving the application. It may take longer if the Housing Department has to request further information from the applicant.

- iii. **Qualified Buyer Letter:** Once the household is deemed to be “Qualified” to purchase the Attainable housing unit, the Housing Department will provide a “Qualified Buyer Letter” to the applicant. This letter will be used to verify to the seller and the title company that the household is qualified to purchase the unit.
- iv. **Lenders:** See Section 5-1g.4: Lenders.
- v. **Closing:** The closing date and time is set between the sellers, buyers, financial institution, the title company, and the Housing Department. The buyers will be required to sign a “Buyer’s Acknowledgement” at the time of closing. This document will certify that the buyers acknowledge receiving a copy of the restrictions as well as agreeing to allow the Housing Department to release the sales price of the home, and also agreeing to the Housing Department’s right of first option to purchase the unit in case of default by signing a Power of Attorney in Case of Default.

b. Viewing of Restricted Housing Unit

The seller of the restricted housing unit will allow the potential buyer to view the unit to see that it meets their household’s needs. If the household decides to purchase the restricted housing unit, they will have the opportunity to inspect the unit further once it is under contract.

c. Submit Application

The potential buyer will have five (5) business days to submit a complete application. The required Housing Department documents are available from the Housing Department or from the Housing Department website.

1. Materials Included with Application

a. Housing Department Application for Restricted Ownership or Rental Housing.

The Housing Department “Application for Homeownership” is a three (3) page form with an additional two (2) pages made up of a “Certification and Oath” section that will need to be signed by all applicants and notarized, as well as an “Authorization to Release Information”

A sworn statement of the facts contained in the application will be required including at least the following certifications:

- That the facts contained in the application are true and correct to the best of the applicant's knowledge;
- That the applicant has been given the standard application information packet by Housing Department Staff; and
- That the applicant, on the basis of the application presented, believes the Household qualifies to occupy the restricted housing unit in question according to the restriction, these *Housing Department Rules and Regulations*, and all other applicable procedures.

This "Certification and Oath" is required to be signed by all applicants and notarized. There are public notaries available at the Housing Department.

d) Lender's Qualification Worksheet

A current "Lender's Qualification Worksheet" (within one year of the date the weighted drawing begins) is required to be completed by a lending institution. The "Lender's Qualification Worksheet" must be submitted to enter a weighted drawing. "Lender's Qualification Worksheets" may not be faxed; they can either be emailed or submitted in person or mailed by USPS. The worksheet must reflect a loan amount and down payment amount that is equal to or greater than the sale price of the home.

e) Credit Report

A three-bureau credit report including credit scores (not more than one year old) is required to help Housing Department Staff determine if the Household is financially healthy and able to make payments on a mortgage. The credit report also helps determine debt to income ratios.

f) Verification of Down Payment

An account statement or signed and notarized letter from someone supplying a gift, or other verification of funds for a down payment is required.

g) Verification of Hours and Years Worked

"Affidavits of Employment," detailed check stubs, or other adequate proof of hours and years worked is required at weighted drawing entry to receive points in the weighted drawing. Affidavits are required to be completed, signed, and notarized

by the employer. They may not be completed by the applicant. If hours or years worked cannot be verified, they will not be counted.

Historical information for hours and years worked will be kept on file with the Housing Department. Information is required to be updated annually or if any changes occur.

h. Power of Attorney in Case of Default

Buyers may be required to sign a “Power of Attorney in Case of Default” form appointing the Housing Manager of the Housing Department Attorney in Fact in the case of default and forced sale. The Housing Department may use other methods for remedying a default such as a mortgage against the property or a Quit Claim Deed held in Escrow, which would be agreed to at time of purchase.

i. Federal Tax Returns

Signed federal income tax returns and all attachments (including W-2s and 1099s) and schedules for the last two (2) years for all adult household members are required. If there is self-employment, three (3) years of business and personal tax returns, along with a current “Profit and Loss Statement” and balance sheet, are required. The Housing Department uses tax returns to verify several different aspects of qualification such as but not limited to income, assets, residential homeownership, and sources of income.

j. Additional Information

Additional information may be requested to determine eligibility or qualification status. This may include:

1. Verification of Household Net Assets

Household net assets are verified through tax returns, account statements, verification of deposits from financial institutions, and the NADA or Kelly Blue Book.

2. Verification of Current Employment in Teton County

One or more of the following are needed to verify employment in Teton County:

- Wage stubs
- Employer name, address, and phone number
- Contract for employment
- “Affidavit of Employment” (Housing Department)

3. Authorization to Release Information

An "Authorization to Release Information" form signed by all adults in the household to obtain third party employment verifications

4. Verification of Completion of Homebuyer Education Course

At least one adult per household must complete the "Homebuyer Education Course." The required course is offered by the Wyoming Housing Network or if not available, another course approved by the Housing Department. This applies to all households regardless of whether they have owned a home or not. This certification only needs to be completed once; however, if a household changes size and the adult who completed the certification is no longer a part of the household, it will need to be taken by an adult who is a part of the household. The Housing Department will keep a record of the certificate. It is encouraged that households keep a copy as well. The applicant must provide evidence of attendance of an approved "Homebuyer Education Course" prior to purchase. This is required to be submitted at time of weighted drawing.

5. Uniform Residential Loan Application

Applicants must provide a copy of the final "Uniform Residential Loan Application" at closing.

6. Occupancy Agreement

No persons outside of the persons included in the household on the "Weighted Drawing Entry Form" and "Intake Form" at time of weighted drawing entry may be moved into the home without express written approval of the Housing Department. Approval will not be given within twelve (12) months from closing on a home for adults being added to the household. An "Occupancy Agreement" will be required to be signed by buyers at or before closing. Any adult that is added to a household will be required to be added to title on the home.

7. Accessible Unit Preference

Applicants that wish to be considered for accessible units must submit a "Verification Form for Accessible Unit Preference."

8. Critical Services Provider

Organizations applying for critical services provider approval and their corresponding approved positions must gain approval before a critical service

worker can gain points in a weighted drawing. The organization must complete a “Critical Services Organization Application” and submit it to the Housing Department. If the organization and positions are approved, a “Supervisor Questionnaire” must be completed by the applicant’s supervisor and submitted with the other required documents when entering the weighted drawing. All certifications must be completed for the position and a recommendation from the supervisor is required. The “Supervisor Questionnaire” will need to be updated every six months.

9. Birth Certificate for Children Under One (1) Year of Age

Applicants must provide the birth certificate for children less than one (1) year of age.

2. Weighted Drawing Entry Form

A “Weighted Drawing Entry” form must be completed and signed and submitted when entering a weighted drawing according to Housing Department processes. “Weighted Drawing Entry” forms may be submitted online, in person, or by USPS.

No incomplete “Weighted DrawingEntry” forms will be accepted. This means that every blank must contain information, “N/A,” or a strikethrough so that the Housing Department knows that it was not overlooked.

The Housing Department is not responsible for receiving Weighted Drawing Entry Forms. It is the responsibility of the household to confirm that the Weighted Drawing Entry Form was received and the household is entered in the weighted drawing.

3. Intake Form

All households are required to complete the “Online Intake Form.” This form must be completed in its entirety *before* entering a weighted drawing. Any changes made to the form must be made prior to the opening of a weighted drawing the household wishes to enter or the household will be ineligible to enter the weighted drawing. The Intake form must be updated annually to be eligible to continue to enter lotteries.

d. Verification of Application

To protect the interests of the community that has invested in the creation of restricted housing units, the Housing Department verifies that information submitted on the Application

is true and correct and may request additional documents to assist in this process. The Housing Department strives to complete verification within two (2) weeks of application submittal.

Any material misstatement of fact or deliberate fraud by the household in connection with any information supplied to the Housing Department shall be cause for immediate expulsion from the application process and/or forced sale of the restricted housing unit.

e. Verification of Qualified Household

The Housing Department verifies that each Household selected to purchase a restricted housing unit meets the qualification and eligibility requirements specific to the restricted housing unit. See Section 3: Qualification and Eligibility for more details on the verification process for each housing program.

f. Qualification Letter

Once the Housing Department verifies that the household meets the Qualification and Eligibility criteria for the particular restricted housing unit, it will issue a “Qualification Letter” to the buyer, a copy of which will be provided to the title company upon request.

g. Purchase and Sale Agreement

Buyers must sign a “Purchase and Sale Agreement” within five (5) business days of the date of the Buyer Meeting with the Housing Department. Buyers will be given the five (5) business days to review the “Purchase and Sale Agreement” and are encouraged to get legal advice. Sellers and buyers shall make the Housing Department privy to the “Purchase and Sale Agreement.” All financial information shall remain confidential except as noted in Section 5-1g.1: Privy to Purchase and Sales Agreement.

1. Earnest Money

At time of signing the “Purchase and Sale Agreement,” one thousand dollars (\$1,000.00) in earnest money will be required. The check is made out to the title company referenced in the “Purchase and Sale Agreement.”

2. Closing Date

In most cases, the buyer has fifty (50) days to close on the property. The Closing Date will be agreed upon between the buyer and the seller and will be included in the “Purchase and Sale Agreement.” The closing date will be the date the buyer takes possession of the restricted housing unit.

3. Inspections

The buyer may perform inspections on the restricted housing unit commencing on the effective date of the contract until closing. However, the buyer will have 30 days from the effective date of the contract to notify the Housing Department of any objections to items found during inspections. Sellers shall make the restricted housing unit available for inspections. If the seller refuses to remedy the objection, the Housing Department will notify the buyer, and the buyer will have three (3) business days to give notice to the Housing Department of their intention, either:

a. Waiving Objection

Waiving the objection and proceeding to closing, or

b. Termination

Terminating the “Purchase and Sale Agreement.”

4. Facilitation

Pursuant to Wyoming Statute 33-28-101 through 124, the “Real Estate License Act of 1971”, the Housing Department is participating in the transaction as a facilitator without a Wyoming real estate license and in the performance of official duties.

5. Buyer’s Acknowledgement

The buyers will be required to sign a “Buyer’s Acknowledgement” at closing. This document will certify that the buyers acknowledge receiving a copy of the restrictions as well as agreeing to allow the Housing Department to release the sales price of the home. In addition, by signing this form, the buyer agrees to the JTCHA’s right of first option to purchase the unit in case of default.

5-4 Business Option

The “Business Option” is a mechanism specific to a developer’s Housing Mitigation Plan that must be approved by elected officials on a case-by-case basis. It only applies to exempt units, meaning restricted housing units that are not required by the LDRs. The “Business Option” allows a business to identify a proposed purchaser from their employees or someone who has a material nexus to the business or organization, which would allow the household to have the first option to purchase the restricted housing unit.

a. Purpose and Program Goals

The intent of the “Business Option” program is to help qualified businesses house their employees by providing the employees first option to purchase. This program furthers the Jackson/Teton County Comprehensive Plan’s goal of housing 65% of the workforce locally and its transportation goals.

b. Applicability

This section applies to restricted housing units that have been approved by the Board of County Commissioners or Town Council for the “Business Option” program.

c. Qualified Business

A qualified business is a non-profit entity, governmental entity, charitable foundation, or for-profit business which meets the definition of a qualified business according to the special restrictions on the property and/or the *Housing Department Rules and Regulations*.

1. Qualified Business Application

The business completes a “Qualified Business Application,” which can be obtained from the declarant or from the Housing Department and submits it to the Housing Department. If the business has affiliates, it must be indicated on the application.

2. Verification

The Housing Department verifies that the business meets the criteria of a qualified business with the following documentation. The Housing Department may ask for additional documentation.

3. Option Agreement

The Housing Department verifies that the business is a true local business, organization, or government agency operating in Teton County.

4. Determination of Qualification

a. Qualified Business Letter

The Housing Department will provide a “Qualified Business Letter” once the verification process is complete and the business is approved to be a qualified business. The Housing Department will then sign the “Option Agreement”; or

b. Not a Qualified Business

If the business is not deemed to be a qualified business, the Housing Department will inform the business with a written letter and copy the declarant or option

holder. The business will not be allowed to obtain an option if it is not approved as qualified by the Housing Department.

c. Cause for Expulsion

Any material misstatement of fact or deliberate fraud by a business in connection with any information supplied to the Housing Department shall be cause for immediate expulsion from the application process and/or for obtaining or keeping an option.

d. Option Procedures

1. Obtaining an Option

Options are available from a declarant or from another option holder. A declarant can choose to provide an option if the business is a qualified business and does so by recording an “Option Agreement” signed by the declarant, the Housing Department, and the qualified business. An option holder may provide an option to a qualified business by assigning the option.

2. Notice of Right to Exercise or Waive Option

The Housing Department will immediately send a notice to the business holding the option (optionor) upon the following three events:

- Housing Department’s receipt of a “Notice to Sell” by the owner of the property.
- Housing Department’s exercise of its default option as set forth in the special restrictions.
- The occurrence of a default and forced sale as set forth in the special restrictions.

This notice triggers the timeframe the optionor has to identify a proposed purchaser as outlined in the “Option Agreement.”

3. Exercise of Option

An optionor shall have a time frame as outlined in the “Option Agreement” to exercise the option. The timeframe will begin upon receipt of the “Option Notice.” To exercise the option, an optionor must notify the Housing Department on or before the expiration of the timeframe that they have identified a proposed purchaser for the home.

Additionally, the proposed purchaser must submit a complete application, as outlined in

Section 5-4c, on or before the expiration of the timeframe. The Housing Department will take approximately five (5) business days to determine whether the proposed purchaser is:

- Qualified under “Option Agreement.”
- Qualified under terms of the Housing Department’s special restrictions.

The Housing Department will verify that the business continues to be a qualified business each time the option is exercised (See Section 5-4c).

4. Waiver of Option

If the Optionor does not wish to exercise the option, they can sign the “Affidavit of Waiver” indicating they are waiving the option. This affidavit will be recorded with the Teton County Clerk’s Office.

In the case where an option is waived, the Housing Department will find a buyer using the process outlined in Section 4 of these *Housing Department Rules and Regulations*.

a. Failure to Identify Purchaser during Required Timeframe

If the optionor does not identify a proposed purchaser on or before the expiration of the timeframe, the optionor will automatically have waived their option.

5. Assignment

An optionor can assign its option to another qualified business. If at any time the business holding the option ceases to be a qualified business, they must assign the option. This is done using the following process:

a. Written Notice

The optionor provides the Housing Department with written notice that they wish to assign their option.

b. Application

The business that is being assigned the option submits an application to the Housing Department to become a qualified business (see Section 5-4c).

c. Housing Department Approval

If the business qualifies, the Housing Department will provide a “Qualified Business Letter” to the business and sign the “Option Agreement.”

d. Consideration

The assignment may not have any consideration except for consideration required to make the assignment legal.

e. Qualified Purchaser

The Housing Department will determine whether a household is qualified to purchase based on the following criteria:

1. Letter of Certification

The purchaser will be qualified by the Housing Department only if they have a material nexus to the optionor as approved by the Housing Department. A “Letter of Certification” form demonstrating the material nexus the proposed purchaser has with the Optionor must be completed by the optionor. The “Letter of Certification” form is available from the Housing Department. The optionor must deliver documentation satisfactory to the Housing Department that verifies (1) that the proposed buyer is a full-time employee of optionor; or (2) that the identified purchaser otherwise has a material nexus to optionor.

2. Qualified Household

A Household will be qualified by the Housing Department using the Application and Verification process outlined in Section 3 of the *Housing Department Rules and Regulations*.

If the identified purchaser does not qualify because of not meeting the Housing Department Rules and Regulations requirements, Housing Department special restrictions, or “Option Agreement,” and the timeframe has not expired, the optionor may identify another proposed purchaser.

3. Affidavit of Exercise

When the Housing Department determines the household meets qualifying criteria of the “Option Agreement,” these *Housing Department Rules and Regulations*, and Housing Department special restrictions, the Housing Department will sign an “Affidavit of Exercise of Option Right” indicating the household is qualified. The optionor will also sign the “Affidavit of Exercise of Option Right” indicating they are exercising the option right. The affidavit will be recorded with the Teton County Clerk’s land records.

SECTION 6. RENTAL STANDARDS AND PROCEDURES

6-1. Applicability

All rental housing units administered by the Housing Department, including the Affordable Rental program (which includes legacy Employee housing units) and the Workforce Rental program (which includes the legacy ARU program), are subject to these *Housing Department Rules and Regulations*, with the exception of units that are owned by Teton County or the Town of Jackson and used for housing their employees. Section 6-1 does not apply to cases where the Housing Department has approved rental of a room in a unit.

6-2. Rental Standards

a. Affordability

To ensure that the rents are affordable to households earning less than eighty percent (80%) AMI, rents for Affordable units will be calculated using the following method (rents for workforce units are set by owner and have no cap):

1. Standard of Affordability

The standard for affordability provided by HUD is that no more than thirty percent (30%) of a household's income should be spent on housing costs. Included in this thirty percent (30%) are rent, property tax, water, sewer, gas and/or electric, and trash removal. One parking space is required at no charge to the tenant unless otherwise approved by the Town Council or Board of County Commissioners.

2. Household Size for Rent Calculation

For purposes of calculating rental rate only:

Studio:	One (1) person
One-bedroom:	One (1) person
Two-bedroom:	Two (2) Persons
Three-bedroom:	Three (3) persons
Four-bedroom:	Four (4) persons

3. Calculation of Rent

Monthly rent will be the lower income limit for each respective affordability range (specific to the number of bedrooms to determine household size), divided by twelve (12), and multiplied by thirty percent (30%). Studio units may charge eighty percent (80%) of a one-bedroom unit. Dorm units may charge seventy-five (75%) of a studio. See Section 3-3 for income ranges.

a. “Plus” Units

Fifty dollars (\$50) will be added for “Plus” units. “Plus” units have extra floor area for offices, play areas, etc.

b. Lease Renewals

The rent will be calculated each year and applied to a lease renewal. Tenants will be notified three (3) months in advance of the new lease amount. The new calculation will also be applied for new households signing a lease.

4. Qualified Household

Tenant households must qualify under the housing program designated to each unit. See Section 3-3. Tenant households will be required to re-qualify annually. Household income will qualify as long as it is below the income limit for the income range.

5. Leases

All leases are required to be approved by the Housing Department.

b. Primary Residence

1. Occupancy Requirement

Households shall physically occupy their home full-time at least 80% of the term of their lease. Business Activity Restricted

2. Business Activity Restricted

Households who rent a restricted housing unit shall not engage in any business activity in such dwelling, other than any home occupation use permitted in that zoning district and as permitted in the Lease Agreement.

3. No Guests for an Extended Period

Households who rent restricted housing units shall not permit any adult guests over the age of 18 for periods in excess of thirty (30) cumulative days per calendar year.

c. Eviction

In the event that a tenant household is in default of their lease agreement, they may be evicted from the rental unit. The eviction process will be in accordance with Wyoming law and all applicable Wyoming Statutes.

6-3 Rental Procedures

a. Selection Process

A unique process applies for selecting each qualified household within each housing program. The following sections provide specific details regarding the Housing Department-administered rental housing programs.

1. Weighted Drawing

When an Affordable rental owned by the Housing Authority is available, tenants will be identified through the weighted drawing process. Applicants will submit a complete application, which will be kept on file for one year (Affidavits of Current Employment will need updating after six (6) months). Weighted Drawing entries for drawings entered within the one year will only need to submit a Weighted Drawing Entry Form assuming a complete up to date application is on file with the Housing Department. A qualified household shall be selected to rent according to the rules set forth in these Housing Department Rules and Regulations, Section 4.

2. First Come First Served

In the event no weighted drawing entries are received during the weighted drawing entry period, the selection process will be determined by a first come first served basis. The first qualified household submitting a complete application will be allowed an opportunity to rent if eligible.

3. Complete Application

Each household entering a weighted drawing to rent a restricted housing unit owned by the Housing Authority is required to submit a completed “Application for Restricted Rental Housing” or a “Weighted Drawing Entry” form. Weighted Drawing Entry Forms will only be accepted if a complete and up to date application is on file with the Housing Department. A certification page will also be signed by the applicant and notarized. In addition, an “Authorization to Release Information” is signed by the applicant, which

allows the Housing Department to obtain banking information and any other relevant information. Application forms can be obtained from the Housing Department or from the Housing Department's website.

b. Verification of Selected Household

The Housing Department verifies that each household selected to rent a restricted housing unit meets the qualification and eligibility requirements specific to the restricted housing unit.

c. Materials Required

To determine that a household desiring to rent a restricted housing unit meets all of the required criteria, the Housing Department will request all of the following for a complete application, which will be submitted at weighted drawing entry:

1. Housing Department Application for Restricted Ownership or Rental Housing

Completed and signed Housing Department Application for Housing.

2. Weighted Drawing Entry Form

Completed and signed "Weighted drawing Entry" form. See Section 5-3.c.2.

3. Credit Report

Full three-bureau credit report that reflects credit scores for all adult household members dated no more than 30 days from submittal of application.

4. Federal Income Tax Returns

Signed federal income tax returns (electronic signature is not sufficient) and all attachments (including W-2s, 1099s) and schedules for the last two (2) years for all adult household members.

5. Verification of Current Employment in Teton County

One or more of the following will be required for verification of Current Employment in Teton County includes:

- Wage stubs;
- Employer name, address, and phone number;
- Contract for employment;
- "Authorization to Release Information" form signed by all adults in the household to obtain third party employment verifications; and

If deemed applicable, the Housing Department may request the following be submitted with an application:

- If self-employed, three (3) years of business and personal tax returns along with a current “Profit and Loss Statement” and balance sheet.
- “Verification Form for Accessible Unit Preference.”
- Any other documentation that the Housing Department deems necessary to determine qualification, such as, divorce decrees, Social Security income, rental income, etc.

d. Verification of Application

To protect the interests of the community that has invested in the creation of restricted housing units, the Housing Department verifies that information submitted on the application is true and correct and may request additional documents to assist in this process. All financial information shall remain confidential, except that the Housing Department may provide information to the public concerning sales prices.

e. Qualification Letter

After the Housing Department verifies that the household meets the qualification and eligibility criteria for the particular restricted housing unit, it will issue a “Qualification Letter” to the potential renter within 10 business days.

its transportation goals.

SECTION 7. COMPLIANCE AND EXCEPTION, APPEAL, AND GRIEVANCE STANDARDS AND PROCEDURES

7-1. Compliance Process

Special Restrictions are recorded on all Housing Department homes. These restrictions control the occupancy and use of the unit. They also refer to these Rules and Regulations

The Housing Department Compliance Specialist monitors occupancy and use restrictions to ensure owners are in compliance, and acts on various complaints from the public concerning compliance issues. The Housing Department Compliance Specialist also receives and processes requests for exceptions, appeals, leave of absence, requests to rent, transfer of title, and qualified mortgages.

a. Compliance Requirements

1. Affordable Units

Owners of Affordable housing units with restrictions recorded after June 4, 2018 will receive annual requests for information concerning employment, insurance requirements, ownership of residential real estate, and occupancy of the unit. Owners of Affordable housing units with restrictions recorded prior to June 4, 2018 are not required to verify continued employment or ownership of residential real estate annually, however, they may be required to verify occupancy and insurance requirements.

2. Employment-based and Workforce Housing Units

Employment-based units and Workforce housing units are required to provide information to the Housing Department annually concerning income, employment and ownership of other residential real estate.

3. Employee Housing Units

Owners of Employee housing units will be required to submit information annually about the occupants of the units, their income, employment, and ownership of other residential real estate.

4. Accessory Residential Units

Owners of ARUs will be required to annually submit information concerning the occupants of the units, their employment, and ownership of residential real estate.

5. Exemption for Retirees

During ownership, if one (1) member of the household meets the retirement age as defined by the Federal Social Security Administration defined in these *Housing Department Rules and Regulations*, the household will be exempt from continued compliance with income and employment eligibility standards.

b. Submittal and Timeline

1. Housing Department Request for Information

The Housing Department will send a letter to owners of restricted units requesting information. The letter will outline what type of information is required based on the unit's restrictions. The owner will be given thirty (30) days from the date of the letter to submit the requested information to the Housing Department.

2. Default

Failure by the owner to submit requested information will be considered default.

c. Common Default Violations

In cases where the restriction defines the default process, it will control the process. If the restriction does not define the process, the default process is as follows:

Common violations include, but are not limited to:

1. Occupancy

A household that does not occupy the restricted housing unit for the number of months in a calendar year as required by the restriction is in violation of the *Housing Department Rules and Regulations*.

2. Guests

Guests over the age of 18 are not allowed to occupy a restricted housing unit in excess of 30 cumulative days per calendar year.

3. Renting

Renting a restricted ownership unit is only allowed per the restrictive covenant or as set out in Section 5-2.

4. Leave of Absence

Leaves of absence must be preapproved if the household is expected to be gone longer than permitted by the *Housing Department Rules and Regulations* or the deed restrictions.

5. Pets

Specific policies for pet ownership are outlined in the Covenants, Conditions and Restrictions and/or the Master Rules and Regulations and are enforced by the Homeowners Association. Policies for rental units are outlined in the lease agreement.

6. Mortgage Delinquency

Failure to maintain obligations required under any mortgages is considered a default under special restrictions.

7. HOA Delinquency

Failure to pay Homeowners Association dues is considered a violation of the special restrictions.

8. Ground Lease Delinquency

It shall be an event of default if lessee fails to pay the ground lease fee or other charges required by the terms of the lease.

9. Water/Sewer Dues Delinquency

Unpaid water and sewer dues can result in a lien placed on property that would constitute a violation of the special restrictions.

10. Employment Verification

Employment-based and Workforce units require an owner to work an average of 30 hours per week at a local business located in Teton County, Wyoming. The owner must earn at least 75% of their household income at a local business within Teton County. Annual verification of employment and income is required for owners of Employment-based and workforce restricted housing units.

Affordable units built after June 4, 2018 will be required to provide proof of employment in Teton County at a local business.

11. Ownership of Residential Property

Owners of Employment-based and Workforce housing units are not allowed to own residential property within 150 miles of Teton County. All renters of Housing Department-administered rental units are not allowed to own residential property within 150 miles of Teton County.

12. Estate Planning

Restricted housing units cannot be put into a trust. A trust does not meet the definition of qualified household and therefore cannot own a restricted housing unit. The Housing Department does accept other related documents for estate planning (Non-testamentary Deed upon Death).

13. Covenants, Conditions and Restrictions (CCR) Violations

Any default or breach of the CCRs, Mortgage Agreements, and/or Master Rules and Regulations is considered a default of the special restrictions or ground lease. This includes but is not limited to prompt payment of Homeowners Association dues and ground lease fees.

14. Bankruptcy

Restrictions are recorded on properties with the strict intent that the restrictions will run with the property in perpetuity. Restrictions may not be stripped from the property in cases of bankruptcy.

7-2. Process for Default Contested Case Hearings

All default hearings are conducted in compliance with the Wyoming Administrative Procedures Act and are contested cases for which the rules and processes are set forth herein. All requests for hearings and subsequent documents shall be submitted and filed with the Housing Department, and all records related to the contested case hearing shall be maintained by the Housing Department.

a. Notice of Default

When the Housing Department deems an owner to be in default of a special restriction, the Housing Department shall notify the owner with a Notice of Default Letter.

1. The Notice of Default

A Notice of Default shall be sent to the owner via U.S. Mail certified with return receipt requested and via email, if an email address is known. The letter will be considered delivered on the date it is sent.

The owner shall have thirty (30) days from the date of the Notice of Default to:

- Cure the default, or
- Request a default hearing of the Jackson/Teton County Housing Authority Board, or
- Provide the Housing Department with a “Letter of Intent to Sell” the home or unit in accord with the special restriction.

2. Housing Department Descretion

The Housing Department shall determine what constitutes a cure of the default based upon the special restriction and the circumstances of the owner.

b. Request for Default Hearing

In the event the owner fails to cure the default or desires to challenge the default identified by the Housing Department, the owner may request a hearing before the Jackson/Teton County Housing Authority Board (JTCHA) to determine the merits of the allegations of the default.

1. Request for Hearing

To request a hearing, the owner must submit a “Request for Default Hearing” form to the Housing Department within the thirty (30) day cure period.

2. Fee

A fee shall be charged by the Housing Department for such “Request for Default Hearing.” The fee amount will be set annually in a separate document titled “Annual Fees” to be updated and published by the Housing Department.

c. Failure to Respond to Default

If the owner fails to respond to the Notice of Default, the Housing Department will consider the non-action or failure to respond as a breach of default and shall take steps to enforce the default in accord with the applicable Special Restriction and/or the *Housing Department Rules and Regulations*. Enforcement of the breach or violation includes but is not limited to forcing the sale of the home or unit.

d. Default Hearing

1. Designation of Hearing Officer

JTCHA may designate a Hearing Officer and sign an “Order Appointing the Hearing Officer.” If JTCHA desires, they can elect to appoint a non-exclusive Hearing Officer for a period of two (2) years, recognizing that there may be a need to appoint a different Hearing Officer in some cases including but not limited to a conflict of interest or absence.

2. Scheduling Order

Within thirty (30) days of the signed Order, the Hearing Officer will issue a scheduling order, which shall include the Official Notice of Hearing, and deadlines for the parties to submit evidentiary documents, exhibits, witness lists, and/or pre-hearing memorandums.

3. Documentation

Evidentiary documents, exhibits, witness lists, and/or pre-hearing memorandums, to include a written statement of facts, conclusions of law, and proposed order shall be exchanged by the parties, filed with the Housing Department in the contested case proceeding, submitted to the Hearing Officer and to the JTCHA, at least fifteen (15) days prior to the hearing date. Any document or witness not included in these submissions by the deadline shall not be raised at the hearing and shall not be admitted into evidence at the hearing.

4. Transcripts

Hearing proceedings may be recorded but are not required to be transcribed. If either party wishes to have a court reporter present to transcribe a hearing, all associated costs shall be paid by the party unless the parties agree to share costs.

5. Witnesses

All witnesses who provide testimony at the hearing will be sworn in under oath by either a court reporter if one is present, the Hearing Officer, and if no Hearing Officer, the JTCHA Chair. The parties shall be permitted to cross-examine witnesses, and the JTCHA and the Hearing Officer shall have the opportunity to ask questions of the witnesses and Housing Department staff.

6. Burden of Proof

The Housing Department's determination the Notice of Default is presumed to be correct, and the burden of proof shall be on the complainant, not on the Housing Department.

7. Interpreter

If the owner requires an interpreter, the Housing Department will make arrangements to provide one and bear the costs.

8. Failure to Appear

If the complainant fails to appear at the hearing, the JTCHA may make a determination to postpone the hearing, can proceed to review the evidence based upon the written submissions, or can deem the failure to appear as a breach of default.

e. JTCHA Deliberation and Decision

1. Deliberation

The Hearing Officer or JTCHA Chair, if no Hearing Officer is present, shall close the evidentiary hearing, and the Housing Authority Board will commence deliberation in public to include the following:

a. Examination of Evidence

The JTCHA will examine the special restriction, the evidence presented in writing, and any testimony provided at the hearing and shall make a determination on the allegations of the Notice of Default based upon the preponderance of evidence standard of review.

b. Burden of proof

The burden of proof shall be on the owner to refute the alleged default.

2. JTCHA Decision

The JTCHA Decision will be to either:

a. Affirmation of Notice of Default

Affirm the Housing Department's Notice of Default. The Housing Department would proceed to exercise its remedies against the owner according to the special restriction or ground lease recorded on the property, or

b. Rejection of Notice of Default

Reject the Notice of Default of the Housing Department and no further action would be pursued for the specific alleged default under the special restriction or ground lease recorded on the property.

3. JTCHA Decision and Motion

The JTCHA shall make a motion in the affirmative {e.g.: I move to affirm the Housing Department's assertion that the owner (owner's name) of (address) is in default of the Special Restriction recorded on the property pursuant to the Notice of Default.} The motion shall receive a second. JTCHA will enter into discussion on the motion and vote. If the motion carries, the JTCHA affirms the Notice of Default. If the motion fails, the JTCHA has decision

4. Order of Decision

The prevailing party will draft the Findings of Fact and Conclusions of Law and Order, which shall set forth the Board's decision. The Findings of Fact and Conclusions shall be transmitted to the Hearing Officer, then reviewed and approved by the JTCHA at a subsequent meeting of the JTCHA in a timely manner no later than sixty (60) days following the hearing date, which shall be properly noticed and open to the public. The Order shall be filed in the contested case file with the Housing Department. No appeal of the JTCHA decision shall be made to the Jackson Town Council or the Board of County Commissioners. Any appeal of the JTCHA Order shall be to the District Court of Teton County, Wyoming, unless otherwise stated in the Special Restriction.

7-3. Process for Exception Hearing

a. Request for Exception

The Housing Department will consider requests for exceptions to rules pertaining to qualification and eligibility criteria as well as to rules pertaining to occupancy and use. Granting of exceptions is rare; however, it is recognized that certain unique circumstances exist that are not contemplated in these *Housing Department Rules and Regulations*. Exceptions will only be granted in unique circumstances that are beyond control of the household and are not addressed in these *Housing Department Rules and Regulations*. Requests for exceptions must be submitted prior to the opening of a weighted drawing for a home. In cases where a weighted drawing is not used for identifying a buyer, the request must be submitted prior to submission of an application. All Requests for Exceptions are subject to the review and approval of the Housing Manager

A household may submit a “Request for Exception” to the Housing Department using the “Request for Exception” form with the required fee, which is specified in a separate “Fee Schedule” document that is updated annually. The Housing Manager will review and render a decision on the Request for Exception within fifteen (15) days from the date of submittal.

b. Request for Exception Hearing Process

If the Request for Exception is denied by the Housing Manager, the applicant may request a hearing of the JTCHA.

1. Request for Hearing

Submit a Request for Hearing form with a fee to the Housing Department within fifteen (15) days of the date of denial of “Request for Exception.”

Requests for Exception Hearings must contain the following information:

a. Grounds

The particular ground(s) upon which it is based, including a copy of the Request for Exception and the Housing Manager's decision;

b. Action

The action or remedy requested;

c. Contact Information

The name address, telephone number of the complainant and similar information of complainant's representative, if any;

d. Notification to Homeowners Association

Proof of notification of hearing request to the housing unit's Homeowners Association, if applicable; and

e. Fee

Appeal Fee in accordance with the Housing Department's fee schedule published annually.

c. Housing Department Review and Recommendation

All requests for hearings will be reviewed by Housing Department for completeness and provided to the JTCHA Board within thirty (30) days with a recommendation for action, copied to the complainant and/or representative.

d. Hearing

The hearing will be heard by the JTCHA Board at a properly noticed meeting scheduled at least thirty (30) days following the Housing Department's receipt of the "Request for Hearing" to ensure notice and due process.

1. Hearing Officer

JTCHA may designate a Hearing Officer and sign an "Order Appointing the Hearing Officer." If JTCHA desires, they can elect to appoint a non-exclusive Hearing Officer for a period of two (2) years, recognizing that there may be a need to appoint a different Hearing Officer in some cases including but not limited to a conflict of interest or absence.

a. Scheduling Order

If a Hearing Officer is designated, within thirty (30) days of the signed order, the Hearing Officer will send out a scheduling order (Official Notice of Hearing) and timeline.

b. Transcripts

Hearings may be recorded and are not required to be transcribed. If owner wishes to have a hearing transcribed, all associated costs shall be paid by owner.

2. Hearing Process

a. Designation of Hearing Officer

JTCHA may designate a Hearing Officer and sign an “Order Appointing the Hearing Officer.”

b. Scheduling Order

Within thirty (30) days of the signed order, the Hearing Officer will send out a scheduling order (Official Notice of Hearing) and timeline for the parties to submit evidentiary documents and a list of witnesses.

c. Documentation

Evidentiary documents and witness list along with a written statement of facts shall be submitted by each party to the opposite party fifteen (15) days prior to the hearing date.

d. Transcripts

Hearings may be recorded and are not required to be transcribed. If owner wishes to have a hearing transcribed, all associated costs shall be paid by owner.

e. Witnesses

All witnesses that provide testimony will be sworn in under oath by the court reporter, and if no court reporter, the Hearing Officer, and if no Hearing Officer, the JTCHA Chair. Both parties shall be permitted to cross-examine witnesses, and the JTCHA shall have the opportunity to ask questions of the witnesses and Housing Department staff.

f. Burden of Proof

The Housing Department’s decision concerning the exception will be assumed correct, and the burden of proof shall be on the complainant.

g. Failure to Appear

If the complainant fails to appear at the hearing, the JTCHA may make a determination to postpone the hearing, may make a determination based upon the evidence submitted, or may dismiss the matter for failure to appear.

3. JTCHA Decision Binding

Based on the evidence considered at the hearing, the JTCHA will provide a decision by means of a motion and majority vote. The decision of the JTCHA shall be binding, and

the Housing Department shall take all actions necessary to carry out the decision. No appeal of the JTCHA shall be made to the Town Council or County Commissioners. Any appeal shall be made to the District Court of Teton County, Wyoming.

e. Other Remedies

The Housing Department shall have the right to enforce the provisions of these *Housing Department Rules and Regulations* under any civil or criminal remedy provided under Wyoming Law.

7-4. Grievance Procedure

A grievance is any dispute that seller, buyer, or owner may have with the Housing Department with respect to an action or failure to act in accordance with the individual's rights, duties, welfare, or status. A grievance may be presented to the Housing Department under the procedures below.

a. Request for Grievance Form

Any grievance must be presented in writing to the Housing Department on the "Request for Grievance" form and include:

1. Grounds

The particular ground(s) upon which it is based;

2. Action

The action or remedy requested;

3. Contact Information

The name address, telephone number of the complainant and similar information of complainant's representative, if any; and

4. Fee

Grievance fee.

b. Housing Department Review and Decision

1. Housing Manager Review

The Housing Department Housing Manager will review all "Requests for Grievances."

2. Summary Letter

The Housing Manager shall issue a written letter summarizing the decision regarding the requested grievance within thirty (30) days of receipt of the “Request for Grievance.”

The letter will be sent via U.S. mail certified return receipt requested and via email if an email address is known.

3. Request for Hearing

The applicant may request a hearing of the JTCHA pursuant to Section 7-3.a.2. if the grievance decision of the Housing Manager is disputed.

SECTION 8. OCCUPANCY AND USE OF RESTRICTED UNITS

8-1. Occupancy and Use

Rental and ownership units have occupancy and use restrictions. Households will be required to obey the following occupancy and use restrictions.

a. Household Income

Households who own or rent a Workforce home and households who rent an Affordable home will be required to requalify annually to verify that their income meets the requirements of the restriction.

b. Employment Requirement

Households who own or rent a Workforce or Affordable home will be required to verify that they are meeting the employment requirement. At least one adult in the household must be employed with a local business a minimum of an average of thirty (30) hours per week or one thousand five hundred sixty hours annually. The employment calculation will be based on the prior calendar year. *Affordable homes sold prior to June 4, 2018 will not have this requirement.*

c. No Teton County Residential Real Estate

No member of the Qualified Household may own (whether individually, in trust, or through an entity including without limitation a partnership, limited partnership, limited liability company,

corporation, association, or the like) residential real estate within one hundred fifty (150) miles of Teton County, Wyoming at any time during occupancy of the Residential Unit.

d. Occupancy

1. Household Occupancy

Each residential unit shall be occupied as the Qualified Household's sole and exclusive primary residence, and each tenant of a residential unit shall physically reside therein on a full-time basis, at least eighty percent (80%) of the term of the lease. Each owner of an owner-occupied residential unit shall physically reside therein on a full-time basis, at least ten (10) months each year (a year being twelve (12) months beginning with the first month following the month the household took ownership).

a. Leave of Absence

The Housing Manager of the Housing Department may grant a one (1) year leave of absence if the household submits a "Request for Leave of Absence" form, along with the coinciding fee.

b. Permission to Rent

Owners who need a leave of absence may request to rent their residential unit. This is done by submitting a "Request to Rent" form to the Housing Department along with the coinciding fee.

c. Attainable Housing Program Exception

Attainable housing owners are allowed to rent a room in their home as long as the owner still occupies the units on a substantially full-time basis (9 months per year as required by their Special Restriction).

2. Owner Occupancy

Owners of Affordable or Workforce rental units shall not reside in or occupy the residential unit. For purposes of this paragraph, if owner is an entity (including without limitation, a partnership, limited partnership, Limited Liability Company, corporation, association, or other) or a trust, this prohibition on owner-occupancy shall extend to any partner, member, shareholder, other principal or owner of the entity, and any trustee or beneficiary of the trust.

3. Household Composition

Only members of the Qualified Household may occupy a Residential Unit, except that Owner may restrict who may reside in a residential unit, provided that such owner-restriction does not violate federal or state fair housing laws. Notwithstanding the foregoing, occupancy of the residential unit shall be in compliance with any and all building codes (or other relevant law, code, statute, ordinance or the like) regarding maximum occupancy standards or limitations.

4. Guests

No persons other than those comprising the Qualified Household shall be permitted to occupy Affordable or Workforce rental units for periods in excess of ten percent (10%) of the rental term in cumulative days per calendar year.

No persons other than those comprising the Qualified Household shall be permitted to occupy Affordable or Workforce ownership units in excess of thirty (30) cumulative days per calendar year.

e. Use

1. Business Activity

No business activities shall occur in a residential unit, other than a home occupation use that is allowed by applicable zoning and properly permitted.

2. Compliance with Laws, Declaration

The residential unit shall be occupied in full compliance with these Housing Rules and Regulations, Special Restrictions, along with all laws, statutes, codes, rules, or regulations, covenants, conditions and restrictions, and all supplements and amendments thereto, and any other rules and regulations of any applicable homeowner's association, as the same may be adopted from time to time.

3. Maintenance

The owner shall take good care of the interior of the residential unit and all other aspects of the residential unit not otherwise maintained by the homeowner's association and shall make all repairs and maintain the residential unit in a safe, decent, sanitary (see definitions) manner. In case of damage to the residential unit the owner shall repair the damage or replace or restore any destroyed parts of the residential unit as speedily as practical.

4. Capital Improvements

The owner may only undertake capital improvements according to these Rules and Regulations (Section 5-1.e). The policy includes but is not limited to, a limitation on the valuation of such improvements at resale, requirements regarding the advance written approval of such improvements, and documentation of proposed and completed improvements.

5. Insurance

The owner shall keep the residential unit continuously insured against “all risks” of physical loss (not otherwise covered by a homeowner’s association insurance), for the full replacement value of the residential unit.

6. Periodic Reporting, Inspection

In order to confirm compliance with the Special Restrictions, the Rules and Regulations and other covenants, regulations, ordinances, or rules governing the ownership, occupancy, use, development or transfer of a Residential Unit, Owner shall comply, and shall cause all occupants to comply, with any reporting or inspection requirements as set forth herein and as may be required by the Housing Department from time to time. Upon reasonable notice to Owner, the Housing Department shall have the right to inspect the Residential Unit from time to time to determine compliance with the Special Restrictions and the Rules and Regulations and to review the written records required to be maintained by Owner. Owner shall maintain such records for a period of two (2) years.

SECTION 9. DEFINITIONS

9-1 Definitions

Accessible Unit: A unit that has been built or adapted with specific design features that make the unit accessible to those with mobility and hearing handicaps.

Application: A packet that households who are selected in an affordable housing weighted drawing submit for Housing Authority staff to verify that the household is qualified to purchase the home. The application consists but is not limited to the following:

- ✓ Housing Department Application for Restricted Ownership or Rental Housing
- ✓ Signed Certification and Oath
- ✓ Signed Authorization to Release Information
- ✓ Completed Lender's Qualification Worksheet (completed by lender)
- ✓ Full three tier Credit Report that includes credit scores. (Can be obtained from lender)
- ✓ Previous two years of tax returns with W-2s
- ✓ Employment Affidavit for each job currently held by wage earners in the household
- ✓ If self-employed, previous three years of tax returns with an income statement and a balance sheet.

Appeal: A process requested by an applicant/owner/renter when they understand the qualification, eligibility, and preference criteria and have requested an exception from the Housing Manager and have been denied.

Approved Lending Institution: Approved lending institutions include institutional lenders; community loan funds, or other similar nonprofits; or other legitimate, non-affiliated finance companies. *See Definitions of Institutional Lenders and Community Loan Fund.*

Asset: *see Household Net Asset.*

Assigned Number: A computer-generated number based on first name of applicants in alphabetical order that households are listed in a weighted drawing.

Area Median Income (AMI): A figure published annually by HUD which is calculated by dividing households residing in counties into two equal segments with the first half of households earning less than the median household income and the other half earning more.

Authorization to Release Information Form: This form, which an affordable housing applicant signs, allows the Housing Department staff to verify information supplied by applicants from banks, employers, etc.

Balance Sheet: A statement of the total assets and liabilities of a business.

Bid Period: The time period that the Housing Authority accepts bids for an available housing unit. The bid period only takes place if no weighted drawing entry sheets are submitted for an available restricted housing unit.

Borrowed Light: An indirect source of natural light; for example, a room in a home uses borrowed light when it has a window that looks into another room, where the other room receives direct sunlight.

Capital Improvements: Improvements done to the home for which the homeowner can receive credit. The capital improvement requires an expenditure that either increases the value of the property or extends its life expectancy.

Caregiver: A full-time Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming resident who is or was volunteering all or a portion of their time caring for their own children or an ailing or disabled immediate family member and was therefore unable to gain full-time employment in Teton County.

Closing Date: The date on which ownership of property transfers from the former owner to the new owner.

CLTV: Combined Loan to Value. Loan to Value is the ratio of the loan amount to the value of the home. Combined Loan to Value is when a second mortgage exists and the two loan amounts are combined and compared to the value of the home.

Community Loan Fund: A loan fund that is set up in a community for the purpose of providing down payment assistance or other types of loans for restricted housing units.

Critical Services Provider: An employee or volunteer of a community based institutional or non-profit organization on call 24 hours per day for public safety emergencies.

Deed Restriction: A document recorded against a housing unit that describes the unit's housing program. It provides restrictions on the purchase, occupancy, use, and resale of the restricted housing unit. A deed restriction is a type of restrictive covenant that is recorded at the time of certificate of occupancy.

Dependent: A child or adult who lives with the household and can be claimed on the tax returns of an adult in the household.

Developer: An individual or group who builds housing.

Disabled: Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment.

DTI: Debt to Income. This is a ratio that compares the amount of debt a household has to the amount of income they make. It is used to analyze the ability of a household to pay their debt.

Earnest Money: Money that a buyer gives to a seller to bind a contract. Earnest money goes toward the costs of the purchase of the home and is held in escrow by the title company until closing.

Eligibility Criteria: Criteria defined in either the Deed Restriction or the *Housing Department Rules and Regulations*, which are used to measure whether a household is eligible to apply for a unit.

Employment-Based: A restricted housing unit where occupancy is limited to employees in Teton County, Wyoming. There are no income qualifications for an occupant. This type of unit may include, but is not limited to, Accessory Residential Units and Employment-Based Units.

Employment Requirement: At least one member of a household must demonstrate an average of 30 hours per week (1560 hours per year) of employment in Teton County, Wyoming; or demonstrate a clear intent to work an average of 30 hours per week in Teton County, Wyoming (must have been hired even if hasn't started the job yet.)

Exception: If a household understands the eligibility and qualification criteria, but feels their situation is unique and there is a compelling reason the rule(s) should not apply to them, they may request an exception. Exceptions are only considered before a weighted drawing process opens or before an application is submitted.

Fair Market Rents (FMR): Fair market rents are the maximum chargeable gross rent, including utilities, in an area for projects participating in the Housing and Urban Development (HUD) Section 8 Program. The HUD Section 8 Program targets incomes of 80% and below of the Median Family Income (MFI). The Jackson/Teton County Affordable Housing Department does not participate in HUD's Section 8 Program; however, FMR applies to some Employee Housing rental units. The rental rate corresponds to the amount of bedrooms in a unit.

Final Development Plan Approval: The point in the development review process when either the Teton County Board of County Commissioners or the Town of Jackson Town Council approves a development.

Final Inspection: The inspection that is done on a home at least 48 business hours before closing on the sale of the home. The purpose is to determine whether the home has been properly cleaned and that proper maintenance and repairs have been completed.

Finance Company: A company that regularly makes loans to clients.

Garage: An enclosed shelter for automotive vehicles.

Grievance: A dispute that sellers, buyers, or owners may have with the Housing Department with respect to an action or failure to act in accordance with the individual's rights, duties, welfare, or status.

Habitable Floor Area: Habitable floor area is floor area used for living purposes, usually having access to heat, plumbing, and electricity. It includes foyers, hallways, restrooms, closets, storage, and other common areas within a building. Habitable floor area does not include mechanical rooms, elevators and fireplaces. Habitable floor area is measured either from the exterior of the faces of the building or the exterior limits of any interior wall that separates habitable floor area from uninhabitable floor area, whichever is applicable.

Handicapped:

Hearing Impaired: Individuals with hearing measures between 25 dB and total hearing loss.

Mentally Challenged: Individuals who have an intellectual functioning level that is well below average and that causes significant limitations in daily living skills.

Mobility Impaired: Individuals who have reduced function of legs and feet that leads them to be permanently dependent on a wheelchair or an artificial aid to walking.

Heir: A person legally entitled to the property of another person upon the latter person's death.

Homebuyer Education: Class required by the Jackson/Teton County Housing Authority for households to be eligible to purchase a restricted housing unit. The class educates homebuyers about the entire home buying process.

Homeowners' Association: An organization comprised of neighbors concerned with managing the common areas of a subdivision or condominium complex. These associations take on issues such as plowing, clearing sidewalks, painting exteriors of a subdivision and collecting dues from residents. The homeowners' association is also responsible for enforcing Covenants, Conditions & Restrictions (CC&Rs) that apply to the property. They do not enforce Deed Restrictions.

Household Income: The current income going forward 12 months of all adult wage earners within a household before taxes. Income from dependents that are enrolled in college or another type of school is not included in the household income calculation. For self-employed individuals, Income is the net income from the business with depreciation added back in averaged over either the life of the business or the last three (3) years, whichever is shorter. Other types of deductions may be added back in as well, such as home business use.

Household Net Assets: The value of all assets over \$500 in value including, but not limit too, bank accounts, investment accounts, life insurance, furniture, automobiles, jewelry, computer

equipment, real estate, and recreational equipment; less any debt the household has. Net assets do not include retirement accounts, business assets are limited to liquid assets.

Housing Programs: Programs intended to provide housing for the workforce of Teton County and administered under the Jackson/Teton County Affordable Housing Department. They include ownership and rental units created through the Land Development Regulations, through the direct construction of restricted housing units, or the financing thereof.

Housing Mitigation Plan: The portion of a development plan that specifies how an applicant will satisfy the Affordable and/or Workforce Housing requirements in Division 6.3.6 of the Teton County and Town of Jackson Land Development Regulations.

Immediate Family Member: Individuals that include a parent, spouse or child, including stepchildren, foster children, stepparents and foster parents.

Initial Inspection: An inspection done on a home once a letter of intent to sell is received by the Housing Department. The purpose is to inform the seller of the selling process and to check for maintenance and repairs that may be required before the sell occurs.

Institutional Lender: A lender that is a legitimate financial institution that regularly loans money for real estate transactions.

Joint Tenancy: When two or more people own property as joint tenants and one owner dies, the other owners automatically own the deceased owner's share. No will is required.

Leave of Absence: Permission granted by the Housing Department for an owner of a restricted housing unit to be absent from the unit for an extended period of time for a legitimate and compelling reason, without violating the unit's deed restriction.

Lawful Permanent Resident: Any foreign national who has been granted the right to reside permanently in the United States. Lawful Permanent Residents may apply for Affordable and Attainable housing but are ineligible to apply for Employment-Based housing, as it is available for US Citizens only.

Lender's Qualification: The Institutional Lender's judgement of the household's financial ability to obtain financing for purchasing a home.

Letter of Intent to Sell: A letter that a homeowner submits to the Teton County Housing Authority informing the Housing Department that they desire to sell their restricted housing unit. The Housing Department must receive this letter before the selling process can begin.

Liabilities: Any debt, loans, or balances that a household owes. Liabilities are subtracted from assets when calculating Household Net Assets.

Living Space: A room in a home used by a family for leisure activities, entertaining guests, etc. It includes space for couches, chairs, tables, and may open to the kitchen.

Local Business:

Two Part Definition

A.) A local business means (1) a business physically located within Teton County, Wyoming, holding a business license with the Town of Jackson, Wyoming or one that can provide other verification of business status physically located in Teton County, Wyoming, and (2) the business serves clients or customers who are physically located in Teton County, Wyoming, and (3) the employees/owners must work in Teton County, Wyoming to perform their job.

Or

B.) A business physically located in Teton County Wyoming who employs two or more Qualified Employees, which qualified employees must work in Teton County Wyoming to perform their job.

Maintenance: A repair or maintenance item is an expenditure that restores a property to a sound state.

Maintenance Adjustment: The amount of money credited to the buyer at closing for maintenance, cleaning, or repairs that are found to be needed on the home at the final inspection.

Maximum Rental Rates: The maximum rental rate that may be charged to a tenant occupying an Employee Housing unit. The rates must include basic utilities (water/sewer, electric, gas, and trash removal). The specific restriction recorded on the unit instructs the method to be used to calculate maximum rental rates.

Maximum Resale Price: The maximum amount that a restricted housing unit can be sold for. This price is calculated by the Housing Department according to the restricted housing unit's deed restriction or the *Housing Department Rules and Regulations*.

Maximum Resale Letter: A letter given to a seller of an Affordable or Employment-Based housing unit informing them of the maximum amount that the unit may be sold for

Maximum Sales Price: The maximum amount that newly provided ownership housing units can be sold for initially. There is 10 percent reduction from the maximum sales price for no garage and a 20 percent reduction from the maximum sales price if the unit is below grade.

Median Family Income (MFI): The Department of Housing and Urban Development (HUD) calculates this figure by dividing households residing in counties into two equal segments with the first half of households earning less than the median household income and the other half earning more. Then, adjustments are made based on family size. The Jackson/Teton County Affordable Housing Department uses MFI to determine eligibility for restricted housing units. The Housing Department also uses MFI to calculate maximum sales prices.

Military Service: Active deployment in the U.S. Armed Services for any amount of time. Military Service counts as employment in Teton County, Wyoming for the sake of gaining the 1-year eligibility in the weighted drawing if the person deployed met employment criteria in Teton County Wyoming for minimum of two years immediately prior to deployment.

Net Livable Floor Area: This area is calculated on interior living area and is measured interior wall to interior wall, including all interior partitions including, but not limited to habitable basements and interior storage areas, closets and laundry areas. Exclusions include, but are not limited to, uninhabitable basements, mechanical areas, exterior storage, stairwells, garages (either attached or detached), patios, decks and porches.

Nonqualified Transferee: A household to whom the title of a restricted housing unit is transferred, but it does not meet the qualification and eligibility standards set out in these *Housing Department Rules and Regulations*.

Occupancy Requirements: A type of preference used in the Affordable and Employment-Based Programs' weighted drawing selection processes through which household is eligible to enter a weighted drawing based on how closely it aligns with the unit size.

Original Purchase Price (OPP): The amount the current homeowner originally paid for the home.

"Plus" Units: Restricted housing units that have extra floor area for offices, play areas, etc.

Post-Secondary Education: Attendance as a full-time student at an educational establishment after high school or college preparatory school.

Possession Date: The date a buyer takes possession of a home. This is normally the date of closing unless for some reason funds are unable to be disbursed on that day or other arrangements are made.

Price Opinion: The market value of residential or commercial property, as determined by a local real estate firm.

Primary Education: Attendance at a school for primary education located in Teton County Wyoming.

Primary Residence: A Household's sole residence, occupied at least ten (10) months during each calendar year, or as otherwise stated in the Housing Unit's Restriction.

Profit and Loss Statement: A statement showing a business's income and expenses up through the month prior to application.

Purchase and Sales Contract: Contract entered into by the seller and the buyer which outlines the terms and conditions under which the property will be sold.

Qualified Critical Services Provider: An employee or volunteer on call 24 hours per day for public safety emergencies of an approved community-based organization that provides immediate response to health and safety services.

Qualified Employee: A person who works for a local business in Teton County Wyoming a minimum of 1,560 hours annually (average of 30 hours per week).

Qualification Letter: Letter issued to applicant confirming that they are qualified to purchase the home. This letter is needed by the Title Company in order to allow the closing to take place.

Qualified Households: Households that have applied for housing through the Housing Department, where Housing Department staff deem them as eligible to purchase a restricted housing unit after verification of information, based on the unit's Deed Restriction and the *Housing Department Rules and Regulations*. Information includes but is not limited to household income, assets, employment, and minimum occupancy requirements.

Qualified Mortgage/Qualified Mortgagee: A loan attained from an Approved Lending Institution/the buyer of a restricted housing unit that has been approved for a mortgage.

Resale Process: The process by which an owner of a restricted housing unit sells it to a new owner.

Residential Property: A parcel that either includes a residential dwelling unit or has the by-right potential for developing a residential dwelling unit per local zoning regulations.

Restricted Housing Unit: Any housing units in the Town of Jackson or Teton County that have Restrictive Covenants or Ground Leases that regulate the occupancy, use, sale, and/or rental of the unit or are restricted by the Land Development Regulations in order to further the Town/County's workforce housing goals.

Restrictive Covenant: a contract between the Board of County Commissioners/Town of Jackson and the owner of real property developed or designated to ensure the affordability of a housing unit for perpetuity (sometimes referred to as Special Restrictions, Deed Restrictions, or Restrictions).

Restrictive Covenant Template: A standard form to be used as a recorded instrument on all restricted housing units.

Restrictive Covenant Information Sheet: A form that the developers of restricted housing units must fill out as part of the Housing Mitigation Plan.

Retirement Age: The age at which the Federal Social Security Administration allows an individual to begin collecting Social Security.

Safe Decent Sanitary Housing: Safe, decent sanitary housing means that housing units must be kept in a habitable state fit for human occupancy to protect the physical health and safety of the renter. Landlords must:

- a. Maintain common areas of the residential unit in a sanitary and reasonably safe condition.
- b. Maintain electrical systems, gas systems, plumbing, heating and hot and cold water and keep them in working order.
- c. Unit must be structurally sound, clean, weathertight, in good repair, and meet local building codes in place at time of construction or as required for a change of use, if applicable.
- d. Maintain other appliances and facilities as specifically contracted in the rental agreement.

Secondary Education: Attendance at a high school or college preparatory school located in Teton County, Wyoming.

Settlement Statement: Itemizes all costs, and/or credits due from the buyer and seller at closing.

Teacher: Any individual who (1) works with individuals age three (3) – eighteen (18), and (2) whose duties involve classroom or other instruction or the supervision or direction of classroom or other instruction, and (3) whose primary employment is at least thirty (30) hours a week for at least nine (9) months per year, but is not employed in that position for at least two (2) months per year.

Tenancy-In-Common: When two or more people own a shared interest in a property. If one owner dies, they can will their portion to other beneficiary(s) and not to the other owner(s) if they desire.

Uniform Residential Loan Application (or Fannie Mae Form 1003): The application required by law for mortgage lenders to use to supply home loans. The Housing Department may require that applicants supply this application when applying for a restricted housing unit.

Verification Checklist: Checklist used by JTCHA to verify whether a household is qualified to purchase a particular home.

Voluntary Affordable/Employee Housing Units: Units with a restricted rent or sale price to be affordable to households earning no more than 200 percent of Teton County Median Family Income. An applicant may propose these units in addition to those required by the Land Development Regulations.

Weighted Drawing: The event that selects the order, of all the applicants for an applicable restricted housing unit, which the home will be offered for sale.

Weighted Drawing Entry Period: The period (normally two weeks) that the Housing Department accepts weighted drawing entry sheets for an available restricted housing unit.

Weighted Drawing Entry Sheet: Households complete a weighted drawing entry sheet and submit it to the Housing Department along with other documentation within the weighted drawing entry period when the household is interested in purchasing an available restricted housing unit.

Weighted Drawing Number: A number that a household receives from a weighted drawing that reflects the household's standing in the weighted drawing for an applicable restricted housing unit.

Weighted Drawing Form: The form used to record all households who submitted weighted drawing entry sheets for a particular home. The households are recorded in alphabetical order. This form is given to outside counsel who then assigns each household a number. The numbers are placed in a pool and drawn out one by one. The results of the drawing are recorded in order on the Weighted drawing Form and returned to the Housing Department.

Weighted Drawing Process: The process by which the Housing Department accepts weighted drawing entries from households wishing to purchase a restricted home and determines the order the households will be offered the home for purchase. (Separate lotteries are conducted for each program).

Workforce Housing Program: An incentive program applicable within the Town of Jackson through which bonus floor areas are available in nonresidential or mixed-use buildings if the developer provides restricted housing units. These units can be either Ownership or Rental, and the number of units to be provided is determined by a ratio set out in the Town LDRs.

ORDINANCE J

AN ORDINANCE AMENDING AND REENACTING SECTION 1 OF TOWN OF JACKSON ORDINANCE NO. 1195 AND SECTION 16.10 OF THE MUNICIPAL CODE OF THE TOWN OF JACKSON REGARDING HOUSING RULES AND REGULATIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING, IN REGULAR SESSION DULY ASSEMBLED THAT:

SECTION I.

Section 1 of Town of Jackson Ordinance No. 1195 and Section 16.10 of the Municipal Code of the Town of Jackson are hereby amended and reenacted read as follows:

Title 16 Housing

Title 16
Housing

Chapters:

16.10 TOWN OF JACKSON HOUSING RULES AND REGULATIONS

**Chapter 16.10
TOWN OF JACKSON HOUSING RULES AND REGULATIONS**

Sections:

- 16.10.000 Introduction.**
- 16.10.100 Purpose and General Goals.**
- 16.10.200 Housing Development Standards and Procedures.**
- 16.10.300 Qualification and Eligibility.**
- 16.10.400 Weighted Drawing.**
- 16.10.500 Purchase and Sale Standards and Procedures.**
- 16.10.600 Rental Standards and Procedures.**
- 16.10.700 Compliance and Exception, Appeal, Grievance Standards and Procedures.**
- 16.10.800 Definitions.**

16.10.000 Introduction.

A. List of Commonly Used Acronyms.

Acronym	Full Text
ARU	Accessory Residential Units
AMI	Area Median Income

CC&Rs	Covenants, Conditions, & Restrictions
CPI	Consumer Price Index
HOA	Homeowners Association
HUD	U.S. Department of Housing and Urban Development
JTCHA	Jackson/Teton County Housing Authority
LDRs	Land Development Regulations
MFI	Median Family Income
MRP	Maximum Resale Price
OPP	Original Purchase Price
SF	Square Feet

B. Summary of Housing Programs.

The general goal of all housing programs covered by the Housing Department Rules and Regulations is to provide and maintain housing affordable to persons and families who make a living primarily from employment located in Teton County, Wyoming. The housing programs addressed in the Housing Department Rules and Regulations are: Affordable Ownership, Affordable Rental, Workforce Ownership, and Workforce Rental. Legacy programs (including Accessory Residential Units, Attainable units, Employee units, and Employment-based units) are referenced in some properties' restrictions, so these Housing Department Rules and Regulations also contain the rules that pertain to these programs.

Descriptions of Applicable Programs:

1. Accessory Residential Units (ARU) – Units created through this program are developed as part of nonresidential developments that are exempt from the housing requirements set by the LDRs. These units are rented to workers employed in Teton County, and they must remain as rental property (i.e., they cannot be converted to condominiums). Accessory Residential Units developed after June 4, 2018 will be part of the “Workforce Rental” program. To qualify to rent these units, at least one person in the household must be employed at a local business for a minimum of 1,560 hours per year. They may not own residential real estate within 150 miles of Teton County. A minimum of 75% of the household’s income must be earned from a local business(es) The tenants must physically occupy the unit a minimum of 80% of their lease term. Tenants will be required to requalify annually or upon lease renewal. The units are not allowed to remain vacant in excess of 60 days. Rents are set by the owner.
2. Affordable – These are units created through the mandatory affordable housing mitigation requirements included in the Town and County Land Development Regulations (LDRs). The Affordable housing program is divided into “Affordable Ownership” and “Affordable Rental,” and each has restricted pricing based on applicable affordability ranges. To qualify to purchase these units, household income and assets must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed. The owners must physically occupy the units a minimum of 10 months each year. Tenants must physically occupy the units a minimum of 80% of their lease term.

Tenants will be required to requalify annually. Owners will be required to provide proof of continued local employment, occupancy, and non-ownership of residential real estate. Maximum rents and sales prices are based on median family income as published by HUD. Ownership units appreciate based on the Consumer Price Index.

3. **Attainable** – These units were built before housing standards were codified in the LDRs. No more Attainable housing units will be constructed, but the Housing Department Rules and Regulations still apply through the management of existing units. Specific requirements for these units are recorded as covenants on the property deed, and the Housing Department Rules and Regulations are referenced through these covenants. To qualify to purchase these units, household income and assets must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed at time of purchase. The owners must physically occupy the units a minimum of 10 months each year. No requalification or future documentation will be required after purchase of the unit.
4. **Employee** – These rental housing units are built to comply with the housing mitigation requirements for new nonresidential development set out in the Town and County LDRs. Initially, these units were intended to provide housing to seasonal workers, but they are not restricted to occupancy by seasonal workers. These Housing Department Rules and Regulations have been updated to reflect the Town and County’s policy direction in 2017, which aligns with the Comprehensive Plan’s goal of housing the local year-round workforce. The owner of the Employee housing units ultimately makes the decision about unit tenancy so long as the household qualifies. These units can be converted to condominiums for workforce employers. Employee units developed after June 4, 2018 will be part of the “Affordable Rental” program. To qualify to rent these units, household income must be within the relative income range for the unit. At least one person in the household must work a minimum of 1,560 hours per year. No ownership of other residential real estate within 150 miles of Teton County is allowed. Tenants will be required to requalify annually. The units are not allowed to remain vacant in excess of 60 days.
5. **Employment-Based** – This is a program that the Town of Jackson initiated to create restricted ownership units for sale to households that are employed in Teton County, but do not fit within the affordability ranges set out in the LDRs. These units are not developed under a mandatory requirement set out in the Town’s LDRs. Employment-Based units developed after June 4, 2018 will be part of the “Workforce Ownership” program. To qualify to purchase these units, at least one person in the household must be employed at a local business for a minimum of 1,560 hours per year. They may not own residential real estate within 150 miles of Teton County. A minimum of 75% of the household’s income must be earned from a local business(es). Owners must physically occupy the units for a minimum of 10 months of each year. Owners will be required to re-qualify annually.
6. **Workforce Housing Programs** – This program is divided into “Workforce Rental” units and “Workforce Ownership” units. They are provided through incentives in the LDRs. Households who purchase or rent Workforce units are required to earn a minimum of 75% of their income from a local business. They may not own other residential real estate within 150 miles of Teton County, and at least one person in the household must earn 1,560 hours

annually from a local business. There is no cap on the original purchase price. Once a unit is sold or rented, the maximum resale price or rental rate is restricted to an appreciation cap on the unit as indicated in the Special Restrictions recorded on the property. The owners of Workforce Rental Units set the rental rates. There is no cap on rental rates. Owners and tenants will be required to re-qualify annually.

16.10.100 Purpose and General Goals.

- A. Purpose** – The Jackson/Teton County Affordable Housing Department (“Housing Department”) was created by Teton County, Wyoming and the Town of Jackson, Wyoming on March 14, 2016 Town Resolution 16-04 and County Resolution 16-008. The purpose of these Housing Department Rules and Regulations (“Housing Rules”) is to provide comprehensive and consistent provisions that apply to housing units created through the Town or County established housing programs and/or administered by the joint Town of Jackson/Teton County Housing Department (hereafter “Housing Department”).

The Housing Department Rules and Regulations were formerly known as the “Guidelines.” When the Housing Guidelines are referenced in documents promulgated prior to the adoption of the 2018 Housing Department Rules and Regulations, the reference of guidelines refers to these Housing Department Rules and Regulations.

1. Applicability.

- a. Subject to Provisions that are Unique to Specific Program - Each housing program covered in these Housing Department Rules and Regulations is subject to provisions that are unique to that program as indicated in these Housing Department Rules and Regulations.
- b. Subject to Provisions of the Restrictions Recorded on the Property - Restricted housing units are subject to individual deed restrictions, special restrictions, or ground leases, (collectively “restrictions”) which may have additional requirements or provisions. If the Housing Department Rules and Regulations and the restrictions conflict, then the language, requirement, and/or provision of the Restrictions shall be applied and followed, not the Housing Department Rules and Regulations. The Restrictions recorded on the property supersede any inconsistency in these Housing Department Rules and Regulations.
- c. Subject to Federal Fair Housing Law (The Fair Housing Amendments Act of 1988) - The Housing Department recognizes that the Office of Fair Housing and Equal Opportunity administers and enforces federal laws and establishes policies that ensure that all Americans have equal access to the housing of their choice. The Housing Department does business in accordance with the Federal Fair Housing Law (The Fair Housing Amendments Act of 1988).
 - i. Discrimination - It is Illegal to discriminate against any person because of race, color, religion, sex, handicap, familial status, or national origin in the sale or rental of housing, in the financing of housing, in the provision of real estate brokerage services, or in the appraisal of housing.

- a) Filing a Complaint - Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination to the HUD Housing Discrimination Hotline, 1-800-669-9777 (Toll Free), or the TDD line for the hearing impaired, 1-800-927-9275.
- ii. Blockbusting - Blockbusting is also prohibited. Blockbusting is the practice of illegally frightening homeowners by telling them that people who are members of a particular race, religion, or national origin are moving into their neighborhood and that they should expect a decline in the value of their property. The purpose of this scheme is to get the homeowners to sell at a deflated price.
- d. Disclaimer - The Jackson/Teton County Affordable Housing Department (“Housing Department”) expressly disclaims any and all warranties, express or implied, including without limitation fitness for a particular purpose with respect to the provision of restricted housing units. The Housing Department does not represent, warrant, or promise to construct, finance, or otherwise produce, in whole or in part, any restricted housing units pursuant to these Housing Department Rules and Regulations or under any other programs. No applicant may rely upon any promise implied or expressed that restricted housing units shall be constructed, financed, or otherwise produced, in whole or in part, by the Housing Department. In no event shall the Housing Department be liable to any applicant for any direct, indirect, incidental, punitive, or consequential damage of any kind whatsoever, including without limitation lost profits, lost sales, lost business, lost opportunity, lost information, lost or wasted time. None of the information contained in these Housing Department Rules and Regulations constitutes an offer to sell or the solicitation of an offer to buy a restricted housing unit.

B. General Policy Goals – The general goal of all housing programs covered by these Housing Department Rules and Regulations is to provide and maintain housing affordable to persons and families who make a living primarily from employment located in Teton County, Wyoming, which includes the Affordable, Attainable, Employee, Employment-Based, Accessory Residential Unit, and Workforce housing programs. This is accomplished by regulating the occupancy, use, sale and/or rental of the restricted housing units covered by the Housing Department Rules and Regulations to qualified households as defined herein.

- 1. Promoting Economic and Social Diversity - Certain housing programs also limit initial eligibility of qualified households based on financial means criteria, which may include both household income and household net assets. Such financial qualifying factors promote economic and social diversity within the Jackson Hole community.
- 2. Ensuring Long-Term Affordability - Many of the restricted housing units covered by these Housing Department Rules and Regulations are subject to price limitations for sale, resale and/or rental. These limitations are intended to ensure affordability

for both the current household occupying the restricted housing unit and to ensure the long-term affordability of the restricted housing unit.

3. Providing Housing for the Local Workforce - Minimum occupancy requirements apply to all restricted housing units to ensure that the unit meets the community's goals of providing housing for the local workforce by maximizing the space and filling the bedrooms, and to ensure that the restricted housing unit does not serve as a second home.
 4. Providing Fair and Consistent Administration - These Housing Department Rules and Regulations are intended to provide clear, fair, and consistent administration of the housing programs to which they apply. It is recognized that there are individual households or restricted housing units that may not fit clearly into the specific provisions of the Housing Department Rules and Regulations, but still meet these general policy goals. For these cases, exception, appeal, and grievance processes have been included in Section **16.10.007** Compliance and Exception, Appeal, and Grievance Standards and Procedures.
- C. Relationship to Land Development Regulations** – The Town of Jackson and Teton County Land Development Regulations (LDRs) set out standards for the development and use of land within each jurisdiction. The LDRs include requirements for certain developments to provide affordable housing or fees to offset the additional housing need that the developments create. Specific programs address different types of development. The Planning Department of each jurisdiction reviews development applications to check for compliance with the LDRs.

These Housing Department Rules and Regulations impose additional requirements on the developers of any type of restricted housing units. The Housing Department reviews compliance with these Housing Department Rules and Regulations, both prior to development and during occupancy and use.

1. Standards Applicable Under LDRs versus Housing Department Rules and Regulations - Generally, the LDRs address any provisions that must be met during the development approval phase, while the Housing Department Rules and Regulations address provisions that ensure proper use and maintenance of the restricted housing units throughout their lifetime.

LDR Provisions	Housing Department Rules and Regulations Provisions
Rental/Sale Mix (required mix of units)	Livability Standards (Interior)
Occupancy Standards	Dormitory Livability Standards
Distribution of Income Categories	Livability Requirements for Conversion of Existing Housing Stock
Requirements for Fees in Lieu	Restrictive Covenant Form and Process
Requirements for Conveyance of Land or Conversion of Existing Housing Stock	Sale/Rental Standards and Procedures including Qualification and Eligibility for Each Program

LDR Provisions	Housing Department Rules and Regulations Provisions
Procedure for Banking Credits	Compliance with Housing Department Rules and Regulations.
Phasing Plan	Compliance with Restrictive Covenants
Mix by Number of Bedrooms	

2. References Retained for Convenience - All references to the LDRs in these Housing Department Rules and Regulations are for convenience and are not a part of the Housing Department Rules and Regulations.

16.10.200 Housing Development Standards and Procedures.

- A. Purpose** - The Jackson/Teton County Comprehensive Plan lists three common community values, one of which is quality of life. One of the ways called out to achieve quality of life is through local workforce housing. With regards to workforce housing, the Comprehensive Plan includes the four following principles:

1. Maintain a diverse population by providing workforce housing
2. Strategically locate a variety of housing types
3. Reduce the shortage of housing that is affordable to the workforce
4. Use a balanced set of tools to meet our housing goal

The Town of Jackson and Teton County have several tools to increase the amount of housing that is affordable to the workforce. One of these tools is the requirement and/or incentive in the LDRs for residential and non-residential development to provide permanently restricted workforce housing. This housing represents a substantial and long-term public investment. As such, it is imperative the restricted housing produced be livable and of good quality.

This section, Housing Development Standards and Procedures, is meant to provide guidance to the prospective developers of restricted housing units. Subsection **B** lays out the requirements of the Housing Mitigation Plan, which is reviewed by both the Planning Department and the Housing Department. Subsection **C** sets out the Livability Standards, which are under the Housing Department's purview.

1. **Applicability** - This Section applies to all developments subject to Division 6.3 of the County LDRs and Division 6.3 of the Town LDRs. It also applies to any restricted housing units not required through the LDRs that are presented to the Board of County Commissioners or Town Council in development applications.
2. **General Policy Goals.**
 - a. **Inform Developers of Standards and Procedures** - These Housing Development Standards and Procedures inform prospective developers of the standards and guidelines for construction and sale of restricted housing units, as required by the LDRs and the Housing Department Rules and Regulations.

- b. Provide Fair and Consistent Implementation of Standards and Procedures - These Housing Development Standards and Procedures help the Housing Department implement policies of the LDRs and the Housing Department Rules and Regulations in a fair and consistent manner.
- B. Housing Mitigation Plan** - A Housing Mitigation Plan for each project shall be submitted according to the provisions of the Teton County and Town of Jackson LDRs [See Teton County Land Development Regulations: Divisions 6.3 and 7.4 or Town of Jackson Land Development Regulations: Divisions 6.3 and 7.4]. A packet with a checklist for a Housing Mitigation Plan can be obtained through the Housing Department or the Town or County Planning Departments.
- 1. Procedures.
 - a. Consultation with Applicant (Optional) - Applicants may meet with Housing Department staff prior to submitting a Housing Mitigation Plan. Although this step is not required, it is often helpful for the applicant and the Housing Department staff to discuss the development proposal and how it meets the LDRs and Housing Department Rules and Regulations.
 - b. Review - Applications for development that have been submitted to the Town or County Planning and/or Building Departments are reviewed by the Housing Department for compliance with these Housing Department Rules and Regulations.
 - c. Streamlined Applications - Applications that have housing units required that are allowed to go directly to building permit are required to get their units approved by the Housing Department prior to submitting for building permit.
 - 2. Content - The Housing Mitigation Plan contains some provisions that fall under the purview of the Planning Department, while others fall under the purview of the Housing Department. Specifically, the Housing Department oversees the Livability Standards. Developers should refer to the LDRs for requirements such as the mitigation methods, the mix of units by number of bedrooms and the mix of units by affordability ranges.
 - a. Mitigation Method - See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.
 - b. Requirement Calculation - See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.
 - c. Fee Calculations - If the developer proposes Fees In-Lieu as the preferred form of mitigation, the developer shall submit the proposed amount with a Final Development Plan.

The Planning Department shall update the fees in-lieu for the restricted housing units on an annual basis. Fees in-lieu figures are available at the Planning Department.

d. Unit Descriptions.

- i. Unit Size - There is no minimum or maximum unit size based on square footage. Size by bedroom mix is located in the LDRs.
- ii. Rental/Sale Mix - As part of the Housing Mitigation Plan, the developer shall state which units are intended as rentals and which are intended as ownership in accordance with the LDRs (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).
- iii. Mix of Units by Number of Bedrooms - The intent of the restricted housing programs is to provide a variety of unit types to meet the housing needs of our diverse workforce. The Town and County LDRS set out the specific occupational requirements for housing units. The mix of units by number of bedrooms in each unit is also determined by the Town and County LDRs.
- iv. Distribution of Income Ranges- See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.

e. Special Restriction Form and Process - A Special Restriction is a contract between the Board of County Commissioners/Town of Jackson and the owner of real property developed or designated to satisfy the Town or County LDRs. It also applies to other restricted housing units that will be administered by the Housing Department. Special Restrictions shall keep the restricted housing units affordable in perpetuity and provide proper notification of this obligation to subsequent buyers or other interested parties. (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).

- i. Requirement - The developer shall record Special Restrictions in the public land records for the subject property prior to the issuance of a Certificate of Occupancy by the County or Town.
- ii. Process - The Housing Department shall prepare special restrictions according to the process below. Restrictive covenant templates are available from the Housing Department or the Housing Department website.
 - a) Special Restriction Information Sheet - The developer shall complete the “Special Restriction Information Sheet” and submit to the Housing Department. This form is found at the Housing Department website, or at the Housing Department offices. There are four types of restrictions, Workforce Ownership, Workforce Rental, Affordable Ownership, and Affordable Rental.

- b) Preparation of Special Restriction - The Housing Department will prepare the special restriction and provide the document to the developer for review via email or other delivery method.
 - c) Review - Once reviewed by the developer for accuracy, the Housing Department and the developer (“declarant”) will sign the special restriction and deliver to the County or Town for the required signature.
 - d) Developer Responsibilities - The developer is responsible for signing the special restriction, recording the special restriction with the Teton County Clerk, and paying for the recording fees. The original restriction will be returned to the Jackson/Teton County Housing Department office. The Housing Department shall witness the recording.
 - e) Modification/Amendment - The developer shall not make modifications to the special restrictions with the exception that when an alternate housing program is approved by the Town Council or County Commissioners. Modifications or amendments to the restricted covenant must be approved by the Town Council or Teton County Commissioners. The developer or owner may be responsible for any legal costs to amend a restrictive covenant.
- C. Livability Standards** - To meet the community’s goals of providing working families a viable choice of housing, to protect social diversity, and to contribute to economic stability, the LDRs and the Housing Department Rules and Regulations require that restricted housing units are designed to provide adequate size, building and site design, and finishings to serve future tenants. These are all criteria in the Housing Department’s decisions as to whether a development meets the goals of the LDRs and the Housing Department Rules and Regulations. For additional construction standards, see Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3.
- 1. Process - These Livability Standards are associated with interior components of the units, functionality, light, and outdoor space. Review by the Housing Department will be completed during the planning process and at time of building permit. It is encouraged that applicants review restricted housing unit designs with the Housing Department early in the design process.
- Restricted housing units will also be subject to Planning Department review, as some livability standards are requirements of the LDRs (See Teton County Land Development Regulations: Division 6.3 or Town of Jackson Land Development Regulations: Division 6.3).
- 2. Intent - The livability standards in the LDRs do not include minimum size requirements for units. To ensure functionality of units regardless of size, these Livability Standards have been adopted. The Housing Department may consider flexibility within these standards as long as the intent of functionality is being met. All building, plumbing,

electrical, and fire code requirements are still required to be met. These standards do not supersede other requirements.

Restricted housing units are expected to be designed with logical and functional room layout. This includes adequate space for normal living based on two (2) persons per one-bedroom unit, three (3) persons per two-bedroom unit, and four (4) persons per three-bedroom unit and adequate circulation pathways through the unit based on a reasonable furniture configuration.

The standards contained in this document provide minimum requirements for specific items and are not intended to be “build to” specifications.

- a. Exceptions - Applicants may request approval of components that don’t conform to these Livability Standards by completing the “Request for Exception” form. The request must include a detailed explanation of why the applicant wishes to diverge from these Livability Standards, and how the proposed difference is meeting the intent of these Livability Standards. Detailed drawings of what is being proposed shall also be submitted (See Section 7-3)
3. Acceptance of Restricted Housing Units - Proposed floor plans will be reviewed by the Housing Department at time of Sketch Plan submittal, Final Development Plan submittal and/or other permit submittal. Proposed unit designs and components must be approved by the Housing Department prior to submittal for building permit. The Housing Department will inspect all restricted units before certificate of occupancy to ensure that the unit is built according to the approved designs.
4. Standards for Restricted Ownership Units.
 - a. Kitchen.
 - i. Cabinets - All units shall have kitchen cabinet or other storage area (such as a pantry) proportionate to unit size that, at a minimum, meet the required space listing in the table below. A stove/oven may not be used to meet cabinet requirements, and no more than two cabinet spaces less than one foot in width may be used to meet cabinet requirements.

Unit Size	Lineal Ft of Base Cabinets*	Lineal ft of Upper Cabinets*
Efficiency / studio / one-bedroom < 475 SF	4	4
One bedroom > 475 SF	5	5
Two bedrooms	6	6
Three bedrooms or more	7	7

*Assumes standard 24” depth and 26” height for base cabinets and 12” depth and 30” height for upper cabinets.

Note that additional kitchen storage beyond the minimum is desirable. In some cases, additional cabinetry is provided as either base or upper cabinets and credit is requested to reduce cabinetry elsewhere. Requests to storage

requirements will be considered as an exception to be approved by the Housing Department.

- ii. Countertops - The surface of countertops shall be made of new, durable, easily cleaned materials that are commonly used for countertops. One, two- and three-bedroom units must provide a minimum 3 feet of continuous countertop work space not including interior corner space.

iii. Appliances.

- a) Table of Appliance Specifications - The following table specifies minimum appliance requirements.

Unit Size	Sink width*	Range/oven width*	Refrigerator cubic feet*	Dishwasher*
Studio/One bedroom < 475 SF	24"	24"	18	18"
One bedroom >475 SF	30"	30"	25	24"
Two bedroom	32"	30"	30	24"
Three bedrooms or more	32"	30"	30	24"

*Minimum Size

- b) Quality and Warranty - All appliances shall be new, Energy Star, and UL (Underwriters Laboratories Standards for Safety) listed, and approved appliances. Documentation of the estimated reliability of proposed appliances, such as Consumer Report ratings, should be provided. Appliances must be of sound quality with the following minimum warranties:

- 1) Range or Stove and Oven - One-year minimum warranty. All major appliances used for surface cooking must have a ventilation system that meets code (typically, a fan rated at a minimum of 150 CFM).
- 2) Refrigerator - One-year minimum warranty on the entire appliance.
- 3) Dishwasher - One-year minimum warranty on the entire appliance.
- 4) Garbage Disposal - If provided in the market rate units, all restricted ownership units shall include a garbage disposal each with a one-year minimum warranty on the entire appliance.
- 5) Microwaves and other small appliances are optional.

- b. Bathrooms - At least one full bathroom is required and must contain a bathtub with shower, sink, toilet, and a minimum of four (4) square feet of storage. Flexibility is allowed as to how the storage is provided and will be approved by the Housing Department

- c. Closets and Storage Areas - Adequate storage is essential to providing livable housing. For safety reasons, mechanical rooms should be separate from any storage space and to ensure usable storage space should not open into storage space. All closets and storage areas should have a minimum 7.5' height except those under stairs which can include sloping ceilings down to 6' height unless it is not being counted toward the requirement. All dimensions shall be calculated from the finish trim dimension.

i. Table of Minimum Storage Dimensions.

Unit Size	Bedroom closet width	Linen closet* width	Additional storage square feet
Studio/one-bedroom < 475 SF	6 feet	24 inches	25 square feet
One-bedroom > 475 SF	6 feet	30 inches	30 square feet
Two-bedroom	6 feet	30 inches	40 square feet
Three-bedroom or more	6 feet	36 inches	50 square feet

ii. Other Storage Standards.

- a) Closet depth must be 26 inches.
- b) Bedrooms must each contain a closet that includes one shelf over a rod.
- c) Entryway closets are not a requirement. If an entryway closet is not provided that will adequately store coats and shoes/boots for one person in a studio, two persons in a one-bedroom, three persons in a two-bedroom and four persons in a three-bedroom, then an area for hanging/storing coats and shoes/boots near the entryway is required that will adequately provide for the same persons per unit.
- d) In addition to bedroom, linen and entryway storage, additional storage must be provided. Locations may include the basement, garage, exterior to the unit or interior to the unit. The intent of this storage is to provide space for large or outdoor items such as bicycles, strollers, recreational gear, etc. If appliances are located in this area, their footprint cannot be counted toward square footage of storage and must be approved by the Housing Department.
- e) Closet and storage doors must be sliding doors, folding doors, or doors that open outwards to allow for access to space. Doors are not required on interior storage. Closets and storage space may not have any other doors opening into the space.

- D. Floor Coverings** - New carpet, wood, tile, vinyl or linoleum floor covering shall be provided, with a minimum 10-year warranty. New water-resistant floor covering other than carpet is required in kitchens and bathrooms. Floor coverings are required on all subfloor material with the exception that concrete can be used as flooring material.

- E. Room Sizes and Shapes** - All units must include appropriate and adequate room sizes and room shapes (generally rectilinear) that allow for functional furniture placement. Minimum sizes should be measured at the narrowest point in the room. Where any room such as the dining room is adjacent to the kitchen area, a 3' wide buffer between all kitchen cabinets, appliances and workspaces may not be included in the minimum room calculation. All dimensions shall be calculated from the finish trim dimension.

It is highly recommended that room dimensions include an additional 1-2" as a margin of error to accommodate discrepancies in the framing and finish.

i. Minimum Room Size.

Unit Size	Minimum Square Feet
Studio/One-bedroom <475 SF	100 SF
One-bedroom	120 SF
Two-bedroom	180 SF
Three-bedroom or more	200 SF

- ii. Bedrooms - The first bedroom shall be a minimum of 120 square feet. Additional bedrooms shall be a minimum of 90 square feet. No bedroom shall have a finish dimension less than nine feet (9'0).
- iii. Living/Dining Rooms - Living/Dining Rooms shall provide the following minimum dimensions with no dimension less than ten feet (10'0).
- iv. Connections and openings, circulation to and through, and exterior doors and windows shall not compromise the ability to furnish the living/dining area. Furniture layouts shall be used to set critical room dimensions. There shall be a minimum of one layout that is possible that will seat every household member assuming one (1) person for a studio, two (2) persons for a one-bedroom, three (3) persons for a two-bedroom and four (4) persons for a three-bedroom and at least one seven-foot sofa, space for side tables, and ample leg room. Mechanical features, such as fuse boxes, shall not be visible or a central feature in the living area.
- v. The eating/dining area may be in a separate room, part of a combined living/dining area, or in the kitchen provided a 3' wide buffer between all kitchen cabinets, appliances and work spaces is not included in the minimum room calculation and a table and chairs (minimum 2 chairs – 4 chairs for two-bedroom or larger) can be shown to fit into the space without blocking circulation or doorways. A countertop eating area a minimum of 12" deep and 36" in length may be an acceptable alternative for units with less than two-bedrooms.
- vi. Studios and One-Bedrooms less than 475 square feet - All units must include appropriate room shapes (generally rectilinear) that allow for functional furniture placement including a sleeping area that will accommodate a twin bed,

a living area that can accommodate a 6' sofa, and a cooking eating area (table or island) that will accommodate two persons/chairs or stools. Furniture layouts shall be used to set critical room dimensions that include room for circulation.

- F. Windows/Noise Mitigation** - All living areas and bedrooms shall have a minimum of one window that can be opened.

Housing units that share walls with other residential or non-residential spaces must provide noise mitigation in walls, floors and ceilings for both airborne and impact sound.

All windows in rental units that have locations where pedestrians or passersby can see directly into the window must provide window shades or coverings that open from the top down to allow partial closing that provides privacy but also allows for the maximum amount of natural light to enter the unit and for ventilation.

For developments that propose affordable units facing on and within 100 yards of road-ways with allowable speeds in excess of 35 miles per hour or other types of industrial or other noise must have windows facing these conditions that meet a 32 Sound Transmission Class (STC) rating standard for noise mitigation or greater.

- g. Laundry - Restricted ownership units shall include washer/dryer hookups.
- h. Heating and Hot Water - Furnaces, boilers, or hot water heaters provided must have a 5-year minimum warranty. Hot water heaters must be appropriately sized to adequately serve the number of anticipated occupants based on one (1) person for a studio, two (2) persons for a one-bedroom, three (3) persons for a two-bedroom and four (4) persons for a three-bedroom.

Heating mechanical units may not be located on any patio or deck used to meet open space requirements or interior to the unit in a way that reduces usable floor area.

- i. Other Design Features - The following features are encouraged and may be used in the place of other requirements with approval from the Housing Department:
- i. Built-in storage space such as drawers under beds, stairs, etc.
 - ii. Creative shelving in dead space
 - iii. Washer/Dryer or communal laundry area in rental units
 - iv. Extra storage for recreational equipment
 - v. Additional closet space
 - vi. Additional cabinetry

5. Standards for Dormitories - General livability standards (Section: C) will apply except when these dormitory standards differ. There shall be a minimum of 150 square feet net livable floor area per person, including sleeping, bathroom, kitchen, and lounge

space. Net livable floor area shall not include interior or exterior hallways, parking, patios, decks, laundry rooms, mechanical areas, and storage.

- a. Bathroom - At least one bathroom shall be provided for shared use by no more than four persons, containing at least one toilet, one sink, one bathtub with a shower, and a total area of at least 60 habitable square feet.
- b. Kitchen Facility - A kitchen facility or access to a common kitchen or common eating facility shall be provided subject to the Housing Department's approval and determination that the facilities are adequate in size to service the number of persons using the facility.

Provide seating at a table or bar area for each person proposed to use the facility. The kitchen must have a range with a minimum of 4 burners and an oven. A refrigerator at least 5 cubic feet per person proposed to use the dorm. Each unit must have a minimum of 7 lineal feet of base cabinets and upper cabinets. Each unit shall have a kitchen sink at least 31 inches wide.

- c. Storage Space - Each unit occupant shall be provided at least 20 net square feet of enclosed storage space located within, or in close proximity to, the unit. This is in addition to the required 150 square feet of net livable floor area of living space per person.
 - d. Occupancy - A dormitory unit shall not be occupied by more than eight persons.
 - e. Variances - At its discretion, Housing Department staff may allow a variance to the requirement of 150 square feet. To receive approval for a variance, an applicant shall provide a minimum of 60 square feet of sleeping area per person and meet conditions 1- 4, listed above.
6. Standards for Conversions of Existing Housing Stock - If existing unrestricted housing is offered and accepted by the Town of Jackson or Teton County, as adequate to meet an affordable housing requirement, the existing units must be upgraded in accordance with the following standards, unless a variance from these requirements is approved by the Planning Department of the Town or County.

Applicants shall bear the costs of any required upgrades to meet the standards, as listed below. Applicants will also be responsible for any structural/engineering reports requested by the Housing Department to assess compliance with the Housing Department standards of the proposed units.

- a. Standards.
 - i. All units must be freshly painted;
 - ii. All appliances must be purchased within the last five years and be in good condition and in working order. Evidence must be provided to verify the appliance was purchased within the last five years;

- iii. New carpet shall be provided (unless carpet has been purchased in the last five years and is in good condition and repair). Evidence must be provided to verify the carpet was installed within the last five years;
 - iv. The exterior walls shall be freshly painted within one year of dedication, a general level of upgrade to yards and landscaping shall be provided, and windows, heating, plumbing, and electrical systems, fixtures and equipment shall be in good condition and working order;
 - v. For ownership units, the roof must have a remaining useful life of at least ten years. Evidence must be provided to verify this; and
 - vi. The unit shall meet Uniform Building Code minimum standards, as well as any applicable housing code.
 - vii. See Section 6.3 of the LDRs for other existing housing stock requirements.
- b. Compliance with Section 2-3 Livability Standards – it is recognized that use of existing housing stock makes it more difficult for units to be in compliance with Section 2-3 Livability Standards. The Housing Department will inspect the unit prior to approval to analyze the unit based on the Livability Standards. Flexibility will be allowed according to Section 2-3.d.9 at the sole discretion of the Housing Department.

16.10.300 Qualification and Eligibility.

- A. General Descriptions** - Each housing program described in these Housing Department Rules and Regulations is evaluated on two levels to determine the requirements of occupants and/or owners to purchase and/or occupy the housing unit in question; the two levels of evaluation are herein referred to as qualification and eligibility.
- 1. Qualification - Qualification is the most general and applies to all housing programs.
 - 2. Eligibility - Eligibility refers to additional requirements specific to a particular restricted housing unit or program.
- B. Qualification** - To be considered a qualified household under these Housing Department Rules and Regulations, all of the following criteria must be met prior to the time of closing:
- 1. Employment Requirement - At least one member of the household must fit one of the following categories:
 - a. Employed in Teton County - Be employed at a local business or organization located in Teton County an average of at least thirty (30) hours per week or 1560 hours annually. For purchases outside of a Weighted Drawing, the household can

be under contract for employment at a local business or organization located in Teton County, Wyoming, where such contract commences employment before move-in or closing on a restricted housing unit, and the employment will be for a minimum of 30 hours per week or 1560 hours per year. For teachers, 250 hours are added to their annual hours to account for hours worked without pay such as renewing certifications, grading papers, etc.

- b. Self-Employed - If self-employed, hours of work must be documented to substantiate meeting the 30-hour per week / 1560 hours per year requirement. Since self-employment is often unique, different methods of verification may be used. Reasonable annual income is the first method that will be reviewed. Other methods may include verification from vendors, employees, or other applicable methods.
- c. Employment Exemptions.
 - i. Military Service - Active military service in the U.S. Armed Services counts as employment in Teton County, Wyoming if that member of the household met employment criteria in Teton County, Wyoming for a minimum of two years prior to enlisting.
 - ii. Disabled - An individual who is defined as disabled and is unable to be gainfully employed due to the disability meets the employment qualifications for housing in Teton County if the individual has a minimum of one (1) year of full-time residency in Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming.
 - iii. Caregiver - Work as a caregiver counts as an employment exemption if the following criteria are met:
 - a) Full-time Resident - The caregiver is a full-time resident of Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming.
 - b) Duration and Timing of Caregiving - The caregiver was or is volunteering all or a portion of their time caring for their own children or an ailing or disabled immediate family member and, therefore, was unable to gain full-time employment in Teton County. Verification will be required using varying methods including but not limited to birth certificates, letter from health provider, and affidavits from family members or neighbors.
 - iv. Secondary School Attendance - Secondary education counts as an employment exemption if other employment criteria were met in Teton County, Wyoming at least two (2) years immediately prior to seeking secondary education.
 - v. Hospitalization - Hospitalization counts as an employment exemption if the hospitalized member of the household worked in Teton County, Wyoming at least two (2) years immediately prior to becoming hospitalized.

2. Citizenship - At least one (1) member of the household must be a U.S. Citizen or be hold a Lawful Permanent Residency card in the United States in order to qualify to purchase a restricted housing unit.
3. Age - At least one (1) member of the household must be eighteen (18) years of age.
4. Financial Ability - The Household must qualify without a cosigner for a loan through an institutional lender to purchase a restricted housing unit.
 - a. Contingencies - Any contingencies on lender's qualification may be a cause for the Housing Department to deny qualification to the household. If a contingency requires the household to sell a home prior to the purchase of a restricted housing unit, it will be disclosed to the seller, and the seller will have the option to deny going under contract with the selected household.
 - b. Disclosure of Financial Gifts - Financial gifts received by the household must be disclosed to the Housing Department and will be counted toward household net assets. A letter from the gift or certifying the gift and the amount of the gift will be required.
 - c. Use of Retirement Savings for Down Payment - Down payment funds that are withdrawn from retirement accounts will be counted toward household net assets.
 - d. Qualified Mortgages - All liens that encumber the property must be 'qualified mortgages' made by a 'qualified mortgagee' or will not be secured by the property (See Section **16.10.900** Definitions).
- c. **Eligibility** - Households may be required to meet one or all of the following eligibility criteria to be eligible to purchase, rent and / or occupy a housing unit. The restriction on the housing unit and / or the specific housing program will determine if additional eligibility requirements apply.
 1. Household Income - Eligibility Criteria differs between units that are targeted to different affordability ranges. The "Household Income and Asset Chart" that sets income and asset requirements is updated annually and published on the Housing Department website. It can also be obtained from the Housing Department.
 - a. Affordability Ranges - Below are the affordability ranges based on percentage of Median Family Income (MFI) as calculated by the U.S. Department of Housing and Urban Development (HUD). Legacy units restricted prior to 2018 adoption of Housing Mitigation Standards in the LDRs used different "income categories." These income categories will still apply to legacy units that set out these income categories in the unit's restrictive covenants.

i. Affordable and Affordable Rental.

Legacy Units developed prior to 2018 adoption of Housing Mitigation Standards:

0 – 80%	Category 1
80% – 100%	Category 2
100% – 120%	Category 3
120% – 140%	Category 4
140% – 175%	Category 5
175% – 200%	Category 6

Rental units developed after 2018 adoption of Housing Mitigation Standards:

0 – 50%
50% – 80%
80% – 120%
≥120%

Ownership units developed after 2018 adoption of Housing Mitigation Standards:

50% - 80%
80% – 120%
≥120%

ii. Legacy Attainable Units.

Category 2 = ≤120%
Category 3 = ≤140%
Category 4 = ≤175%

iii. Employee.

Legacy Units developed prior to 2018 adoption of Housing Mitigation Standards. Households are eligible for these Employee housing units if they make up to 120% MFI. If this is inconsistent with the deed restriction recorded on the particular Employee Housing Unit, the deed restriction shall supersede these Housing Department Rules and Regulations.

iv. Employment-Based - There is no income eligibility for Employment-Based units. However, at least 75% of the household's combined income must be earned from a business or organization located in Teton County continuously during ownership. If one (1) person in the household is at the age the Social Security Administration allows a person to begin receiving Social Security, their income will no longer be used to calculate the 75% of household income from a local business.

v. Workforce Housing Program - There is no income eligibility for Workforce housing units. However, at least 75% of the household's combined income must be earned from a business or organization located in Teton County continuously during ownership. If one (1) person in the household is at the age the Social Security Administration allows a person to begin receiving Social Security,

their income will no longer be used to calculate the 75% of household income from a local business.

- vi. Other Restricted Housing Units - Income eligibility for other restricted housing units may be set out in restrictive covenants that apply to the particular restricted housing unit.
- b. Calculation of Income -Household income is based on the current income earned by all intended adult occupants of the restricted housing unit at estimated closing date and is calculated by the Housing Department using the current household income to estimate an annual (12 month) income basis. W-2 earners who have inconsistent incomes and have the same jobs as prior years will have their income averaged over three (3) years or less if less than three (3) years were worked. Households must use their current income and may not make changes or adjustments to earnings in order to fit into a category. Any changes to income must be given to the Housing Department prior to the initiation of a weighted drawing process in order to be eligible to enter the weighted drawing.
 - i. College-Aged Children - The income of adult children who are members of the household and who are attending college will not be counted.
 - ii. Business Income - Gross income is used minus cash expenses.
 - a. Businesses that do not have 2 full prior years of income:
 - i. Tax returns are used to get gross income earned in the first year of business minus cash expenses (if taxes have not been paid, the Profit and Loss will be used for that year to get gross income minus cash expenses).The gross income will be divided by the number of months the business was operating during that year. That number will be multiplied by 12 to get one year of income for the first year.
 - ii. If the business has a full year of income in the second year of operation, the tax returns will be used to get gross income minus cash expenses. This will be the income for the second year.
 - iii. If there is no income for the current year. The first and second years will be averaged.
 - iv. If there is income for the current year, the Year to Date (YTD) Profit and Loss will be used to get gross income minus cash expenses. The gross income will be divided by the number of months to date in the current year. That number will be multiplied by 12 to get one year of income for the current year.
 - v. The current year will then be averaged with the past year(s).
 - vi. If there is only the current year, the current year number will be used.
 - b. Businesses that have 2 full prior years of income:
 - i. Tax returns will be used for each of the 2 prior years.

- ii. The gross income minus cash expenses for each year will be used.
 - iii. For the current year, the YTD Profit and Loss will be used. The gross income minus cash expenses divided by the number of months to date in the current year to get average monthly income. The average monthly income will be multiplied by 12 to get one year of income for the current year.
 - iv. The current year will be averaged with the 2 prior years.
 - v. If there is no income for the current year, Step 1 will be used to calculate for 3 prior years and the 3 prior years will be averaged.
 - vi. If the third prior year is the first year the business was operating, tax returns will be used to get gross income minus cash expenses. The gross income will be divided by the number of months the business was operating in that year to get average monthly income. Average monthly income will be multiplied by 12 to get one full year for the first year in business.
- c. Seasonal Businesses:
 - i. 1. The steps above will be used to get average monthly income. The average monthly income will be multiplied by 12 to get one full year of income.
- iii. Household Members - All individuals who are intending to occupy the unit must be included on the application. All adults not attending college and/or age 25 or older must include income and assets on the application. For Affordable units, adults not listed on the application may not reside in the home within the first year and without prior approval from the Housing Department. For Workforce units, additional adults may reside in the home at any time, but the household must qualify and have approval from the Housing Department. No approval will be given to either Affordable or Workforce owners without all adult occupant signing an Occupancy Agreement. For Affordable units, divorces must be finalized prior to closing on the home. For Workforce units divorces are not required to be finalized, and applicants are allowed to apply without their spouse, and the spouse's income/assets, etc. will not be counted.
- 2. Household Net Assets - Eligibility for some restricted housing units is also based on a qualifying household's net assets.
 - a. Calculation of Net Assets - Household net assets include the value of all assets over \$500 in value including, but not limit too, bank accounts, investment accounts, life insurance, furniture, automobiles, jewelry, computer equipment, real estate, and recreational equipment; less any debt the household has. Net assets do not include retirement accounts, unless money will be withdrawn to be used as a down payment or closing costs. Business assets are limited to liquid assets.

Total household net assets shall not exceed two times the four-person household Income requirement for the income category of the housing unit. All household members' shares of liquid business assets shall be included in determination of total household net assets. Net assets of all household members shall be combined in

determination of total household net assets. See the “Household Income and Asset Chart” for net asset thresholds, which is updated annually and published on the Housing Department website. A copy may be obtained from the Housing Department.

Rental units do not have asset limits.

b. Ownership of Real Property.

i. Ownership at Time of Application - At the time of application, a Household may own other undeveloped or developed residential or commercial property. The fair market value of such property will be taken into consideration when determining household net assets. A price opinion using a market analysis will be obtained by the Housing Department through a local real estate firm within thirty (30) days from the date of submittal of an application for a restricted housing unit to determine fair market value of the other undeveloped or developed property. The owner of the property will be solely responsible to pay for the price opinion in conjunction with submittal of the Housing Department Application.

a) Ownership of Commercial Property - A household will be able to maintain ownership of commercial property.

b) Designation of Mobile Homes - Mobile homes situated in a mobile home park or on other land with hook-ups to water/sewer and electricity will be considered residential property, and thus, will be required to be sold as with other residential property. If the mobile home is not situated in a mobile home park or other land with hook-ups to water/sewer and electricity, it will only be considered an asset.

c) Rental Income and Rental Assets - Rental income from any residential real estate will be counted toward household income and the asset will be counted toward net assets.

c. Required Sale of Residential Property - Once under contract for a restricted housing unit, the qualifying Household must list residential property (developed or undeveloped), located within 150 miles driving distance from the Town of Jackson, for sale at a price commensurate with the price opinion. If the property has not sold or is not under contract after one year from the listing date, within 30 days of the year expiring, another price opinion will be obtained. If the price opinion is lower than the listed price, the owner will have 30 days from the date of the price opinion to lower the asking price to that of the price opinion. If after 24 months from the date first listed, the property still has not sold or gone under contract, the Housing Manager of the Housing Department will issue an analysis of the property with a determination of the salability of the restricted housing unit along with the next steps required. A copy of the analysis will be provided to the owner, and the owner will have the opportunity to appeal the determination of the Housing Authority

Board. The owner may be required to sell their restricted housing unit if the residential property has not sold.

- d. Disposition of Assets - Any member of a household who has assigned, conveyed, transferred or otherwise disposed of property or other assets within the last two (2) years in order to meet the net asset limitation or the property ownership limitation shall be ineligible to purchase a restricted housing unit.
3. Readiness to Purchase - Individuals purchasing a restricted housing unit must demonstrate readiness to purchase by showing the following:
 - a. Contingencies - Contingencies on lender's qualification must be approved by the Housing Department prior to entering a weighted drawing. Such contingencies include but are not limited to requirement to sell property, requirement to prove down payment via account statement, gift letter or other, and requirement to pay off debt. Examples of proof of down payment are a letter from a family member who may be providing a gift or a bank statement showing funds available.
 - b. Age - At least one individual in the household must be at least 18 years of age.
 - c. Execution of Legally Binding Contract - Individuals must be capable to legally enter into a contract.
 4. Homebuyer Education - Completion of the Homebuyer Education course is required to meet eligibility criteria to enter a weighted drawing for a restricted housing unit and/or purchase a restricted housing unit. The required course is offered by Wyoming Housing Network or another Housing Department approved organization.
 5. Online Intake Form - The Online Intake Form must be completed prior to entering a weighted drawing for a home. Completion of this form will put a household on the Housing Department's email list, and the household will begin receiving emails with information about homes when they are available. All advertising of homes available will be done through email to those who have completed the Online Intake Form and on the Housing Department website. The online Intake Form can be found on the Housing Department's website: jhaffordablehousing.org. This form must be completed in its entirety and updated at least annually. It cannot be completed or updated during a weighted drawing process that the household wishes to enter. The Online Intake Form does not enter a household into a weighted drawing. The weighted drawing is a separate process. See Section **16.10.004.C.5**.

16.10.400 Weighted Drawing.

The Affordable and Workforce Housing requirements may utilize the weighted drawing process to select a qualified household using the procedures listed below. The weighted drawing will be advertised on the Housing Department website, jhaffordablehousing.org, and via email to all households that have completed the Online Intake Form. See Section 3-3e: Online Intake Form.

- A. Minimum Occupancy Requirement** - In order to ensure that the units meet the intended goals of housing the Teton County workforce and are consistent with mitigation requirements, the following occupancy requirements for units in the Affordable Program are:

Studio:	One (1) or two (2) people
One-bedroom:	One (1) or more people
Two-bedroom:	Two (2) more people
Three-bedroom:	One (1) or two (2) adults with two (2) or more dependents For rental units; 3 or more people
Four-bedroom:	One (1) or two (2) adults with three (3) or more dependents For rental units; 4 or more people

For purposes of counting household size, children or adult dependents must live with the household and be claimed as a dependent on Federal Income tax returns. Any deviation from the minimum occupancy requirements must be approved prior to the drawing through the exception process. There are no Minimum Occupancy Requirements for units in the Workforce Housing Program. However, if a household enters a drawing for a Workforce Housing unit and meets the occupancy requirements as listed above for the Affordable Program, the household will receive an extra point (entry) in the drawing.

- B. Weighted Drawing Points** - Eligible households receive points that will determine the number of entries the household will receive in the weighted drawing. One point equals one entry in the weighted drawing. One point is assigned for each full year of consecutive full-time employment at a local business immediately prior to entering a weighted drawing, with a maximum of ten (10) points. One point is assigned for each qualified critical services provider with a maximum of two (2) points. In a weighted drawing for a Workforce unit, a household that meets the minimum occupancy requirements for the Affordable program will receive one (1) point. The total maximum points a household can receive is twelve (12). Households are not eligible to enter a weighted drawing until they have one (1) full year of full-time employment in Teton County for a local business or one (1) point.

Points are given based on one person in the household. Years working in Teton County cannot be doubled up and must be verifiable. For example, a two-person household, one of which has been employed in Teton County for two years and the other for four years, would be assigned four (4) points.

To enter a drawing for an Affordable unit, the intake form must be completed prior to the opening of a drawing and information cannot be changed during the drawing entry period. You may not have more than one intake form. For the Workforce Program, an intake form must be completed prior to entering a drawing. Households may only have one (1) intake form.

1. **Employment** - At least one member of a household must be employed full-time in Teton County at a local business. Full-time employment is defined as at least one thousand five hundred sixty (1,560) hours per year or an average of at least thirty (30)

hours per week. Employment exemptions found in Section **16.10.300.B**. Qualifications apply.

- a. **Interruption of Employment** - Interruption of employment will be allowed in special circumstances if other employment criteria are met in Teton County, Wyoming at least two (2) years immediately prior to the interruption of employment. Interruption of employment will only be allowed for a maximum period of two (2) years. Points will not be given for the time period during the interruption of employment. Points will be given for years employed full-time at a local business immediately prior to the interruption of employment. To obtain points for prior employment, a household must have reestablished full-time employment at a local business within one (1) month upon termination of the reason for the interruption of employment. Reasons for allowed interruption of employment include: caring for a sick or disabled immediate family member, attending secondary school, and hospitalization. Verification documentation of the reason for interruption of employment will be required to obtain points for prior employment.

2. **Additional Points.**

- a. **Critical Services Provider** - Qualified critical services providers, as defined in Section **16.10.900** Definitions, may be eligible for a maximum of two (2) additional points. Any household may not receive more than two (2) points. However, if a household has one (1) person who qualifies as a critical services provider for two (2) organizations, they will receive two (2) points.

The following conditions must be met to receive the critical services provider designation and priority:

- i. **Critical Services Provider Designation** - Organizations who believe their employees or volunteers meet the definition of critical services provider can apply to the Housing Department to become an approved critical services provider organization and have certain job positions deemed “qualified.” The Teton County Board of County Commissioners and the Jackson Town Council will approve or deny critical services provider organization applications.
 - a) **Required Documentation** - Employees who work in these “qualified” positions for approved critical services provider organizations can enter a weighted drawing and receive additional points. These individuals must submit a “Critical Services Provider Supervisor Questionnaire” along with their weighted drawing entry documents. These will be held on file for a period of six months before needing to be updated. The Housing Department will contact the CSP’s supervisor to update the Supervisor’s Questionnaire.
- ii. **One Year of Full-Time Employment** - A qualified critical services provider must earn one (1) point for one (1) year of full-time employment in Teton County at a local business prior to receiving points as a critical services provider.

- iii. Approval Process - Applications received by the Housing Department for approval as Critical Services Provider Organizations will be processed by staff. The Housing Manager will make a recommendation to the Jackson/Teton County Housing Authority Board who will approve or deny the application.
3. Accessible Units - Priority will be given to households with member(s) who are mobility impaired. If more than one weighted drawing entry is received for Accessible units, a weighted drawing will be held. If no households with members who have mobility impairments apply, the weighted drawing will be held with all other applicants.
4. No Qualified Entries - After a weighted drawing where no qualified entries exist, the unit will be offered again in a weighted drawing. It will be open to households in the next tier of the minimum occupancy requirements. If there are still no qualified entries, the home will be offered first come, first served. The first qualified household to submit a complete application will have the opportunity to purchase.
5. Drawing Results - Drawing results are kept on file with the Housing Department and may be requested by the public.

16.10.500 Purchase and Sale Standards and Procedures.

A. Sale and Resale Standards.

1. Applicability - Each restricted housing program dictates both the initial sales price and the maximum resale price. The restrictions for each unit should be consulted for exact details.
 - a. Affordable Housing Program - For the Affordable housing program, these Housing Department Rules and Regulations set out how to determine both the initial sales price and the maximum resale price.
 - b. Employment-Based Housing Program - The initial sales prices and maximum resale prices for Employment-Based housing units are determined by these Housing Department Rules and Regulations.
 - c. Workforce Housing Program - The initial sales prices for Workforce housing units are negotiated between the owner and the buyer. After the initial sale, the value will appreciate according to the Denver-Aurora-Lakewood CPI with a maximum of 3%. If the Denver-Aurora-Lakewood CPI no longer exists, another similar index will be used.
 - d. Attainable Housing Program – The Attainable housing program does not place limits on sale or resale prices, but buyers still must meet the qualification and eligibility rules laid out in Section **16.10.300**. Qualification and Eligibility.
 - e. Other Programs – For other restricted housing units, the property’s restrictions clarify how the sale and resale prices are configured.

- f. Rental Rates - For information on maximum rental rates permitted by the rental housing programs, see Section **16.10.500.B. Tenancy and Rental Standards and Procedures.**
2. Maximum Sales Price.

The Housing Department updates the maximum sales prices for Affordable housing units obligated by the LDRs on April 1st of each year. The maximum sales prices are available on the Housing Department's website or at the Housing Department. The methodology listed below shall determine the maximum sales prices. The intent of the maximum sales prices is to ensure initial and long-term affordability.

- a. Median Family Income - Each year, the U.S. Department of Housing and Urban Development (HUD) releases Median Family Income figures for Teton County, Wyoming. The Housing Department uses this data to determine household incomes for the applicable restricted housing units based on number of bedrooms and persons per bedroom.
- b. Household Size - The Household Size for determining maximum sales price is based on number of persons per bedroom in the applicable restricted housing unit.
- c. Affordability Range - The household income for the applicable restricted housing unit is set at the middle of the affordability range to ensure affordability. For example: the income range for affordability range 3 is 81% - 120% MFI; therefore, an income of 100% MFI would be used in calculating the maximum sales price.
- d. Percentage of Income - The national standard for household affordability is that a household does not pay more than 30% of its gross income toward housing costs. Therefore, monthly payments (including principle, interest, taxes, insurance and HOA dues) cannot exceed 30% of the Median Family Income for each affordability range.
- e. Maximum Sales Price Calculation - The maximum sales price for a restricted housing unit is determined by calculating 30% of a qualifying household's income, using the following assumptions:
 - i. 22% of household income covers principal and interest,
 - ii. 8% of household income covers HOA dues, taxes, and insurance,
 - iii. Assumptions for the mortgage include: 30-year mortgage, 5% down payment, 20-year rolling average interest rate for a qualifying household earning the median of the applicable income category.
- f. Potential Variability of Maximum Sales Price.

- i. The maximum sales prices will be lower if the unit is below grade, or if there is no garage.
- ii. If an owner is determined to be in default of their restrictions, the Housing Department will have the option to purchase the property for a purchase price equal to the maximum resale price or the appraised value, whichever is less, subject to the Housing Department's ability to limit appreciation and/or reduce proceeds, and on such other terms as are provided in the restrictions.
- iii. If an owner is found to be in default of their restrictions, the Housing Department may cease the appreciation of the property when determining the maximum resale value beginning on the known date the owner began being in default.

3. Maximum Resale Price.

- a. The intent of the maximum resale price is to ensure long-term affordability of the restricted housing units at resale. The maximum resale price (MRP) shall be the original purchase price (OPP) with the following adjustments:

Appreciation 3% or Denver-Boulder-Greeley CPI - Appreciation of the value of the restricted housing unit is based on the Denver-Boulder-Greeley CPI each year capped at 3%. The latest published numbers for Quarter 2 and Quarter 4 of each year will be used unless the deed restrictions or ground lease specifically reference an alternative appreciation method or no measured appreciation.

The following standards apply:

- 1) Date of purchase is defined as seller's original closing date (date seller purchased the restricted housing unit). If the closing date is on or after the 15th of the month, the month is not counted for prorating the value. If the closing date is before the 15th of the month, the entire month is counted.
 - 2) Three (3) months will be added to the date that the "Letter of Intent to Sell" is received and will be considered the estimated closing date.
 - 3) If the Letter of Intent to Sell is received on or before the 15th of the month, the entire month is counted. If the "Letter of Intent to Sell" is received after the 15th of the month, the month will not be counted.
 - 4) Each eligible whole month will be prorated.
- i. Denver-Boulder-Greeley CPI - The CPI used to calculate maximum resale prices in some restrictions is the Denver Boulder Greeley CPI. New figures are published by the Colorado Department of Labor and Statistics twice a year, normally in March and August. In calculating the allowed maximum appreciation of a home, the latest reported figure will be averaged with the other reported figure for the year and used up to the date new figures are released.

Once a Facilitation Agreement has been signed, new figures will not affect the maximum resale price. If the Denver Boulder Greeley Colorado CPI ceases to exist, a comparable index will be used.

- ii. Northwest Wyoming Cost of Living Index - The NWCLI figure used to calculate maximum resale prices in some ground leases is obtained from the Wyoming State Division of Economic Analysis and is calculated with All Items minus Housing. It is updated quarterly and released generally in June for the First (1) Quarter, October for the Second (2nd) Quarter, December for the Third (3rd) Quarter and March for the Fourth (4th) Quarter. The latest reported figure will be averaged with the other reported Quarters of the year and will be used up to the date the new figures are released. Once a Facilitation Agreement has been signed, new figures will not affect the maximum resale price. If the NWCLI ceases to exist, a comparable index will be used.
- iii. Flat Appreciation Rate of 2.5 Percent - The flat appreciation rate of 2.5% found in some restrictions is not based on an index. Rather, it is based on an analysis of incomes over 20 years, where it was found that incomes rose on average by 2.5% per year.
- b. Cost of Actual Capital Improvements - Restricted housing units that have deed restrictions or ground leases allowing for improvement credits can add the value of these improvements to the appreciated value to calculate the MRP based on the following.

Credit for capital improvement expenditures on the restricted housing unit given at resale will be no more than 10% of the OPP of the home except where the Housing Department has determined otherwise. All capital improvements must be pre-approved by the Housing Department and properly permitted and inspected by the Town of Jackson or Teton County Building Official. Approval/disapproval must be determined prior to actual construction to be considered at time of sale. Improvements done without prior approval will not be considered for capital improvement credit. It is the owner's responsibility to secure any approval necessary from the restricted housing unit's Homeowners Association and obtain any necessary permits prior to undertaking any Capital Improvement. Please consult Section **16.10.50.A.5** for more details.

- c. Depreciated Costs of Capital Improvements - The depreciated costs of Capital Improvements can be added to the appreciated value to calculate the MRP, so long as they do not exceed ten percent (10%) of the OPP or as determined by the Housing Department on a project-specific basis. All capital improvements will be depreciated as applicable according to the Marshall and Swift Residential Cost Handbook or a similar resource.
- d. Maintenance Adjustment - Households are required to keep restricted housing units in a properly maintained state. Housing Department staff and/or a third-party inspector hired by the Housing Department will inspect the property after receiving the "Letter of Intent to Sell" from the owner. The inspector will provide an

inspection report to the Housing Department. The Housing Department may require the owner to repair or replace items on the inspection report. The buyer also has the opportunity to inspect the property and provide the Housing Department with a list of items. If required repairs, replacement, or cleaning are not made by the owner prior to the Housing Department's final walkthrough two (2) business days before closing, the Housing Department will estimate the costs at its sole discretion, and an adjustment may be made to the seller's proceeds or to the maximum resale price. These funds will either be given to the buyer to make the repairs or held by the Housing Department at the Housing Department's sole discretion. If funds are given to the buyer, the buyer will be expected to make the repairs on their own. If the repairs are not made, the buyer will be charged when they sell the home. If the Housing Department holds the funds, the buyer will be reimbursed based on receipts received from the buyer. If any funds remain after the repairs are completed, they will be released to the seller.

- e. Other Costs - Any additional costs allowed by the Housing Department pursuant to the policies in effect on the date of the restricted household's "Letter of Intent to Sell."
4. Selling Procedures - All restricted housing units shall be sold in accordance with applicable restrictions and/or these Housing Department Rules and Regulations as determined by the Housing Department, Town and/or County, which may vary depending on the specific housing program under which the restricted housing units were created.
- a. Letter of Intent to Sell - The seller shall submit a completed Letter of Intent to sell form to the Housing Department to begin the selling process. The form can be found on the Housing Department's website or can be obtained from the Housing Department. The Housing Department staff will set up a meeting with the seller to review the selling process and the seller documents. The Letter of Intent must be submitted and the meeting with the seller must occur the week prior to the beginning of the weighted drawing entry period. See section 4. The seller shall be given the option to choose the Title Company. If the seller has no preference, the Housing Department will choose the Title Company. If the seller decides not to sell the unit after submitting the Letter of Intent to sell, the seller must reimburse the Housing Department for any costs the Housing Department has incurred. Once the contract has been signed by buyer and seller, both parties are legally bound by the contract.
 - b. Facilitation of Sale - The Housing Department facilitates the sales of restricted housing units to accomplish the sale according to the instructions in the Grund Lease/Deed Restriction and to provide a transfer to a Qualified Household. Specifically, the Housing Department facilitates sales of Affordable housing units, Employment-Based units, Workforce housing units, and Accessory Residential Units. Sellers will be required to enter into a Facilitation Agreement with the Housing Department to sell their home. The Facilitation Agreement must be executed prior to advertising the home for sale through a weighted drawing process.

- c. Maximum Resale Letter - The resale price of the restricted housing unit shall be calculated according to its restriction and stated in the "Maximum Resale Letter." Maximum resale prices will be rounded to the nearest dollar. An official copy will be mailed, or hand delivered. A copy can be requested from the Housing Department by email or fax. The Maximum Resale Price shall be the only exchange of value between parties to any sale of the restricted housing unit. Any exchange of value outside the allowed sale price shall invalidate the sale.
- d. Facilitation Fee (2%) - At the closing of the sale, the seller will pay to the Housing Department a fee equal to two percent (2%) of the sales price, unless otherwise instructed in the deed restriction, for facilitation services. The Housing Department may instruct the Title Company to pay such fees out of the funds held for the seller at closing. The Housing Department may also waive the fee, or a portion thereof, in its sole discretion.
- e. Cost of Declining Initiated Sale - If the seller decides not to sell the restricted housing unit at any point before closing, the seller will be responsible for all advertising and/or other costs associated with listing the unit for sale.
- f. Viewing of Unit - Once the weighted drawing is completed, the first household drawn will be contacted by the Housing Department and a time set up to view the unit. This viewing shall occur within five (5) business days of the household being notified that they were selected first in the drawing. The household will have two (2) business days to respond to the Housing Department's efforts to contact them to notify them that they were selected. A phone call and an email will be sent to the household. If there is no response, the Housing Department will move on to the next household drawn. The seller is required to make the restricted housing unit available with reasonable notice on a minimum of two (2) occasions to show the property to the selected household prior to going under contract.
- g. Inspection - The Housing Department will order a third-party inspection to be done on the home by a qualified home inspector. The inspection information/report is for the use of the Housing Department and will not be released to any buyer. Buyers shall have the option to order their own inspection to be done on the home. It is the Housing Manager's sole discretion as to whether items found by an inspector will be required to be repaired. A list of items required to be repaired will be given to the seller by the Housing Department. The seller is expected to have the items completed no later than three (3) business days prior to the closing date.
- h. Complete Application - The household shall have five (5) business days from the day they are notified that they were selected first in the drawing to submit a complete application to the Housing Department. The Checklist for Complete Application and Application form can be obtained from the Housing Department's website or from the Housing Department. The Housing Department reserves the right to request additional documentation when verifying a Household's eligibility and qualification. If for any reason the buyer cannot close within three (3) weeks

of the seller's timeline, the seller may choose to move on to the next household drawn.

- i. Qualification - The Housing Department shall review the application and supporting documents and calculate income, assets, and hours worked to verify eligibility and qualification. This process normally is complete within five (5) business days of receiving the application. However, it may take longer in unique circumstances. Once the Housing Department completes the review and verification of eligibility and qualification, the applicant is notified of approval or denial. If the applicant does not qualify, the next household drawn in the weighted drawing will be notified and the process will start over.
 - j. Qualified Household Meeting - When the Housing Department has identified a qualified household who wishes to move forward with the purchase of the home, the qualified household will have five (5) business days to attend a meeting to review the purchase process and purchase documents, which include the Contract for Purchase and Sale of Residential Real Estate or Residential Improvements in the case of a Ground Lease and the buyer's Facilitation Agreement. The applicant has five (5) business days from the meeting day to review and execute the purchase documents and return them to the Housing Department with earnest money as called for in the Contract. If the contract is not signed and returned within five (5) business days, the next household selected in the drawing will be notified and given the option to purchase the home if qualified. The seller shall be notified immediately upon receipt of the signed contract and earnest money to execute the contract. The seller shall have two (2) business days to return the signed contract or the closing may be delayed. A copy of the contract and the earnest money are then delivered by the Housing Department to the Title Company.
 - k. Final Walk Through - A final walk through will occur generally two (2) business days prior to the closing date. If the Housing Department finds maintenance or repair items that have not been completed, the Housing Department will estimate the costs of the maintenance/repair items and withhold funds from the seller's proceeds. The funds are then given to the buyer and the buyer is responsible for completing the maintenance/repair items.
 - l. Closing - The closing will be held on or before fifty (50) days from complete execution of the Contract. The Buyer will take possession of the unit on closing day.
5. Capital Improvement Standards.
- a. Approval Required - Owners must receive written approval from the Housing Department prior to beginning the work in order to receive credit for the capital improvement. To obtain approval, the "Request for Capital Improvement" form must be submitted along with estimated costs and drawings and/or plans and a narrative of the work to be done. Once the improvement is complete, copies of all receipts for materials and labor must be given to the Housing Department. No credit will be given for sweat equity.

- b. Workmanlike Manner - All improvements whether approved Capital Improvements or other must be built in a workmanlike manner, and according to Town of Jackson or Teton County building codes. All required permits and completion releases must be obtained from the Town or County. Any owner that does capital improvements without obtaining the proper permits or if it is determined at the Housing Department's sole discretion that the improvements have not been done in a workmanlike manner may be required to make repairs or remove the improvements and return the home to its original condition.
- c. Approved Capital Improvements - A Capital Improvement is an improvement done to the home for which the homeowner can receive credit. The capital improvement requires an expenditure that either increases the value of the property or extends its life expectancy but is not a luxury item. The term "approved capital improvement" shall only include the following:
 - i. Fixtures erected, installed or attached as permanent, functional, non-decorative improvements to real property, excluding repair, replacement and/or maintenance improvements;
 - ii. For the benefit of seniors and/or handicapped persons;
 - iii. Health and safety protection devices (including radon);
 - iv. Adding and/or finishing of permanent/fixed storage space;
 - v. Finishing of unfinished space;
 - vi. Landscaping; Adding trees, shrubs, lawn, patio, walkways, or sprinkler systems;
 - vii. Decks and balconies, and any extension thereto;
 - viii. Partial credit may be given for upgrade improvements that will increase the life of the component as compared to the original product or increase the long-term affordability of the home.
- d. Improvements Not Approved for Credit - Approved capital improvements shall not include the following:
 - i. Jacuzzis, saunas, steam showers and other similar items;
 - ii. Upgrades or addition of decorative items, including lights, window treatments and other similar items;
 - iii. Upgrades of appliances, plumbing and mechanical fixtures, carpets and other similar items included as part of the original construction of a unit, unless

replacement is shown to improve the lifespan of the component or the long-term affordability of the restricted housing unit;

- iv. Repair and Maintenance Items – a repair or maintenance item is an expenditure that restores a property to a sound state.

6. Resale and Transfer Limitations.

- a. Transfer of Title - Transfer of title is not allowed unless approved by the Housing Department. To apply for approval, owners need to complete the Housing Department's "Request for Transfer of Ownership (Title)" form and submit it to the Housing Department along with a fee in accordance with the Housing Department Fee Schedule published annually, which covers legal and recording fees. In some cases, a complete application will be required to be submitted for qualifying purposes.
 - i. Divorce - In the event of the divorce of an owner, the Housing Department may consent to the transfer of the residential unit to a spouse of an owner, which spouse may not otherwise qualify as a qualified household, only upon receipt of an order issued by a Court of competent jurisdiction ordering such transfer.
 - ii. Death - In the event of the death of an owner, the Housing Department may consent to the transfer of the residential unit to an heir or devisee of such deceased owner, which heir or devisee may not otherwise qualify as a qualified household only upon receipt of an order issued by a Court of competent jurisdiction ordering such transfer.
 - iii. Nonqualified Transferee - If title to the restricted housing unit vests in a nonqualified transferee, as defined in these Housing Department Rules and Regulations Section **16.10.500.B**. Qualification, the restricted housing unit shall immediately be listed for sale in accordance with the restrictions and the Housing Department Rules and Regulations. The following shall apply when the Housing Department determines there is a nonqualified transferee:
 - a) A nonqualified transferee shall cooperate with the Housing Department to affect the sale, conveyance or transfer of the restricted housing unit to a qualified household (or the Housing Authority in the event of its exercise of its option to purchase) and shall execute any and all documents necessary to such sale conveyance or transfer.
 - b) A nonqualified transferee shall comply with the restrictions, the Housing Department Rules and Regulations, and all other covenants regulations, ordinances, statutes, laws, or rules governing the ownership, occupancy, use, development or transfer of the restricted housing unit, and further may only occupy the restricted housing unit with the prior written consent of the Housing Department.

- b. Trusts - Restricted housing units may not be put into any type of a trust. This is the equivalent of transferring ownership, and trusts are not qualified to be the owner of a restricted housing unit.
 - c. Nontestamentary Transfer on Death - A “Nontestamentary Transfer on Death” deed is allowed to be recorded on restricted housing units, and must include the following:
 - i. It conveys an interest in real property to a beneficiary designated by the owner and states the deed is effective upon the death of the owner.
 - ii. It must be subject to all other encumbrances on the property to which the owner was subject to during their lifetime, including the Restrictions on the property.
 - iii. The Housing Department must approve the document before recordation.
 - d. Title - All adults who occupy the restricted housing unit for more than thirty (30) accumulative days in a calendar year, except for children attending college, must sign an Occupancy Agreement along with the owner. Situations that require an Occupancy Agreement include but are not limited to marriage, a significant other moving in, a friend moving in, a renter, etc. Additions and removal of names on the title constitute a transfer of title. The Housing Department must approve all transfers of title. An adult may not be moved into an Affordable unit for at least one year after closing and only with approval from the Housing Department. Adults may be moved into workforce units prior to one year, however, the household must be qualified and approved by the Housing Department. Owners and any adult residents of the unit must sign an Occupancy Agreement.
7. Other Sale and Resale Standards.
- a. Privity to Purchase and Sales Agreement - Sellers and buyers shall provide a copy of the “Purchase and Sale Agreement” to the Housing Department. All financial information shall remain confidential, except as follows:
 - i. Public Records - Any document that would customarily be a matter of public record in the public records of Teton County, Wyoming, and is subject to the Wyoming Public Records Act;
 - ii. Weighted Drawing Positions - The names and positions of all persons who have participated in any Rental Weighted drawing held under these Housing Department Rules and Regulations;
 - iii. Freedom of Information Act or Wyoming Public Records Act - Any other information, which a court of competent jurisdiction rules must be released under the Freedom of Information Act or the Wyoming Public Records Act; and

- iv. Audits - In addition, the Housing Department may allow access to personal and private information to any person or entity undertaking an independent audit of the records kept under these Housing Department Rules and Regulations, provided that such person or entity agrees to be subject to this confidentiality provision.
- b. Independent Legal Counsel - All sellers and buyers of restricted housing units are advised to consult independent legal counsel to examine all contracts, CC&Rs, deed restrictions, agreements, affidavits, closing statement, title documents, etc. The retention of such counsel, or related services, shall be at the seller's and buyer's own expense. The sellers and buyers and/or their attorneys will not be allowed to make changes to Housing Department documents. A "Buyer's Acknowledgement" form will be required to be signed prior to closing acknowledging recommendation to obtain legal counsel. The "Buyer's Acknowledgement" form will be provided to the buyer for review prior to closing.
- c. Title Company - The Housing Department advises sellers to use a title company and escrow agent located in Jackson, Wyoming to close the transaction because of their expertise with the Housing Department's restricted housing programs and their unique and technical closing documents. The seller and buyer shall authorize the Housing Department to review the "Settlement Statement" prior to closing. Sellers can select a title company and escrow agent of their choice. If no title company is indicated, the Housing Department will select one.
- d. Lenders.
 - i. Approved Lending Institutions - Borrowers are restricted to the following lending institutions licensed to engage in mortgage lending practices in the State of Wyoming:
 - a) An "institutional lender" such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan association or insured credit union), an insurance company, or any combination of the foregoing, the policies and procedures of which Institutional Lender are subject to direct governmental supervision; or
 - b) A "community loan fund", or similar non-profit lender to housing projects for income-eligible persons (e.g. is not given to or acquired by any individual person); or
 - c) A non-affiliated, legitimate, "finance company." In no event shall such finance company be an individual or any company that is affiliated with or has any affiliation with the owner or any family member of the owner.
 - ii. Required Down Payment and Loan to Value Ratio - The Housing Department requires that all buyers have at least 3.5% down payment on a purchase, and no refinance or second mortgage obtained after the original purchase is allowed to be higher than 95% loan to value.

- iii. Debt to Income Ratio - The total debt to income ratio for a household may not exceed 45%.
- iv. Qualified Mortgage - Lenders may submit a “Qualifying Mortgage” form to the Housing Department to have the mortgage deemed a “qualifying mortgage.” When submitting a qualified mortgage request, a copy of the title commitment and the Transmittal Summary (HUD Form 1008), or other documentation containing the same information, is required to be attached. The “Qualifying Mortgage” form can be obtained from the Housing Department or from the Housing Department’s website.

For homes that do not have a measured appreciation, such as Attainable homes, an appraisal recognizing the restriction on the property is required.

The Housing Department reserves the right to require additional information before approving a mortgage as a “qualifying mortgage”.

- e. Total Debt - Owners shall not incur debt, liens or other obligations secured by the restricted housing unit that exceed 95% of the Original Purchase Price of the unit and shall notify the Housing Department immediately when a change in the total of these secured obligations is anticipated. No second mortgages, including but not limited to home equity lines of credit, shall encumber the restricted housing unit without advance approval by the Housing Department.
- f. Co-Ownership - Any co-ownership arrangement other than Joint Tenancy or Tenancy-In-Common must be approved by the Housing Department. All adults occupying the unit, with the exception of children attending college, must be on the title of the restricted housing unit or sign an Occupancy Agreement.
- g. Co-Signors - Co-signors are guarantors for payment of mortgage. If an exception to the “no co-signors” rule is granted, co-signors shall not occupy the unit. Co-signors are not co-owners, so they are not allowed on the title. No lien or security can be placed on the property besides the mortgage itself.
- h. Homeowners Associations - The restricted housing unit may be subject to a Homeowners Association (HOA). All owners of restricted housing units are required to pay HOA dues, and potential special assessments and fees if applicable, unless otherwise exempted. HOA dues may be substantial and are factored into the maximum sales price. Homeowners Associations frequently have interests and regulations, other than the Restriction, that affects the restricted housing unit. It is the owner’s responsibility to be aware of these interests and regulations. Failure of an owner to comply with the HOA Rules and Regulations or CC&Rs constitutes default of the Housing Department Rules and Regulations.
- i. Homeowners’ Hazard Insurance - Owners are required to keep hazard insurance on their homes for 100% replacement cost. Since the homes are subsidized, this amount could be more than the price of the home. Often times Homeowners

Associations provide insurance. Depending on how much coverage the HOA provides, the owner may be required to provide additional insurance to guarantee complete replacement of the home. Ground lease properties are required to name the Jackson/Teton County Housing Authority as additionally insured.

B. Tenancy and Rental Standards and Procedures - To maintain the character of neighborhoods and respect the nature of the community, restricted ownership units are not allowed to be rented without prior approval from the Housing Department. This includes renting any portion of the dwelling, any room within the dwelling or the garage.

1. Primary Residence - Owners of restricted housing units shall maintain the home as their primary residence.
 - a. Occupancy Requirement - Households shall occupy their home full-time at least 10 months out of each calendar year.
 - b. Business Activity Restricted - Households who rent a restricted housing unit shall not engage in any business activity in such dwelling, other than any home occupation use permitted in that zoning district and as permitted in the Lease Agreement.
 - c. No Guests for an Extended Period - Households who own restricted housing units shall not permit any adult guests over the age of 18 for periods in excess of thirty (30) cumulative days per calendar year.
 - d. Leave of Absence - A one-year exception may be granted in cases of illness, short-term leaves of absence for education or training purposes, or other exigent circumstances with the advance written approval of the Housing Department.
 - i. Rental of Restricted Unit during Leave of Absence - If granted a leave of absence, the owner is allowed to rent the property according to the provisions below in Section **16.10.500.B.2. Rental Procedures for Owner-Occupied Properties**.
 - ii. Post Leave of Absence.
 - a) After the restricted housing unit is rented for nine (9) months, owner will be required to notify the Housing Department in writing of either, (a) their intention to move back to the restricted housing unit upon expiration of the lease and/or the rent approval period; or (b) provide the Housing Department with a “Letter of Intent of Sell” form, which will begin the selling process of the restricted housing unit.
 - b) If the owner chooses to sell the restricted housing unit instead of returning when the lease expires, there will be no accrual of appreciation during the term of the rental (this does not apply to medical emergencies).

2. Rental Procedures for Owner-Occupied Properties - The Housing Department may approve rental of space within owner-occupied Affordable, Employment-Based, and Workforce units when pressing circumstances exist. The owner must continue to occupy the unit, and the Housing Department must certify that the renter meets the qualification and eligibility standards set out in Section **16.10.300** Qualification and Eligibility. A fee will be charged along with the request as set forth in the Annual Schedule of Fees.
 - a. Requests to Rent during Leave of absence - Approvals for “Requests to Rent” are given at the sole discretion of the Housing Department’s Housing Manager. Approvals to rent will only be given for a maximum period of one (1) year. Approvals to rent will only be given in unique and pressing circumstances.
 - i. Medical Emergency Documentation - Medical emergencies applicable to a restricted housing unit homeowner will require documentation using the “Housing Department Medical Emergency Leave” form to substantiate the need to leave the area.
 - ii. Processing Fee - A fee will be charged to a restricted housing unit homeowner for a “Request to Rent.” A separate “Annual Schedule of Fees” document that is updated annually and published by the Housing Department provides the processing fee amount.
 - b. Qualification and Eligibility of Tenants.
 - i. Tenants shall be a Qualified Household according to the general Qualification and Eligibility Criteria contained in the recorded Restriction and these Housing Department Rules and Regulations.
 - ii. Tenants shall meet the Eligibility Criteria with respect to Income and Assets that apply to the particular restricted housing unit in question at time of initial occupancy.
 - iii. Prior to signing a lease for or occupancy of a restricted housing unit, owner must provide the Housing Department with proof of the tenant’s qualification under the housing unit’s specific program prior to occupancy.
 - iv. Qualification and eligibility shall be recertified by owner of the restricted housing unit at any time there is a change in occupancy of the restricted housing unit or renewal of lease agreement.
 - c. Execution of Lease - Rental of restricted ownership units must be by a written Lease provided by the Housing Department. The Housing Department will retain a copy of the fully executed lease.
 - i. Rent Limitations - Rent charged while the owner is on leave will be limited to Fair Market Rents as published by HUD or total housing costs (mortgage

payment, taxes, insurance, Ground Lease Fees and HOA dues), whichever is less.

- ii. Housing Department Fee - A fee will be charged by the Housing Department for a request to rent as set forth in the Annual Schedule of Fees updated annually and published by the Housing Department.
- d. Requests to Rent a Room - Approvals to rent a room in a restricted unit are at the sole discretion of the Housing Manager and are only allowed in pressing circumstances. The following process will be followed:
 - i. Submittal of Request to Rent - The owner will submit a “Request to Rent” form to the Housing Department along with the associated fee as outlined on the fee schedule published annually by the Housing Department. The form can be found on the Housing Department website or from the Housing Department.
 - ii. Approval by the Housing Manager - If the owner is in compliance with their restrictions, the Housing Manager will review the request to rent and approve or deny the request based on the circumstances. Approval can be given for a maximum of one year.
 - iii. Identification of Tenant - When the owner has identified a potential tenant who they believe qualifies under the income, asset, and employment requirements of the restriction on the unit, the potential tenant is required to submit a complete application to the Housing Department.
 - iv. Tenant Approval - The Housing Department will verify that the tenant qualifies under the income, asset, and employment requirement.
 - v. Lease Agreement - The Housing Department provides the Lease Agreement to be signed by the owner, tenant, and the Housing Department.
 - vi. Notification of Termination of Lease - The owner is required to notify the Housing Department upon termination of the lease. If the owner still wishes to rent the room and still has approval from the Housing Department, the process will start again with Step **d.iii**. Identification of Tenant, above.
 - vii. Rental Rates - The Housing Department will approve the rental rate based on the housing costs of the owner.

C. Purchase Procedures.

- 1. Selection of Qualified Household - A unique process applies for selecting each qualified household within each housing program. The following sections provide specific details regarding each housing program. The restrictive covenant should be consulted for exact details.

- a. Weighted Drawing - In the event that the Housing Department receives one or more weighted drawing entry sheets at the maximum resale price from qualified households during the weighted drawing entry period, the buyer will be selected according to preferences set for that particular Housing Program. In the event no weighted drawing entry sheets are received during the weighted drawing entry period, the selection process would be determined either by a bid process or a “first come first served” process. The restrictions on the property clarify which selection procedure to use.
 - i. Errors - Every effort is made by the Housing Department to ensure fair and equitable lotteries. Lotteries are not drawn by the Housing Department. Housing Department staff compiles weighted drawing entry sheets with all eligible households included. The weighted drawing is drawn by outside counsel. On the rare occasion that an error is made in compiling or drawing of a weighted drawing, the error will be corrected and the weighted drawing will be re-drawn.
- a. Bid Process - If the restrictions require it, the qualified household submitting the highest bid price (not to exceed the maximum resale price) during the Bid Period shall have the first right to purchase the unit. The owner of the unit shall have the right to accept or reject the bid.
- b. No Qualified Weighted Drawing Entries – Refer to Section 16.10.004(B)(4) .
- c. Other Sale/Resale Procedure.
 - i. Owner Selection - If the restriction permits, the owner of the restricted housing unit may be allowed to select the qualified household. Other than verifying that the qualified household meets the qualification and eligibility requirements for the restricted housing unit, the Housing Department shall not have any authority to choose the buyer of the restricted housing unit unless authorized by the owner.
 - ii. Attainable Housing Program Sale Procedures.
 - a) When an owner wishes to sell an Attainable housing unit, they can either list the home with a realtor or for sale by owner.
 - b) The owner of the Attainable housing unit is required to submit a “Letter of Intent to Sell” to the Housing Department before listing or advertising the unit for sale.
 - c) The owners will be responsible for advertising their Attainable housing unit for sale with the exception that the Housing Department will advertise the unit on their website at no cost to the owner.
 - d) There is not a maximum resale price for Attainable housing units. The owner will set the price with the understanding that the household who buys

the unit will need to qualify under income, asset, and employment criteria. The price may be negotiated before entering into an agreement to purchase.

- e) The buyer will be responsible for providing the “Purchase and Sale Agreement” at the time of making an offer to purchase an Attainable housing unit. The seller may make a counteroffer that includes changes to the “Purchase and Sale Agreement.” The Attainable housing unit is under contract when an offer and/or a counteroffer is accepted and both the buyer and seller have signed it. The “Purchase and Sale Agreement” must contain a contingency that the Housing Department must verify that the buyer is “qualified” to purchase the Attainable housing unit. The Housing Department will not deem a buyer “qualified” until a contract has been executed by the seller and the potential buyer.
- f) A full copy of the fully executed Purchase and Sale Agreement shall be provided to the Housing Department. All financial information shall remain confidential except as noted in Section **16.10.500.D.7.a**. Privy to Purchase and Sales Agreement.
- g) In addition to the items listed in Section **16.10.500.D.3.a**. Materials Included with Application, applicants must also include a complete copy of the fully executed “Purchase and Sale Agreement.”
 - 1) Time of Submittal: The Attainable housing unit must be under contract before the buyer provides an application to the Housing Department.
 - 2) Time to Process: If the application is complete and thorough, the Housing Department will have a determination of qualification within five (5) business days of receiving the application. It may take longer if the Housing Department has to request further information from the applicant.
 - 3) Qualified Buyer Letter: Once the household is deemed to be “Qualified” to purchase the Attainable housing unit, the Housing Department will provide a “Qualified Buyer Letter” to the applicant. This letter will be used to verify to the seller and the title company that the household is qualified to purchase the unit.
 - 4) Lenders: See Section **16.10.500.A.7.d**. Lenders.
 - 5) Closing: The closing date and time is set between the sellers, buyers, financial institution, the title company, and the Housing Department. The buyers will be required to sign a “Buyer’s Acknowledgement” at the time of closing. This document will certify that the buyers acknowledge receiving a copy of the restrictions as well as agreeing to allow the Housing Department to release the sales price of the home, and also agreeing to the Housing Department’s right of first option to

purchase the unit in case of default by signing a Power of Attorney in Case of Default.

2. Viewing of Restricted Housing Unit - The seller of the restricted housing unit will allow the potential buyer to view the unit to see that it meets their household's needs. If the household decides to purchase the restricted housing unit, they will have the opportunity to inspect the unit further once it is under contract.
3. Submit Application - The potential buyer will have five (5) business days to submit a complete application. The required Housing Department documents are available from the Housing Department or from the Housing Department website.

a. Materials Included with Application.

- i. Housing Department Application for Restricted Ownership or Rental Housing.
 - ii. The Housing Department "Application for Homeownership" is a three (3) page form with an additional two (2) pages made up of a "Certification and Oath" section that will need to be signed by all applicants and notarized, as well as an "Authorization to Release Information." Buyers may be required to sign a "Power of Attorney in Case of Default" form appointing the Housing Manager of the Housing Department Attorney in Fact in the case of default and forced sale. The Housing Department may use other methods for remedying a default such as a mortgage against the property or a Quit Claim Deed held in Escrow, which would be agreed to at time of purchase. All documentation submitted with the complete application for the purchase of a home is the documentation that will be used to qualify a buyer. Documents will not be allowed to be changed once they are submitted (e.g. taxes submitted will be those used to qualify. Applicants will not be allowed to re-file taxes). The Housing Department will review the application before accepting it to ensure it is complete. The Housing Department may ask for additional documentation.
- a) Weighted Drawing Entry Form - A "Weighted Drawing Entry" form must be completed and signed and submitted when entering a weighted drawing according to Housing Department processes. "Weighted Drawing Entry" forms may be submitted online, in person, or by USPS.

No incomplete "Weighted Drawing Entry" forms will be accepted. This means that every blank must contain information, "N/A," or a strikethrough so that the Housing Department knows that it was not overlooked.

The Housing Department is not responsible for receiving Weighted Drawing Entry Forms. It is the responsibility of the household to confirm that the Weighted Drawing Entry Form was received and the household is entered in the weighted drawing.

- b) Intake Form - All households are required to complete the "Online Intake Form." This form must be completed in its entirety before entering a

weighted drawing. Any changes made to the form must be made prior to the opening of a weighted drawing the household wishes to enter or the household will be ineligible to enter the weighted drawing. The Intake form must be updated annually to be eligible to continue to enter lotteries.

- iii. Lender's Qualification Worksheet - A current "Lender's Qualification Worksheet" (within one year of the date the weighted drawing begins) is required to be completed by a lending institution. The "Lender's Qualification Worksheet" must be submitted to enter a weighted drawing. "Lender's Qualification Worksheets" may not be faxed; they can either be emailed or submitted in person or mailed by USPS. The worksheet must reflect a loan amount and down payment amount that is equal to or greater than the sale price of the home.
- iv. Credit Report - A three bureau credit report including credit scores (not more than one year old) is required to help Housing Department Staff determine if the Household is financially healthy and able to make payments on a mortgage. The credit report also helps determine debt to income ratios.
- v. Verification of Down Payment - An account statement or signed and notarized letter from someone supplying a gift, or other verification of funds for a down payment is required.
- vi. Verification of Hours and Years Worked - "Affidavits of Employment," detailed check stubs, or other adequate proof of hours and years worked is required at weighted drawing entry to receive points in the weighted drawing. Affidavits are required to be completed, signed, and notarized by the employer. They may not be completed by the applicant. If hours or years worked cannot be verified, they will not be counted.

Historical information for hours and years worked will be kept on file with the Housing Department. Information is required to be updated annually or if any changes occur.

- vii. Federal Tax Returns - Signed federal income tax returns and all attachments (including W-2s and 1099s) and schedules for the last two (2) years for all adult household members are required. If there is self-employment, three (3) years of business and personal tax returns, along with a current "Profit and Loss Statement" and balance sheet, are required. The Housing Department uses tax returns to verify several different aspects of qualification such as but not limited to income, assets, residential homeownership, and sources of income.
- viii. Power of Attorney in Case of Default - Buyers may be required to sign a "Power of Attorney in Case of Default" form appointing the Housing Manager of the Housing Department Attorney in Fact in the case of default and forced sale. The Housing Department may use other methods for remedying a default such as a mortgage against the property or a Quit Claim Deed held in Escrow, which would be agreed to at time of purchase.

- ix. Certification and Oath - A sworn statement of the facts contained in the application will be required including at least the following certifications:
- a) That the facts contained in the application are true and correct to the best of the applicant's knowledge;
 - b) That the applicant has been given the standard application information packet by Housing Department Staff; and
 - c) That the applicant, on the basis of the application presented, believes the Household qualifies to occupy the restricted housing unit in question according to the restriction, these Housing Department Rules and Regulations, and all other applicable procedures.

This "Certification and Oath" is required to be signed by all applicants and notarized. There are public notaries available at the Housing Department.

- x. Additional Information - Additional information may be requested to determine eligibility or qualification status. This may include:
- a) Verification of Household Net Assets - Household net assets are verified through tax returns, account statements, verification of deposits from financial institutions, and the NADA or Kelly Blue Book.
 - b) Verification of Current Employment in Teton County - One or more of the following are needed to verify employment in Teton County:
 - 1) Wage stubs.
 - 2) Employer name, address, and phone number.
 - 3) Contract for employment.
 - 4) "Affidavit of Employment" (Housing Department).
 - 5) "Authorization to Release Information" form signed by all adults in the household to obtain third party employment verifications.
 - c) Verification of Completion of Homebuyer Education Course - At least one adult per household must complete the "Homebuyer Education Course." The required course is offered by the Wyoming Housing Network or if not available, another course approved by the Housing Department. This applies to all households regardless of whether they have owned a home or not. This certification only needs to be completed once; however, if a household changes size and the adult who completed the certification is no longer a part of the household, it will need to be taken by an adult who is a part of the household. The Housing Department will keep a record of the

certificate. It is encouraged that households keep a copy as well. The applicant must provide evidence of attendance of an approved “Homebuyer Education Course” prior to purchase. This is required to be submitted at time of weighted drawing.

- d) Uniform Residential Loan Application - Applicants must provide a copy of the final “Uniform Residential Loan Application” at closing.
 - e) Occupancy Agreement - No persons outside of the persons included in the household on the “Weighted Drawing Entry Form” and “Intake Form” at time of weighted drawing entry may be moved into the home without express written approval of the Housing Department. Approval will not be given within twelve (12) months from closing on a home for adults being added to the household. An “Occupancy Agreement” will be required to be signed by buyers at or before closing. Any adult that is added to a household will be required to sign an Occupancy Agreement along with the Owner.
 - 1) Power of Attorney in the Case of Default - All households purchasing a home are required to sign a Power of Attorney in the Case of Default at closing. The Power of Attorney will be assigned to the Housing Manager to affect the sale of the housing unit. The Housing Department may use other methods for remedying a default such as a mortgage against the property or a Quit Claim Deed held in Escrow, which would be agreed to at time of purchase.
 - f) Accessible Unit Preference - Applicants that wish to be considered for accessible units must submit a “Verification Form for Accessible Unit Preference.”
 - g) Critical Services Provider - Organizations applying for critical services provider approval and their corresponding approved positions must gain approval before a critical service worker can gain points in a weighted drawing. The organization must complete a “Critical Services Organization Application” and submit it to the Housing Department. If the organization and positions are approved, a “Supervisor Questionnaire” must be completed by the applicant’s supervisor and submitted with the other required documents when entering the weighted drawing. All certifications must be completed for the position and a recommendation from the supervisor is required. The “Supervisor Questionnaire” will need to be updated every six months.
 - h) Birth Certificate for Children Under One (1) Year of Age - Applicants must provide the birth certificate for children less than one (1) year of age.
4. Verification of Application - To protect the interests of the community that has invested in the creation of restricted housing units, the Housing Department verifies that information submitted on the Application is true and correct and may request documents outlined in Section **16.10.500.D.3.a.x**. Additional Information to assist in

this process. The Housing Department strives to complete verification within two (2) weeks of application submittal. Any material misstatement of fact or deliberate fraud by the household in connection with any information supplied to the Housing Department shall be cause for immediate expulsion from the application process and/or forced sale of the restricted housing unit.

5. Verification of Qualified Household - The Housing Department verifies that each Household selected to purchase a restricted housing unit meets the qualification and eligibility requirements specific to the restricted housing unit. See Section **16.10.300** for more details on the verification process for each housing program.
6. Qualification Letter - Once the Housing Department verifies that the household meets the Qualification and Eligibility criteria for the particular restricted housing unit, it will issue a "Qualification Letter" to the buyer, a copy of which will be provided to the title company upon request.
7. Purchase and Sale Agreement - Buyers must sign a "Purchase and Sale Agreement" within five (5) business days of the date of the Buyer Meeting with the Housing Department. Buyers will be given the five (5) business days to review the "Purchase and Sale Agreement" and are encouraged to get legal advice. Sellers and buyers shall make the Housing Department privy to the "Purchase and Sale Agreement." All financial information shall remain confidential except as noted in Section **16.10.500.A.7.a. Privy to Purchase and Sales Agreement.**
 - a. Earnest Money - At time of signing the "Purchase and Sale Agreement," one thousand dollars (\$1,000.00) in earnest money will be required. The check is made out to the title company referenced in the "Purchase and Sale Agreement."
 - b. Closing Date - In most cases, the buyer has fifty (50) days to close on the property. The Closing Date will be agreed upon between the buyer and the seller and will be included in the "Purchase and Sale Agreement." The closing date will be the date the buyer takes possession of the restricted housing unit.
 - c. Inspections - The buyer may perform inspections on the restricted housing unit commencing on the effective date of the contract until closing. However, the buyer will have 30 days from the effective date of the contract to notify the Housing Department of any objections to items found during inspections. Sellers shall make the restricted housing unit available for inspections. If the seller refuses to remedy the objection, the Housing Department will notify the buyer, and the buyer will have three (3) business days to give notice to the Housing Department of their intention, either:
 - i. Waiving the objection and proceeding to closing, or
 - ii. Terminating the "Purchase and Sale Agreement."
 - d. Facilitation - Pursuant to Wyoming Statute 33-28-101 through 124, the "Real Estate License Act of 1971", the Housing Department is participating in the transaction as

a facilitator without a Wyoming real estate license and in the performance of official duties.

- e. **Buyer's Acknowledgement** - The buyers will be required to sign a "Buyer's Acknowledgement" at closing. This document will certify that the buyers acknowledge receiving a copy of the restrictions as well as agreeing to allow the Housing Department to release the sales price of the home. In addition, by signing this form, the buyer agrees to the JTCHA's right of first option to purchase the unit in case of default.
- D. Business Option** - The "Business Option" is a mechanism specific to a developer's Housing Mitigation Plan that must be approved by elected officials on a case-by-case basis. It only applies to exempt units, meaning restricted housing units that are not required by the LDRs. The "Business Option" allows a business to identify a proposed purchaser from their employees or someone who has a material nexus to the business or organization, which would allow the household to have the first option to purchase the restricted housing unit.
- 1. **Purpose and Program Goals** - The intent of the "Business Option" program is to help qualified businesses house their employees by providing the employees first option to purchase. This program furthers the Jackson/Teton County Comprehensive Plan's goal of housing 65% of the workforce locally and its transportation goals.
 - 2. **Applicability** - This section applies to restricted housing units that have been approved by the Board of County Commissioners or Town Council for the "Business Option" program.
 - 3. **Qualified Business** - A qualified business is a non-profit entity, governmental entity, charitable foundation, or for-profit business which meets the definition of a qualified business according to the special restrictions on the property and/or the Housing Department Rules and Regulations.
 - a. **Qualified Business Application** - The business completes a "Qualified Business Application," which can be obtained from the declarant or from the Housing Department and submits it to the Housing Department. If the business has affiliates, it must be indicated on the application.
 - b. **Verification** - The Housing Department verifies that the business meets the criteria of a qualified business with the following documentation. The Housing Department may ask for additional documentation.
 - i. **Option Agreement** - The Housing Department verifies that the business is a true local business, organization, or government agency operating in Teton County.
 - ii. **Determination of Qualification.**
 - a) The Housing Department will provide a "Qualified Business Letter" once the verification process is complete and the business is approved to be a

qualified business. The Housing Department will then sign the “Option Agreement”; or

- b) If the business is not deemed to be a qualified business, the Housing Department will inform the business with a written letter and copy the declarant or option holder. The business will not be allowed to obtain an option if it is not approved as qualified by the Housing Department.
- iii. Cause for Expulsion - Any material misstatement of fact or deliberate fraud by a business in connection with any information supplied to the Housing Department shall be cause for immediate expulsion from the application process and/or for obtaining or keeping an option.

4. Option Procedures.

- a. Obtaining an Option - Options are available from a declarant or from another option holder. A declarant can choose to provide an option if the business is a qualified business and does so by recording an “Option Agreement” signed by the declarant, the Housing Department, and the qualified business. An option holder may provide an option to a qualified business by assigning the option.
- b. Notice of Right to Exercise or Waive Option - The Housing Department will immediately send a notice to the business holding the option (optionor) upon the following three events:
 - i. Housing Department’s receipt of a “Notice to Sell” by the owner of the property.
 - ii. Housing Department’s exercise of its default option as set forth in the special restrictions.
 - iii. The occurrence of a default and forced sale as set forth in the special restrictions.

This notice triggers the timeframe the optionor has to identify a proposed purchaser as outlined in the “Option Agreement.”

- c. Exercise of Option - An optionor shall have a timeframe as outlined in the “Option Agreement” to exercise the option. The timeframe will begin upon receipt of the “Option Notice.” To exercise the option, an optionor must notify the Housing Department on or before the expiration of the timeframe that they have identified a proposed purchaser for the home. Additionally, the proposed purchaser must submit a complete application, as outlined in Section **16.10.500.E.3.a**. Qualified Business Application, on or before the expiration of the timeframe. The Housing Department will take approximately five (5) business days to determine whether the proposed purchaser is:
 - i. Qualified under “Option Agreement.”

- ii. Qualified under terms of the Housing Department’s special restrictions.

The Housing Department will verify that the business continues to be a qualified business each time the option is exercised (See Section **16.10.500.E.3.b.** Verification).

- d. Waiver of Option - If the Optionor does not wish to exercise the option, they can sign the “Affidavit of Waiver” indicating they are waiving the option. This affidavit will be recorded with the Teton County Clerk’s Office.

In the case where an option is waived, the Housing Department will find a buyer using the process outlined in Section **16.10.500.C.** Sales and Resale Procedures of these Housing Department Rules and Regulations.

- i. Failure to Identify Purchaser during Required Timeframe - If the optionor does not identify a proposed purchaser on or before the expiration of the timeframe, the optionor will automatically have waived their option.
- e. Assignment - An optionor can assign its option to another qualified business. If at any time the business holding the option ceases to be a qualified business, they must assign the option. This is done using the following process:
 - i. Written Notice - The optionor provides the Housing Department with written notice that they wish to assign their option.
 - ii. Application - The business that is being assigned the option submits an application to the Housing Department to become a qualified business (see Section **16.10.500.E.3.a.** Qualified Business Application).
 - iii. Housing Department Approval - If the business qualifies, the Housing Department will provide a “Qualified Business Letter” to the business and sign the “Option Agreement.”
 - iv. Consideration - The assignment may not have any consideration except for consideration required to make the assignment legal.

- 5. Qualified Purchaser - The Housing Department will determine whether a household is qualified to purchase based on the following criteria:
 - a. Letter of Certification - The purchaser will be qualified by the Housing Department only if they have a material nexus to the optionor as approved by the Housing Department. A “Letter of Certification” form demonstrating the material nexus the proposed purchaser has with the Optionor must be completed by the optionor. The “Letter of Certification” form is available from the Housing Department. The optionor must deliver documentation satisfactory to the Housing Department that verifies (1) that the proposed buyer is a full-time employee of optionor; or (2) that the identified purchaser otherwise has a material nexus to optionor.

- b. **Qualified Household** - A Household will be qualified by the Housing Department using the Application and Verification process outlined in Section **16.10.500.D**. Purchase Procedures of the Housing Department Rules and Regulations.

If the identified purchaser does not qualify because of not meeting the Housing Department Rules and Regulations requirements, Housing Department special restrictions, or “Option Agreement,” and the timeframe has not expired, the optionor may identify another proposed purchaser.

- c. **Affidavit of Exercise** - When the Housing Department determines the household meets qualifying criteria of the “Option Agreement,” these Housing Department Rules and Regulations, and Housing Department special restrictions, the Housing Department will sign an “Affidavit of Exercise of Option Right” indicating the household is qualified. The optionor will also sign the “Affidavit of Exercise of Option Right” indicating they are exercising the option right. The affidavit will be recorded with the Teton County Clerk’s land records.

16.10.600 Rental Standards and Procedures.

- A. **Applicability** - All rental housing units administered by the Housing Department, including the Affordable Rental program (which includes legacy Employee housing units) and the Workforce Rental program (which includes the legacy ARU program), are subject to these Housing Department Rules and Regulations, with the exception of units that are owned by Teton County or the Town of Jackson and used for housing their employees. Section 6-1 does not apply to cases where the Housing Department has approved rental of a room in a unit.

- B. **Rental Standards.**

- 1. **Affordability** - To ensure that the rents are affordable to households earning less than one hundred and twenty percent (120%) AMI for Affordable units, rents will be calculated using the following method (rents for workforce units are set by owner and have no cap):
 - a. **Standard of Affordability** - The standard for affordability provided by HUD is that no more than thirty percent (30%) of a household’s income should be spent on housing costs. Included in this thirty percent (30%) are rent, property tax, water, sewer, gas and/or electric, and trash removal. One parking space is required at no charge to the tenant unless otherwise approved by the Town Council or Board of County Commissioners.
- b. **Household Size for Rent Calculation** - For purposes of calculating rental rate only:

Studio:	One (1) person
One-bedroom:	One (1) person
Two-bedroom:	Two (2) persons
Three-bedroom:	Three (3) persons
Four-bedroom:	Four (4) persons

- c. Calculation of Rent - Monthly rent will be the lower income limit for each respective affordability range (specific to the number of bedrooms to determine household size), divided by twelve (12), and multiplied by thirty percent (30%). Studio units may charge eighty percent (80%) of a one-bedroom unit. Dorm units may charge seventy-five (75%) of a studio. See Section 16.10.003(C) for income ranges.
 - i. “Plus” Units - Fifty dollars (\$50) will be added for “Plus” units. “Plus” units have extra floor area for offices, play areas, etc.
 - ii. Lease Renewals - The rent will be calculated each year and applied to a lease renewal. Tenants will be notified three (3) months in advance of the new lease amount. The new calculation will also be applied for new households signing a lease.
 - d. Tenant households must qualify under the housing program designated to each unit. See Section 3-3. Tenant households will be required to re-qualify annually. Household income will qualify as long as it is below the income limit for the income range.
 - e. All leases are required to be approved by the Housing Department.
2. Primary Residence.
- a. Occupancy Requirement - Households shall physically occupy their home full-time at least eighty percent (80%) of the term of their lease.
 - b. Business Activity Restricted - Households who rent a restricted housing unit shall not engage in any business activity in such dwelling, other than any home occupation use permitted in that zoning district and as permitted in the Lease Agreement.
 - c. No Guests for an Extended Period - Households who rent restricted housing units shall not permit any adult guests over the age of 18 for periods in excess of thirty (30) cumulative days per calendar year.
3. Eviction - In the event that a tenant household is in default of their lease agreement, they will be evicted from the rental unit. The eviction process will be in accordance with Wyoming law and all applicable Wyoming Statutes.

C. Rental Procedures.

- 1. Selection Process - A unique process applies for selecting each qualified household within each housing program. The following sections provide specific details regarding the Housing Department-administered rental housing programs.
 - a. Weighted Drawing - When an Affordable rental owned by the Housing Authority is available, tenants will be identified through the weighted drawing process.

Applicants will submit a complete application, which will be kept on file for one year (Affidavits of Current Employment will need updating after six (6) months). Weighted Drawing entries for drawings entered within the one year will only need to submit a Weighted Drawing Entry Form assuming a complete up to date application is on file with the Housing Department. A qualified household shall be selected to rent according to the rules set forth in these Housing Department Rules and Regulations, Section **16.10.400** Weighted Drawing.

- b. First Come First Served - In the event no weighted drawing entries are received during the weighted drawing entry period, the selection process will be determined by a first come first served basis. The first qualified household submitting a complete application will be allowed an opportunity to rent if eligible.
 - c. Complete Application – Each household entering a weighted drawing to rent a restricted housing unit owned by the Housing Authority is required to submit a completed “Application for Restricted Rental Housing” and or a “Weighted Drawing Entry” form. Weighted Drawing Entry Forms will only be accepted if a complete and up to date application is on file with the Housing Department. A certification page will also be signed by the applicant and notarized. In addition, an “Authorization to Release Information” is signed by the applicant, which allows the Housing Department to obtain banking information and any other relevant information. Application forms can be obtained from the Housing Department or from the Housing Department’s website.
2. Verification of Selected Household - The Housing Department verifies that each household selected to rent a restricted housing unit meets the qualification and eligibility requirements specific to the restricted housing unit.
 3. Materials Required - To determine that a household desiring to rent a restricted housing unit meets all of the required criteria, the Housing Department will request all of the following for a complete application, which will be submitted at weighted drawing entry:
 - a. Housing Department Application for Restricted Ownership or Rental Housing - Completed and signed Housing Department Application for Housing.
 - b. Weighted Drawing Entry Form - Completed and signed “Weighted drawing Entry” form. See Section **16.10.500.D.3.a**. Materials Included with Application.
 - c. Credit Report - Full three-bureau credit report that reflects credit scores for all adult household members dated no more than 30 days from submittal of application.
 - d. Federal Income Tax Returns - Signed federal income tax returns (electronic signature is not sufficient) and all attachments (including W-2s, 1099s) and schedules for the last two (2) years for all adult household members.

- e. Verification of Current Employment in Teton County - One or more of the following will be required for verification of Current Employment in Teton County includes:
 - i. Wage stubs;
 - ii. Employer name, address, and phone number;
 - iii. Contract for employment;
 - iv. “Authorization to Release Information” form signed by all adults in the household to obtain third party employment verifications; and

If deemed applicable, the Housing Department may request the following be submitted with an application:

- i. If self-employed, three (3) years of business and personal tax returns along with a current “Profit and Loss Statement” and balance sheet.
 - ii. “Verification Form for Accessible Unit Preference.”
 - iii. Any other documentation that the Housing Department deems necessary to determine qualification, such as, divorce decrees, Social Security income, rental income, etc.
- 4. Verification of Application - To protect the interests of the community that has invested in the creation of restricted housing units, the Housing Department verifies that information submitted on the application is true and correct and may request documents outlined in Section **16.10.500.D.4**. Verification of Application to assist in this process. All financial information shall remain confidential, except as documented in Section **16.10.500.A.7.a**. Privy to Purchase and Sales Agreement.
- 5. Qualification Letter - After the Housing Department verifies that the household meets the qualification and eligibility criteria for the particular restricted housing unit, it will issue a “Qualification Letter” to the potential renter within 10 business days.

16.10.700 Compliance and Exception, Appeal, and Grievance Standards and Procedures.

- A. **Compliance Process** - Special Restrictions are recorded on all Housing Department homes. These restrictions control the occupancy and use of the unit. They also refer to these Rules and Regulations

The Housing Department Compliance Specialist monitors occupancy and use restrictions to ensure owners are in compliance, and acts on various complaints from the public concerning compliance issues. The Housing Department Compliance Specialist also receives and processes requests for exceptions, appeals, leave of absence, requests to rent, transfer of title, and qualified mortgages.

1. Compliance Requirements.

- a. Affordable Units - - Owners of Affordable housing units with restrictions recorded after June 4, 2018 will receive annual requests for information concerning employment, insurance requirements, ownership of residential real estate and occupancy of the unit. Owners of Affordable housing units with restrictions recorded prior to June 4, 2018 are not required to verify continued employment annually or ownership of residential real estate, however, they may be required to verify occupancy and insurance requirements.
- b. Employment-based and Workforce Housing Units - Employment-based units and Workforce housing units are required to provide information to the Housing Department annually concerning income, employment and ownership of other residential real estate.
- c. Employee Housing Units - Owners of Employee housing units will be required to submit information annually about the occupants of the units, their income, employment, and ownership of other residential real estate.
- d. Accessory Residential Units - Owners of ARUs will be required to annually submit information concerning the occupants of the units, their employment, and ownership of residential real estate.
- e. Exemption for Retirees - During ownership, if one (1) member of the household meets the retirement age as defined by the Federal Social Security Administration defined in these Housing Department Rules and Regulations, the household will be exempt from continued compliance with income and employment eligibility standards.

2. Submittal and Timeline.

- a. Housing Department Request for Information - The Housing Department will send a letter to owners of restricted units requesting information. The letter will outline what type of information is required based on the unit's restrictions. The owner will be given thirty (30) days from the date of the letter to submit the requested information to the Housing Department.
- b. Default - Failure by the owner to submit requested information will be considered default.

3. Common Default Violations - In cases where the restriction defines the default process, it will control the process. If the restriction does not define the process, the default process is as follows:

Common violations include, but are not limited to:

- a. Occupancy - A household that does not occupy the restricted housing unit for the number of months in a calendar year as required by the restriction is in violation of the Housing Department Rules and Regulations.
- b. Guests - Guests over the age of 18 are not allowed to occupy a restricted housing unit in excess of 30 cumulative days per calendar year.
- c. Renting - Renting a restricted ownership unit is only allowed per the restrictive covenant or as set out in Section **16.10.500.B.2. Rental Procedures for Owner-Occupied Properties.**
- d. Leave of Absence - Leaves of absence must be preapproved if the household is expected to be gone longer than permitted by the Housing Department Rules and Regulations or the deed restrictions.
- e. Pets - Specific policies for pet ownership are outlined in the Covenants, Conditions and Restrictions and/or the Master Rules and Regulations and are enforced by the Homeowners Association. Policies for rental units are outlined in the lease agreement.
- f. Mortgage Delinquency - Failure to maintain obligations required under any mortgages is considered a default under special restrictions.
- g. HOA Delinquency - Failure to pay Homeowners Association dues is considered a violation of the special restrictions.
- h. Ground Lease Delinquency - It shall be an event of default if lessee fails to pay the ground lease fee or other charges required by the terms of the lease.
- i. Water/Sewer Dues Delinquency - Unpaid water and sewer dues can result in a lien placed on property that would constitute a violation of the special restrictions.
- j. Employment Verification - Employment-based and Workforce units require an owner to work an average of 30 hours per week at a local business located in Teton County, Wyoming. The owner must earn at least 75% of their household income at a local business within Teton County. Annual verification of employment and income is required for owners of Employment-based and workforce restricted housing units.

Affordable units built after June 4, 2018 will be required to provide proof of employment in Teton County at a local business.

- k. Ownership of Residential Property - Owners of Employment-based and Workforce housing units are not allowed to own residential property within 150 miles of Teton County. All renters of Housing Department-administered rental units are not allowed to own residential property within 150 miles of Teton County.

- l. Estate Planning - Restricted housing units cannot be put into a trust. A trust does not meet the definition of qualified household and therefore cannot own a restricted housing unit. The Housing Department does accept other related documents for estate planning (Non-testamentary Deed upon Death).
 - m. Covenants, Conditions and Restrictions (CCR) Violations - Any default or breach of the CCRs, Mortgage Agreements, and/or Master Rules and Regulations is considered a default of the special restrictions or ground lease. This includes but is not limited to prompt payment of Homeowners Association dues and ground lease fees.
 - n. Bankruptcy – Restrictions are recorded on properties with the strict intent that the restrictions will run with the property in perpetuity. Restrictions may not be stripped from the property in cases of bankruptcy
- B. Process for Default Contested Case Hearings** - All default hearings are conducted in compliance with the Wyoming Administrative Procedures Act and are contested cases for which the rules and processes are set forth herein. All requests for hearings and subsequent documents shall be submitted and filed with the Housing Department, and all records related to the contested case hearing shall be maintained by the Housing Department.
1. Notice of Default - When the Housing Department deems an owner to be in default of a special restriction, the Housing Department shall notify the owner with a Notice of Default Letter.
 - a. The Notice of Default shall be sent to the owner via U.S. Mail certified with return receipt requested and via email, if an email address is known. The letter will be considered delivered on the date it is sent.
 - b. The owner shall have thirty (30) days from the date of the Notice of Default to:
 - i. Cure the default,
 - ii. Request a default hearing of the Jackson/Teton County Housing Authority Board, or
 - iii. Provide the Housing Department with a “Letter of Intent to Sell” the home or unit in accord with the special restriction.
 - c. The Housing Department shall determine what constitutes a cure of the default based upon the special restriction and the circumstances of the owner.
 2. Request for Default Hearing - In the event the owner fails to cure the default or desires to challenge the default identified by the Housing Department, the owner may request a hearing before the Jackson/Teton County Housing Authority Board (JTCHA) to determine the merits of the allegations of the default.

- a. To request a hearing, the owner must submit a “Request for Default Hearing” form to the Housing Department within the thirty (30) day cure period.
 - b. A fee shall be charged by the Housing Department for such “Request for Default Hearing.” The fee amount will be set annually in a separate document titled “Annual Fees” to be updated and published by the Housing Department.
3. Failure to Respond to Default - If the owner fails to respond to the Notice of Default, the Housing Department will consider the non-action or failure to respond as a breach of default and shall take steps to enforce the default in accord with the applicable Special Restriction and/or the Housing Department Rules and Regulations. Enforcement of the breach or violation includes but is not limited to forcing the sale of the home or unit.
4. Default Hearing.
 - a. JTCHA may designate a Hearing Officer and sign an “Order Appointing the Hearing Officer.” If JTCHA desires, they can elect to appoint a non-exclusive Hearing Officer for a period of two (2) years, recognizing that there may be a need to appoint a different Hearing Officer in some cases including but not limited to a conflict of interest or absence.
 - b. Within thirty (30) days of the signed Order, the Hearing Officer will issue a scheduling order, which shall include the Official Notice of Hearing, and deadlines for the parties to submit evidentiary documents, exhibits, witness lists, and/or pre-hearing memorandums.
 - c. Evidentiary documents, exhibits, witness lists, and/or pre-hearing memorandums, to include a written statement of facts, conclusions of law, and proposed order shall be exchanged by the parties, filed with the Housing Department in the contested case proceeding, submitted to the Hearing Officer and to the JTCHA, at least fifteen (15) days prior to the hearing date. Any document or witness not included in these submissions by the deadline shall not be raised at the hearing and shall not be admitted into evidence at the hearing.
 - d. Hearing proceedings may be recorded but are not required to be transcribed. If either party wishes to have a court reporter present to transcribe a hearing, all associated costs shall be paid by the party unless the parties agree to share costs.
 - e. All witnesses who provide testimony at the hearing will be sworn in under oath by either a court reporter if one is present, the Hearing Officer, and if no Hearing Officer, the JTCHA Chair. The parties shall be permitted to cross-examine witnesses, and the JTCHA and the Hearing Officer shall have the opportunity to ask questions of the witnesses and Housing Department staff.
 - f. The Housing Department’s determination the Notice of Default is presumed to be correct, and the burden of proof shall be on the complainant, not on the Housing Department.

- g. If the owner requires an interpreter, the Housing Department will make arrangements to provide one and bear the costs.
 - h. If the complainant fails to appear at the hearing, the JTCHA may make a determination to postpone the hearing, can proceed to review the evidence based upon the written submissions, or can deem the failure to appear as a breach of default.
5. JTCHA Deliberation and Decision.
- a. Deliberation - The Hearing Officer or JTCHA Chair, if no Hearing Officer is present, shall close the evidentiary hearing, and the Housing Authority Board will commence deliberation in public to include the following:
 - i. The JTCHA will examine the special restriction, the evidence presented in writing, and any testimony provided at the hearing and shall make a determination on the allegations of the Notice of Default based upon the preponderance of evidence standard of review.
 - ii. The burden of proof shall be on the owner to refute the alleged default.
 - b. JTCHA Decision - The JTCHA Decision will be to either:
 - i. Affirm the Housing Department's Notice of Default. The Housing Department would proceed to exercise its remedies against the owner according to the special restriction or ground lease recorded on the property, or
 - ii. Reject the Notice of Default of the Housing Department and no further action would be pursued for the specific alleged default under the special restriction or ground lease recorded on the property.
 - c. JTCHA Decision and Motion - The JTCHA shall make a motion in the affirmative {e.g.: I move to affirm the Housing Department's assertion that the owner (owner's name) of (address) is in default of the Special Restriction recorded on the property pursuant to the Notice of Default.} The motion shall receive a second. JTCHA will enter into discussion on the motion and vote. If the motion carries, the JTCHA affirms the Notice of Default. If the motion fails, the JTCHA has decision.
 - d. Order of Decision - The prevailing party will draft the Findings of Fact and Conclusions of Law and Order, which shall set forth the Board's decision. The Findings of Fact and Conclusions shall be transmitted to the Hearing Officer, then reviewed and approved by the JTCHA at a subsequent meeting of the JTCHA in a timely manner no later than sixty (60) days following the hearing date, which shall be properly noticed and open to the public. The Order shall be filed in the contested case file with the Housing Department. No appeal of the JTCHA decision shall be made to the Jackson Town Council or the Board of County Commissioners. Any

appeal of the JTCHA Order shall be to the District Court of Teton County, Wyoming, unless otherwise stated in the Special Restriction.

C. Process for Exception Hearing Process.

1. Request for Exception - The Housing Department will consider requests for exceptions to rules pertaining to qualification and eligibility criteria as well as to rules pertaining to occupancy and use. Granting of exceptions is rare; however, it is recognized that certain unique circumstances exist that are not contemplated in these Housing Department Rules and Regulations. Exceptions will only be granted in unique circumstances that are beyond control of the household and are not addressed in these Housing Department Rules and Regulations. Requests for exceptions must be submitted prior to the opening of a weighted drawing for a home. In cases where a weighted drawing is not used for identifying a buyer, the request must be submitted prior to submission of an application. All Requests for Exceptions are subject to the review and approval of the Housing Manager

A household may submit a “Request for Exception” to the Housing Department using the “Request for Exception” form with the required fee, which is specified in a separate “Fee Schedule” document that is updated annually. The Housing Manager will review and render a decision on the Request for Exception within fifteen (15) days from the date of submittal.

2. Request for Exception Hearing Process - If the Request for Exception is denied by the Housing Manager, the applicant may request a hearing of the JTCHA.
 - a. Submit a Request for Hearing form with a fee to the Housing Department within fifteen (15) days of the date of denial of “Request for Exception.”
 - i. Requests for Exception Hearings must contain the following information:
 - a) The particular ground(s) upon which it is based, including a copy of the Request for Exception and the Housing Manager's decision;
 - b) The action or remedy requested;
 - c) The name address, telephone number of the complainant and similar information of complainant’s representative, if any;
 - d) Proof of notification of hearing request to the housing unit’s Homeowners Association, if applicable; and
 - e) Appeal Fee.

3. Housing Department Review and Recommendation - All requests for hearings will be reviewed by Housing Department for completeness and provided to the JTCHA Board within thirty (30) days with a recommendation for action, copied to the complainant and/or representative.

4. Hearing - The hearing will be heard by the JTCHA Board at a properly noticed meeting scheduled at least thirty (30) days following the Housing Department's receipt of the "Request for Hearing" to ensure notice and due process.
 - a. Hearing Officer.
 - i. JTCHA may designate a Hearing Officer and sign an "Order Appointing the Hearing Officer." If JTCHA desires, they can elect to appoint a non-exclusive Hearing Officer for a period of two (2) years, recognizing that there may be a need to appoint a different Hearing Officer in some cases including but not limited to a conflict of interest or absence.
 - ii. If a Hearing Officer is designated, within thirty (30) days of the signed order, the Hearing Officer will send out a scheduling order (Official Notice of Hearing) and timeline.
 - iii. Hearings may be recorded and are not required to be transcribed. If owner wishes to have a hearing transcribed, all associated costs shall be paid by owner.
 - b. Hearing Process.
 - i. JTCHA may designate a Hearing Officer and sign an "Order Appointing the Hearing Officer."
 - ii. Within thirty (30) days of the signed order, the Hearing Officer will send out a scheduling order (Official Notice of Hearing) and timeline for the parties to submit evidentiary documents and a list of witnesses.
 - iii. Evidentiary documents and witness list along with a written statement of facts shall be submitted by each party to the opposite party fifteen (15) days prior to the hearing date.
 - iv. Hearings may be recorded and are not required to be transcribed. If owner wishes to have a hearing transcribed, all associated costs shall be paid by owner.
 - v. All witnesses that provide testimony will be sworn in under oath by the court reporter, and if no court reporter, the Hearing Officer, and if no Hearing Officer, the JTCHA Chair. Both parties shall be permitted to cross-examine witnesses, and the JTCHA shall have the opportunity to ask questions of the witnesses and Housing Department staff.
 - vi. The Housing Department's decision concerning the exception will be assumed correct, and the burden of proof shall be on the complainant.
 - vii. If the complainant fails to appear at the hearing, the JTCHA may make a determination to postpone the hearing, may make a determination based upon the evidence submitted, or may dismiss the matter for failure to appear.

- c. JTCHA Decision Binding - Based on the evidence considered at the hearing, the JTCHA will provide a decision by means of a motion and majority vote. The decision of the JTCHA shall be binding, and the Housing Department shall take all actions necessary to carry out the decision. No appeal of the JTCHA shall be made to the Town Council or County Commissioners. Any appeal shall be made to the District Court of Teton County, Wyoming.
- 5. Other Remedies - The Housing Department shall have the right to enforce the provisions of these Housing Department Rules and Regulations under any civil or criminal remedy provided under Wyoming Law.
- D. Grievance Procedure** - A grievance is any dispute that seller, buyer, or owner may have with the Housing Department with respect to an action or failure to act in accordance with the individual's rights, duties, welfare, or status. A grievance may be presented to the Housing Department under the procedures below.
 - 1. Request for Grievance Form - Any grievance must be presented in writing to the Housing Department on the "Request for Grievance" form and include:
 - a. The particular ground(s) upon which it is based;
 - b. The action or remedy requested;
 - c. The name address, telephone number of the complainant and similar information of complainant's representative, if any; and
 - d. Grievance fee.
 - 2. Housing Department Review and Decision.
 - a. The Housing Department Housing Manager will review all "Requests for Grievances."
 - b. The Housing Manager shall issue a written letter summarizing the decision regarding the requested grievance within thirty (30) days of receipt of the "Request for Grievance." The letter will be sent via U.S. mail certified return receipt requested and via email if an email address is known.
 - c. The applicant may request a hearing of the JTCHA pursuant to Section 16.10.007.3.a.2. if the grievance decision of the Housing Manager is disputed.

16.10.800 Occupancy and Use

Rental and ownership units have occupancy and use restrictions. Households will be required to obey the following occupancy and use restrictions.

- A. **Household Income** - Households who own or rent a Workforce home and households who rent an Affordable home will be required to requalify annually to verify that their income meets the requirements of the restriction.
- B. **Employment Requirement** - Households who own or rent a Workforce or Affordable home will be required to verify that they are meeting the employment requirement. At least one adult in the household must be employed with a local business a minimum of an average of thirty (30) hours per week or one thousand five hundred sixty hours annually. The employment calculation will be based on the prior calendar year. Affordable homes sold prior to June 4, 2018 will not have this requirement.
- C. **No Teton County Residential Real Estate** - No member of the Qualified Household may own (whether individually, in trust, or through an entity including without limitation a partnership, limited partnership, limited liability company, corporation, association, or the like) residential real estate within one hundred fifty (150) miles of Teton County, Wyoming at any time during occupancy of the Residential Unit.
- D. **Occupancy**
1. Household Occupancy - Each residential unit shall be occupied as the Qualified Household's sole and exclusive primary residence, and each tenant of a residential unit shall physically reside therein on a full-time basis, at least eighty percent (80%) of the term of the lease. Each owner of an owner-occupied residential unit shall physically reside therein on a full-time basis, at least ten (10) months each year (a year being twelve (12) months beginning with the first month following the month the household took ownership).
 - a. Leave of Absence - The Housing Manager of the Housing Department may grant a one (1) year leave of absence if the household submits a "Request for Leave of Absence" form, along with the coinciding fee.
 - b. Permission to Rent - Owners who need a leave of absence may request to rent their residential unit. This is done by submitting a "Request to Rent" form to the Housing Department along with the coinciding fee.
 - c. Attainable Housing Program Exception - Attainable housing owners are allowed to rent a room in their home as long as the owner still occupies the units on a substantially full-time basis (9 months per year as required by their Special Restriction).
 2. Owner Occupancy - Owners of Affordable or Workforce rental units shall not reside in or occupy the residential unit. For purposes of this paragraph, if owner is an entity (including without limitation, a partnership, limited partnership, Limited Liability Company, corporation, association, or other) or a trust, this prohibition on owner-occupancy shall extend to any partner, member, shareholder, other principal or owner of the entity, and any trustee or beneficiary of the trust.
 3. Household Composition - Only members of the Qualified Household may occupy a Residential Unit, except that Owner may restrict who may reside in a residential unit, provided that such owner-restriction does not violate federal or state fair housing laws. Notwithstanding the foregoing, occupancy of the residential unit shall be in compliance with any and all building codes (or other relevant law, code, statute, ordinance or the like) regarding maximum occupancy standards or limitations.

4. Guests - No persons other than those comprising the Qualified Household shall be permitted to occupy Affordable or Workforce rental units for periods in excess of ten percent (10%) of the rental term in cumulative days per calendar year. No persons other than those comprising the Qualified Household shall be permitted to occupy Affordable or Workforce ownership units in excess of thirty (30) cumulative days per calendar year.

E. Use

1. Business Activity - No business activities shall occur in a residential unit, other than a home occupation use that is allowed by applicable zoning and properly permitted.
2. Compliance with Laws, Declaration - The residential unit shall be occupied in full compliance with these Housing Rules and Regulations, Special Restrictions, along with all laws, statutes, codes, rules, or regulations, covenants, conditions and restrictions, and all supplements and amendments thereto, and any other rules and regulations of any applicable homeowner's association, as the same may be adopted from time to time.
3. Maintenance - The owner shall take good care of the interior of the residential unit and all other aspects of the residential unit not otherwise maintained by the homeowner's association and shall make all repairs and maintain the residential unit in a safe, decent, sanitary (see definitions) manner. In case of damage to the residential unit the owner shall repair the damage or replace or restore any destroyed parts of the residential unit as speedily as practical.
4. Capital Improvements - The owner may only undertake capital improvements according to these Rules and Regulations (Section 5-1.e). The policy includes but is not limited to, a limitation on the valuation of such improvements at resale, requirements regarding the advance written approval of such improvements, and documentation of proposed and completed improvements.
5. Insurance - The owner shall keep the residential unit continuously insured against "all risks" of physical loss (not otherwise covered by a homeowner's association insurance), for the full replacement value of the residential unit.
6. Periodic Reporting, Inspection - In order to confirm compliance with the Special Restrictions, the Rules and Regulations and other covenants, regulations, ordinances, or rules governing the ownership, occupancy, use, development or transfer of a Residential Unit, Owner shall comply, and shall cause all occupants to comply, with any reporting or inspection requirements as set forth herein and as may be required by the Housing Department from time to time. Upon reasonable notice to Owner, the Housing Department shall have the right to inspect the Residential Unit from time to time to determine compliance with the Special Restrictions and the Rules and Regulations and to review the written records required to be maintained by Owner. Owner shall maintain such records for a period of two (2) years.

16.10.900 Definitions.

A. Definitions.

1. **Accessible Unit:** A unit that has been built or adapted with specific design features that make the unit accessible to those with mobility and hearing handicaps.

2. **Application:** A packet that households who are selected in an affordable housing weighted drawing submit for Housing Authority staff to verify that the household is qualified to purchase the home. The application consists but is not limited to the following:
 - a. Housing Department Application for Restricted Ownership or Rental Housing
 - b. Signed Certification and Oath
 - c. Signed Authorization to Release Information
 - d. Completed Lender's Qualification Worksheet (completed by lender)
 - e. Full three tier Credit Report that includes credit scores. (Can be obtained from lender)
 - f. Previous two years of tax returns with W-2s
 - g. Employment Affidavit for each job currently held by wage earners in the household
 - h. If self-employed, previous three years of tax returns with an income statement and a balance sheet.
3. **Appeal:** A process requested by an applicant/owner/renter when they understand the qualification, eligibility, and preference criteria and have requested an exception from the Housing Manager and have been denied.
4. **Approved Lending Institution:** Approved lending institutions include institutional lenders; community loan funds, or other similar nonprofits; or other legitimate, non-affiliated finance companies. See Definitions of Institutional Lenders and Community Loan Fund.
5. **Asset:** see Household Net Asset.
6. **Assigned Number:** A computer-generated number based on first name of applicants in alphabetical order that households are listed in a weighted drawing.
7. **Area Median Income (AMI):** A figure published annually by HUD which is calculated by dividing households residing in counties into two equal segments with the first half of households earning less than the median household income and the other half earning more.
8. **Authorization to Release Information Form:** This form, which an affordable housing applicant signs, allows the Housing Department staff to verify information supplied by applicants from banks, employers, etc.
9. **Balance Sheet:** A statement of the total assets and liabilities of a business.
10. **Bid Period:** The time period that the Housing Authority accepts bids for an available housing unit. The bid period only takes place if no weighted drawing entry sheets are submitted for an available restricted housing unit.

11. **Borrowed Light:** An indirect source of natural light; for example, a room in a home uses borrowed light when it has a window that looks into another room, where the other room receives direct sunlight.
12. **Capital Improvements:** Improvements done to the home for which the homeowner can receive credit. The capital improvement requires an expenditure that either increases the value of the property or extends its life expectancy.
13. **Caregiver:** A full-time Teton County, Wyoming; Teton County, Idaho; or Lincoln County, Wyoming resident who is or was volunteering all or a portion of their time caring for their own children or an ailing or disabled immediate family member and was therefore unable to gain full-time employment in Teton County.
14. **Closing Date:** The date on which ownership of property transfers from the former owner to the new owner.
15. **Combined Loan to Value. (CLTV)** Loan to Value is the ratio of the loan amount to the value of the home. Combined Loan to Value is when a second mortgage exists and the two loan amounts are combined and compared to the value of the home
16. **Community Loan Fund:** A loan fund that is set up in a community for the purpose of providing down payment assistance or other types of loans for restricted housing units.
17. **Critical Services Provider:** An employee or volunteer of a community based institutional or non-profit organization on call 24 hours per day for public safety emergencies.
18. **Debt to Income. (DTI)** This is a ratio that compares the amount of debt a household has to the amount of income they make. It is used to analyze the ability of a household to pay their debt.
19. **Deed Restriction:** A document recorded against a housing unit that describes the unit's housing program. It provides restrictions on the purchase, occupancy, use, and resale of the restricted housing unit. A deed restriction is a type of restrictive covenant that is recorded at the time of certificate of occupancy.
20. **Dependent:** A child or adult who lives with the household and can be claimed on the tax returns of an adult in the household
21. **Developer:** An individual or group who builds housing.
22. **Disabled:** Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment.
23. **Earnest Money:** Money that a buyer gives to a seller to bind a contract. Earnest money goes toward the costs of the purchase of the home and is held in escrow by the title company until closing.

24. **Eligibility Criteria:** Criteria defined in either the Deed Restriction or the Housing Department Rules and Regulations, which are used to measure whether a household is eligible to apply for a unit.
25. **Employment-Based:** A restricted housing unit where occupancy is limited to employees in Teton County, Wyoming. There are no income qualifications for an occupant. This type of unit may include, but is not limited to, Accessory Residential Units and Employment-Based Units.
26. **Employment Requirement:** At least one member of a household must demonstrate an average of 30 hours per week (1560 hours per year) of employment in Teton County, Wyoming; or demonstrate a clear intent to work an average of 30 hours per week in Teton County, Wyoming (must have been hired even if hasn't started the job yet.)
27. **Exception:** If a household understands the eligibility and qualification criteria, but feels their situation is unique and there is a compelling reason the rule(s) should not apply to them, they may request an exception. Exceptions are only considered before a weighted drawing process opens or before an application is submitted.
28. **Fair Market Rents (FMR):** Fair market rents are the maximum chargeable gross rent, including utilities, in an area for projects participating in the Housing and Urban Development (HUD) Section 8 Program. The HUD Section 8 Program targets incomes of 80% and below of the Median Family Income (MFI). The Jackson/Teton County Affordable Housing Department does not participate in HUD's Section 8 Program; however, FMR applies to some Employee Housing rental units. The rental rate corresponds to the amount of bedrooms in a unit.
29. **Final Development Plan Approval:** The point in the development review process when either the Teton County Board of County Commissioners or the Town of Jackson Town Council approves a development.
30. **Final Inspection:** The inspection that is done on a home at least 48 business hours before closing on the sale of the home. The purpose is to determine whether the home has been properly cleaned and that proper maintenance and repairs have been completed.
31. **Finance Company:** A company that regularly makes loans to clients.
32. **Garage:** An enclosed shelter for automotive vehicles.
33. **Grievance:** A dispute that sellers, buyers, or owners may have with the Housing Department with respect to an action or failure to act in accordance with the individual's rights, duties, welfare, or status.
34. **Habitable Floor Area:** Habitable floor area is floor area used for living purposes, usually having access to heat, plumbing, and electricity. It includes foyers, hallways, restrooms, closets, storage, and other common areas within a building. Habitable floor area does not include mechanical rooms, elevators and fireplaces. Habitable floor area is measured either

from the exterior of the faces of the building or the exterior limits of any interior wall that separates habitable floor area from uninhabitable floor area, whichever is applicable.

35. **Handicapped:**

- a. Hearing Impaired: Individuals with hearing measures between 25 dB and total hearing loss.
- b. Mentally Challenged: Individuals who have an intellectual functioning level that is well below average and that causes significant limitations in daily living skills.
- c. Mobility Impaired: Individuals who have reduced function of legs and feet that leads them to be permanently dependent on a wheelchair or an artificial aid to walking.

36. **Heir:** A person legally entitled to the property of another person upon the latter person's death.

37. **Homebuyer Education:** Class required by the Jackson/Teton County Housing Authority for households to be eligible to purchase a restricted housing unit. The class educates homebuyers about the entire home buying process.

38. **Homeowners' Association:** An organization comprised of neighbors concerned with managing the common areas of a subdivision or condominium complex. These associations take on issues such as plowing, clearing sidewalks, painting exteriors of a subdivision and collecting dues from residents. The homeowners' association is also responsible for enforcing Covenants, Conditions & Restrictions (CC&Rs) that apply to the property. They do not enforce Deed Restrictions.

39. **Household Income:** The current income going forward 12 months of all adult wage earners within a household before taxes. Income from dependents that are enrolled in college or another type of school is not included in the household income calculation. For self-employed individuals, Income is the net income from the business with depreciation added back in averaged over either the life of the business or the last three (3) years, whichever is shorter. Other types of deductions may be added back in as well, such as home business use.

40. **Household Net Assets:** The value of all assets over \$500 in value including, but not limit too, bank accounts, investment accounts, life insurance, furniture, automobiles, jewelry, computer equipment, real estate, and recreational equipment; less any debt the household has. Net assets do not include retirement accounts, business assets are limited to liquid assets.

41. **Housing Programs:** Programs intended to provide housing for the workforce of Teton County and administered under the Jackson/Teton County Affordable Housing Department. They include ownership and rental units created through the Land Development Regulations, through the direct construction of restricted housing units, or the financing thereof.

42. **Housing Mitigation Plan:** The portion of a development plan that specifies how an applicant will satisfy the Affordable and/or Workforce Housing requirements in Division 6.3.6 of the Teton County and Town of Jackson Land Development Regulations.
43. **Immediate Family Member:** Individuals that include a parent, spouse or child, including stepchildren, foster children, step-parents and foster parents.
44. **Initial Inspection:** An inspection done on a home once a letter of intent to sell is received by the Housing Department. The purpose is to inform the seller of the selling process and to check for maintenance and repairs that may be required before the sell occurs.
45. **Institutional Lender:** A lender that is a legitimate financial institution that regularly loans money for real estate transactions.
46. **Joint Tenancy:** When two or more people own property as joint tenants and one owner dies, the other owners automatically own the deceased owner's share. No will is required.
47. **Leave of Absence:** Permission granted by the Housing Department for an owner of a restricted housing unit to be absent from the unit for an extended period of time for a legitimate and compelling reason, without violating the unit's deed restriction.
48. **Lawful Permanent Resident:** Any foreign national who has been granted the right to reside permanently in the United States. Lawful Permanent Residents may apply for Affordable and Attainable housing but are ineligible to apply for Employment-Based housing, as it is available for US Citizens only.
49. **Lender's Qualification:** The Institutional Lender's judgement of the household's financial ability to obtain financing for purchasing a home.
50. **Letter of Intent to Sell:** A letter that a homeowner submits to the Teton County Housing Authority informing the Housing Department that they desire to sell their restricted housing unit. The Housing Department must receive this letter before the selling process can begin.
51. **Liabilities:** Any debt, loans, or balances that a household owes. Liabilities are subtracted from assets when calculating Household Net Assets.
52. **Living Space:** A room in a home used by a family for leisure activities, entertaining guests, etc. It includes space for couches, chairs, tables, and may open to the kitchen.
53. **Local Business:** A) A local business means (1) a business physically located within Teton County, Wyoming, holding a business license with the Town of Jackson, Wyoming or one that can provide other verification of business status physically located in Teton County, Wyoming, and (2) the business serves clients or customers who are physically located in Teton County, Wyoming, and (3) the employees/owners must work in Teton County, Wyoming to perform their job Or B) A business physically located in Teton County Wyoming who employs two or more Qualified Employees, which qualified employees must work in Teton County Wyoming to perform their job

54. **Maintenance:** A repair or maintenance item is an expenditure that restores a property to a sound state.
55. **Maintenance Adjustment:** The amount of money credited to the buyer at closing for maintenance, cleaning, or repairs that are found to be needed on the home at the final inspection.
56. **Maximum Rental Rates:** The maximum rental rate that may be charged to a tenant occupying an Employee Housing unit. The rates must include basic utilities (water/sewer, electric, gas, and trash removal). The specific restriction recorded on the unit instructs the method to be used to calculate maximum rental rates.
57. **Maximum Resale Price:** The maximum amount that a restricted housing unit can be sold for. This price is calculated by the Housing Department according to the restricted housing unit's deed restriction or the Housing Department Rules and Regulations.
58. **Maximum Resale Letter:** A letter given to a seller of an Affordable or Employment-Based housing unit informing them of the maximum amount that the unit may be sold for
59. **Maximum Sales Price:** The maximum amount that newly-provided ownership housing units can be sold for initially. There is 10 percent reduction from the maximum sales price for no garage and a 20 percent reduction from the maximum sales price if the unit is below grade.
60. **Median Family Income (MFI):** The Department of Housing and Urban Development (HUD) calculates this figure by dividing households residing in counties into two equal segments with the first half of households earning less than the median household income and the other half earning more. Then, adjustments are made based on family size. The Jackson/Teton County Affordable Housing Department uses MFI to determine eligibility for restricted housing units. The Housing Department also uses MFI to calculate maximum sales prices.
61. **Military Service:** Active deployment in the U.S. Armed Services for any amount of time. Military Service counts as employment in Teton County, Wyoming for the sake of gaining the 1-year eligibility in the weighted drawing if the person deployed met employment criteria in Teton County Wyoming for minimum of two years immediately prior to deployment.
62. **Net Livable Floor Area:** This area is calculated on interior living area and is measured interior wall to interior wall, including all interior partitions including, but not limited to habitable basements and interior storage areas, closets and laundry areas. Exclusions include, but are not limited to, uninhabitable basements, mechanical areas, exterior storage, stairwells, garages (either attached or detached), patios, decks and porches.
63. **Nonqualified Transferee:** A household to whom the title of a restricted housing unit is transferred, but it does not meet the qualification and eligibility standards set out in these Housing Department Rules and Regulations.

64. **Occupancy Requirements:** A type of preference used in the Affordable and Employment-Based Programs' weighted drawing selection processes through which household is eligible to enter a weighted drawing based on how closely it aligns with the unit size.
65. **Original Purchase Price (OPP):** The amount the current homeowner originally paid for the home.
66. **"Plus" Units:** Restricted housing units that have extra floor area for offices, play areas, etc.
67. **Post-Secondary Education:** Attendance as a full-time student at an educational establishment after high school or college preparatory school.
68. **Possession Date:** The date a buyer takes possession of a home. This is normally the date of closing unless for some reason funds are unable to be disbursed on that day or other arrangements are made.
69. **Price Opinion:** The market value of residential or commercial property, as determined by a local real estate firm.
70. **Primary Education:** Attendance at a school for primary education located in Teton County Wyoming.
71. **Primary Residence:** A Household's sole residence, occupied at least ten (10) months during each calendar year, or as otherwise stated in the Housing Unit's Restriction.
72. **Profit and Loss Statement:** A statement showing a business's income and expenses up through the month prior to application.
73. **Purchase and Sales Contract:** Contract entered into by the seller and the buyer which outlines the terms and conditions under which the property will be sold.
74. **Qualified Critical Services Provider:** An employee or volunteer on call 24 hours per day for public safety emergencies of an approved community-based organization that provides immediate response to health and safety services.
75. **Qualified Employee:** A person who works for a local business in Teton County Wyoming a minimum of 1,560 hours annually (average of 30 hours per week).
76. **Qualification Letter:** Letter issued to applicant confirming that they are qualified to purchase the home. This letter is needed by the Title Company in order to allow the closing to take place.
77. **Qualified Households:** Households that have applied for housing through the Housing Department, where Housing Department staff deem them as eligible to purchase a restricted housing unit after verification of information, based on the unit's Deed Restriction and the Housing Department Rules and Regulations. Information includes but

is not limited to household income, assets, employment, and minimum occupancy requirements.

78. **Qualified Mortgage/Qualified Mortgagee:** A loan attained from an Approved Lending Institution/the buyer of a restricted housing unit that has been approved for a mortgage.
79. **Resale Process:** The process by which an owner of a restricted housing unit sells it to a new owner.
80. **Residential Property:** A parcel that either includes a residential dwelling unit, or has the by-right potential for developing a residential dwelling unit per local zoning regulations.
81. **Restricted Housing Unit:** Any housing units in the Town of Jackson or Teton County that have Restrictive Covenants or Ground Leases that regulate the occupancy, use, sale, and/or rental of the unit or are restricted by the Land Development Regulations in order to further the Town/County's workforce housing goals.
82. **Restrictive Covenant:** a contract between the Board of County Commissioners/Town of Jackson and the owner of real property developed or designated to ensure the affordability of a housing unit for perpetuity (sometimes referred to as Special Restrictions, Deed Restrictions, or Restrictions).
83. **Restrictive Covenant Template:** A standard form to be used as a recorded instrument on all restricted housing units.
84. **Restrictive Covenant Information Sheet:** A form that the developers of restricted housing units must fill out as part of the Housing Mitigation Plan.
85. **Retirement Age:** The age at which the Federal Social Security Administration allows an individual to begin collecting Social Security.
86. **Safe Decent Sanitary Housing:** Safe, decent sanitary housing means that housing units must be kept in a habitable state fit for human occupancy to protect the physical health and safety of the renter. Landlords must:
- a. Maintain common areas of the residential unit in a sanitary and reasonably safe condition.
 - b. Maintain electrical systems, gas systems, plumbing, heating and hot and cold water and keep them in working order.
 - c. Unit must be structurally sound, clean, weathertight, in good repair, and meet local building codes in place at time of construction or as required for a change of use, if applicable.
 - d. Maintain other appliances and facilities as specifically contracted in the rental agreement.
87. **Secondary Education:** Attendance at a high school or college preparatory school located in Teton County, Wyoming.

88. **Settlement Statement:** Itemizes all costs, and/or credits due from the buyer and seller at closing.
89. **Teacher:** Any individual who (1) works with individuals age three (3) – eighteen (18), and (2) whose duties involve classroom or other instruction or the supervision or direction of classroom or other instruction, and (3) whose primary employment is at least thirty (30) hours a week for at least nine (9) months per year, but is not employed in that position for at least two (2) months per year.
90. **Tenancy-In-Common:** When two or more people own a shared interest in a property. If one owner dies, they can will their portion to other beneficiary(s) and not to the other owner(s) if they desire.
91. **Uniform Residential Loan Application (or Fannie Mae Form 1003):** The application required by law for mortgage lenders to use to supply home loans. The Housing Department may require that applicants supply this application when applying for a restricted housing unit.
92. **Verification Checklist:** Checklist used by JTCHA to verify whether a household is qualified to purchase a particular home.
93. **Voluntary Affordable/Employee Housing Units:** Units with a restricted rent or sale price to be affordable to households earning no more than 200 percent of Teton County Median Family Income. An applicant may propose these units in addition to those required by the Land Development Regulations.
94. **Weighted Drawing:** The event that selects the order, of all the applicants for an applicable restricted housing unit, which the home will be offered for sale.
95. **Weighted Drawing Entry Period:** The period (normally two weeks) that the Housing Department accepts weighted drawing entry sheets for an available restricted housing unit.
96. **Weighted Drawing Entry Sheet:** Households complete a weighted drawing entry sheet and submit it to the Housing Department along with other documentation within the weighted drawing entry period when the household is interested in purchasing an available restricted housing unit.
97. **Weighted Drawing Number:** A number that a household receives from a weighted drawing that reflects the household's standing in the weighted drawing for an applicable restricted housing unit.
98. **Weighted Drawing Form:** The form used to record all households who submitted weighted drawing entry sheets for a particular home. The households are recorded in alphabetical order. This form is given to outside counsel who then assigns each household a number. The numbers are placed in a pool and drawn out one by one. The results of the drawing are recorded in order on the Weighted drawing Form and returned to the Housing Department.

99. **Weighted Drawing Process:** The process by which the Housing Department accepts weighted drawing entries from households wishing to purchase a restricted home and determines the order the households will be offered the home for purchase. (Separate lotteries are conducted for each program).

100. **Workforce Housing Program:** An incentive program applicable within the Town of Jackson through which bonus floor areas are available in nonresidential or mixed-use buildings if the developer provides restricted housing units. These units can be either Ownership or Rental, and the number of units to be provided is determined by a ratio set out in the Town LDRs.

SECTION II.

All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION III.

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed as a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of the ordinance.

SECTION IV.

This Ordinance shall become effective after its passage, approval and publication.

PASSED 1ST READING THE 19TH DAY OF AUGUST, 2019.

PASSED 2ND READING THE 3RD DAY OF SEPTEMBER, 2019.

PASSED AND APPROVED THE ____ DAY OF _____, 2019.

TOWN OF JACKSON

Pete Muldoon, Mayor

ATTEST:

Sandra P. Birdyshaw, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 1242 was duly published in the Jackson Hole News and Guide, a newspaper of general circulation published in the Town of Jackson, Wyoming, on the ____ day of _____, 2019. I further certify that the foregoing Ordinance was duly recorded on page ____ of Book ____ of Ordinances of the Town of Jackson, Wyoming.

Sandra P. Birdyshaw, Town Clerk



**BOARD OF COUNTY
COMMISSIONERS**



TOWN COUNCIL

JOINT INFORMATION MEETING AGENDA DOCUMENTATION

PREPARATION DATE: October 2, 2019

MEETING DATE: October 7, 2019

SUBMITTING DEPARTMENT: Affordable Housing

DEPARTMENT DIRECTOR: April Norton

PRESENTER: April Norton

SUBJECT: Melody Ranch Townhomes Roof Replacement

STATEMENT/PURPOSE

Staff seeks direction from the Town Council ("Council") and Board of County Commissioners ("Board") on what new actions, if any, they would like staff to take related to the roof challenges faced by owners of deed restricted homes in the Melody Ranch Townhome neighborhood.

BACKGROUND/ALTERNATIVES

A comprehensive background is provided in the staff report for the June 3, 2019 Joint Information Meeting; that staff report is provided as an attachment to this staff report.

On June 3, 2019, the Board and Council directed the Jackson Teton County Housing Authority Board ("JTCHA") to strip the eight existing Affordable Ownership restrictions, provide an up to \$160,000 increase in maximum sales price to each unit, and record a Workforce Ownership restriction on the units. It was thought, at the time, that this action would allow the Affordable homeowners to fix their roofs and/or sell their homes without forcing a foreclosure.

Since that meeting, new information from the Homeowners' Association ("HOA") has been received related to the financial feasibility of the project.

1. First Interstate Bank ("FIB") will not lend to individual homeowners. At the time of the June 3, 2019 meeting, the HOA believed that FIB would loan to individual homeowners, allowing those who could not secure financing even with the increased value to sell their homes before the assessment.
2. FIB will lend to the HOA. However, in this scenario, the bank will require that each homeowner share the responsibility of paying back the loan. So, if one homeowner cannot pay back the loan, the other owners will be required to make up that payment. The HOA declined this option. Please see attached email from FIB.
3. The HOA states that no other financial institution will finance the project.
4. One Affordable owner has listed his home for sale. Housing Department staff spoke with six lenders to determine if financing to purchase the home was a possibility. Of the six lenders, two stated they would lend to a qualified household to purchase the home, one stated they needed more information, and three lenders stated they would not lend. (Please see letters from four of the six lenders attached to this staff report.)
 - a. Right now, this listing is for a Workforce Ownership unit and assumes that \$160,000 from the sales proceeds will be held in escrow for the purpose of fixing the roof. However, should the closing date arrive

without the HOA assessing the owners for the roof project, the new restriction cannot be recorded, and the sale will not happen.

- b. As of October 1, 2019, at least one household has expressed interest in purchasing this home. By the October 7 meeting date staff may have a better sense for the demand and feasibility of selling.

This staff report is broken out into two parts.

First, what is the policy direction – are the Council and Board interested in protecting the permanently deed restricted homes and are the boards also interested in ensuring the HOA can obtain financing to complete the project, knowing that it will involve significant cost and/or potentially require some homeowners to sell their homes?

Second, staff provides the Board and Council with seven options. Based on feedback from the HOA, if an option to provide financing for any homeowner who needs it – restricted or not – is not provided, the HOA will not move forward with an assessment and the roofs will not be fixed. Therefore, options one through five pursued alone may not be enough to protect the existing eight owners of permanently deed restricted units. Options one through five pursued in conjunction with option six may ensure that the HOA assesses itself to fix the roofs.

1. Stay the course. Once the HOA has approved an assessment for the roof project (anticipated to be \$160,000 per unit), strip the Affordable restrictions and record a Workforce restriction with a maximum resale value \$160,000 higher than the existing Affordable maximum resale value. This places the cost to fix the roof on a future homeowner and allows owners who cannot secure financing the opportunity to sell their homes without bearing the cost to fix the roofs.
2. Sell the Affordable restrictions to the HOA. The Board and Council will set a price for the Affordable restrictions and allow the HOA to purchase the restrictions, thus allowing the entire neighborhood to become free market and removing financing barriers. Right now, a two-bedroom 80-120% Affordable restriction is valued at \$208,316 based on current fee-in-lieu rates. Sales proceeds will be placed into the Supply Program account at JTCHA to be utilized to build permanently deed restricted housing.
3. Direct JTCHA to give the Affordable owners funds up to the cost to fix the roofs + moving costs. The Affordable restrictions would remain in place and funds will only be provided after the HOA assessment. \$160,000 x 8 units = \$1,280,000. Fee-in-lieu funds may be used to pay for this so long as the Affordable restrictions remain in place.
4. Direct JTCHA to loan the Affordable owners funds up to the cost to fix the roofs + moving costs and require that the owners pay JTCHA back upon the sale of their home or the roof fix, whichever comes first. Once the roofs are fixed or the home is listed for sale, JTCHA will strip the Affordable restriction and record a Workforce restriction with a maximum sales price that is increased by the amount loaned per unit. If the owner cannot afford to pay JTCHA back once the roof has been fixed, that owner will be required to sell their home at which time JTCHA will be paid back. Fee-in-lieu funds may not be utilized for this option. This option may result in forced sales.
5. Direct JTCHA to guarantee the loan to the HOA. If an owner cannot pay the mortgage, then JTCHA will force that person to sell their home and utilize the proceeds from the sale of said home to pay the bank. This option may result in forced sales.
6. Direct JTCHA to purchase permanent deed restrictions on those units that do not currently have one and whose owners cannot otherwise obtain financing to pay the assessment to fix the roof. The Council and Board would need to set a maximum amount that JTCHA can offer to purchase permanent Workforce Ownership restrictions. Recently, a Workforce Ownership restriction was purchased for \$75,000 on a 2-bedroom, 1-bathroom, 1,036-square-foot, single-family home in the Sage Meadows neighborhood. The homes in the Melody Ranch Townhome neighborhood are all 2-bedroom, 2-bathroom, approximately 1,400-square-feet, attached units. Fee-in-lieu funds cannot be used to purchase Workforce restrictions.
7. Direct JTCHA to pursue a combination of the options listed above, or an option not presented by staff today.

ATTACHMENTS

- June 3, 2019 Staff Report
- Email correspondence from: Jeff Collins, First Interstate Bank; Lance Windey, Bank of Jackson Hole; Amy Robinson, Meridian Trust; and Sarah Heisey, Rocky Mountain Bank.

FISCAL IMPACT

The fiscal impact will vary based on the option pursued.

Housing funds available right now include:

- Town of Jackson:
 - o Fee in lieu = \$273,953 – must be used to provide Affordable units
 - o Housing Supply = \$1,719,059
- Teton County:
 - o Fee in lieu = \$4,349,504 – must be used to provide Affordable units
 - o Housing Supply = \$746,684

STAFF IMPACT

Staff has spent considerable time on this item thus far, including Town and County legal staff, the Housing Manager, and Housing Director. Each of the options listed above will continue to require attention from legal and housing staff.

STAKEHOLDER ANALYSIS

Stakeholders include Town and County taxpayers, local working families, business owners, and neighbors.

LEGAL REVIEW

Reviewed by Lea Colasuonno, Town Attorney, and John Graham, Deputy County Attorney.

RECOMMENDATION

Staff recommends pursuing Option 4 and Option 6, assuming the HOA agrees to assess itself \$160,000 to fix the roofs. The HOA has a meeting scheduled for October 28th at which time they will vote on the special assessment.

Once the HOA assesses themselves to fix the roofs, JTCHA will provide a construction loan to the permanently Affordable owners up to \$160,000 per unit for the purpose of fixing the roofs. Once the roofs are fixed, the Affordable restrictions will be stripped and replaced with Workforce restrictions that have a maximum resale value equal to the current maximum Affordable resale value + loan amount. The owners must then repay the loan.

JTCHA will purchase for \$100,000, a Workforce Ownership restriction on any home that is not currently permanently deed restricted. JTCHA will purchase for \$160,000, an Affordable Ownership restriction on any home that is not currently permanently deed restricted for \$160,000.

Moving forward, the Board and Council may want to consider directing staff to explore the feasibility of a Capital Improvement Fund for future capital improvements for existing permanently deed restricted housing. This could potentially work in conjunction with a Preservation Fund that provides funds to purchase permanent deed restrictions on existing housing stock and may qualify for grants and other sources of funding.

SUGGESTED MOTION

I move to direct the Jackson/Teton County Housing Authority to 1) provide a construction loan to the permanently Affordable owners of the Melody Ranch Townhomes Subdivision that will cover the costs to fix the roofs, plus displacement costs, up to \$160,000; to record a Workforce Ownership restriction on the units once the roof has been fixed; and to require full repayment for said loan once the roof is fixed; and 2) offer to purchase a permanent deed restriction on any home that is not permanently deed restricted, spending no more than \$100,000 for a Workforce Ownership restriction and no more than \$160,000 for an Affordable Ownership restriction.



**BOARD OF COUNTY
COMMISSIONERS**



TOWN COUNCIL

**JOINT INFORMATION MEETING
AGENDA DOCUMENTATION**

PREPARATION DATE: October 2, 2019

MEETING DATE: June 3, 2019

SUBMITTING DEPARTMENT: Housing

DEPARTMENT DIRECTOR: April Norton

PRESENTER: Stacy Stoker

SUBJECT: Melody Ranch Townhomes Roof Failure

STATEMENT/PURPOSE:

The Melody Ranch Townhomes development is experiencing issues related to the roofs on the units. The purpose of this item is to summarize the issue to-date and seek direction from the Council and Board with regard to what assistance, if any, the Housing Department and/or Housing Authority Board should provide the homeowners.

BACKGROUND/ALTERNATIVES

Melody Ranch Townhomes were constructed in 1996 and 1998 by No-Pro Housing LLC. They were developed as part of the mitigation required for the Melody Ranch PUD. Once the units were constructed, No-Pro Housing LLC was dissolved. The Housing Department has been told that three different construction firms were used to build the units.

All 24 units in the development had deed restrictions that sunset. Over time, the Teton County Housing Authority has been able to remove 8 of those sunset clauses, therefore restricting those units in perpetuity. 13 of the units have restrictions that sunset and are now free market units. 3 of the units have restrictions that have not yet sunset but will over the course of the next 3 years.

Affordable Units	8
Affordable Units w/ Sunset Clause	3
Market Units (restrictions have already sunset)	13

A few years ago, some of the owners started noticing issues with their roofs. The HOA provided funds to fix at least two roofs. According to the HOA, these fixes were emergency fixes that are only temporary. Around June 2018 homeowners began approaching the Housing Department to help them sort through

the roof situation as it became evident to at least some of the homeowners that the problem was pervasive and much more serious than initially thought.

On June 6, 2018 Buchko Structural Engineering LLC performed an inspection on an exposed section of roof Structural Insulated Panels (SIP). The report provided to the HOA on June 14, 2018 states:

The observed roof conditions appear to result from improperly specified panels and/or poor construction methods. Improperly sealed joint allowing moisture migration, improper joint connections, and omitted diaphragm nailing are improper SIP construction methods. That the condition is less pronounced on the buildings with metal roofs is likely the result of the metal ridges providing some ventilation. It is reasonable to expect that the roof was designed and constructed in a similar manner throughout the complex.

In the report, Buchko recommends that the roof panels be replaced with new panels or removed and replaced with a new system of conventional roof framing. The home Buchko inspected was listed for sale in 2018 for \$679,000 and eventually sold for \$545,000. This unit had a deed restriction that sunset (expired) in 2018 and was therefore a free market unit. It was the first unit in the neighborhood to sell as a free market unit.

The roof panel manufacturer, Insulpan, is out of business. The HOA insurance provider, Farm Bureau, was informed of the issue and advised the HOA that if the HOA makes a claim they will deny the claim as they do not cover faulty materials. Per the HOA, it was also stated by Farm Bureau that if the HOA makes a claim they will likely drop the HOA until the roof problem is fixed.

On July 2, 2018 the Teton County Attorney's Office sent the HOA a letter stating that the Housing Authority has no liability because it did not develop these units. The Housing Department's role pertaining to Melody Ranch Townhomes is to enforce the Occupancy and Use Restrictions, which includes ensuring compliance and facilitating sales and resales. The Housing Department has no authority over the HOA budget or the CCRs.

On July 11, 2018 Carrie Geraci, representing the HOA, came to speak to the Housing Authority Board asking for some assistance with the situation.

On August 20, 2018 the HOA held their annual meeting. The meeting minutes outline three options for the roof repair: 1) replace entire roof, 2) build a sub-structure over the existing roof, and 3) same as option 2, but only address the damaged areas of the roofs. The option costs range from \$25,000 to \$50,000 each. The meeting minutes also state that the metal roofs "should be ok."

On September 14, 2018, another homeowner, Brian Modena, met with Housing Department staff. During this meeting staff reiterated that the department had no liability in the matter. The complicating factor we identified at this time was related to the HOA's ability to get financing with multiple valuations of units (market, soon to sunset, permanently deed restricted).

On October 11, 2018, the Modenas were selected in a weighted drawing for a Workforce restricted home. Based on previous discussions with the Modenas, Housing Department staff knew their current home had a roof in need of repair.

The Housing Rules and Regulations require owners to complete all maintenance/repairs needed on a home before the closing of a sale. So, if one of the townhome owners wished to sell her/his unit, s/he would be required to fix the roof. Because the townhomes are connected four to a building, the entire building's roof needs to be fixed for all four townhomes at once, which would make it very hard for any one homeowner to fix any one roof so that s/he can sell her/his home. In cases where there are incomplete maintenance/repair items on a home being sold, the Rules and Regulations require funds to be held from sales proceeds in escrow to cover the cost of the maintenance/repair. For an owner to close the sale of a home, the Housing Department would hold funds from the sales proceeds in escrow to pay for the roof repair. However, if there is not enough equity in the home to cover the entire cost, the owner would be required to provide the remaining amount needed to cover the cost of the repair from her/his own pocket.

On October 19, 2018 the Modenas received a cost estimate to fix the roof on their four-plex. The estimate they received was around \$500,000 to fix the four-plex roof. This estimate does not include architectural drawings or any contingency. Per the Modenas, they approached four contractors about the job and were told by each one that the job was not something the contractor would consider bidding on.

On October 24, 2018, the Modenas filed multiple exceptions with the Housing Department:

- 1) An exception to the rule for submitting a request for exception prior to submitting an application for a new home.
- 2) An exception to the CPI increase of the home to increase the resale value of the home by the final cost to replace the roof on a per unit basis.
- 3) An exception to re-classify their deed restricted unit to go from a Category 2 to a Workforce housing unit or to allow their unit to sunset (and thus become a free market unit).

The Housing Manager denied these requests and the Modenas appealed to the Housing Authority Board. An appeal hearing was scheduled, but after more discussions, the appeal was dismissed without prejudice and a one-hour workshop with the HOA and Housing Authority Board was scheduled for December 18, 2018.

On November 1, 2018 the HOA received a letter from First Interstate Bank denying their request for financing to cover the cost of the roof repair, estimated at \$140,000 per unit. The letter states that the costs are too high, and the value of the deed restricted units does not benefit from the added investment.

On December 18, 2018 the Housing Authority Board and members of the HOA held a meeting after which, the Housing Authority Board agreed to "workshop" the issue at their next regularly scheduled meeting on January 2, 2019 with the goal of providing several options to the elected officials to consider as next steps.

January 2, 2019: Housing Authority Board Regular Meeting

At this meeting the Board discussed several different options, outlined below. Members of the HOA were present and available to answer questions. Keith Gingery was present as was Brad Flynt who represents the Modenas.

Information provided to the Board:

- The HOA does not have reserves to cover the costs of these repairs.
- It is impossible to be certain of the cost to repair the roofs at this time. Mr. Modena has submitted a quote from a contractor who according to Mr. Modena has indicated that they would NOT be willing to do the work. No other bids have been submitted by any contractors who are willing to

do the work. The Homeowner's Association has put out an RFP for an engineer and an architect to help them with design and a plan to move forward. The HOA has assessed each owner \$15,000 to be paid over three years. This is enough to cover the metal roofing or shingles to replace the outer roof, but not to replace the structure underneath. The HOA has also retained an attorney to advise them of their responsibility in this situation.

- The Housing Department is unaware of the HOA or any homeowner filing a claim with the insurance provider for the unit(s).
- In 2018, one of the market units sold for \$130,000 under asking price (which was \$679,000), based on info about the roof and the need for the new buyer to fix the roof.

Possible solutions discussed by the Board:

1. **Do nothing.** The Housing Authority has no liability. If units go to foreclosure, the Authority should purchase the units back, fix the roofs, change the restriction and re-sell to a qualified household.
2. **Increase the maximum resale price/change the restriction for permanently deed restricted units, purchase restrictions on other units.**
 - a. In this scenario, the JTCHA would increase the maximum resale price or change the restriction to a Workforce restriction for the permanently restricted units. If owners of these units were still unable to afford to fix their roofs, they would be required to sell their unit.
 - i. Increasing the max resale price shifts the cost to fix the roof to the next buyer.
 - b. For units with a sunset clause or that are already free market, if the homeowner could not afford the roof repair, JTCHA would purchase a permanent deed restriction on the unit for the cost of the roof repair. If the homeowner still could not afford to fix their roof, they will be required to sell.
3. **JTCHA financing/pay for with cost recovery.**
 - a. In this scenario, JTCHA would finance the cost of the roof repair for the 8 deed restricted units. The balance of the cost of the roof repair must be paid by the owner by the time s/he chooses to sell her/his unit.
 - b. JTCHA would purchase restrictions on any market or sunset clause units that cannot pay for cost of repair. If the homeowner still could not afford to fix their roof, they will be required to sell.

Possible solutions discussed and rejected by the Board or otherwise considered not viable:

1. **Remove deed restrictions.** The Housing Authority Board did not support this option.
2. **JTCHA Guaranty.** JTCHA guarantees the loan for the HOA (all 24 units) in exchange for restrictions on all 24 units. If an owner of a market unit pays the JTCHA back, then the restriction will be removed. All 24 homeowners will need to sign on to this. Likely not a viable option.
3. **Buy back, fix, and sell.** JTCHA forces all 8 deed restricted homeowners to sell their units. JTCHA then fixes the roofs and re-sells the units. The Housing Authority Board rejected this option.
4. **Buy back all 24 units, tear them down, and rebuild.** The Housing Authority Board rejected this option.
5. **Find the owners of the 8 permanently deed restricted units and the 3 units with restrictions that sunset in default of their special restrictions and force them to sell.** JTCHA then fixes the roofs and re-sells. The Housing Authority Board rejected this option.
6. **Change from one HOA for all 24 units to six HOAs (one HOA per 4-plex).** This could make getting financing to fix the roofs easier for some, but not all units.

Members of the HOA who attended this meeting stated that they would send out a questionnaire to their membership, polling them to see if any of these options were viable.

On January 3, 2019 a new option was suggested by members of the HOA: for owners of Affordable units who could not afford the roof repair, they could sell the unit to the JTCHA who would then fix the roof and rent it long-term to them. The Housing Authority Board did not consider this option as it was presented after their last meeting.

On January 16, 2019 the HOA held a meeting of its membership. The three “types” of homeowners – Affordable (permanently deed restricted), Sunset (deed restrictions that will expire), and Free Market – broke out into small groups to discuss the options presented by the HOA board. A summary of responses was provided to the Housing Department on January 22, 2019. Responses are as follows:

- Affordable homeowners stated that the options presented were “unpalatable” in their current form.
 - 3 of 8 owners said they could finance the roof repair with an equity increase equal to the cost of the roof repair. The other homeowners would still be unable to afford to fix their roofs.
 - Owners wanted to know what the exact valuation of their home would be before they could consider selling their unit; the range of purchase price to current value is too broad.
 - Owners wanted to know what the details on potential lease terms and pricing for their unit would be before considering a potential sale to the Housing authority and then renting long-term.
- Sunset homeowners were all willing to either replace the roof or sell on the free market after sunset. No owners were interested in selling a deed restriction at this time.
- Free market owners were all either willing to replace the roof or sell.

On January 29, 2019 the Housing Department became aware of another Melody Ranch Townhome that has been listed for sale. This unit, initially purchased for \$120,000 in 1997, is listed for \$729,000. When the listing realtor was asked about the roof issue, she provided the August 20, 2018 HOA meeting minutes that estimate the roof repair to cost around \$50,000. The Housing Department received a copy of the August 20, 2018 meeting minutes on January 30, 2019.

Also, on January 29, the Housing Department reviewed the Declaration of Protective Covenants for the Townhomes at Melody Ranch. In Article 11 (page 32) the documents states that the Management Committee (MC) has authority over everything if there is a big problem and that the MC is responsible for fixing the “disaster” promptly. If the “disaster” effects less than 1/3 of the homes, the MC can use insurance proceeds and assess the affected unit owners. If the “disaster” effects more than 1/3 of the units and more than half of the owners do not agree to fix, the MC shall sell the entire project. If the owners vote yes to fixing, then they are all to be assessed and must pay within 90 days.

In the situation before us today, we understand that the “disaster” effects more than 1/3 of the units. The MC (Board of Directors) has brought the issue to its membership and over half the owners have agreed to fix the roofs. There has been a \$15,000 assessment over three years, but that is nowhere near enough money to fix the problem as presented to us today.

On February 22, 2019 the Housing Authority Board received an opinion from the Chief Deputy County Attorney, Keith Gingery, concluding that since there has not been a fire or disaster and most of the units

have shown no damage, a “catastrophic event” has not occurred. He further concluded that the HOA board can assess the property owners for repairs to the roof.

On March 5, the County Attorney received a letter of opinion from the HOA’s attorney, Frank Hess along with the Melody Ranch Townhome’s HOA insurance coverage book. The opinion concurred with Mr. Gingery’s.

On March 6, 2019 at their Regular Meeting, the Housing Authority Board revisited the Melody Ranch Townhomes. The MRT HOA board was present. They provided answers to the following outstanding questions:

1. What is the actual cost of fixing these roofs? The HOA Board indicated that they received no responses to their RFP for Architectural and Engineering services. They hired Mill Iron Timberworks, Y2 Consulting, and Blue Sky Insulators to provide architectural, engineering and contracting services to design a scope of work and provide a bid on the project. There should be a timeline available within the next 30 days.

2. How do we know if all the roofs are affected? The HOA referred the HAB to the report from Buchko Structural Engineering LLC stating that the roofs were built incorrectly with improper materials and that *“It is reasonable to expect that the roof was designed and constructed in a similar manner throughout the complex.”* The HOA also indicated that they are pursuing a scope of work to do core testing on all of the units. This will add cost to the project, but they feel it is worth doing to be certain all of the roofs require replacement. If one unit needs the roof replaced, all four units in the building will need to have the roof replaced.

3. Were the buildings originally built to code? Is it absolutely a certainty that at the time of construction the wrong materials were used? The HOA’s attorney, Frank Hess responded as follows: “Unless the Housing Authority is going to make it a condition of assisting the HOA, researching whether the buildings were built to code and properly materials used will not be productive. The County Planning Office would have approved the plans and the County Building Inspector presumably would have at least given a cursory inspection. It is highly doubtful anyone will find a “smoking gun”. We (HOA, TCHA, and County) should all be able to rely on Buchko Structural Engineering’s report that the roofs are on the verge of destruction. Their dire condition has been confirmed by a number of the owners and simply isn’t in dispute. Hopefully TCHA will agree that it really doesn’t matter whether the roofs were built to code or properly inspected; they are collapsing just the same.

As these units are over 20 years old, we are well past any statute of limitations to legally recover from any supplier, contractor, sub-contractor, or agency. At this juncture the solution is to look forward how to fix the roofs and keep the owners in their houses.”

4. What is the obligation of the Housing Department to enforce maintenance on the homes? The County Attorney’s Office response to this question is “The enforcement would come at the time of sale, through the process of holding funds in escrow for repairs. Neither the restrictions or the Rules and Regulations permit the Housing Department to enforce maintenance prior to a homeowner desiring to sell their home.”

The Housing Authority Board asked the HOA to provide a plan in writing about how they will move forward and for the timeline to get a bid proposal on costs to complete the work. This item was to be revisited at the next Regular Meeting on April 3rd, 2019. The HOA was informed that no

recommendation will be made to the JIM without all of the questions being answered, and all information in hand. It was agreed that the Housing Authority would focus on finding a way to help only the eight permanently deed restricted unit owners.

On April 3, 2019 the Housing Authority Board revisited the Melody Townhomes roof failure. The HOA board was present. The HOA indicated that they would have a bid by April 18th.

On April 18, 2019, the Housing Department received copies of a bid from Mill Iron Timberworks. The Melody Ranch Townhome HOA has indicated that the builder, panel manufacturer and engineer were confident that they did not need to involve an architect in this project. The bid came in at \$142,960 per unit or \$1,143,680 for the 8 permanently restricted units. Mill Iron Timberworks advised the HOA to include a high and low estimate based on an increase in material & labor costs year over year. The bid with a 10% increase for one year is \$157,256 per unit or \$1,258,048 for the 8 restricted units. Please see the attached bid documents for more information.

On April 23, 2019 the Housing Authority Board held a Special Meeting and discussed the following options:

Option 1. Do nothing.

Key Issues:

1. The owners would be assessed the cost of the repairs by the HOA.
2. If due to the lack of equity or the ability to qualify for a loan, they are unable to get financing to pay the assessment, the HOA would put a lien on the property.
3. A lien would put the owners in default of their deed restriction, and the Housing Department would require them to sell the unit. Through this process, any deferred maintenance issues are required by the Housing Department to be completed or money from the sales proceeds are held in escrow until the repairs are made. Since there wouldn't be enough equity in the home to pay the costs with the sales proceeds, the owners would be expected to pay from their own pockets. There is a likely chance that they would choose to walk away from their mortgage and get foreclosed upon.
4. When a home gets foreclosed on, the Housing Authority has the option to purchase the home. If the Housing Authority chooses not to purchase the home, the restrictions get stripped and the bank would sell the home at market value. The cost of the assessment would get paid through this process, and the home would be lost to the program.
5. If the Housing Authority purchases the home, the repairs would be made, and either the home's income range would be changed so that the home could be resold at a higher value to recoup the costs or a further subsidy would be made to keep the home restricted for lower income earning households.
6. This scenario causes families to lose their homes to foreclosure ruining their credit.
7. It also causes public funds to be used to purchase the homes with a potential of a subsidy to keep the homes in the program. It is a loss for the owners and potentially to the public.

Option 2. Change the 8 permanently restricted units from Affordable to Workforce Housing and raise the value of their home to meet the bid amount to provide equity needed for financing.

Key Issues:

1. No public funds would be required.
2. Owners would need to get private financing to cover the cost of repairing the roofs.
3. Some owners may not be able to afford to get financing at the higher value. If they are unable to get financing and cannot pay the assessment for the repairs, the HOA would put a lien on the home. This would put the owner in default of their deed restriction, and they would be

required to sell the home. If they must sell their home, they would sell it for the adjusted value, and the Housing Department would hold money from the sales proceeds in escrow to pay the assessment for the repair. The owners would be made whole and would avoid the potential of foreclosure. This would be the same scenario that many of the market owners (units that have sunset) could face as their incomes may not be enough to allow them to get financing.

4. The units may be difficult to sell if potential buyers know they are going to have to move out for 3 months while the roofs get fixed. If the homes are unable to be sold, the Housing Authority would need to purchase the home, keep money from sales proceeds in escrow to pay for the repairs, and would resell it once the roof is fixed.
5. The cost to fix the roof is being passed on to new owners if the home sells.
6. The units will be lost to the Affordable Program but will be permanently restricted for the workforce.

The following chart depicts what this would mean for each permanently restricted unit using the average of the current and next year's bid numbers at \$150,108 (includes move-out and storage fees):

Unit	Current Income Range	Number of Bedrooms	Purchase Price	Appreciation Earned (equity may not exist)	Current Value	Adjusted Value	Adjusted Income Range
1	100% - 120%	3	\$177,095	\$66,065 (13 yrs)	\$243,160	\$393,268	>140%
2	80% - 100%	2	\$160,181	\$38,250 (9 yrs)	\$198,431	\$348,539	>140%
3	80% - 100%	2	\$168,390	\$44,542 (10.5 yrs)	\$212,932	\$363,040	>140%
4	80% - 100%	3	\$151,590	\$44,438 (14 yrs)	\$196,028	\$346,136	>140%
5	80% - 100%	2	\$147,083	\$61,214 (13.5 yrs)	\$205,297	\$355,405	>140%
6	80% - 100%	2	\$148,406	\$58,308 (13.5 yrs)	\$206,714	\$356,822	>140%
7	80% - 100%	2	\$172,470	\$36,404 (8 yrs)	\$208,874	\$358,982	>140%
8	100% - 120%	3	\$164,545	\$47,713 (14 yrs)	\$212,258	\$362,366	>140%

Option 3. Town/County will provide financing to the owners of the 8 permanently restricted units.

Key Issues:

1. The financing would be provided by the Town and County for a 20-year period at an interest rate of 2% or another chosen rate. Payments would not be required, unless the owner wishes to make payments. If so, the loan would be amortized over 20 years. Otherwise, the loan would be a balloon payment due in 20 years.
2. The balloon payment would potentially cause people to be forced to sell their home to pay it back. Some may be able to refinance to pay it back.
3. This would cost the public approximately \$1,200,864 which would be held up for potentially 20 years and is money that could currently be going toward additional restricted housing.
4. The money would be earning interest at a rate of 2% or other. This is more than what current interest rates are paying for savings accounts but could be less than the potential earnings in the future.
5. Owners in other developments will expect the same type of help.
6. The units will be lost to the Affordable Program but will be permanently restricted for the workforce.

Option 4. Choose Option 1, 2, or 3 and offer to purchase sunset clauses.

The situation at Melody Ranch Townhomes presents the opportunity to purchase sunset clauses from the owners and record a new Workforce Ownership restriction on the units raising the value of the home. This would give the owner money to help pay the roof assessment, give them more equity in their home to provide more incentive to the owner, and keep the units permanently restricted for the workforce.

Precedent.

Will taking any kind of action set a precedent for other developments and/or owners in the future?

Taking action in this situation may not set a precedent for other developments and/or owners in the future because the development is a mix of permanently restricted units, market units, and restricted units that will become market units within the next few years that are spread out in eight four-plex buildings. This means that some buildings have at least one market unit and one permanently deed restricted unit. The mix of restrictions within these buildings, the lack of ability to get financing on the restricted units, and the requirement that all four units within a building be fixed at the same time causes a larger challenge than if the units were separate.

ATTACHMENTS

- June 6, 2018 Buchko Structural Engineering Inspection Memo
- July 2, 2018 Letter to HOA from Teton County Attorney's Office
- August 20, 2018 HOA annual meeting minutes
- October 19, 2018 cost estimate for a four-plex roof repair
- November 1, 2018 from First Interstate Bank lending letter denying the HOA request for financing to roof repair
- January 22, 2019 Melody Ranch Townhome HOA survey response summary
- Declaration of Protective Covenants for the Townhomes at Melody Ranch
- April 18 Mill Iron Bid

FISCAL IMPACT

Fiscal impacts will vary. Funding will likely need to come from the Town and/or County general fund.

If the Board and Council choose to finance the project for the eight permanently deed restricted units, the cost (assuming \$150,108 per unit) would be \$1,200,864 which could be recouped at some point in the future.

STAFF IMPACT

The Housing Manager and Housing Director have spent significant time on this to date. If the Board and Council direct staff to continue working on this item, more time will be necessary and may involve outsourcing the work or deferral of other scheduled work, depending on the scope, as this project was not contemplated in the Housing Department work plan for this year and very limited staff capacity exists to maintain the current level of attention given to this project.

STAKEHOLDER ANALYSIS

Teton County community members, Affordable homeowners, prospective Affordable homeowners, and Melody Ranch Townhome owners.

LEGAL REVIEW

John Graham has reviewed this staff report.

RECOMMENDATION

The Housing Authority Board and Housing Department staff have a split recommendation.

Housing Authority Board Recommendation:

The Housing Authority Board recommends Option 2 and Option 4. Purchasing the sunset clauses would keep the units restricted for the workforce in perpetuity. Raising the value of the units gives the owners equity to obtain financing to pay for the roof repair assessment without public funds being used. Some owners may be required to sell their homes if they are unable to obtain financing, however, they will be made whole and avoid foreclosure.

It is recommended that the value of the eight permanently restricted units be increased by the amount of the actual cost of construction along with expenses to relocate the owners during construction with a limit of \$160,000 per unit. These units will go from being Category 2 and 3 units (80-120% income range) to Workforce units. The Board considered paying "market rate" as an increase for the restricted units but instead went with the cost of the repair as the maximum sales price which still leaves the units maximum values below \$400,000.

The Housing Authority Board is also recommending that the Housing Authority offer to purchase Workforce Ownership restrictions on the units that had or still have sunset clauses (the three units with sunset clauses will be market units by 2020). They recommend paying for the actual cost of construction along with expenses for move-out/storage with a limit of \$160,000 per unit. The Town and County would need to provide funding to cover the payments for the Workforce Ownership restrictions. If all 16 sunset and market units wanted to sell a restriction, the cost could be \$2,560,000.

Option 1 was rejected because if nothing is done, the units will likely be foreclosed on, and either the Housing Authority would purchase the units, or they would be lost from the program.

Option 3 was rejected because the public funds used to finance the repairs are needed currently for other housing projects. It was determined that it would not be good stewardship of public funds to tie them up for 20 years for the benefit of private individuals.

Housing Department Staff Recommendation:

Housing Department staff recommends raising the value of the eight permanently restricted units by an amount equal to the costs of construction not to exceed \$139,000 and recording a Workforce Ownership deed restriction on each unit.

Staff does not recommend including costs for the families to move out for three months. The Mill Iron bid includes moving and storage fees along with temporary housing fees totaling \$11,400. Staff recommends removing these from the bid making the average cost of this year's bid and next year's bid \$138,138.

Staff recommends recording Workforce Ownership restrictions on the units to provide equity so the owners can obtain financing to cover the costs of the roof repair without using public funds. The Workforce Ownership restriction includes an appreciation cap on the units so that they remain affordable to households earning around 140% of median family income. Some owners may find it necessary to sell their homes, however, they will be made whole and will not be faced with foreclosure.

Staff recommends rejection of Option 1 and Option 3 for the same reasons the Housing Authority Board rejected them.

Staff recommends rejection of Option 4 because the sunset clause purchases should be considered on a case by case basis. There are variables such as the state of the home, location, etc. that should be considered when purchasing sunset clauses.

SUGGESTED MOTION**Motion 1 – Staff Recommendation:**

I move to direct and authorize the Jackson/Teton County Housing Authority Board to record Workforce Ownership restrictions on the eight permanently deed restricted units located at Melody Ranch Townhomes and to raise the current maximum value of the home by the actual cost to construct the roof only, capped at \$139,000 per unit. The Housing Authority is also directed and authorized to negotiate with homeowners who have a sunset clause to purchase deed restrictions, provided that all proceeds from the sale of the restriction go towards roof repair. The Housing Authority shall present any deed restriction purchase the Housing Director deems reasonable to the Board of County Commissioners and Town Council for approval.

Motion 2 – Housing Authority Recommendation:

I move to direct and authorize the Jackson/Teton County Housing Authority Board to raise the value of the eight permanently restricted homes by an amount equal to the cost of construction including owner move-out/storage costs up to a maximum of \$160,000 and to record Workforce Ownership restrictions on each unit. I also direct and authorize the Housing Authority Board to offer the owners of the three units with sunset clauses and the 13 market units payments in the amount of the cost of construction including owner move-out/storage costs up to a maximum of \$160,000 and to place a Workforce Ownership restriction on the units allowing their initial sale to be an unset price to be determined by the seller at time of sale.

From: [Jeff Collins](#)
To: [Stacy Stoker](#)
Subject: RE: Melody Ranch Townhomes
Date: Monday, September 30, 2019 1:23:45 PM
Attachments: [image003.gif](#)
[image004.png](#)

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I will get with Frank when he gets back.
If I understand your question correctly, I think the answer is no.
We would need repayment from all 24 units.

Jeff Collins

Mortgage Loan Officer | NMLS# 707925
First Interstate Bank
w: 307-732-7925 | c: 307-413-6052 | f: 307-732-7843
jeff.collins@fib.com
firstinterstate.com

From: Stacy Stoker [mailto:ssstoker@tetoncountywy.gov]
Sent: Monday, September 30, 2019 12:58 PM
To: Jeff Collins <Jeff.Collins@fib.com>
Subject: RE: Melody Ranch Townhomes

Jeff,
Thank you for this! Quick question; if the 8 permanently restricted units were funded, and the money was in an escrow account at FIB, would the bank loan to the HOA without making all owners responsible for payment?

From: Jeff Collins <Jeff.Collins@fib.com>
Sent: Monday, September 30, 2019 11:02 AM
To: Stacy Stoker <ssstoker@tetoncountywy.gov>
Subject: RE: Melody Ranch Townhomes

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Good Morning,

Thanks. I am going to try to make this as simple as I can. We can get into the details if needed but I think keeping the situation simple will be beneficial. This is First Interstate Bank interpretation of the issue. Other financial institutions may have different interpretations.

The issue with individual secondary market (Fannie Mae) loans, either as a refinance to fund individual roof repairs or to finance the purchase for a new home owner, is that the homes simply don't currently meet the secondary market safety and soundness requirements. In order for First Interstate Bank to be able to go out to the secondary market to finance individuals, the roof have to be repaired first.

First Interstate Bank isn't willing to loan to individuals with some sort of in-house second home loan to fund repairs because there are no guarantees the money will be used for the repairs. And then there is the additional risk that each of the 4 individual homeowners that make up a building would have to come up with their own \$160,000.00 and each would have to be in agreement about funding the repairs individually.

Frank Lyons is a commercial lender at First Interstate Bank. He has experience with lending to HOA's and has looked at commercial loan options for the Melody Ranch Townhomes HOA to fund the roof repairs. Frank Lyons commercial loan option needs a source of re-payment. The HOA itself doesn't have the ability to collect the level of HOA dues to pay back a commercial loan. So the proposed source of re-payment for the commercial loan is for each individual homeowner to be prequalified for a new secondary market 30 year fixed rate home loan which, in theory, would pay back the commercial loan. Each homeowner would have a second lien placed on their home for \$160,000.00 which would then be refinanced once the repairs were complete into a new secondary market 30 year fixed rate loan.

We met with the HOA and made the proposal. The HOA decided that they didn't think it was possible for each individual homeowner and/or nor did they think some individual homeowners wanted to qualify for a new 30 year fixed rate to repay the roof repairs. They needed 100% consensus on the proposed repayment plan for the commercial loan and they didn't believe they had 100% consensus. If 1 person decided not to pay for their portion the entire HOA would have to pitch in to cover the payments. The numbers start looking difficult if 2 or more individuals decide not to pay.

Does that help?

Jeff Collins

Mortgage Loan Officer | NMLS# 707925

First Interstate Bank

w: 307-732-7925 | c: 307-413-6052 | f: 307-732-7843

jeff.collins@fib.com

firstinterstate.com

From: Stacy Stoker [<mailto:ssstoker@tetoncountywy.gov>]

Sent: Monday, September 30, 2019 9:29 AM

To: Jeff Collins <Jeff.Collins@fib.com>

Subject: Melody Ranch Townhomes

Hi Jeff,

We are drafting the staff report for the JIM concerning the Melody Ranch Townhomes. Would you be so kind as to send me an explanation about your ability to lend to individual owners or potential buyers for these units? We would like to attach the emails from lenders to the staff report.

Thank you!
Stacy

Stacy A. Stoker

Housing Manager

Jackson/Teton County Affordable Housing Department

320 S. King Street

(o) 307-732-0867

(f) 307-734-3864

jjohari@tetoncountywy.gov

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From: [Lance Windey](#)
To: [Stacy Stoker](#)
Subject: RE: Melody Ranch Townhomes
Date: Monday, September 30, 2019 10:56:31 AM
Attachments: [image003.gif](#)
[image004.png](#)
[image005.png](#)

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Stacy,

In response to your email below-here is a summary of loan terms that we are willing to consider for the Wind River Townhomes in Melody Ranch. Because of the roof issues, we are likely unable to offer 30 year fixed rate financing for these units at this time-but, are still investigating and will offer to applicants if available.

Minimum down payment: 3.5%, so long as loan to value does not exceed 80% of free market appraised value

Term: 10 years

Rate Options: 3/1, 5/1 or 7/1 ARM's are available

Loan fee: 0.50% of the loan amount, plus appraisal, title, credit report, etc.

Repayment: Monthly principal and interest based on a 30-year amortization

Collateral: 1st mortgage on subject property, along with an assignment of \$160k escrow account

Assumptions:

- Free market appraised value of no less than \$449,725
- ≥ 700 FICO
- $\leq 45\%$ DTI
- Acceptable review of contractor bids for roof repairs

Let me know of any questions or comments.

Best,

Lance Windey | SVP Commercial Loan Officer | NMLS #769177
990 West Broadway (Fed Ex & UPS) | PO Box 7000 | Jackson, WY 83002
Phone: 307-732-3052 | Cell: 307-413-9004 | Fax: 307-733-0652
lwindey@bojh.com | www.bojh.com



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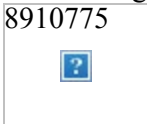
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From: Stacy Stoker <sstoker@tetoncountywy.gov>
Sent: Monday, September 30, 2019 9:31 AM
To: Lance Windey <lwindey@bojh.com>
Subject: Melody Ranch Townhomes

Hi Lance,
We are drafting the staff report for the Joint Information Meeting with the Town and County concerning the Melody Ranch Townhomes. Would you be so kind as to send me an explanation about your ability to lend to individual owners or potential buyers for these units? We would like to attach the emails from lenders to the staff report.

Thank you!
Stacy

Stacy A. Stoker
Housing Manager
Jackson/Teton County Affordable Housing Department
320 S. King Street
(o) 307-732-0867
(f) 307-734-3864
jjohari@tetoncountywy.gov
www.jhaffordablehousing.org
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From: [Amy Robinson](#)
To: [Stacy Stoker](#)
Subject: RE: Melody Ranch Townhomes
Date: Monday, September 30, 2019 2:20:42 PM
Attachments: [image003.gif](#)
[image004.png](#)
[MTFCUlogo_edited-2_3cf61edb-72e5-4484-a53a-0ba6f0d8167a.jpg](#)
[19MTFCU_SummertimeLoans_EmailSig_vF_2_aac5837c-9aa8-48f0-851d-5c4f4b71c41c.jpg](#)

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Stacy-

Meridian Trust Federal Credit Union is happy to work with existing members in an attempt to qualify them for any home purchase. They look at each application for the member on a case by case basis. Our mortgage department in the Cheyenne branch are happy to answer questions for the member if they choose to apply for one of the Melody Townhomes.

I hope that helps.

Amy

Amy Robinson

Assistant Branch Manager
arobinson@mymeridiantrust.com
307.734.8034



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From: Stacy Stoker <sstoker@tetoncountywy.gov>
Sent: Monday, September 30, 2019 9:35 AM
To: Amy Robinson <arobinson@mymeridiantrust.com>
Subject: Melody Ranch Townhomes

Hi Amy,
We are drafting the staff report for the JIM concerning the Melody Ranch Townhomes. Would you be so kind as to send me an explanation about your ability to lend to individual owners or potential buyers for these units? We would like to attach the emails from lenders to the staff report.

Thank you!
Stacy

Stacy A. Stoker

Housing Manager

Jackson/Teton County Affordable Housing Department

320 S. King Street

(o) 307-732-0867

(f) 307-734-3864

jjohari@tetoncountywy.gov

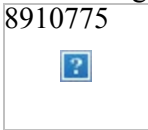
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From: [Sarah Heisey](#)
To: [Stacy Stoker](#)
Subject: RE: Melody Ranch Townhomes
Date: Tuesday, October 01, 2019 9:25:58 AM
Attachments: [image003.gif](#)
[image004.jpg](#)
[image005.png](#)

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Hi Stacy,

Based on the proposed structure allowing the Homeowner's Association to retain the assessment fees and manage the construction project, Rocky Mountain Bank is not able to provide any financing options.

Rocky Mountain Bank is happy to discuss options that include the lender's ability to oversee the construction project in its entirety.

Please contact me with any questions.

Sincerely,
Sarah

Sarah Heisey
Vice President-Mortgage Banking Manager
NMLS ID #779713
Rocky Mountain Bank



Direct: (307) 732-7796
Cell: (307) 699-0371
FAX: (307) 739-9001
SarahHeisey@RockyMountainBank.com

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From: Stacy Stoker <ssstoker@tetoncountywy.gov>
Sent: Monday, September 30, 2019 10:24 AM
To: Sarah Heisey <sarahheisey@rockymountainbank.com>

Subject: Melody Ranch Townhomes

Hi Sarah,

We are drafting the staff report for the Joint Information Meeting with the Town and County concerning the Melody Ranch Townhomes. Would you be so kind as to send me an explanation about your ability to lend to individual owners or potential buyers for these units? We would like to attach the emails from lenders to the staff report. It is due tomorrow.

Thank you so much for all of your help!

Stacy

Stacy A. Stoker

Housing Manager

Jackson/Teton County Affordable Housing Department

320 S. King Street

(o) 307-732-0867

(f) 307-734-3864

jjohari@tetoncountywy.gov

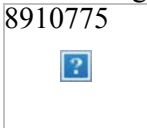
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**BOARD OF COUNTY
COMMISSIONERS**



TOWN COUNCIL

JOINT INFORMATION MEETING AGENDA DOCUMENTATION

PREPARATION DATE: October 2, 2019

MEETING DATE: October 7, 2019

SUBMITTING DEPARTMENT: Affordable Housing

DEPARTMENT DIRECTOR: April Norton

PRESENTER: April Norton

SUBJECT: 430 and 440 West Kelly Avenue – Future Community Housing Development

STATEMENT/PURPOSE

The Comprehensive Plan directs the Town and County to create Town as Heart; emphasize a variety of housing types; develop Transitional Subareas; house at least 65% of the workforce locally; focus housing subsidies on full-time, year-round workers; provide housing that is consistent with Character Districts; and create workforce housing to address shortages. The Housing Action Plan directs the Town and County to strategically provide land as public subsidy and build development partnerships to get more housing built for our local community.

The 430 & 440 West Kelly Avenue project as currently presented by Roller Development and Tack Development represents an incremental approach to housing development that will serve our middle- and higher-income earning working households and takes advantage of new town zoning. It is part of the spectrum of housing the Town and County must build to achieve and maintain our goal of being a community first and resort second.

The Board of County Commissioners ("Board") and Town Council ("Council") have chosen a development partner who has a strong team and is ready to get started on the project. However, staff still seeks direction on how to move forward and lays forth several options in this staff report. Time is of the essence if we are to break ground on a project next year and, with over 1,000 households representing almost 2,300 people on the Intake Form, the demand for safe, stable housing persists for many of our working households.

BACKGROUND/ALTERNATIVES

Comprehensive background is provided in the attached staff report from September 9, 2019.

At the September 9 meeting the Board voted to move forward with a 12-unit project proposed by Commissioner Barron ("Barron's 12-units"); the Council, however, did not approve the same motion and no action was taken. Today staff seeks direction on how to move forward and provides several options for consideration, below, including a new option that would allow the Council to determine how to move forward with the project because of its location in Town, which is the Council's jurisdiction.

Option 1: Council and Board vote to allow the Council to determine how to develop 430 and 440 West Kelly Avenue because of its location in the Town of Jackson and to allow the Board to determine how to develop the 5-acre Rains

Property because of its location in the County, which is the Board's jurisdiction. A summary of these two parcels is attached to the staff report.

Option 2: Vote to build one of the five options previously discussed and summarized, below. Site plans for the first three options are provided as an attachment to this staff report. A site context picture is also provided, showing what the revised 16 units, 12 units, and two buildings built to LDRs would look like on the two lots.

	Original 16 units	Revised 16 units	12 units	Revised 12 units
# Units	16	16	12	12
# Bedrooms	24	24	14	24
# Parking spaces	18	20	14	18
Affordability	12 @ 80-120 4 @ 120-200	8 @ 80-120 8 @ 120-200	10 @ 80-120 2 @ 120-200	3 @ 80-120 9 @ 120-200
Height	Max @ 35'3" Side @ 21'6"	Max @ 32'6" Side @ 22'6"	Max @ 36'1-3/8" Side @ 12'8"	Unknown. Will meet LDRs.
Additional Public \$ Required	\$0	\$150,000	\$325,000	\$175,000

Option 3: Council and Board direct staff to sell the property and to utilize the sales proceeds to develop permanently deed restricted housing for the workforce at a different location.

EXISTING POLICY DIRECTION – COMPREHENSIVE PLAN, HOUSING ACTION PLAN

Comprehensive Plan Policy:

- Emphasize a variety of housing types. 3.2.d
- Emphasize a variety of housing types, including deed-restricted housing. 4.1.b
- Create and develop Transitional Subareas. 4.3.b
- House at least 65% of the workforce locally. 5.1.a
- Focus housing subsidies on full-time, year-round workers. 5.1.b
- Provide a variety of housing options. 5.2.a
- Housing will be consistent with Character Districts. 5.2.b
- Create workforce housing to address remaining shortages. 5.3.c

Housing Action Plan Strategy:

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

ATTACHMENTS

- September 9, 2019 Staff Report
- Site Plans
- Site Context
- Comparison of Rains Property and West Kelly Property

FISCAL IMPACT

Teton County purchased 440 W. Kelly Avenue for \$1,703,416.03 and transferred the property to the Jackson/Teton County Housing Authority. The Town of Jackson reimbursed Teton County 45% of the purchase price, or \$766,537.21. The Jackson/Teton County Housing Authority insured the property for \$940.00 and has been receiving \$2,700.00 per month in rent from the tenants. These funds are being placed back in the Housing Supply Program account at the Housing Authority.

STAFF IMPACT

This project requires significant time from the housing director. The Town planning and building staff will spend time on the review, permits, etc. Town and County legal departments will spend time drafting the development agreement, ground lease, and any other necessary documents. The housing manager will spend time ensuring the units meet the livability standards in the Housing Rules and Regulations. The housing compliance specialist will ensure enforcement of

the restrictions on the units. The housing sales specialist will ensure all households purchasing the units are qualified to do so.

STAKEHOLDER ANALYSIS

Stakeholders include Town and County taxpayers, local working families, business owners, and neighbors.

LEGAL REVIEW

Reviewed by Lea Colasuonno, Town Attorney, and John Graham, Deputy County Attorney.

RECOMMENDATION

None.

SUGGESTED MOTION

Motions are provided for each of the options listed above.

Option One

I move to direct and authorize the Jackson Teton County Housing Authority to transfer ownership of 3590 North Kennel Lane to Teton County and 430 and 440 West Kelly Avenue to the Town of Jackson.

Option Two

I move to direct and authorize the Jackson Teton County Housing Authority to execute a Ground Lease and Development Agreement with Roller Development and Tack Development to build permanently deed restricted housing at 430 and 440 West Kelly Avenue that is consistent with the following conditions:

Option Three

I move to direct and authorize the Jackson Teton County Housing Authority to sell the 430 and 440 West Kelly properties for a value no less than the amount of money the Town and County have thus far invested in the property.



**BOARD OF COUNTY
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TOWN COUNCIL

JOINT INFORMATION MEETING AGENDA DOCUMENTATION

PREPARATION DATE: September 5, 2019

MEETING DATE: September 9, 2019

SUBMITTING DEPARTMENT: Affordable Housing

DEPARTMENT DIRECTOR: April Norton

PRESENTER: April Norton

SUBJECT: 440 West Kelly Avenue

STATEMENT/PURPOSE

The Comprehensive Plan directs the Town and County to create Town as Heart; emphasize a variety of housing types; develop Transitional Subareas; house at least 65% of the workforce locally; focus housing subsidies on full-time, year-round workers; provide housing that is consistent with Character Districts; and create workforce housing to address shortages. The Housing Action Plan directs the Town and County to strategically provide land as public subsidy and build development partnerships to get more housing for our local community built.

The 430 & 440 West Kelly Avenue project represents an incremental approach to housing development that will serve our middle- and higher-income earning working households and takes advantage of new town zoning. It is part of the spectrum of housing the Town and County that we must build to achieve and maintain our goal of being a community first and resort second.

The Board and Council have chosen a development partner who has a strong team and is ready to get started on the project. However, staff still seeks direction on how to move forward and lays forth several options in this staff report. Time is of the essence if we are to break ground on a project next year and with over 1,000 households representing almost 2,300 people on the Intake Form the demand for safe, stable housing persists for many of our working households.

BACKGROUND/ALTERNATIVES

From 2007 to 2012 the community worked to develop the Comprehensive Plan. This work included over 2,000 public comments and resulted in the adoption of the Jackson/Teton County Comprehensive Plan in 2012. The plan sets a goal of housing 65% of our workforce locally. *Comp Plan Policy 5.1.a*. The plan also identified Transitional Subareas that are appropriate for increased density and directs the community to develop a Workforce Housing Action Plan. *Comp Plan Policy 5.4.a*.

The 2015 Workforce Housing Action Plan (HAP) was informed by eight housing studies and is the result 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. The plan ties together the Comprehensive Plan policy directives and Character Districts and directs staff to purchase appropriately zoned land for the purpose of partnering with private developers to develop housing for our working families. *HAP Initiative 2B*. The HAP also provides a map showing which neighborhoods in the

community are appropriate for updated zoning in an effort to find locations to create workforce housing through increased density. *HAP Initiative 5A*.

In 2016 and 2018 density was added to the Transitional Subareas through updated town zoning. *Comp Plan Policy 4.3.b. HAP Initiative 5A, 5B*. These Transitional Subareas have long been identified as places that are appropriate for more density because increasing the density from single-family homes that are no longer affordable to families earning median income to multifamily homes that are more likely to be affordable to local working families, gives the community a better chance to build housing for our local workforce. Essentially, by increasing the density we are allowing workforce neighborhoods to retain their working family character instead of preserving the existing density and losing that working family character.

For example, in the 440 W. Kelly Ave neighborhood a single-family home that was built in 1962 was recently purchased for around \$700,000, which is approximately twice what a family of four earning 100% of median income can afford. That same home was then remodeled over a 9-month timeframe and sold for \$1.2875M after only one showing. That purchase price is almost four times what a family of four earning 100% of median income can afford. To make redevelopment both attractive to developers and priced at rates that are affordable to working families, either denser housing must be built, or higher public subsidy must be provided. In some cases, both may be necessary.

In July 2018, the W. Kelly Ave neighborhood was rezoned to NH-1. This zoning no longer allows single-family home development (although remodels are ok – see above) and provides opportunities for developers to build more residential floor area if they are willing to permanently deed restrict a portion of it. We call this the “fill the box” tool. The HAP tells us that we should prioritize areas that are zoned to allow for greater density for housing, which is exactly what the NH-1 zoning provides.

So, in December 2018 staff brought the 440 W. Kelly property to the Council and Commission to consider purchasing for the purpose of redeveloping the existing single-family home into multifamily homes by utilizing the new NH-1 zoning allowances and incentives. The property consists of two contiguous NH-1 lots that are located in the Town Residential Core in an area identified by both the Comprehensive Plan and HAP as a desired location for redeveloping workforce housing. The County purchased the property in January 2019, the Town reimbursed them 45% of sales price, and the property was transferred to the Jackson/Teton County Housing Authority.

In February 2019 a Request for Proposals (RFP) to develop housing at 440 W. Kelly Avenue was unanimously approved for release by the Council and Board. Key issues for the RFP that were discussed during the January 29 Joint Workshop included: number of units, parking, affordability, and streetscape. The JIM directed staff to:

- Keep the 15 unit minimum in the RFP. Based on the Intake Form data that tells us 67% of the households looking for housing are one or two people and looking at the existing restricted housing stock that shows only 11% of our ownership units are one-bedroom, the JIM chose to prioritize smaller units and to keep the minimum at 15. A lower minimum number would likely result in the same size development, but with fewer units that have more bedrooms each because larger units will garner a higher sales price. By forcing a developer to build at least 15 units and meet the parking requirements, the JIM forced respondents to build smaller units and limited the public subsidy required to develop the property to only the cost of the land.
- Require that respondents meet the parking requirements set forth in the recently updated LDRs because without a larger plan for transportation and parking, lowering the minimum requirement could be detrimental for the neighborhood.
- Allow developers to choose between the Affordable restriction (income and employment restricted) and Workforce restriction (employment restricted only).
- Incorporate streetscape standards that were above what is currently in the LDRs to help with the integration into the existing neighborhood.

On February 5 the RFP was released based on the direction from the Board and Council. Three responses to the RFP were received and reviewed by the Housing Supply Board (HSB). On April 9 the HSB chose two finalists and sent each team a set of supplemental questions that they were asked to answer by April 19 along with a request for enhanced renderings. The HSB then interviewed the two teams in person on April 22. On April 26 the HSB met again and recommended a development partner for the project: Roller Development and Tack Development (Roller/Tack).

On May 13, 2019 the Board and Council awarded the project to Roller/Tack and directed staff to work with the developers to bring back revised 12 and 16-unit options for consideration. On July 23 the Council directed staff to move forward with the revised 16-unit option; the Board did not approve the same motion, essentially stalling the project until the two boards can agree on a path forward.

On July 30, the Board met to reconsider the July 23 vote against the 16-unit option. During that meeting Commissioners Barron and Epstein indicated support for a 12-unit option, Commissioners Newcomb and Macker supported the 16-unit option, and Commissioner Propst remained opposed to the project as currently being discussed. The motion to support 16 units was withdrawn by Commissioner Newcomb and no vote was taken. Since this meeting, at least one 15-unit private sector rental project that was slated for workforce housing in this neighborhood has been abandoned.

On August 19, Council met to discuss the project and considered seven options:

1. Stick with the 16-unit option and see if the Board makes a similar motion at the next joint meeting to support the 16-unit option. 3 councilors support this.
2. Support a 10 or 12-unit option that provides the same number of bedrooms as the 16-unit option (24 bedrooms). 2 councilors supported this, 2 councilors had a level of support but were unable to state that they would support the motion if it was made, and 1 councilor does not support this.
3. Town can purchase the County's interest in the property (\$936,880) and can then move forward with a 16-unit project. 2 councilors supported this, 1 councilor supported the purchase but not the 16 units, 2 councilors did not support.
4. Town can sell its interest to the County. No councilor supported this.
5. Council and Board can direct the Housing Authority to sell the land. Only 1 councilor supported this.
6. Council and Board can direct the Housing Authority to deed restrict the land and then sell it. Only 1 councilor supported this.
7. Council can choose an option not listed, which can include modifications to any of the options listed above. One councilor suggested simply sitting on the land if a joint agreement could not be reached. One councilor noted that Commissioner Propst had spoken to Habitat for Humanity about developing the property.

Since the August 19 meeting, staff has worked with Roller/Tack on a possible 12-unit option that would provide 24 bedrooms in the following mix:

- 3, 1-bedroom units at 500 SF each priced at \$300,000
- 6, 2-bedroom units at 800 SF each priced at \$450,000
- 3, 3-bedroom units at 1200 SF each priced at \$600,000
- 18 parking spaces provided on-site (16.5 spaces required)

In this revised scenario, units would have a Workforce Ownership deed restriction and would be subject to annual requalification and an annual appreciation set at CPI capped at 3%.

On August 26, Commissioner Propst raised the possibility of partnering with Habitat for Humanity to develop the site. Habitat chose not to respond to the RFP and is currently developing the Grove Phase III with 16 units left to complete and an estimated date of completion on that project slated for early 2021. Keith Gingery, representing the Teton County Attorney's Office, advised the Board that they must first reject their current partner, Roller/Tack, before proceeding with a different developer.

Staff brings this project back to the Council and Board today seeking direction on a path forward. To ensure groundbreaking next year a decision will need to be made soon.

EXISTING POLICY DIRECTION – COMPREHENSIVE PLAN, HOUSING ACTION PLAN

Comprehensive Plan Policy:

- Emphasize a variety of housing types. 3.2.d
- Emphasize a variety of housing types, including deed-restricted housing. 4.1.b
- Create and develop Transitional Subareas. 4.3.b
- House at least 65% of the workforce locally. 5.1.a

- Focus housing subsidies on full-time, year-round workers. 5.1.b
- Provide a variety of housing options. 5.2.a
- Housing will be consistent with Character Districts. 5.2.b
- Create workforce housing to address remaining shortages. 5.3.c

Housing Action Plan Strategy:

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

ATTACHMENTS

None.

FISCAL IMPACT

Teton County purchased 440 W. Kelly Avenue for \$1,703,416.03 and transferred the property to the Jackson/Teton County Housing Authority. The Town of Jackson reimbursed Teton County 45% of the purchase price, or \$766,537.21. The Jackson/Teton County Housing Authority insured the property for \$940.00 and has been receiving \$2,700.00 per month in rent from the tenants. These funds are being placed back in the Housing Supply Program account at the Housing Authority.

STAFF IMPACT

This project requires significant time from the housing director. The Town planning and building staff will spend time on the review, permits, etc. Town and County legal departments will spend time drafting the development agreement, ground lease, and any other necessary documents. The housing manager will spend time ensuring the units meet the livability standards in the Housing Rules and Regulations. The housing compliance specialist will ensure enforcement of the restrictions on the units. The housing sales specialist will ensure all households purchasing the units are qualified to do so.

STAKEHOLDER ANALYSIS

Stakeholders include Town and County taxpayers, local working families, business owners, and neighbors.

LEGAL REVIEW

Reviewed by Lea Colasuonno, Town Attorney, and John Graham, Deputy County Attorney.

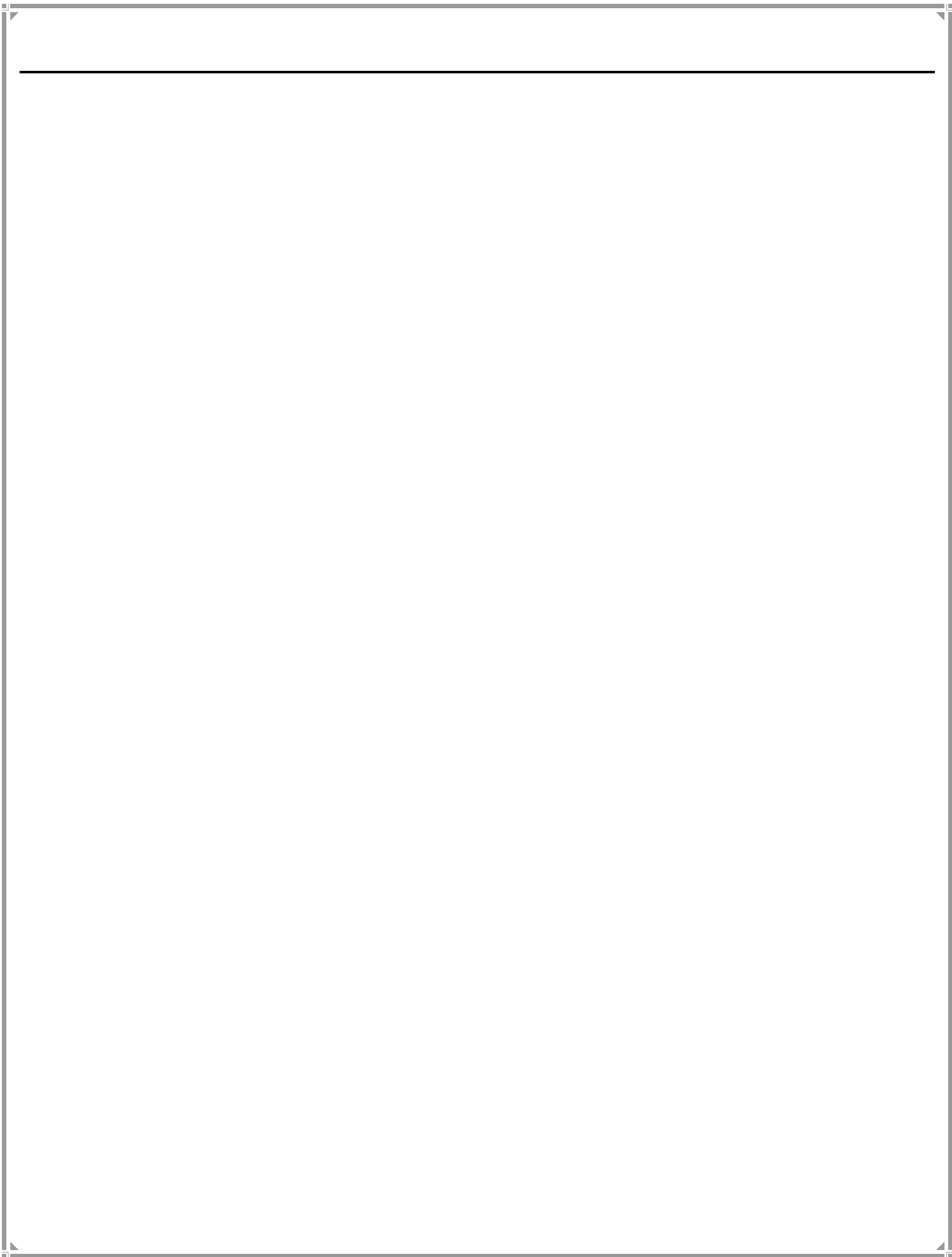
RECOMMENDATION

The Housing Supply Board recommends moving forward with the 16-unit design. This provides the greatest impact and maximizes the public investment.

Staff recommends moving forward with a revised 12-unit option that provides a mix of 1, 2, and 3-bedroom homes. This is in line with the Comprehensive Plan vision for this Transitional Neighborhood and responds to the neighbors' concerns about a development with too many units and too many cars while also providing workforce housing for single people, couples, and families, and setting the course for future reinvestment in this area. If we are unable to develop workforce housing here, then the likelihood that this neighborhood will transition to higher-end homes and lose its working-class character becomes very high (see: Gill Addition). The electeds may choose to further reduce the sales prices for these units up to three months prior to completion. However, with the Jackson/Kelly rental project in the pipeline, electeds may find that project to provide a greater opportunity to provide needed lower-income rental housing for the community.

SUGGESTED MOTION

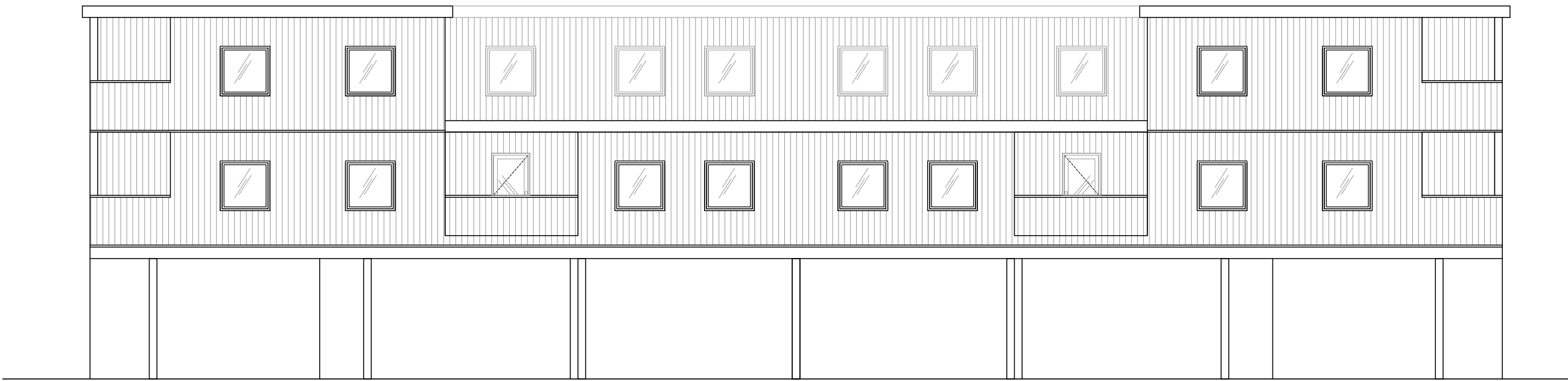
I move to direct and authorize the Jackson/Teton County Housing Authority Board to execute a Ground Lease and Development Agreement with Roller Development and Tack Development to develop a 12-unit permanently deed restricted housing project at 430 and 440 West Kelly Avenue. The Development Agreement and Ground Lease should clearly state the timeline for the project, required approvals to build, financial obligations of the partnering entities, terms and conditions of the long-term lease, homeowners' association requirements, reporting requirements, and any other items staff deems necessary to protect the public investment at this site or that the joint boards have directed staff to include during today's meeting.



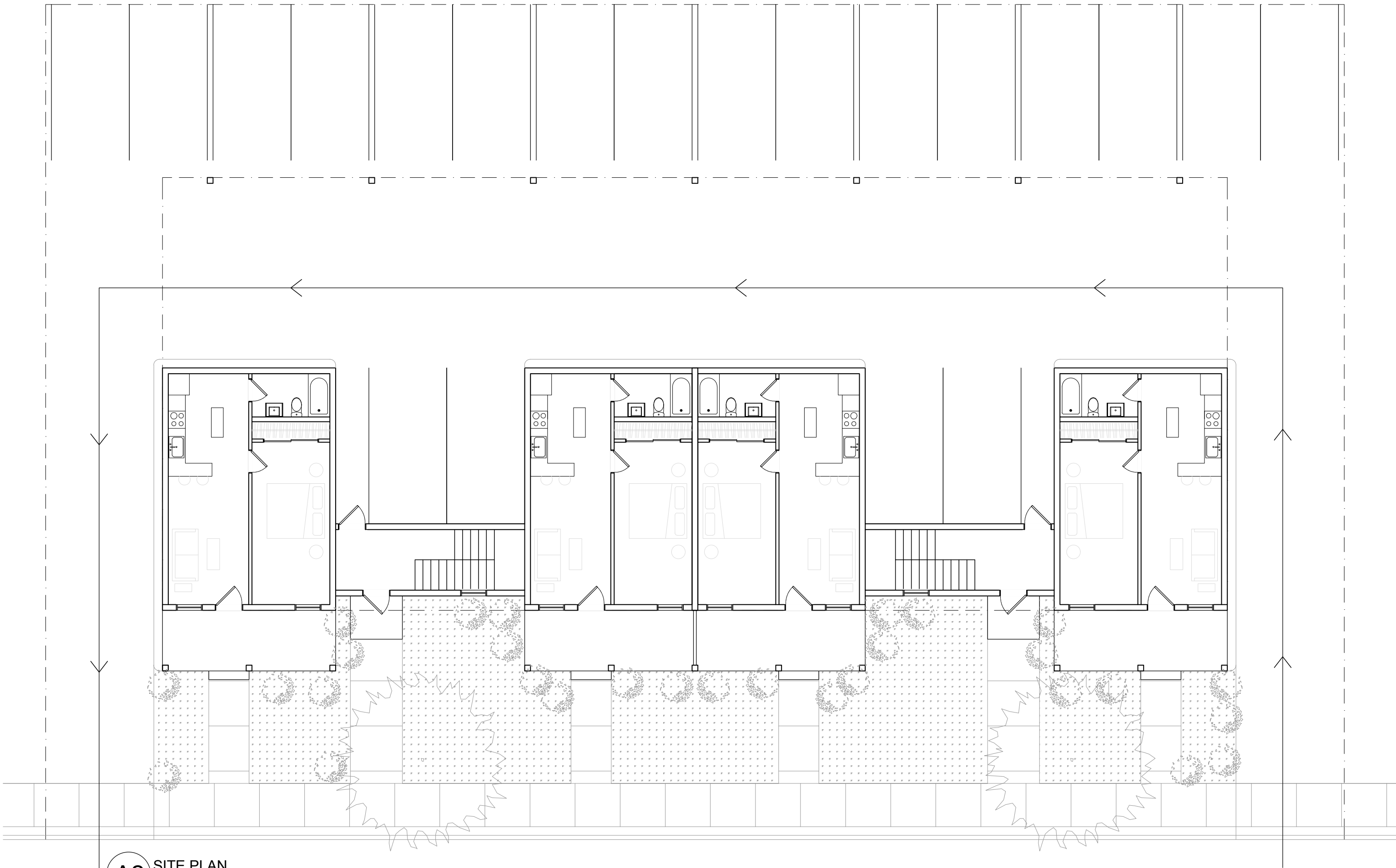


16 UNIT PLANS (OPTION 2)

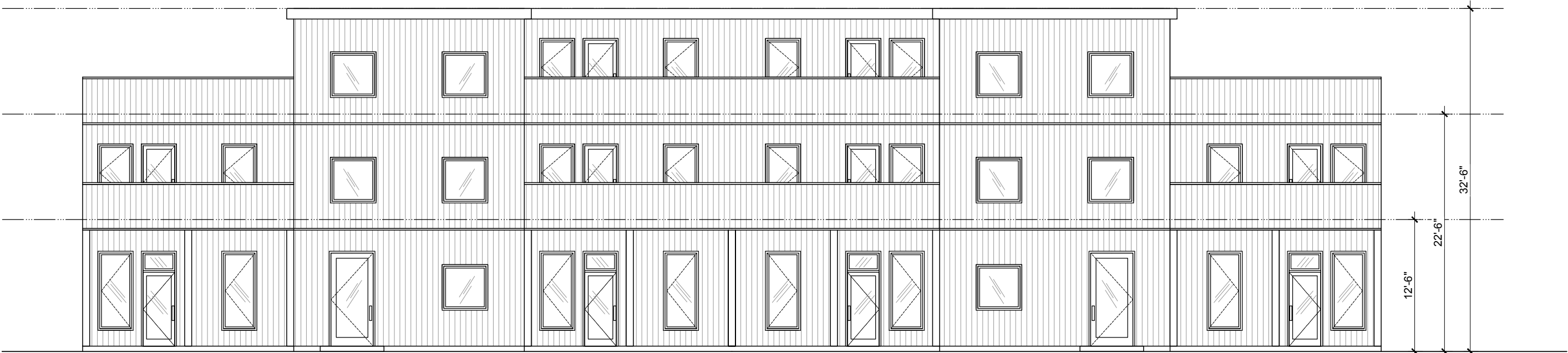
1ST FLR: 4 (500 SF) 1 BED UNITS
2ND FLR: 4 (500 SF) 1 BED UNITS + 4 (+/- 675 SF) 2 BED UNITS
3RD FLR: 4 (+/- 675 SF) 2 BED UNITS



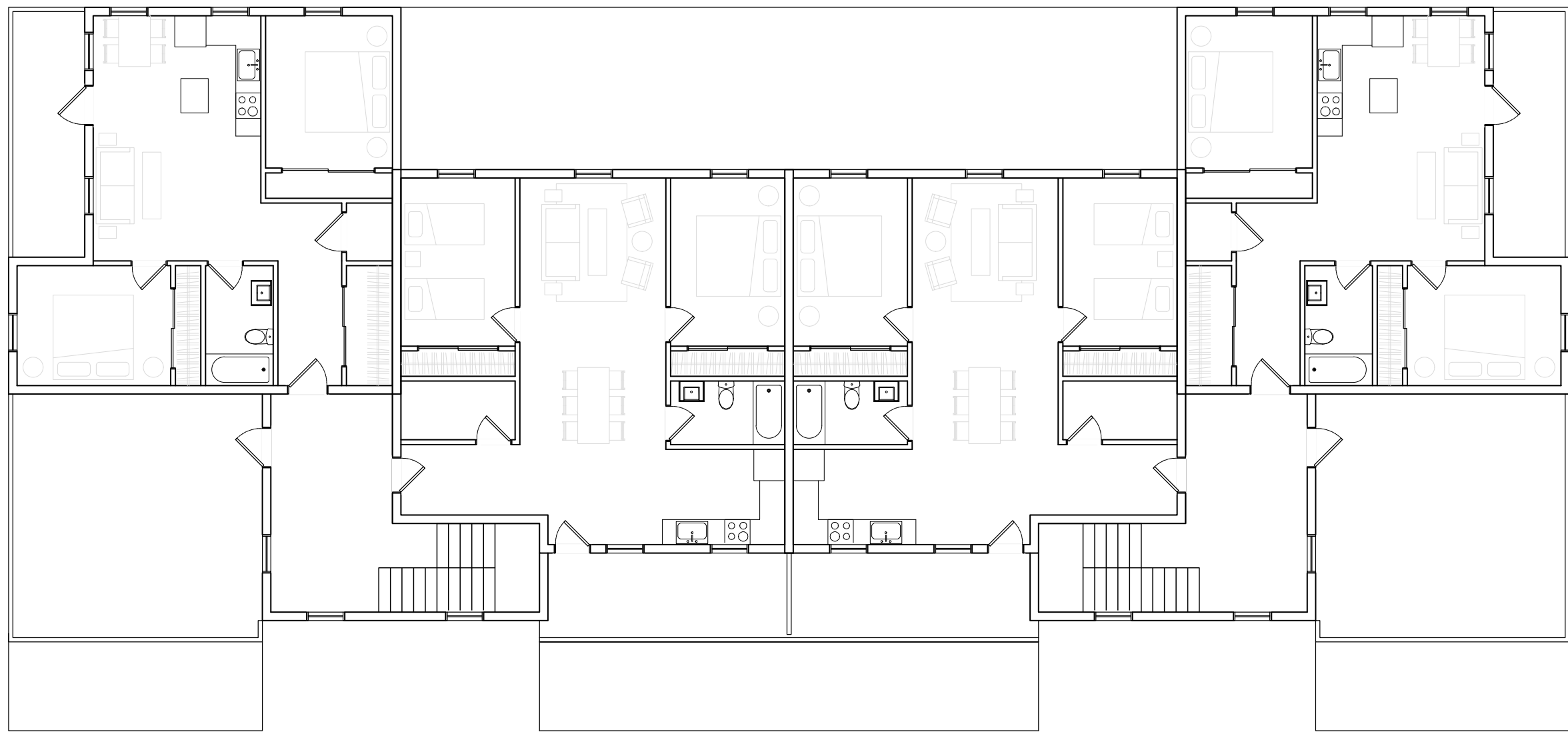
A4 SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



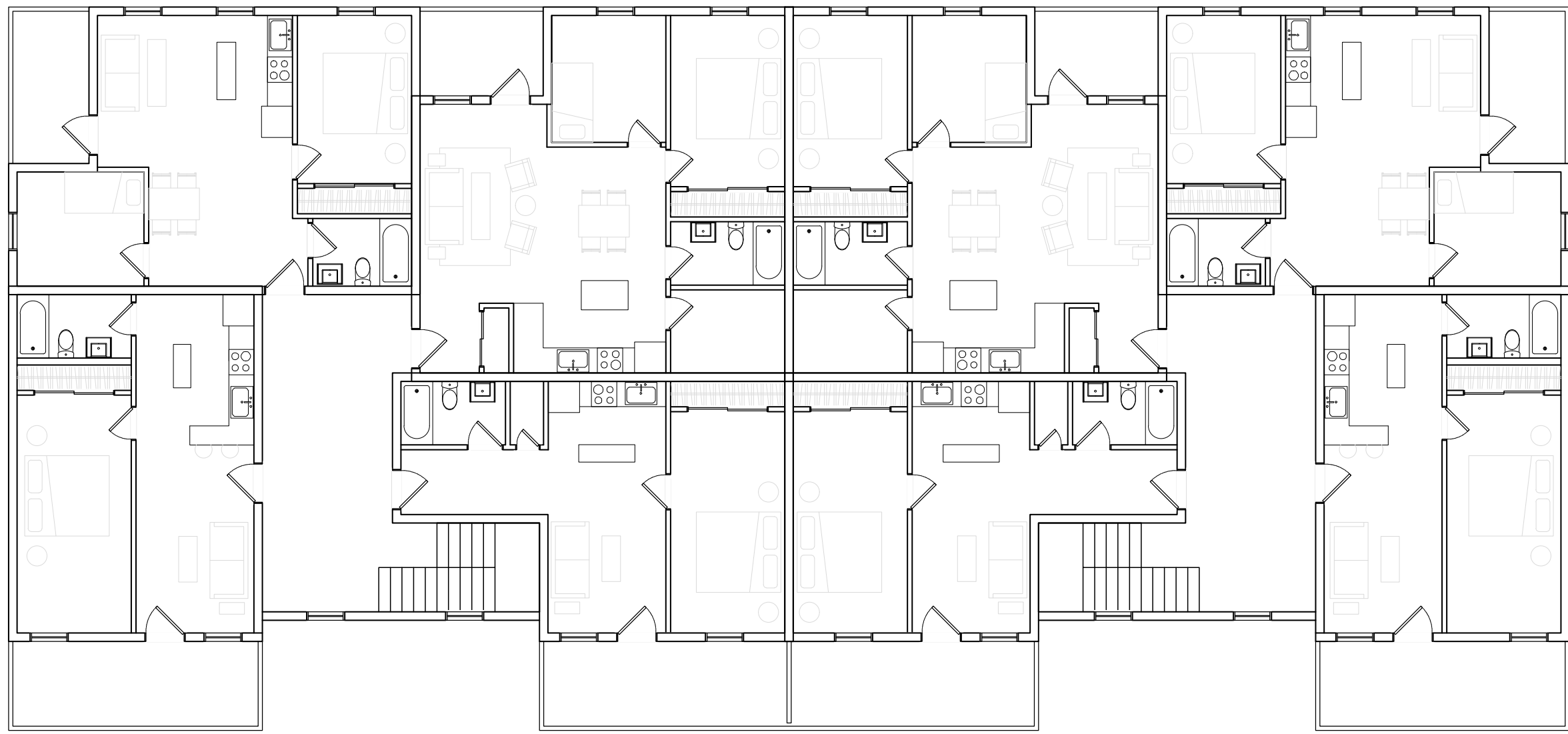
A2 SITE PLAN
SCALE: 1/8" = 1'-0"



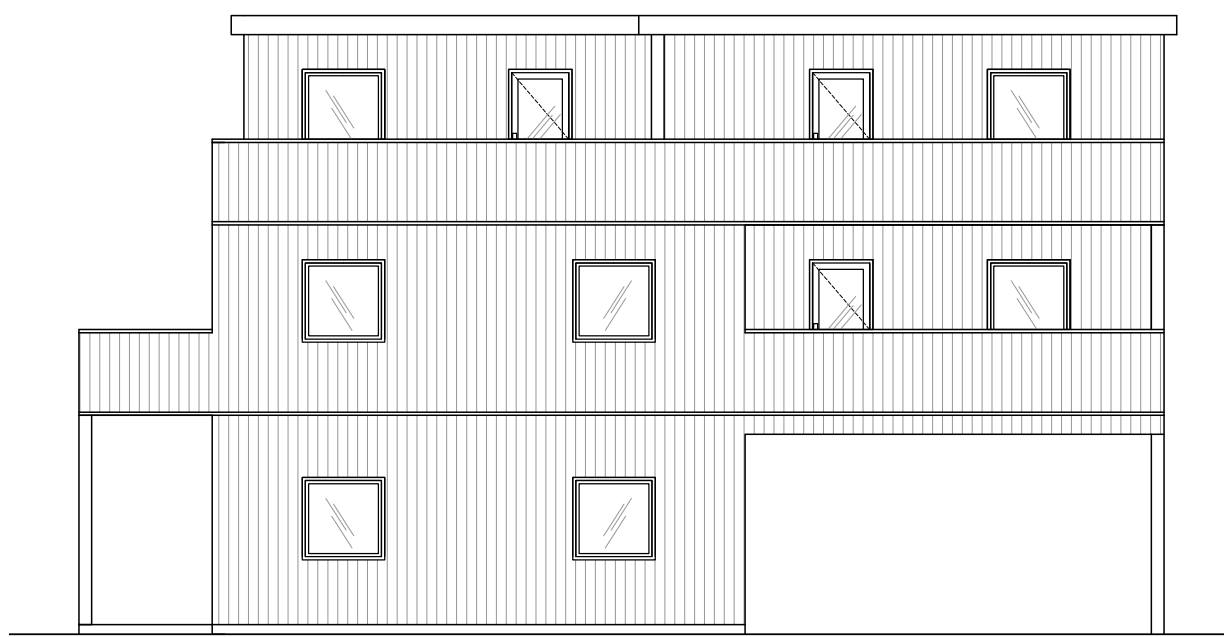
A1 NORTH ELEVATION
SCALE: 1/8" = 1'-0"



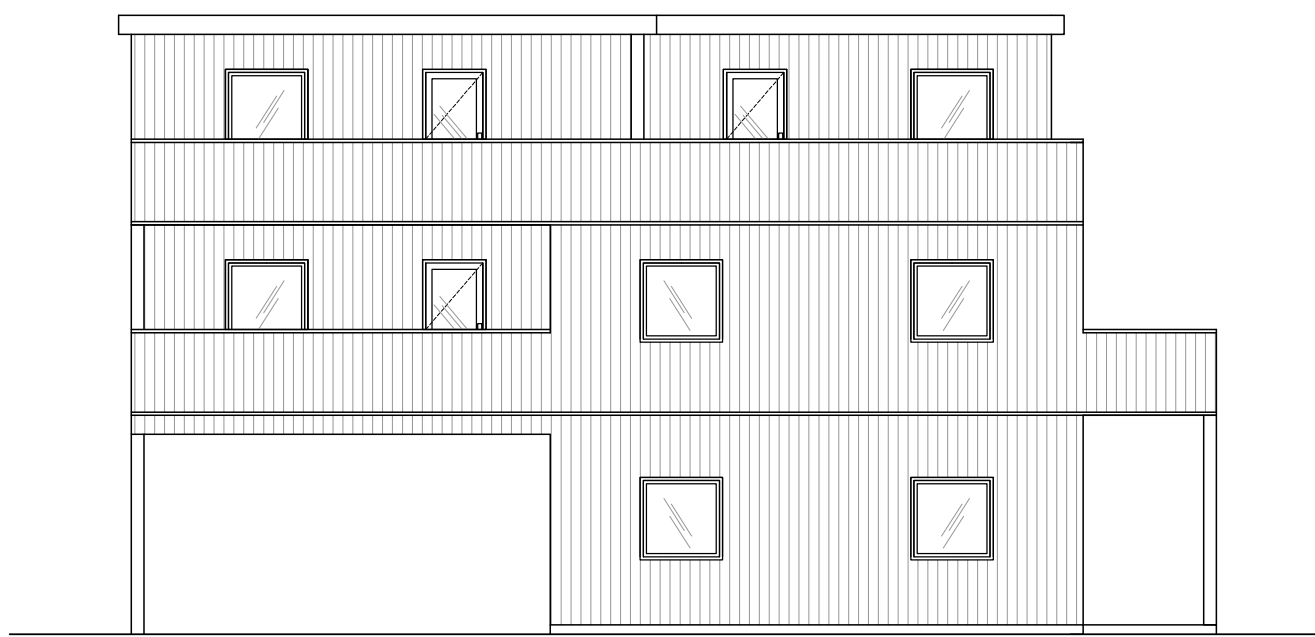
C3 THIRD FLOOR PLAN
SCALE: 1/8" = 1'-0"



C2 SECOND FLOOR PLAN
SCALE: 1/8" = 1'-0"

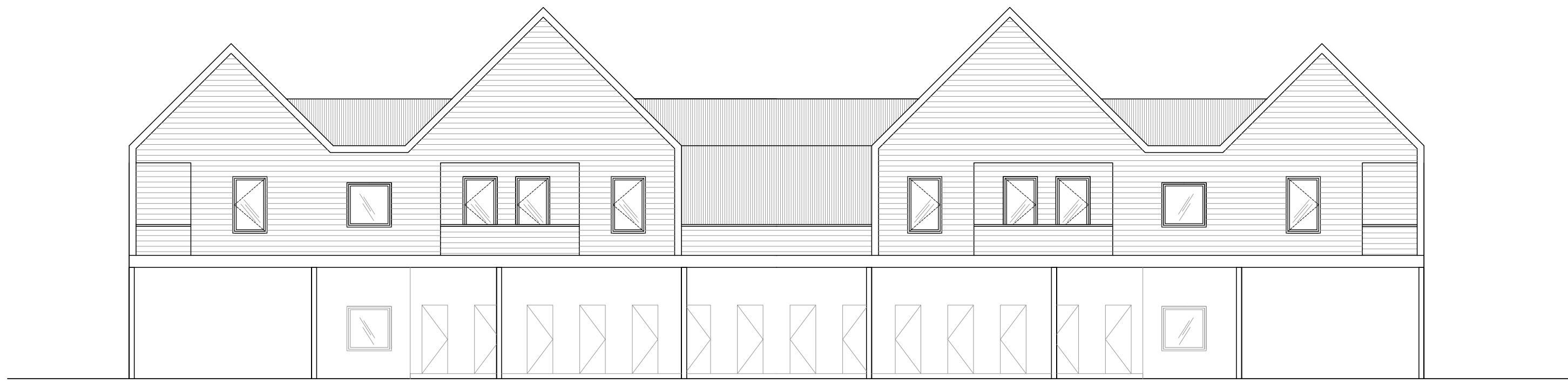


C1 WEST ELEVATION
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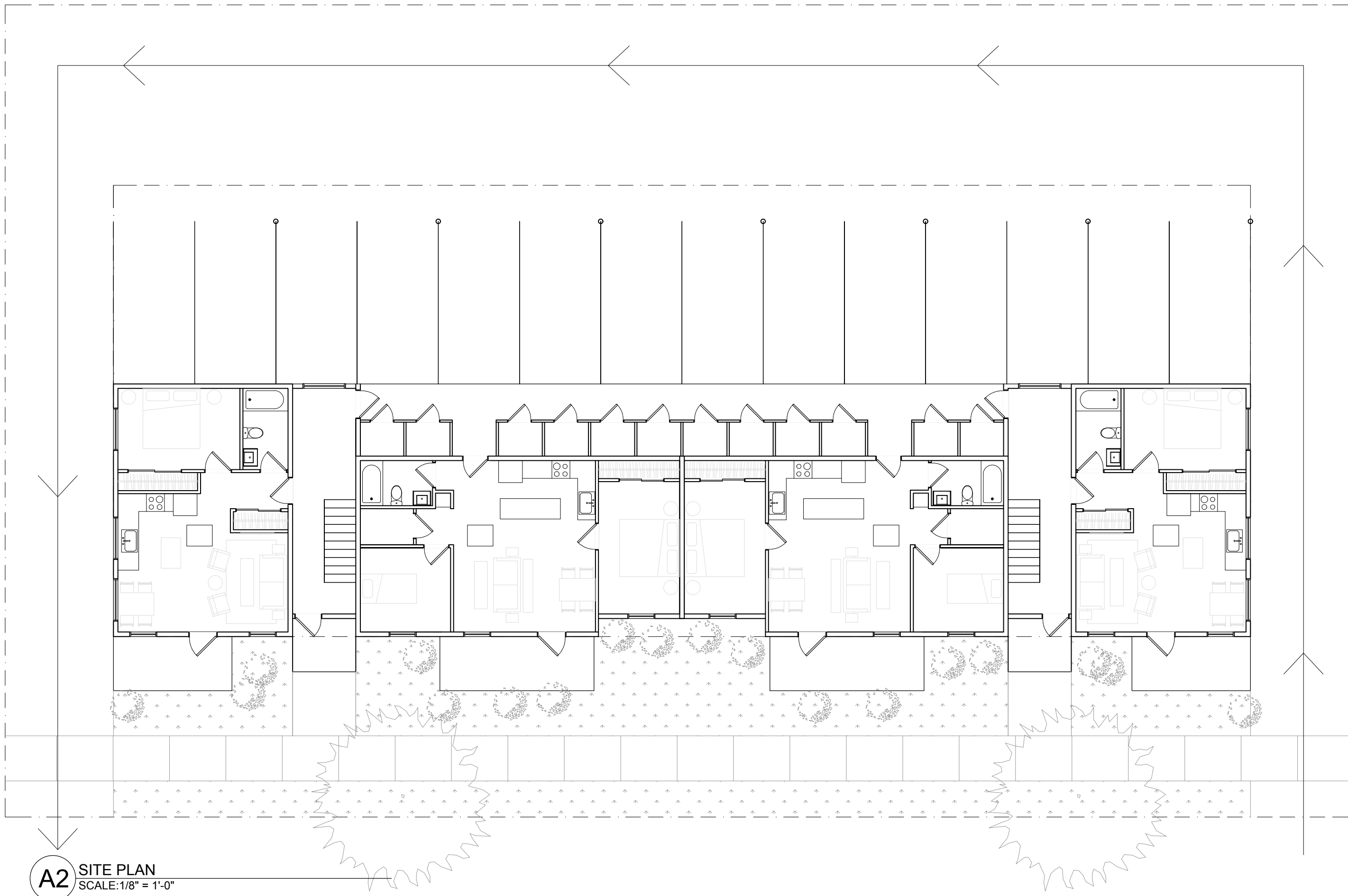


D1 EAST ELEVATION
SCALE: 1/8" = 1'-0"

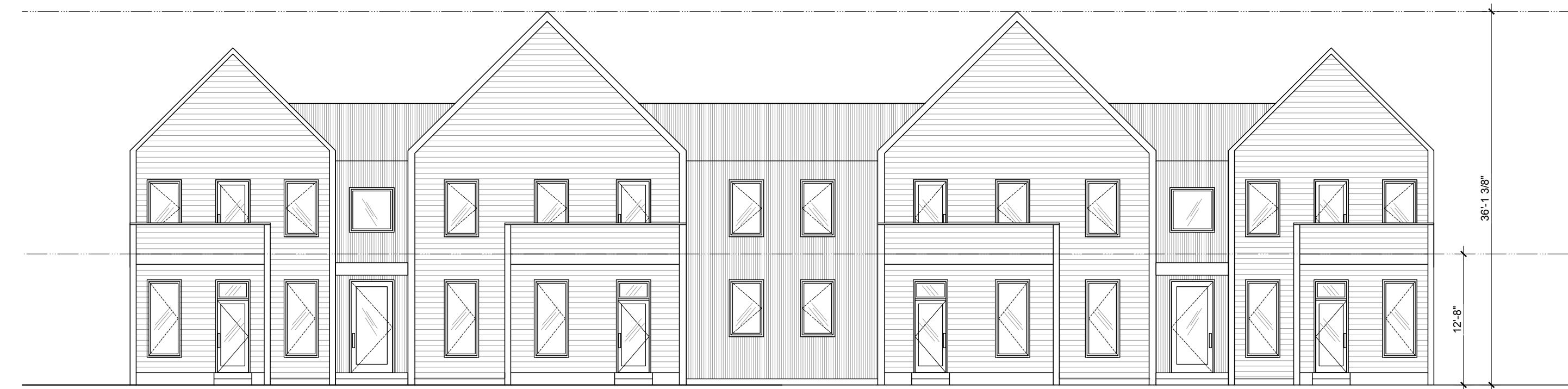




A4 SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



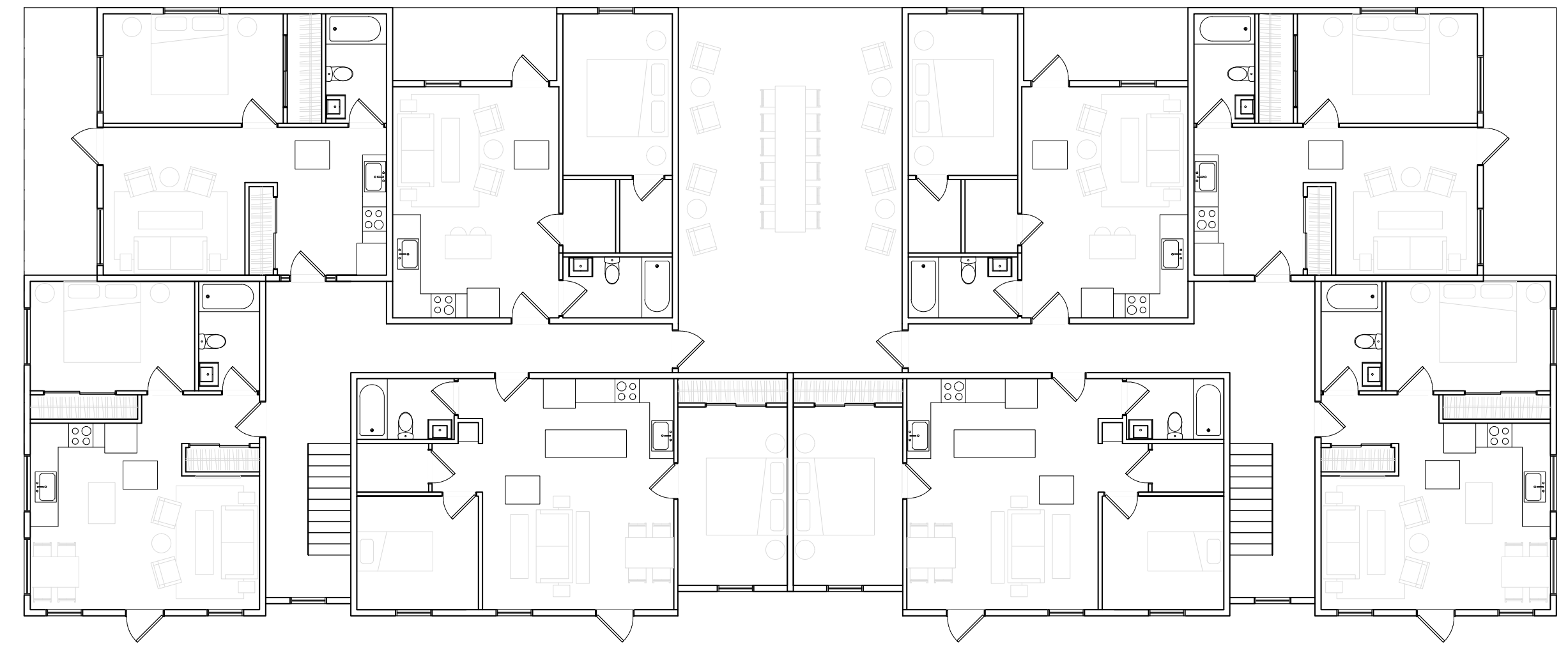
A2 SITE PLAN
SCALE: 1/8" = 1'-0"



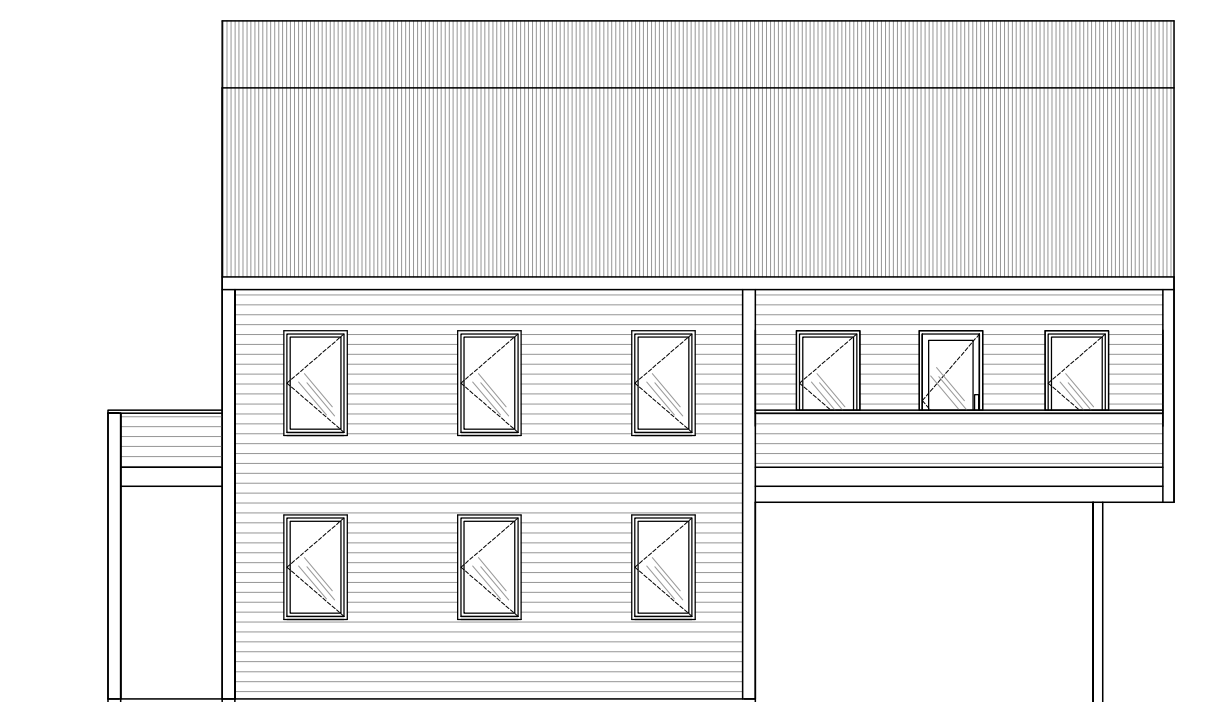
A1 NORTH ELEVATION
SCALE: 1/8" = 1'-0"

12 UNIT PLANS

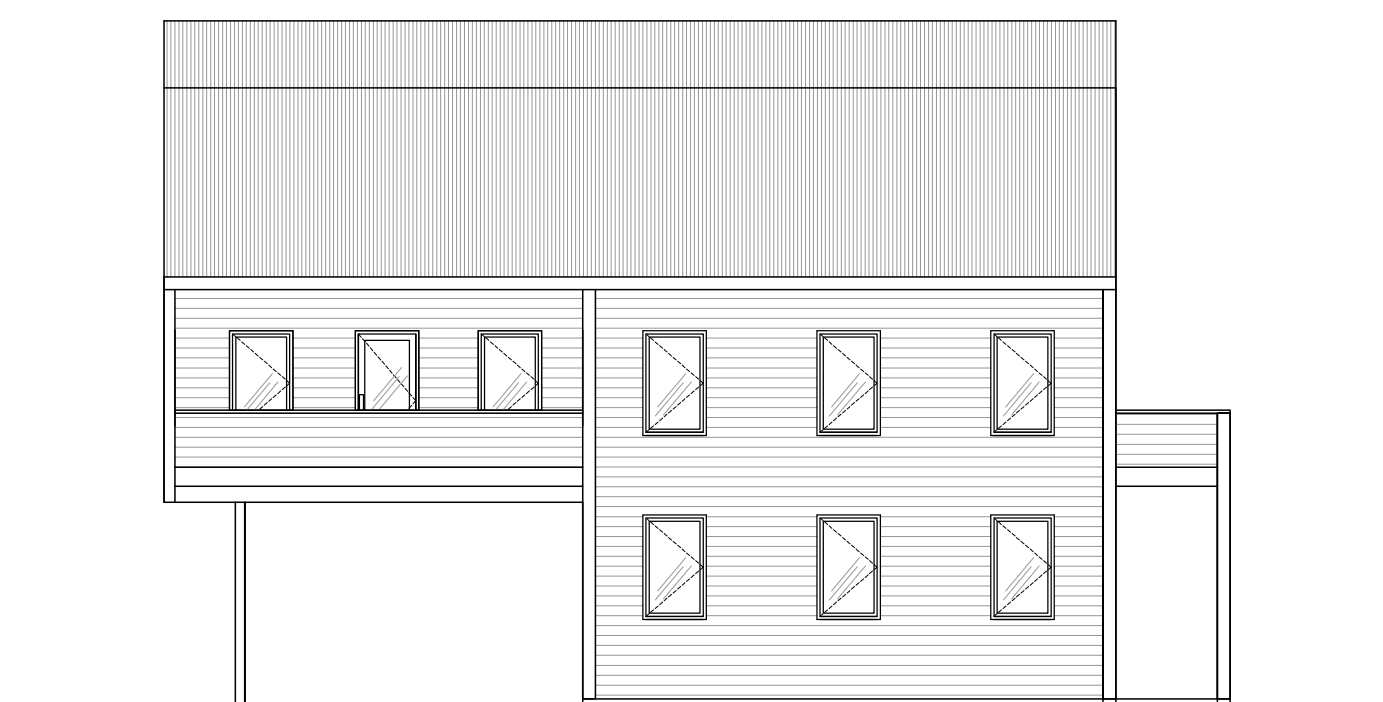
1ST FLR: 2 (500 SF) 1 BED UNITS + 2 (+/- 675 SF) 2 BED UNITS
2ND FLR: 8 (500 SF) 1 BED UNITS



C2 SECOND FLOOR PLAN
SCALE: 1/8" = 1'-0"



C1 WEST ELEVATION
SCALE: 1/8" = 1'-0"

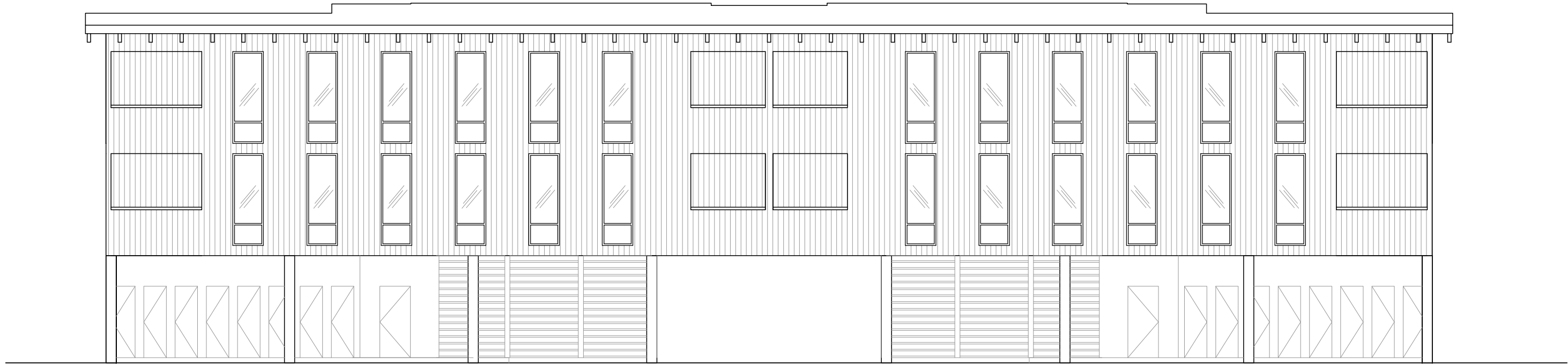


D1 EAST ELEVATION
SCALE: 1/8" = 1'-0"

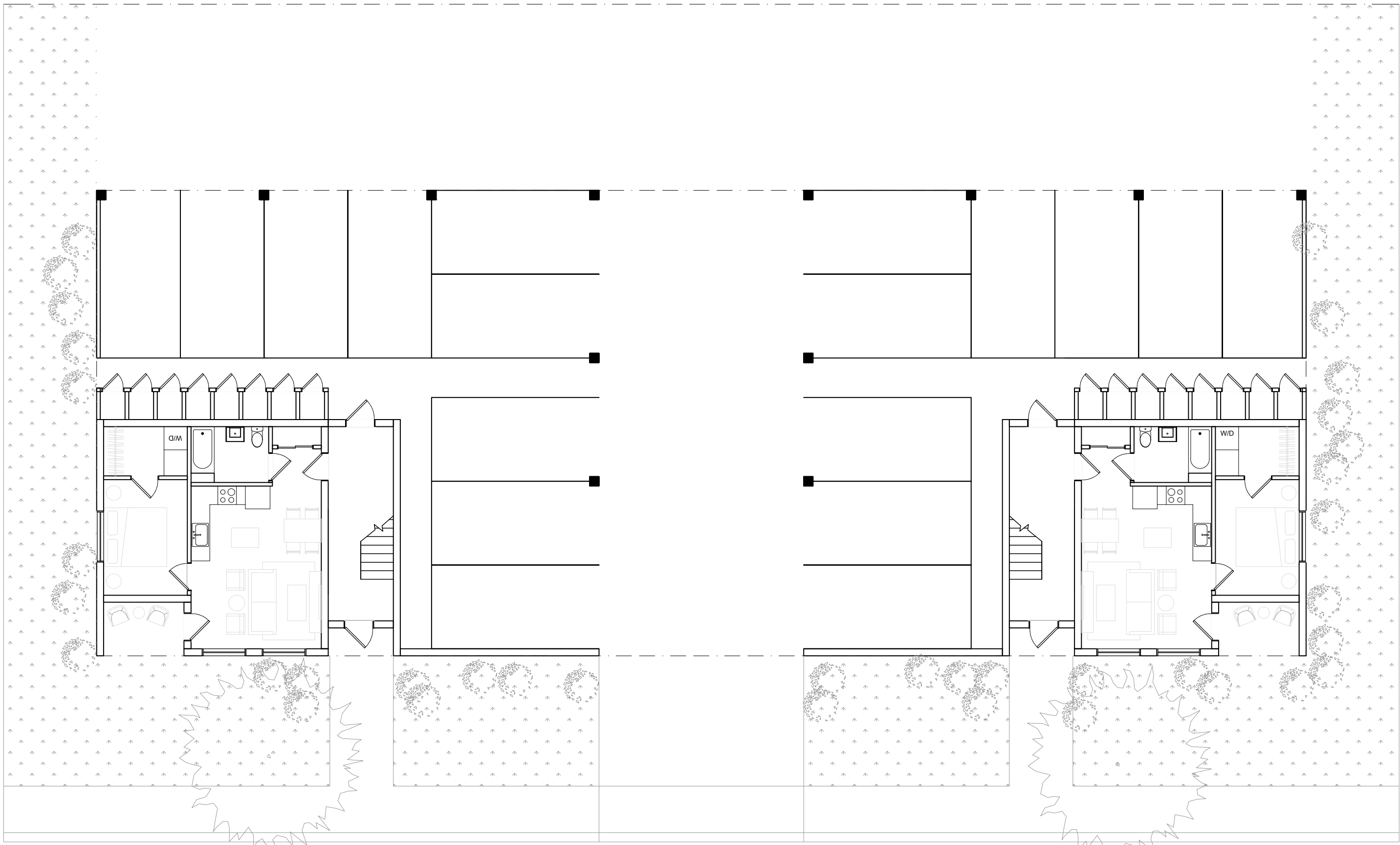


16 UNIT PLANS (OPTION 1)

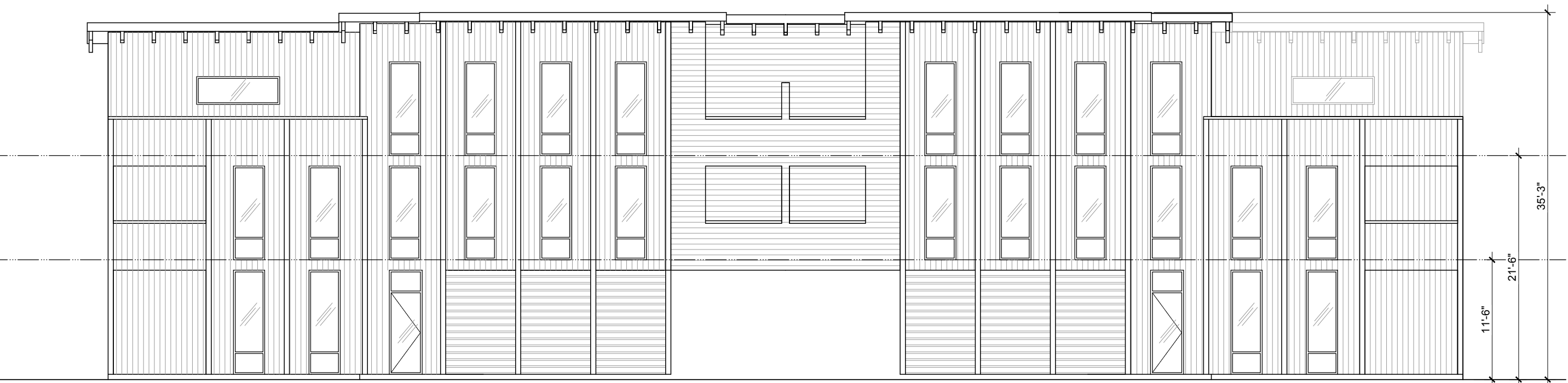
1ST FLR: 2 (500 SF) 1 BED UNITS
2ND FLR: 6 (500 SF) 1 BED UNITS + 2 (+/- 775 SF) 3 BED UNITS
3RD FLR: 4 (500 SF) 1 BED UNITS + 2 (+/-775 SF) 3 BED UNITS



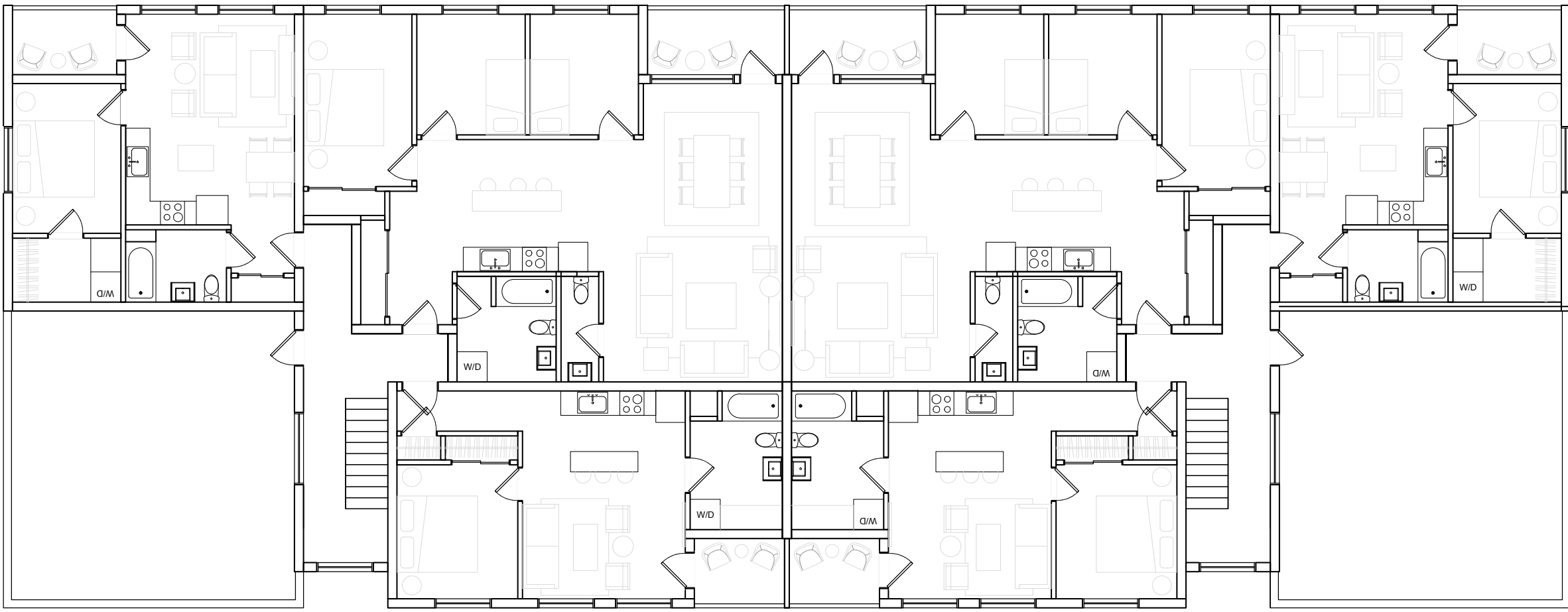
A4 SOUTH ELEVATION
SCALE:1/8" = 1'-0"



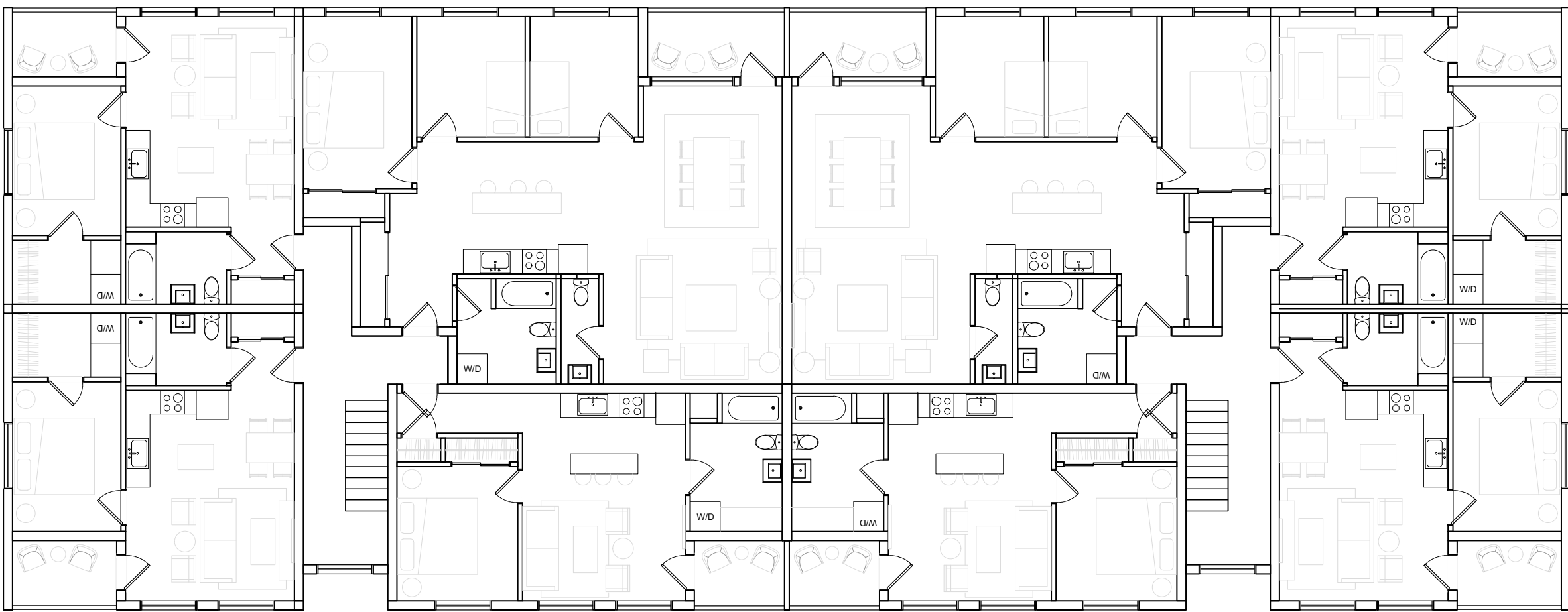
A2 SITE PLAN
SCALE:1/8" = 1'-0"



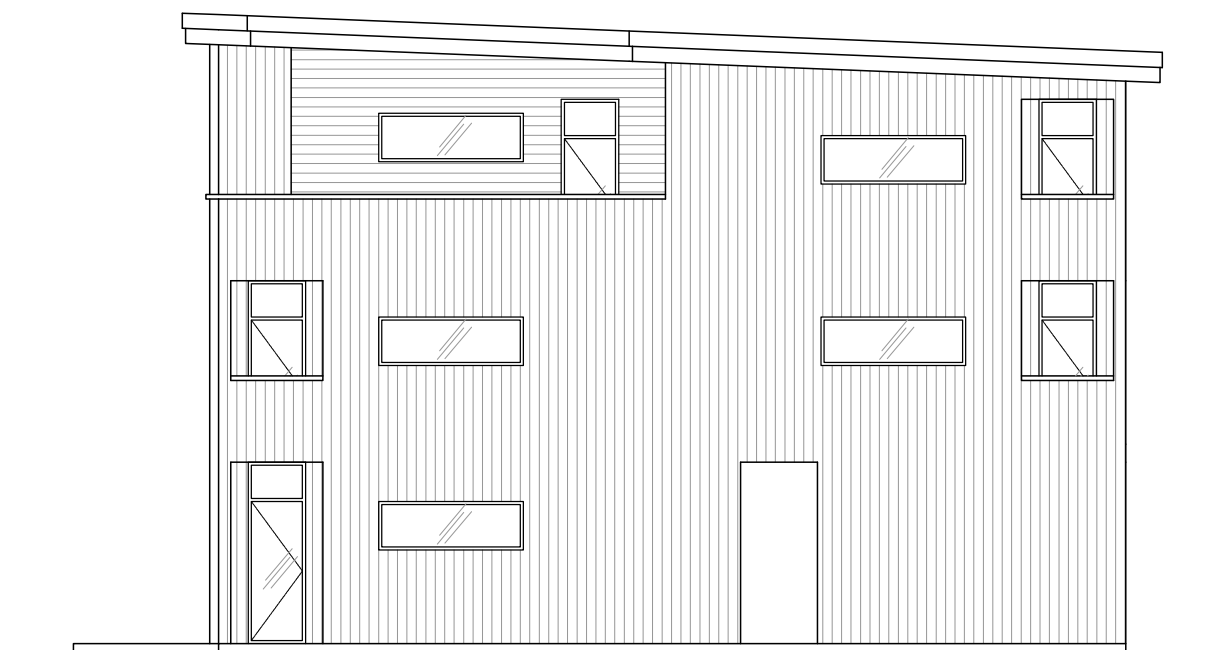
A1 NORTH ELEVATION
SCALE:1/8" = 1'-0"



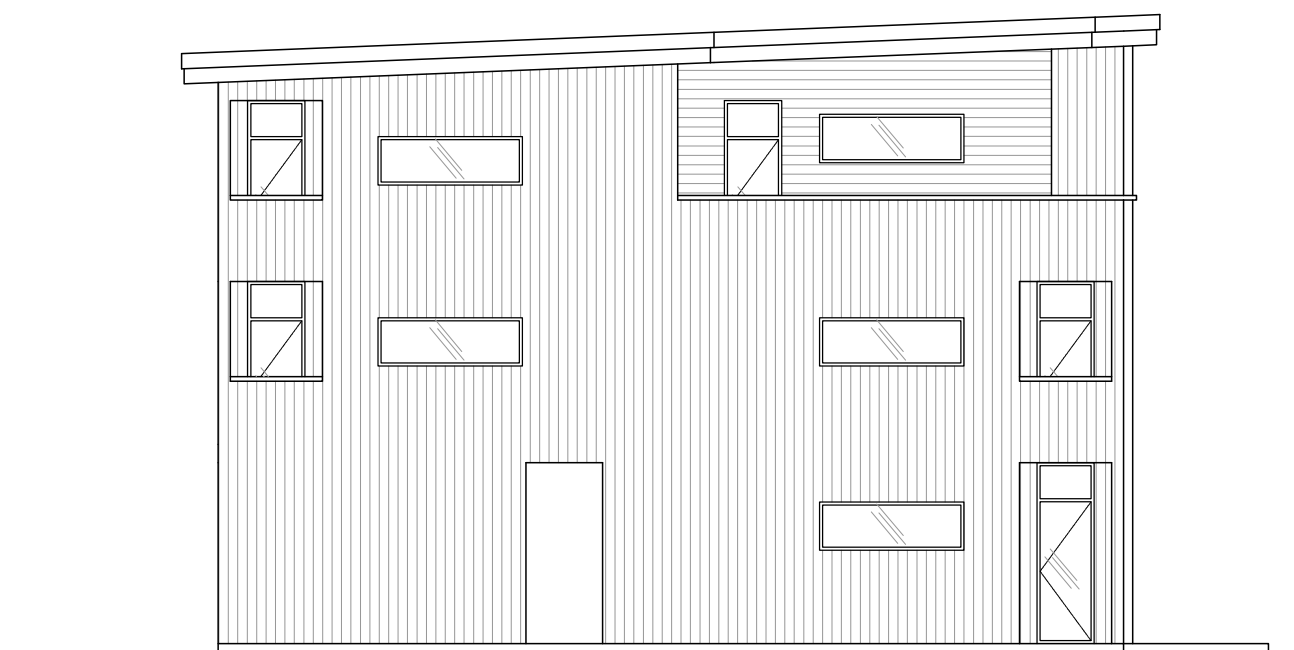
C2 SECOND FLOOR PLAN
SCALE:1/8" = 1'-0"



C2 SECOND FLOOR PLAN
SCALE:1/8" = 1'-0"

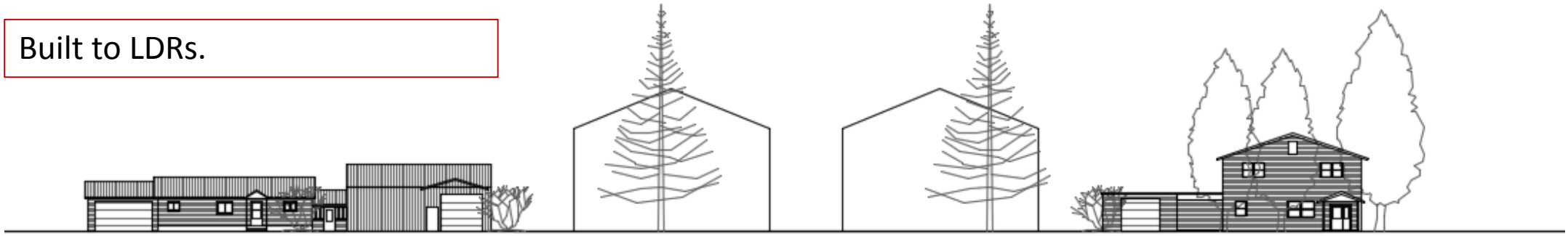


C1 WEST ELEVATION
SCALE:1/8" = 1'-0"



D1 EAST ELEVATION
SCALE:1/8" = 1'-0"

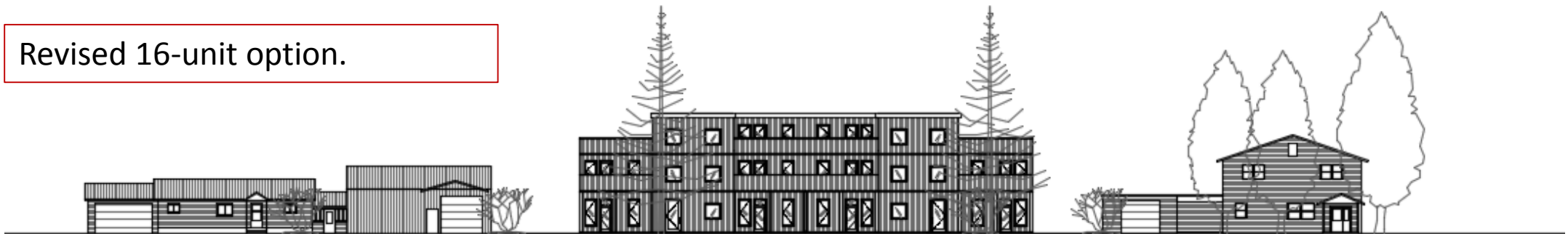
Built to LDRs.



12-unit option.



Revised 16-unit option.



TO: Natalia Macker, Greg Epstein
FROM: April Norton
DATE: September 16, 2019
RE: 3590 North Kennel Lane (Rains), 430/440 W. Kelly Ave

To inform future discussions related to Jackson/Teton County Housing Authority owned property, staff provides brief property summaries for the Kennel Lane and West Kelly Avenue properties, below.

Rains Property Summary

- Date Purchased: 2007
- Purchase Price: \$1,950,000 (45% = 877,500, 55% = 1,072,500)
- Funding Source(s): SPET
- Currently Listed for Sale: \$2,200,000 (45% = \$990,000, 55% = \$1,210,000)
- Size: 5 acres
- Zone: NC-TC (no overlay)
- Existing Use: Vacant
- Current Allowed Residential Use: 1 single family home with an Accessory Residential Unit (guesthouse)
- Character District Subarea: 12.2 390 Residential
- Comprehensive Plan Vision: Stable with Conservation Form
- The lot was created in 2007 via the Sally Rains Subdivision Plat (#1193).
- Plat prohibits future subdivision and requires enhanced septic.
- Affordable Housing requirements were exempt at the time of subdivision on the logic that, whether the Housing Authority built or sold, the subdivision would provide restricted housing; therefore, a future homebuilder will not be subject to any affordable housing fees under the current regulations.

430/440 West Kelly Avenue Property Summary

- Date Purchased: January 10, 2019
- Purchase Price: \$1,703,416.03
- Funding Source(s): Town of Jackson Supply Program: \$766,537.21, Teton County Supply Program: \$936,878.82
- Size: 0.32 acres (two .16 acre lots)
- Zone: NH-1
- Existing Use: Residential
- Current Allowed Use: Full spectrum from a single-family home to whatever size building can fit the site based on the minimum required density and the dimensional limitations, such as FAR, setbacks, and parking.
- Character District Subarea: 3.2 Core Residential
- Comprehensive Plan Vision: Transitional