Regular Joint Meeting

December 2, 2024
1:30 PM
County Commission Chambers
Chair: Luther Propst

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 AND AUDIENCE MEMBERS. PLEASE SILENCE ALL ELECTRONIC DEVICES DURING THE MEETING.

I. ZOOM LINK FOR PUBLIC PARTICIPATION - JOINT

The Town and County reserve the right to close Public Comment via Zoom at any time. In-person comment will continue to be taken and written comments can always be submitted to Town Council by emailing electedofficials@jacksonwy.gov and to County Commissioners by emailing commissioners@tetoncountywy.gov.

To join, click link or copy it to your browser: https://us02web.zoom.us/j/85147972564
Or join at zoom.com with Webinar ID: **897 7984 4831** or by phone: +1 669 900 6833

II. CALL TO ORDER, ROLL CALL, AND ANNOUNCEMENTS

III. PUBLIC COMMENT

This section is reserved for comments on items that are not otherwise included in this agenda. Public comment is limited to 3 minutes. As a general practice, the Electeds will not hold discussion or debate these comments. Nor will they make any decisions presented during this time, but rather refer to staff for follow-up. If you would like to communicate with the Electeds during the meeting, please address them during this open public comment, when public comment is called for on a specific agenda item or send an email to council@jacksonwy.gov and commisioners@tetoncountywy.gov.

IV. CONSENT CALENDAR

A. Meeting Minutes
   1. September 23, 2024 Special Joint Meeting
   2. October 7, 2024 Regular Joint Meeting
   3. October 14, 2024 Special Joint Meeting
   4. October 21, 2024 Special Joint Meeting
   5. November 4, 2024 Special Joint Meeting

B. START FY25 Operations Plan and Budget Amendment
   Presenter: Bruce Abel

V. DISCUSSION/ACTION ITEMS

A. Stilson Transit Center Guaranteed Maximum Price (GMP) Review, SPET Usage Approval and Contract Execution
   Presenters: Heather Overholser and Johnny Ziem, 2:00-3:00 PM

B. Adoption of Housing Department Rules and Regulations (County), 2nd Ordinance Reading (Town, Ordinances I-AB)
   Presenter: April Norton, 3:00-3:30 PM

C. 90 Virginian Lane Ground Lease Option Agreement and Ground Leases
   Presenter: April Norton, 3:30-4:30 PM

Please note that at any point during the meeting, the Chair 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.

VI. MATTERS FROM COUNCIL, COMMISSIONERS AND STAFF

VII. PROPOSED ITEMS FOR FUTURE JOINT INFORMATION MEETINGS

A. December 10, 2024

1. Ground Lease with Virginian RV Park LLC

2. SS4A Leadership Commitment Adoption and Update

B. January 6, 2025

1. Transportation CIP & Grant Opportunities

2. Destination Management & Marketing Organization

3. 2025 Meeting Dates for Joint Board Interviews

VIII. ADJOURN

A. Town Only - Adjourn meeting to executive session 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 in accordance with Wyoming Statute 16-4-405(a)(vii).

Please note that at any point during the meeting, the Chair 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.

MONTHLY JOINT PROCEEDINGS
BOARD OF COUNTY COMMISSIONERS AND TOWN COUNCIL MEETING

SEPTEMBER 23, 2024 **JACKSON, WYOMING**

The Jackson Town Council met in conjunction with the Teton County Commission in a special joint meeting located in the County Commissioner's Chambers located at 200 S. Willow St. at 10:31 A.M. This meeting was held in-person and through the Zoom platform. Upon roll call the following were present:

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

TOWN COUNCIL: Mayor Hailey Morton Levinson, Vice-Mayor Arne Jorgensen, Jim Rooks, Jonathan Schechter, and Jessica Sell Chambers.

STAFF: April Norton, Stacy Stoker, Lea Colasuonno, Richard Stout, and Rose Robertson.

MATTERS FOR DISCUSSION

A. Jackson/Teton County Housing Department Rules and Regulations Update

Stacy Stoker, Housing Manager, presented to the Board and Council nine policy topics in the Jackson/Teton County Housing Department Rules and Regulations. These topics include twenty policy questions.

On September 9, 2024, the Town Council and Board of County Commissioners met for review and discussion of the 2024 Rules and Regulations Update. Because of time constraints, all the items were not discussed, and the review of the update was continued to September 23, 2024.

Stacy Stoker acted as the content expert and answered questions from the Board and Council.

April Norton, Housing Director, answered questions from the Board and Council.

Stacy Stoker provided an overview of the 2024 Rules and Regulations Update decisions voted upon by the Board and Council.

On behalf of the County, a motion was made by Commissioner Macker and seconded by Commissioner Epstein to direct staff to make the changes to the Housing Rules and Regulations, as proposed today and in our prior meeting, and bring the proposed redlined Housing Rules and Regulations document back to the October 7th joint meeting for approval and release for the 45-day public comment period. Chair Propst called for a vote. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Councilmember Jorgensen and seconded by Councilmember Schechter to direct staff to make the changes to the Housing Rules and Regulations, as proposed today, and bring the proposed redlined Title 16 of the Town of Jackson Ordinances back to the October 7 JIM for approval and to begin the 3 readings of the ordinance changes prior to adoption. Mayor Morton Levinson called for a vote. The vote showed all in favor and the motion carried for the Town.

MATTERS FROM COMMISSION AND COUNCIL

ADJOURN. On behalf of the County, a motion was made by Commissioner Epstein and seconded by Commissioner Macker to adjourn. Chair Propst called for a vote. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Councilmember Schechter and seconded by Councilmember Sell Chambers to adjourn. Mayor Morton Levinson called for a vote. The vote showed all in favor and the motion carried for the Town.

The meeting adjourned at 11:26 A.M.

TETON COUNTY BOARD OF COUNTY COMMISSIONERS

Luther Propst, Chair

ATTEST:

Maureen E. Murphy, County Clerk

TOWN OF JACKSON

Hailey Morton Levinson, Mayor

ATTEST:

Riley Taylor, Town Clerk

MONTHLY JOINT PROCEEDINGS
TOWN COUNCIL AND BOARD OF COUNTY COMMISSIONERS MEETING

OCTOBER 7, 2024 **JACKSON, WYOMING**

The Jackson Town Council met in conjunction with the Teton County Commission in a monthly joint meeting located in the County Commissioner's Chambers located at 200 S. Willow St. at 1:32 P.M. This meeting was held in-person and through the Zoom platform. Upon roll call the following were present:

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

TOWN COUNCIL: Mayor Hailey Morton Levinson, Vice-Mayor Arne Jorgensen, Jim Rooks, Jonathan Schechter and Jessica Sell Chambers.

STAFF: Dick Stout, Lea Colasuonno, Keith Gingery, Jodie Pond, Tyler Sinclair, Charlotte Frei, Kristie Malone, and Rose Robertson.

PUBLIC COMMENT. There was no public comment.

CONSENT CALENDAR.

A. Meeting Minutes. To approve the meeting minutes for the September 9, 2024 meeting as presented.

On behalf of the County, a motion was made by Commissioner Macker and seconded by Commissioner Newcomb to approve the September 9, 2024 Regular Joint Meeting minutes. Chair Propst called for a vote. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Councilmember Schechter and seconded by Councilmember Jorgensen to approve the September 9, 2024 Regular Joint Meeting minutes. Mayor Morton Levinson called for a vote. The vote showed all in favor and the motion carried for the Town.

MATTERS FOR DISCUSSION

A. Housing Department Rules and Regulations Redlines Review.

Stacy Stoker, Housing Manager, presented to the Board and Council a review of the proposed changes to the Jackson/Teton County Housing Department Rules and Regulations.

The Board and Council gave comment.

On behalf of the Town, a motion was made by Councilmember Sell Chambers and seconded by Councilmember Rooks to raise the minimum of Item 6 from 5 to 10 years. Mayor Morton Levinson 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 Commissioner Epstein and seconded by Commissioner Newcomb to raise the minimum of Item 6 to 10 years. Chair Propst called for the vote. The vote showed all in favor and the motion carried for the County.

Stacy Stoker answered questions from the Board and Council.

There was no public comment.

On behalf of the County, a motion was made by Commissioner Macker and seconded by Commissioner Epstein to direct staff to release the Jackson/Teton County Housing Rules and Regulations as presented and amended today for the mandatory 45-day public comment period. Chair Propst called for the vote. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Councilmember Sell Chambers and seconded by Councilmember Rooks to direct staff to prepare an Ordinance for adoption based on the Jackson/Teton County Housing Rules and Regulations presented by staff as amended today. Mayor Morton Levinson called for the vote. The vote showed all in favor and the motion carried for the Town.

B. 90 Virginian Lane Update and Ground Lease Terms.

April Norton, Housing Director, presented to the Board and Council a term sheet for the Ground Lease with Pennrose, LLC.

Shannon Cox Baker and Tom Anderson of Pennrose, LLC gave comment and answered questions from the Board and Council.

April Norton answered questions from the Board and Council.

Charlotte Frei, Regional Transportation Planning Administrator, answered questions from the Board and Council.

The meeting recessed at 2:50 P.M. and reconvened at 2:58 P.M.

Public comment was given by Laura Bonich, Whitney Oppenhuizen, Claire Stump, Carrie Cooper, and Perri Stern in person, and Julien Hass via Zoom.

April Norton answered questions from the Board and Council.

Lea Colasuonno, Town Attorney, answered questions from the Board and Council.

Tom Anderson and Shannon Cox Baker answered questions from the Board and Council.

The Board and Council gave comment.

Tyler Sinclair, Town Manager, answered questions from the Board and Council.

The Board and Council gave comment.

April Norton answered a question from the Board and Council.

On behalf of the County, a motion was made by Commissioner Macker and seconded by Commissioner Gardner to direct staff to draft a ground lease for 90 Virginian Lane that includes the terms outlined in this staff report and to bring back the ground lease for consideration at the November Joint Meeting. Chair Propst called for the vote. The vote showed three in favor and the motion carried for the County 3-2 with Chair Propst and Commissioner Epstein.

On behalf of the Town, a motion was made by Councilmember Jorgensen and seconded by Councilmember Rooks to direct staff to draft a ground lease for 90 Virginian Lane that includes the terms outlined in this staff report and to bring back the ground lease for consideration at the November Joint Meeting. Mayor Morton Levinson called for the vote. The vote showed four in favor and the motion carried for the Town 4-1 with Councilmember Sell Chambers opposed.

MATTERS FROM COMMISSION AND COUNCIL

Adjourn. On behalf of the County, a motion was made by Commissioner Macker and seconded by Commissioner Newcomb to adjourn. Chair Propst called for a vote. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Councilmember Schechter and seconded by Councilmember Jorgensen to adjourn. Mayor Morton Levinson called for a vote. The vote showed all in favor and the motion carried for the Town.

The meeting adjourned at 4:16 P.M.

TETON COUNTY BOARD OF COUNTY COMMISSIONERS

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Luther Propst, Chair

ATTEST:

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Maureen E. Murphy, County Clerk

TOWN OF JACKSON

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Hailey Morton Levinson, Mayor

ATTEST:

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Riley Taylor, Town Clerk

SPECIAL JOINT MEETING
BOARD OF COUNTY COMMISSIONERS AND JACKSON TOWN COUNCIL

OCTOBER 14, 2024 **JACKSON, WYOMING**

The Teton County Board of County Commissioners met in conjunction with the Jackson Town Council in a special joint meeting located in the County Commissioner's Chambers located at 200 S. Willow St. at 10:00 A.M. This meeting was held in-person and through the Zoom platform. Upon roll call the following were present:

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

TOWN COUNCIL: Mayor Hailey Morton Levinson, Vice-Mayor Arne Jorgensen, Jonathan Schechter, and Jessica Sell Chambers. Jim Rooks entered at 10:29 A.M.

STAFF: Richard Stout, Tyler Sinclair, and Rose Robertson.

HEALTH AND HUMAN SERVICES UPDATES

The Board and Council received updates from the following Health and Human Services providers:

- Melissa Turley, Energy Conservation Works
- Ethan Lobdell, Jackson Hole Children's Museum
- Deidre Ashley, Mental Health and Recovery Services JH
- Sharel Lund, One22
- Rebecca Erskine, Senior Center of Jackson Hole
- Carisa Barnett, Teton Literacy Center
- Susan Eriksen-Meier, Teton Trust for Historic Places
- Sarah Cavallaro, Teton Youth and Family Services
- Rosie Read, Wyoming Immigrant Advocacy Project

An update from Community Safety Network was emailed to the Board and Council.

ADJOURN. On behalf of the County, a motion was made by Commissioner Macker and seconded by Commissioner Newcomb to adjourn. Chair Propst called for a vote. The vote showed all in favor and the motion carried for the County.

On behalf of the Town, a motion was made by Councilmember Schechter and seconded by Councilmember Jorgensen to adjourn. Mayor Morton Levinson called for a vote. The vote showed all in favor and the motion carried for the Town.

The meeting adjourned at 11:09 A.M.

TETON COUNTY BOARD OF COUNTY COMMISSIONERS

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Luther Propst, Chair

ATTEST:

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Maureen E. Murphy, County Clerk

TOWN OF JACKSON

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Hailey Morton Levinson, Mayor

ATTEST:

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Riley Taylor, Town Clerk

SPECIAL JOINT MEETING
BOARD OF COUNTY COMMISSIONERS AND JACKSON TOWN COUNCIL

October 21, 2024 **JACKSON, WYOMING**

The Teton County Board of County Commissioners met in conjunction with the Jackson Town Council in a special joint meeting located in the County Commissioner's Chambers located at 200 S. Willow St. at 11:02 A.M. This meeting was held in-person and through the Zoom platform. Upon roll call the following were present:

COUNTY COMMISSIONERS: Natalia Macker, Vice-Chair, Mark Newcomb, and Greg Epstein. Luther Propst, Chair, was present via Zoom. Wes Gardner was absent.

TOWN COUNCIL: Mayor Hailey Morton Levinson, Vice-Mayor Arne Jorgensen, Jonathan Schechter, Jim Rooks, and Jessica Sell Chambers.

VOLUNTEER BOARD INTERVIEWS – The following applicants were interviewed for positions on the following joint volunteer board:

Energy Conservation Works

- Peter Kocubinski
- Eve Lynes
- Bob Culver
- Ben Ellis
- Charlie Redding

EXECUTIVE SESSION

On behalf of the County, a motion was made by Commissioner Epstein and seconded by Commissioner Newcomb to enter executive session pursuant to Wyoming Statute §16-4-405(a)(ii) to consider appointments to volunteer boards, specifically the appointment of a board member as a public officer. Vice-Chair Macker called for the vote. The vote showed all in favor and the motion carried for the County 4-0.

On behalf of the Town, a motion was made by Councilmember Schecter and seconded by Councilmember Jorgense to recess into executive session pursuant to Wyoming Statute §16-4-405(a)(ii) to consider appointments to volunteer boards, specifically the appointment of a board member as a public officer. Mayor Morton Levinson called for the vote. The vote showed all in favor and the motion carried for the Town.

The meeting entered executive session at 11:48 A.M.

Commissioners present: Natalia Macker, Mark Newcomb, and Greg Epstein in person, and Luther Propst via phone call.

Councilmembers present: Hailey Morton Levinson, Arne Jorgensen, Jonathan Schechter, Jim Rooks, and Jessica Sell Chambers.

Others: Lea Colasuonno, Town Attorney, and Rose Robertson, Deputy Clerk.

On behalf of the County, a motion was made by Commissioner Newcomb and seconded by Commissioner Epstein to exit executive session. Vice-Chair Macker called for a vote. The vote showed all in favor and the motion carried for the County 4-0.

The Town exited executive session.

The meeting exited executive session at 11:59 A.M.

APPOINTMENTS

On behalf of the County, a motion was made by Commissioner Newcomb and seconded by Commissioner Epstein to appoint Ben Ellis to the Energy Conservations Works Board for a partial term expiring June 30, 2027. Vice-Chair Macker called for the vote. The vote showed all in favor and the motion carried for the County 4-0.

On behalf of the Town, a motion was made by Councilmember Jorgensen and seconded by Councilmember Schechter to appoint Ben Ellis to the Energy Conservations Works Board for a partial term expiring June 30, 2027. Mayor Morton Levinson called for the vote. The vote showed all in favor and the motion carried for the Town.

ADJOURN. On behalf of the County, a motion was made by Commissioner Newcomb and seconded by Commissioner Epstein to adjourn. Vice-Chair Macker called for a vote. The vote showed all in favor and the motion carried for the County 4-0.

On behalf of the Town, a motion was made by Councilmember Schechter and seconded by Councilmember Sell Chambers to adjourn. Mayor Morton Levinson called for a vote. The vote showed all in favor and the motion carried for the Town.

The meeting adjourned at 12:02 P.M.

TETON COUNTY BOARD OF COUNTY COMMISSIONERS

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Luther Propst, Chair

ATTEST:

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Maureen E. Murphy, County Clerk

TOWN OF JACKSON

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Hailey Morton Levinson, Mayor

ATTEST:

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Riley Taylor, Town Clerk

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

NOVEMBER 4, 2024 **JACKSON, WYOMING**

The Jackson Town Council and the Teton County Board of County Commissioners met in a special joint meeting (JM) at 1:30 p.m. in the Town Council Chambers located at 150 East Pearl Avenue in Jackson. This meeting was held in-person and through the Zoom platform. Upon roll call the following were found to be present:

TOWN COUNCIL: Mayor Hailey Morton Levinson, Arne Jorgensen, Jonathan Schechter, Jim Rooks, and Jessica Sell Chambers.

COUNTY COMMISSIONERS: Chairman Luther Propst, Natalia Macker, Mark Newcomb, Greg Epstein, and Wes Gardner.

STAFF: Tyler Sinclair, Lea Colasuonno, Jodie Pond, Keith Gingery, April Norton, and Riley Taylor.

Executive Session. On behalf of the Town, a motion was made by Jonathan Schechter and seconded by Arne Jorgensen to recess to executive session 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 in accordance with Wyoming Statute 16-4-405(a)(vii). Mayor Morton Levinson called for the vote. The vote showed all in favor. The motion carried for the Town.

On behalf of the County, a motion was made by Mark Newcomb and seconded by Greg Epstein to recess to executive session 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 in accordance with Wyoming Statute 16-4-405(a)(vii). Chairman Propst called for the vote. The vote showed all in favor. The motion carried for the County.

Council and Commission entered into executive session at 4:04 p.m. and reconvened at 4:12 p.m.

On behalf of the Town, a motion was made by Jonathan Schechter and seconded by Arne Jorgensen to direct and authorize the Jackson / Teton County Housing Authority to act based on the direction provided in executive session. Mayor Morton Levinson called for the vote. The vote showed all in favor. The motion carried for the Town.

On behalf of the County, a motion was made by Mark Newcomb and seconded by Greg Epstein to direct and authorize the Jackson / Teton County Housing Authority to act based on the direction provided in executive session. Chairman Propst called for the vote. The vote showed all in favor. The motion carried for the County.

Adjourn. On behalf of the Town, a motion was made by Jonathan Schechter and seconded by Arne Jorgensen to adjourn. Mayor Morton Levinson called for the vote. The vote showed all in favor. The motion carried for the Town.

On behalf of the County, a motion was made by Mark Newcomb and seconded by Greg Epstein to adjourn. Chairman Propst called for the vote. The vote showed all in favor. The motion carried for the County. The meeting adjourned at 4:14 p.m.

TOWN OF JACKSON

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Hailey Morton Levinson, Mayor

ATTEST:

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Riley Taylor, Town Clerk

Minutes: rt. Publish JH News & Guide: November 13, 2024

BOARD OF COUNTY COMMISSIONERS

TOWN COUNCIL

JOINT INFORMATION MEETING
AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: START

PRESENTERS: Bruce Abel, Transit Director

MEETING DATE: December 2, 2024

SUBJECT: Requested START FY25 Operations Plan and Budget Amendment

STATEMENT/PURPOSE

The purpose of this item is to request Town of Jackson and Teton County approval of an amendment to the adopted FY 25 Southern Teton Area Rapid Transit (START) Operations Plan and Budget.

BACKGROUND/ALTERNATIVES

Item 1 – Teton Village Service

START's original FY25 budget request anticipated the provision of all of START's fixed-route and on-demand bus service that was provided during the winter 2023-24 season. This budget request anticipated the provision of the same level of winter season service from Town to Teton Village that was provided last winter (winter 2023-2024). During the course of budget deliberations, Teton Village Association (TVA) advised START/the Town of TVA's intent to withdraw from the Transit Funding Agreement that had been entered into between TVA and the Town of Jackson in June of 2022. As a result of this loss of TVA funding, the Town Manager and the interim County Administrator recommended that the START budget be reduced by $80,000 and the START Operations Plan be changed to eliminate two (2) mid-day trips on the Teton Village South Express route and five (5) peak hour supplemental trips on the Teton Village Express route. The provision of these services was not included in the START FY 2025 budget adopted by the Town and County.

In August of 2024, The TVA Board of Directors voted to pay START $80,000 to reinstate the two (2) mid-day trips on the Teton Village South Express route and the five (5) peak hour supplemental trips on the Teton Village Express route that had been eliminated during budget deliberations. This was done in order to provide funding to allow START to provide the same level of START service to Teton Village as was provided during winter 2023-24 season. The purpose of the first part of this requested action is to amend the FY START Operations Plan to reinstate the two (2) mid-day trips on the Teton Village South Express route and the five (5) peak hour supplemental trips on the Village Express routes that were removed during FY 25 budget deliberations. This requested action is also to increase the approved FY 25 START expense budget by $80,000 to cover the cost of providing these services, and to increase the approved START FY25 revenue projections by $80,000 to reflect the increased revenue anticipated to be received from TVA for the reinstatement of these services.

Item 2 – Salt Lake Express Contract for Services

The second element of this requested action is to amend START's budget to allow for the provision of a portion of START service via a private transit service contractor due to hiring challenges at START. START anticipated that 27 winter seasonal drivers would be needed to provide the level of service associated with the FY25 Operating Plan, including the provision of the Airport Shuttle service previously approved by the Town and County elected officials, and the service associated with the reinstatement of the Teton Village service referenced above. Shortly before the beginning of winter season training, START had secured commitments from 27 winter season hires. However, when training started on November 12, 2024, only 17 new hires reported for training. Two (2) additional new hires are expected to report for training during the first two weeks of December to bring the number of new hires to 19.

In order to address the possibility that all of the necessary drivers might not appear for training as planned, START staff had issued a Request for Qualifications (RFQ) to solicit private contractors to provide a portion of START bus services for winter 24-25. The RFQ was issued on October 3, 2024. Responses were due on October 16, 2024. The RFQ was sent to Salt Lake Express (SLE), Driver Provider and Summit Transportation. The RFQ anticipated the provision of "Village

Express" transit service between the Town of Jackson and Teton Village operating 7 days per week to be provided between approximately 6:00 AM and approximately 8:00 PM to supplement service provided by START. Service would be provided for approximately 135 days from November 30, 2024, through April 13, 2025. Service would be provided by two (2) contractor provided buses operating approximately 22.8 in-service hours per day and 593 miles per day during the AM and PM peak hours.

Salt Lake Express was the selected contractor at a cost to provide the specified service at a cost that is not to exceed $351,000. This agreement was approved by the START Board of Directors on October 24, 2024 and would be executed upon the approval of this requested budget amendment. A portion of the cost to fund the contracted service will be offset by a reduction in driver's wages and related costs in the approved FY 25 START budget.

COMPREHENSIVE PLAN ALIGNMENT

Section 2. Climate, Sustainability through Energy Conservation
Principle 2.3 - reduce energy consumption through transportation. Transportation accounts for approximately 80% of the total carbon emissions in the community.

Section 7. Multimodal Transportation
Principle 7.1 - Meet future transportation demand through the use of alternative modes. Alternative Transportation means a transportation system that includes transit, bicycle, and pedestrian modes which offer alternatives to private motor vehicle travel for many trips.
Principle 7.2 - Create a safe, efficient, interconnected muti-modal transportation network.

STAKEHOLDER ANALYSIS

Teton Village residents and visitors, Town of Jackson residents and visitors, Teton County residents and visitors.

FISCAL IMPACT

Item 1 – Teton Village Service
The approved FY2025 START budget did not include the operation of the particular services to Teton Village described above during the winter 2024-25 season. The first element of this requested amendment is to amend the approved FY 25 START Operations Plan and budget in order to reinstate the provision of these particular START trips to Teton Village and to increase the approved START expense budget by $80,000. The requested amendment will also increase START revenue projections by $80,000 to account for the increase in TVA funding to support the provision of these services.

Item 2 – Salt Lake Express Contract for Services
The second element of this requested amendment is to fund the provision of contracted transit bus service during the winter 2024-2025 winter season. A budget amendment in the amount of $351,000 will be needed to fund the contracted service line item. This amount would be offset by a reduction of $245,000 in START wage, benefit and maintenance related costs that are included in the approved START budget. This results in a net increase in the START operating budget of $106,000.

STAFF IMPACT

Item 1 – Teton Village Service
The provision of these particular trips on the Teton Village South Express route and the Teton Village Express route requires approximately 2.0 FTE winter seasonal drivers and associated winter season housing. These driver requirements were calculated into the original START staffing requirements when recruiting began.

Item 2 – Salt Lake Express Contract for Services
The provision of service by Salt Lake Express will reduce the need for START drivers by 4-5 FTE drivers. Existing START managerial and supervisory staff will provide oversight of the service delivery associated with the contracted service provider (Salt Lake Express).

LEGAL REVIEW

N/A

ATTACHMENTS
N/A

RECOMMENDATION
The START Board of Directors recommends approval by the Town of Jackson Town Council and the Teton County Commissioners of the requested amendments to the adopted FY 25 START annual Operations Plan and Budget as further described in this document.

SUGGESTED MOTIONS

Item 1 – Teton Village Service
I move to approve an amendment to the FY2025 START Operations Plan to reinstate services to Teton Village as described herein during the winter season 2024-2025 season and correspondingly, to increase START FY 2025 budgeted expenses by $80,000 with associated off-setting revenues in the amount of $80,000.

Item 2 – Salt Lake Express Contract for Services
I move to approve an amendment to the FY2025 START budget to increase expenses by $351,000 to fund contracted bus service as described above and to reduce salary and related expenses by $245,000.

BOARD OF COUNTY COMMISSIONERS

TOWN COUNCIL

JOINT INFORMATION MEETING
AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: Town & County Public Works

PRESENTER: Heather Overholser (County Public Works Director) and Johnny Ziem (Town of Jackson Assistant Public Works Director)

MEETING DATE: December 2, 2024

SUBJECT: BUILD Grant – Stilson Transit Center Guaranteed Maximum Price (GMP) review, SPET usage approval, and contract execution

STATEMENT/PURPOSE

The purpose of this item is to consider the Guaranteed Maximum Price (GMP) for the Stilson Transit Center construction project, cost reduction options, the Agreement and GMP First Amendment between the Town of Jackson and Dick Anderson Construction (DAC), and use of the Transportation Alternatives SPET funds to cover local match and overage amount.

BACKGROUND/ALTERNATIVES

Teton County, Wyoming is the direct recipient of a federal BUILD (Better Utilizing Investments to Leverage Development) transportation grant from the U.S. Department of Transportation (USDOT) for the Teton Mobility Corridor Improvements (TMCI) project. The TMCI project comprises 13 project components in the Greater Yellowstone Region of Idaho and Wyoming, spanning over 30 miles from Driggs, ID to Jackson, WY through the Teton Mountain range along the WY-22/ID-33 corridor. The Town of Jackson (TOJ), the City of Driggs, Teton County, Idaho and the Idaho Transportation Department are sub-recipients of the BUILD Grant funds.

The Stilson Transit Center is one of the thirteen (13) project components that comprise the BUILD Grant scope elements. The facility will serve as a mobility hub and provide enhanced transit center amenities, including an indoor waiting area, covered bicycle parking with e-bike charging stations, public restrooms and associated mechanical and electrical spaces, seasonal coffee sales, and other amenities to improve the transit user experience and enhance the function of the START transit route system. In addition, 386 total parking spaces (including 21 EV dual port car charging spaces at full build out) will be constructed to improve the park-and-ride functionality in all seasons. The Stilson Transit Center is a joint project between Teton County and the TOJ.

As planned, the transit center will better serve:

- Travelers between Teton Valley, ID, Teton Village, and the TOJ, as 19% of Teton Valley commuters transfer at this location;
- The Wilson area, which includes a permanent population of approximately 3,000 persons in 1,200 households and thousands of tourists, especially during the winter season; and,
- As a park and ride location as transit service expands to destinations, possibly including Grand Teton National Park.

The Joint Town and County elected boards discussed this item at the August 1, 2022, Joint Monthly Meeting, at which staff presented the sub-recipient agreement between Teton County and the Town of Jackson and reviewed the July 2022 estimate for the Stilson Transit Center. The project was also discussed on June 5, 2023, at which time the joint elected officials reviewed the updated construction cost estimate and scope elements and directed staff to proceed into further design phases and contract bid document preparation.

As a subrecipient and START transit operator, the TOJ will be the construction contract holder and be responsible for the construction contract administration. This facility will be owned by Teton County and leased to START/Town of Jackson for START operations. The Condition Use Permit for this project was approved by the BCC on July 16, 2024.

In January 2024, Dick Anderson Construction (DAC) was selected as the CM/GC for the Stilson Transit Center and entered into a pre-construction phase contract with the TOJ. The design plans were advanced during this pre-construction phase and bid packages were developed and competitively advertised from August through September 2024. DAC received bids and generated a GMP for the construction phase of the project. Upon approval of the GMP and execution of the construction phase contract, a notice to proceed will be given, with construction anticipated to begin in Spring 2025.

COMPREHENSIVE PLAN ALIGNMENT

- Chapter 1. Stewardship of Wildlife, Natural Resources and Scenery
  - Principle 1.2 – Preserve and enhance surface water and groundwater quality
    - Policy 1.2.b – Require filtration of runoff
- Chapter 2. Climate Sustainability
  - Principle 2.1 – Reduce consumption of non-renewable energy
    - Policy 2.1.d – Allow and encourage onsite renewable energy generation
  - Principle 2.3 – Reduce greenhouse gas emissions through transportation
    - Policy 2.3.a – Meet future transportation demand through the use of alternative modes
    - Policy 2.3.b – create a safe, efficient, interconnected multimodal transportation network
  - Principle 2.4.a – Increase energy efficiency in buildings
    - Policy 2.4.a – Construct energy efficient buildings
- Chapter 7. Multimodal Transportation
  - Principle 7.1 – Meet future transportation demand with walk, bike, carpool, transit, and micro mobility infrastructure
    - Policy 7.1.c – Interconnect all modes of transportation
  - Principle 7.2 – Reduce greenhouse gases from vehicles to below 2012 levels

STAKEHOLDER ANALYSIS

The following interested parties have been engaged through the design and GMP process:

- Jackson Hole Mountain Resort
- Teton Village Association
- Friends of Pathways
- Yellowstone-Teton Clean Cities Coalition
- Energy Conservation Works
- Department of Energy
- JH Public Art
- Teton Botanical Garden
- Yellow Iron Excavation (current snowplow contractor)
- Wilson Sewer District
- Wyoming Department of Transportation (WYDOT)
- Lower Valley Energy
- Jackson Hole Wildlife Foundation
- Wyoming Stargazers

Multiple public open houses and small group interested party meetings were held between 2021 and 2024, and public comments were incorporated into the design where feasible.

FISCAL IMPACT

Total Project Cost:

1) Guaranteed Maximum Price (GMP) = **$15,039,107**
   Dick Anderson Construction (DAC) competitively bid out project packages to develop the Guaranteed Maximum Price (GMP)**.**

   In June 2023, staff presented the 60% design engineer's cost estimate at the Joint Monthly Meeting. At that time, the engineer's cost estimate was $14,079,899. The GMP amount is $959,208 higher (6.8%) and is attributed to inflationary labor and material impacts, limited bid competition, and specialty material pricing.

2) GMP Cost Reductions: **-$364,936**
   Staff and the project team evaluated cost reduction options. Items were identified for changes to the material specifications, including substitution of materials and deletion of decorative items. This cost reduction evaluation resulted in a savings of $340,598.

3) Additional Costs = **$501,000**
   Two items that are <u>not</u> included in the GMP amount are:
   - $200,000 for public art (<u>net cost (i.e., local share)</u> of $125,000 due to $75,000 NEA grant); and,
   - $376,000 (2.5%) for owner contingency per typical TOJ construction project protocols.

Total GMP + Public Art (local share) + Owner Contingency = $15,175,171 (Total Project Cost)

<u>**Additional Cost Reduction Option for Consideration**</u>
Through the staff and project team evaluation of cost reduction options, the planting of native grasses in lieu of landscape trees, shrubs and other plantings was identified. Because this cost reduction option would have significant visual impact around the building and within the parking lot, staff is seeking direction from the Town Council and County Commission. Please note that this reduction in landscaping is solely aesthetic and does not impact the vegetation mitigation and reclamation required per the approved Teton County Conditional Use Permit. The mitigation ratio is still higher than that required by Teton County Land Development Regulations.

Landscaping Cost Reduction Option= -$85,616

This additional cost reduction option would <u>reduce</u> the GMP contract amount from $14,674,171 to <u>$14,588,555</u> and **result in a total project cost of $15,089,555.**

<u>**Funding Sources:**</u>
Staff recommends the following funding sources to cover the Total Project Cost (GMP - cost reductions (including landscaping) + local share of public art and owner contingency = Total Project Cost). The use of 2022 Transportation Alternatives SPET was tentatively approved for use for this project's local share at the June 2023 Joint Monthly Meeting.

BUILD Funds	$ 7,201,279
Shooting Star Pathway Funds	$ 401,000
Yellowstone Teton Clean Cities	$ 34,000
Energy Efficiency Conservation Block Grant	$ 150,000
Recommended 2022 Transportation Alternatives SPET	***<u>$ 7,303,276</u>***
TOTAL	**$ 15,089,555**

2022 Transportation Alternatives SPET Funds

Of the voter-approved $15M for the 2022 Transportation Alternatives SPET, $3.24M has been utilized for Wilson-area pathways/Safe Routes to School projects by the Teton County Board of County Commissioners, with $11.76M remaining for Stilson and other future projects. If the electeds approve the staff-recommended use of $7,303,276 of SPET for the Stilson project, there will be **$4.46M** remaining to support other Transportation Alternatives and Safe Routes to School projects. Following is the 2022 ballot language, which would allow use of SPET for the Stilson Transit Center:

Transportation Alternatives and Safe Routes to School

> ***$15,000,000*** *for projects to improve transportation alternatives in Teton County and the Town of Jackson, including the planning, design, engineering, and constructing of pathways and sidewalks for safe routes to school, commuting, and recreation as well as the Stilson transit center and park-n-ride facility and the purchase and installation of transit prioritization traffic signals and other public transit infrastructure. Any unexpended funds, including any unused contingency funds, shall be placed into a designated account, the principal and interest of which shall be used for operations and maintenance of these projects. This project is sponsored by Teton County.*

STAFF IMPACT

This project has had a substantial staff impact for over three years, with a minimum of 8-10 hours per week spent by Town and County staff, mainly the County Director of Public Works and the Town Assistant Public Works Director. The exact number of staff hours is difficult to estimate as it has involved multiple staff members from both the Town and County. This project will continue to occupy a significant amount of staff time to manage the construction administration consultant team and the construction contract compliance. TOJ and Teton County will agree on long-term maintenance and management responsibilities for both entities, and an operations and maintenance agreement will be brought before the Town of Jackson and Board of County Commissioners in the future. It is anticipated that Teton County will be responsible for long-term capital asset maintenance and the Town of Jackson/START will be responsible for day-to-day operations and maintenance.

LEGAL REVIEW

Gingery for Teton County; Colasuonno for the Town of Jackson

ATTACHMENTS

Dick Anderson Construction Agreement and Guaranteed Maximum Price (GMP) First Amendment

RECOMMENDATION

1) Town Council: Staff recommends approval of the Dick Anderson Construction Agreement and GMP First Amendment in the amount of $14,588,555, which includes all cost reduction options.

2) Town Council and County Commission: Staff further recommends approval of the use of a portion of the remaining $11.76M 2022 Transportation Alternatives SPET funds to cover the Town/County local share for this project in the amount of $7,303,276.

SUGGESTED MOTIONS

Town Council:

- I move to approve the Guaranteed Maximum Price of $14,588,555 and authorize use of $7,303,276 from the 2022 Transportation Alternatives SPET funds for the Stilson Transit Center Project.

- Furthermore, I move to approve the Stilson Transit Center Agreement and GMP First Amendment with Dick Anderson Construction in the amount of $14,588,555 and authorize the Mayor to execute all necessary contract agreements, subject to minor changes by staff.

Board of County Commissioners:

- I move to approve the Guaranteed Maximum Price of $14,588,555 and authorize use of $7,303,276 from the 2022 Transportation Alternatives SPET funds for the Stilson Transit Center Project.

AIA® Document A133™ – 2019 Exhibit A

Guaranteed Maximum Price First Amendment – Phase 1

This Proposal dated the ________ day of in the year Two Thousand Twenty-Four, is incorporated into the accompanying AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated the day of in the year Two Thousand Twenty-Four (the "Agreement")
(In words, indicate day, month, and year.)

for the following **PROJECT:**

Stilson Transit Center Facility Project
1455 North Beckley Park Way
Teton County, WY

THE OWNER:

Johnny Ziem, Assistant Public Works Director
The Town of Jackson, Wyoming
P.O. Box 1687
Jackson, WY 83001

THE CONSTRUCTION MANAGER:

Dick Anderson Construction
1135 Maple Way #3
Jackson, WY
83001

ADDITIONS AND DELETIONS: The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

TABLE OF ARTICLES

ARTICLE A.1 GUARANTEED MAXIMUM PRICE
§ A.1.1 Guaranteed Maximum Price
Pursuant to Section 3.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction Manager's Fee plus the Cost of the Work, as that term is defined in Article 6 of the Agreement.

§ A.1.1.1 The Contract Sum is guaranteed by the Construction Manager not to exceed Fourteen Million Five Hundred Eighty-Eight Five Hundred Fifty-Five Dollars ($14,588,555), subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 Itemized Statement of the Guaranteed Maximum Price. Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, including allowances; the Construction Manager's contingency; alternates; the Construction Manager's Fee; and other items that comprise the Guaranteed Maximum Price as defined in Section 3.2.1 of the Agreement.
(Provide itemized statement below or reference an attachment.)

See attached document – Contractor to Attach – GMP Bid List

§ A.1.1.3 The Construction Manager's Fee is set forth in Section 6.1.2 of the Agreement.

§ A.1.1.4 The method of adjustment of the Construction Manager's Fee for changes in the Work is set forth in Section 6.1.3 of the Agreement.

§ A.1.1.5 Alternates
§ A.1.1.5.1 Alternates, if any, included in the Guaranteed Maximum Price:

Item	Price
None	

§ A.1.1.5.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Exhibit A. Upon acceptance, the Owner shall issue a Modification to the Agreement.
(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)

Item	Price	Conditions for Acceptance

§ A.1.1.6 Unit prices, if any:
(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)

Item	Units and Limitations	Price per Unit ($0.00)

ARTICLE A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION
§ A.2.1 The date of commencement of the Work shall be:
(Check one of the following boxes.)

[« »] The date of execution of this Amendment.

[«X»] Established as follows:
(Insert a date or a means to determine the date of commencement of the Work.)

Date of Commencement Shall be Within Four Weeks of Issuance of the Executed Notice to Proceed

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of execution of this Amendment.

§ A.2.2 Unless otherwise provided, the Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work. The Contract Time shall be measured from the date of commencement of the Work.

§ A.2.3 Substantial Completion
§ A.2.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Construction Manager shall achieve Substantial Completion of the entire Work:
(Check one of the following boxes and complete the necessary information.)

[«»] Not later than ( ) calendar days from the date of commencement of the Work.

[«X»] By the following date: July 24, 2026

§ A.2.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Construction Manager shall achieve Substantial Completion of such portions by the following dates:

Portion of Work	Substantial Completion Date

§ A.2.3.3 If the Construction Manager fails to achieve Substantial Completion as provided in this Section A.2.3, liquidated damages, if any, shall be assessed as set forth in Section 6.1.6 of the Agreement.

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Guaranteed Maximum Price and Contract Time set forth in this Amendment are based on the Contract Documents and the following:

§ A.3.1.1 The following Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
General Conditions	AIA Document A201	September 13, 2024	41
Supplementary Conditions	Section 00 73 00	September 13, 2024	12

§ A.3.1.2 The following Specifications:
(Either list the Specifications here, or refer to an exhibit attached to this Amendment.)

Contractor to Attach Document

Section	Title	Date	Pages

§ A.3.1.3 The following Drawings:
(Either list the Drawings here or refer to an exhibit attached to this Amendment.)

Contractor to Attach Documents

Number	Title	Date

§ A.3.1.4 The Sustainability Plan, if any:
(If the Owner identified a Sustainable Objective in the Owner's Criteria, identify the document or documents that comprise the Sustainability Plan by title, date and number of pages, and include other identifying information. The Sustainability Plan identifies and describes the Sustainable Objective; the targeted Sustainable Measures; implementation strategies selected to achieve the Sustainable Measures; the Owner's and Construction Manager's roles and responsibilities associated with achieving the Sustainable Measures; the specific details about design reviews, testing or metrics to verify achievement of each Sustainable Measure; and the Sustainability Documentation required for the Project, as those terms are defined in Exhibit C to the Agreement.)

Title	Date	Pages

Other identifying information:

§ A.3.1.5 Allowances, if any, included in the Guaranteed Maximum Price:
(Identify each allowance.)

Item	Price
Contractor to Attach	

§ A.3.1.6 Assumptions and clarifications, if any, upon which the Guaranteed Maximum Price is based:
(Identify each assumption and clarification.)

See Exhibit C in attached document – Contractor to Attach

§ A.3.1.7 The Guaranteed Maximum Price is based upon the following other documents and information:
(List any other documents or information here, or refer to an exhibit attached to this Amendment.)

See attached document – Contractor to Attach

ARTICLE A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

§ A.4.1 The Construction Manager shall retain the consultants, contractors, design professionals, and suppliers, identified below:
(List name, discipline, address, and other information.)

« »

This Amendment to the Agreement entered into as of the day and year first written above.

OWNER *(Signature)*	**CONSTRUCTION MANAGER** *(Signature)*
Hailey Morton Levinson Mayor, Town of Jackson	Duncan Tyler Vice President, Dick Anderson Construction

AIA® Document A133™ – 2019

***Standard Form of Agreement Between Owner and Construction Manager as Constructor** where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price*

ADDITIONS AND DELETIONS: The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

AGREEMENT made as of the « » day of « » in the year 2024
(In words, indicate day, month, and year.)

BETWEEN the Owner:

Johnny Ziem, Assistant Public Works Director
The Town of Jackson, Wyoming
P.O. Box 1687
Jackson, WY 83001

and the Construction Manager:

Dick Anderson Construction
1135 Maple Way #3
Jackson, WY
83001

for the following Project:

Stilson Transit Center Facility Project
1455 North Beckley Park Way
Teton County, WY

The Engineer:

Jorgensen Associates (Engineer)
P.O. Box 9550
270 E. Simpson Ave.
Jackson, WY 83002

The Owner and Construction Manager agree as follows.

TABLE OF ARTICLES

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.
(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner's program for the Project, as described in Section 4.1.1:
The project consists of a new transit center building along with site work, all as more fully described below. The building will consist of two climate-controlled, occupied spaces that are separated by a breezeway, all of which is contained under a single roof structure. The two spaces consist of, first, a climate-controlled bus passenger waiting space in one section of the building, and second, a space with ADA-accessible toilet rooms and mechanical/electrical spaces. These areas are connected by a breezeway. Building materials include metal stud bearing walls and exposed treated structural wood columns. Exterior finishes include a combination of exposed concrete walls, artificial stone finishes, aluminum storefront glazing, pre-finished metal siding and trim, and a single ply membrane roof. Interior finishes include drywall finishes, painting, flooring, and plumbing fixtures. Construction includes, but is not limited to, concrete foundations and stem walls, steel framing,

aluminum glazed windows and future sliding door, porcelain tile finishes, and public art. The site work includes but is not limited to the relocation and reconstruction of Beckley Park Way, utility work, concrete bus island construction, domestic water well system, landscaping, bike storage building, an asphalt parking lot with associated lighting, and infrastructure for future electric charging stations.

§ 1.1.2 The Project's physical characteristics:

The total developed site size is approximately 6-acres.

§ 1.1.3 The Owner's budget for the Guaranteed Maximum Price, as defined in Article 6:

The Owner's budget is $14,588,555 dollars.

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

- Jan. 5, 2024 – Pre-GMP work
- June 3, 2024 – GMP work
- December 2, 2024 – GMP First Amendment Presentation at Joint Information Meeting

.2 Construction commencement date:

The construction commencement date shall be fixed in a Notice to Proceed issued by Owner after approval of the GMP First Amendment

.3 Substantial Completion date or dates:

July 24, 2026

.4 Final Completion date or dates:

September 4, 2026

§ 1.1.5 The Owner's requirements for accelerated or fast-track scheduling, or phased construction, are set forth below:

The Owner will consider accelerated or fast-track scheduling and phased construction.

§ 1.1.6 The Owner's anticipated Sustainable Objective for the Project:

No Sustainable Objective.

§ 1.1.6.1 Reserved.

§ 1.1.7 Other Project information:

As a federally funded project all of Exhibit E will be made part of this contract.

§ 1.1.8 The Owner identifies the following representative in accordance with Section 4.2:

Johnny Ziem, Assistant Public Works Director, Owner's Representative
The Town of Jackson, Wyoming
P.O. Box 1687
Jackson, WY 83001

§ 1.1.9 The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:

Jorgensen Associates (Prime Consultant Engineer)
P.O. Box 9550
1315 Hwy 89 S., Suite 201
Jackson, WY 83002

§ 1.1.10 The Owner shall retain the following consultants and contractors:

Jorgensen Associates (Prime Consultant Engineer)
P.O. Box 9550
1315 Hwy 89 S., Suite 201
Jackson, WY 83002

§ 1.1.11 The Owner's representative:

Jorgensen Associates
P.O. Box 9550
1315 Hwy 89 S., Suite 201
Jackson, WY 83002

§ 1.1.12 The Construction Manager identifies the following representative in accordance with Article 3:

John Danby
Project Manager
1135 Maple Way #3
Jackson, WY
83001

§ 1.1.13 The Owner's requirements for the Construction Manager's staffing plan for Preconstruction Services, as required under Section 3.1.9:

As indicated in Statement of Proposal for Preconstruction and GC/CM Services, for the Stilson Transportation Center, as prepared by Dick Anderson Construction, dated October 13, 2023.

§ 1.1.14 The Owner's requirements for subcontractor procurement for the performance of the Work:

- Subcontractors are bound by the same terms as the Construction Manager.
- Subcontractors must be publicly and competitively advertised for bid solicitations.
- Subcontractors shall follow all Federal Transportation Administration clauses and provisions as described in Exhibit E.

§ 1.1.15 Other Initial Information on which this Agreement is based:

See Article 15 – SCOPE OF THE AGREEMENT.

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change, and, in that event, the Owner and the Construction Manager shall appropriately adjust the Project schedule, the Construction Manager's services, and the Construction Manager's compensation. The Owner shall adjust the Owner's budget for the Guaranteed Maximum Price and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 Neither the Owner's nor the Construction Manager's representative shall be changed without ten days' prior notice to the other party.

ARTICLE 2 GENERAL PROVISIONS

§ 2.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price First Amendment, the Contract Documents will also include the documents described in Section 3.2.3 and identified in the Guaranteed Maximum Price and revisions prepared by the Engineer and furnished by the Owner as described in Section 3.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern. An enumeration of the Contract Documents, other than a Modification, appears in Article 15.

§ 2.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Engineer and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner to furnish efficient construction administration, management services, and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an professional, expeditious, and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

§ 2.3 General Conditions

§ 2.3.1 For the Preconstruction Phase, AIA Document A201™–2017, General Conditions of the Contract for Construction, shall apply as follows: Section 1.5, Ownership and Use of Documents; Section 1.7, Digital Data Use and Transmission; Section 1.8, Building Information Model Use and Reliance; Section 2.2.4, Confidential Information; Section 3.12.10, Professional Services; Section 10.3, Hazardous Materials; Section 13.1, Governing Law. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

§ 2.3.2 For the Construction Phase, the General Conditions of the Contract shall be as set forth in A201–2017, which document is incorporated herein by reference. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

ARTICLE 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 3.1 and 3.2, and in the applicable provisions of A201-2017 referenced in Section 2.3.1. The Construction Manager's Construction Phase responsibilities are set forth in Section 3.3. The Owner and Construction Manager may agree, in consultation with the Engineer, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 3.1 Preconstruction Phase

§ 3.1.1 Extent of Responsibility

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Owner and Engineer shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of services and information furnished by the Construction Manager. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Engineer and Owner any nonconformity discovered during the preconstruction phase by or made known to the Construction Manager as a request for information in such form as the Engineer may require. See Exhibit C Dick Anderson Construction Proposal for Preconstruction and GC/CM Services and Exhibit D Requestion for Proposals for full extent of preconstruction services.

§ 3.1.2 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

§ 3.1.3 Consultation

§ 3.1.3.1 The Construction Manager shall schedule and conduct weekly meetings with the Engineer and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.3.2 The Construction Manager shall advise the Owner and Engineer on proposed site use and improvements, selection of materials, building systems, and equipment. The Construction Manager shall also provide recommendations to the Owner and Engineer, consistent with the Project requirements, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; prefabrication; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. The Construction Manager shall consult with the Engineer and Owner regarding the professional services to be provided by the Construction Manager during the Construction Phase.

§ 3.1.3.3 The Construction Manager shall assist the Owner and Engineer in establishing building information modeling and digital data protocols for the Project, using Jorgensen's Electronic Exchange Agreement, to establish the protocols for the development, use, transmission, and exchange of digital data.

§ 3.1.4 Project Schedule

When Project requirements in Section 4.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Engineer's review and the Owner's acceptance. The Construction Manager shall obtain the Engineer's approval for the portion of the Project schedule relating to the performance of the Engineer's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Engineer's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price First Amendment; components of the Work; times of commencement and completion required of each Subcontractor; the updated critical path; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.

§ 3.1.5 Phased Construction
The Construction Manager, in consultation with the Engineer and Owner, shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, and sequencing for phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities, and procurement and construction scheduling issues.

§ 3.1.6 Cost Estimates
§ 3.1.6.1 Based on the most current design and other design criteria prepared by the Engineer, the Construction Manager shall prepare, for the Engineer's review and the Owner's approval, preliminary estimates of the Cost of the Work. If the Engineer or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 3.1.6.2 The Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Engineer, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for the further development of the design, price escalation, and market conditions, until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. The estimate shall be provided for the Engineer's review and the Owner's approval. The Construction Manager shall inform the Owner and Engineer in the event that the estimate of the Cost of the Work exceeds the latest approved Project budget and make recommendations for corrective action.

§ 3.1.6.3 If the Engineer is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Engineer's cost estimates, the Construction Manager and the Engineer shall work together to reconcile the cost estimates.

§ 3.1.7 The Construction Manager shall consult with the Owner and Engineer and make recommendations regarding constructability and schedules, for the Engineer's review and the Owner's approval.

§ 3.1.8 The Construction Manager shall provide recommendations and information to the Owner and Engineer regarding equipment, materials, services, and temporary Project facilities.

§ 3.1.9 The Construction Manager shall provide a staffing plan for Preconstruction Phase services for the Engineer's and Owner's review and approval.

§ 3.1.10. The Construction Manager shall coordinate with the Jackson Hole Public Art Team and Owner to preserve horizontal and vertical space for the installation of a third-party future art piece(s).

§ 3.1.11 Subcontractors and Suppliers
§ 3.1.11.1 If the Owner has provided requirements for subcontractor procurement in section 1.1.14, the Construction Manager shall provide a subcontracting plan, addressing the Owner's requirements, for the Owner's review and approval.

§ 3.1.11.2 The Construction Manager shall develop bidders' interest in the Project by publicly advertising bid sections and groups of common work.

§ 3.1.11.3 The processes described in Article 9 shall apply if bid packages will be issued during the Preconstruction Phase.

§ 3.1.12 Procurement
The Construction Manager shall prepare, for the Engineer's review and the Owner's acceptance, a procurement schedule for items that must be ordered in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for items to the Construction Manager and the Construction Manager shall thereafter accept responsibility and warranty for them.

§ 3.1.13 Compliance with Laws
The Construction Manager shall comply with all applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities.

§ 3.1.14 Other Preconstruction Services
Insert a description of any other Preconstruction Phase services to be provided by the Construction Manager:

- Exhibit C: Dick Anderson Construction's Stilton Transportation Center Proposal for Preconstruction & GC/CM Services, dated October 13, 2023
- Exhibit D: Request for Proposals

§ 3.2 Guaranteed Maximum Price First Amendment
§ 3.2.1 Pursuant to Article 1.1.4(.1), the Construction Manager shall prepare a Guaranteed Maximum Price First Amendment for the Owner's and Engineer's review, and the Owner's acceptance. The Guaranteed Maximum Price First Amendment shall be the sum of the Construction Manager's estimate of the Cost of the Work, the Construction Manager's contingency described in Section 3.2.4, and the Construction Manager's Fee described in Section 6.1.2.

§ 3.2.2 To the extent that the Contract Documents are anticipated to require further development, the Guaranteed Maximum Price includes the costs attributable to such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include changes in scope, systems, kinds and quality of materials, finishes, or equipment, all of which, if required, shall be incorporated by an Engineer and Owner approved Change Order.

§ 3.2.3 The Construction Manager shall include with the Guaranteed Maximum Price First Amendment a written statement of its basis, which shall include the following:

.1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;

.2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price First Amendment, including assumptions under Section 3.2.2;

.3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, including allowances; the Construction Manager's contingency set forth in Section 3.2.4; and the Construction Manager's Fee as set forth in Section 6.1.2;

.4 The anticipated date of Substantial Completion and Final Completion upon which the proposed Guaranteed Maximum Price is based.

.5 A date by which the Owner may accept the Guaranteed Maximum Price.

§ 3.2.4 In preparing the Construction Manager's Guaranteed Maximum Price First Amendment, the Construction Manager shall include a contingency for the Construction Manager's exclusive use to cover those costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order. The Construction Manager's contingency, which is a sum mutually agreed to by Construction Manager and Owner to cover additional development of plans and specifications and unforeseen costs which are properly reimbursable as Cost of the Work but which are not the basis for a Change Order or are not a cost for which Construction Manager is entitled to an equitable adjustment to the GMP under this Agreement. The contingency may be used by the Construction Manager for such reasons as scope gap, costs to expedite materials or accelerate performance to make up for unforeseen delays that are the responsibility of Construction Manager, unforeseen general conditions expense, subcontractor buy-out errors by Construction Manager, subcontractor default and liens, or other reason or cause unrelated to a Change in the Work or unrelated to an event for which Construction Manager is entitled to an equitable adjustment to the GMP under this Agreement. Construction Manager will not be required to use its contingency for items that are the basis for a Change Order or for a cost for which Construction Manager is entitled to an equitable adjustment to the GMP under this Agreement, including (without limitation) Owner-directed changes, insufficient coordination of or deficiencies in design documents that are the responsibility of the Owner, liquidated damages, unforeseen or differing site conditions that are the responsibility of the Owner, tariffs, unforeseen delay events beyond the control of Construction Manager (per § 8.3.1 of the General Conditions), increased costs due to unforeseen federal, state, local, health orders as it relates to epidemics/pandemics, increased costs due to a declared state of emergency, and failure of subcontractors or suppliers to honor quotes during the buy-out process. Any contingency remaining at the end of the Project shall be returned to the Owner.

§ 3.2.5 The Construction Manager shall meet with the Owner and Engineer to review the Guaranteed Maximum Price proposal. In the event that the Owner or Engineer discovers any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

§ 3.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price First Amendment, Exhibit A, amending this Agreement, a copy of which the Owner shall provide to the Engineer. The Guaranteed Maximum Price First Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 3.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the execution of the Guaranteed Maximum Price unless the Owner provides prior written authorization for such costs.

§ 3.2.8 The Owner shall authorize preparation of revisions to the Contract Documents that incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price. The Owner shall promptly furnish such revised Contract Documents to the Construction Manager. The Construction Manager shall notify the Owner and Engineer of any inconsistencies between the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price and the revised Contract Documents.

§ 3.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes, except for provisions made in section 3.6.1 of the Supplementary Conditions, for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price is executed.

§ 3.3 Construction Phase

§ 3.3.1 General

§ 3.3.1.1 For purposes of Section 8.1.2 of A201–2017, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 3.3.1.2 The Construction Phase shall commence upon the Owner's execution of the Guaranteed Maximum Price First Amendment or, prior to acceptance of the Guaranteed Maximum Price proposal, by written agreement of the parties. The written agreement shall set forth a description of the Work to be performed by the Construction Manager, and any insurance and bond requirements for Work performed prior to execution of the Guaranteed Maximum Price.

§ 3.3.2 Administration

§ 3.3.2.1 The Construction Manager shall schedule and conduct weekly meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute the agenda and minutes of the meetings to the Owner and Engineer.

§ 3.3.2.2 Upon the execution of the Guaranteed Maximum Price, the Construction Manager shall prepare and submit to the Owner and Engineer a construction schedule for the Work and a submittal schedule in accordance with Section 3.10 Contractor's Construction and Submittal Schedules of A201–2017.

§ 3.3.2.3 Monthly Report

The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written monthly progress reports to the Owner and Engineer, showing percentages of completion and other information required by the Owner.

§ 3.3.2.4 Daily Logs

The Construction Manager shall keep, and make available to the Owner and Engineer, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect the progress of the Work, accidents, injuries, and other information required by the Owner.

§ 3.3.2.5 Cost Control

The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress, estimates for uncompleted tasks, and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Engineer and shall provide this information in its monthly reports to the Owner and Engineer, in accordance with Section 3.3.2.3 above.

§ 3.3.2.6 Testing

The Contractor shall furnish independent tests, inspections, and reports required by law and as otherwise agreed to by the parties, such as, but not limited to, material density, concrete strength, aggregate property testing, structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials. Quality control and completion of all testing for acceptance shall be the sole responsibility of the Construction Manager. A Quality Control schedule for the testing type and frequency has been developed and shall be utilized in the selection of an independent, qualified firm to complete all inspections and testing. Quality assurance testing on behalf of the Owner will be conducted by Jorgensen Associates at a reduced frequency. Discrepancies in results obtained by the Quality Control firm and Jorgensen Associates will be elevated to the Owner for resolution.

§ 3.3.2.7 Surveying
All construction staking shall be the responsibility of the Construction Manager. The Owner will provide an initial set of project controls and benchmarks for use by the Construction Manager. Any destroyed benchmarks shall be the responsibility of the Construction Manager to reestablish to maintain project line and grade. The Construction Manager shall provide as-built plans for the completed Project to the Owner.

ARTICLE 4 OWNER'S RESPONSIBILITIES

§ 4.1 Information and Services Required of the Owner

§ 4.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability, and site requirements.

§ 4.1.2 Prior to the execution of the Guaranteed Maximum Price, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. After execution of the Guaranteed Maximum Price, the Construction Manager may request such information as set forth in A201-2017 Section 2.2.

§ 4.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Engineer. The Owner and the Engineer, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 4.1.4 Structural and Environmental Tests, Surveys and Reports. During the Preconstruction Phase, the Owner shall furnish the plans, specifications, quantities, and scope elements that will include as applicable in the plans and specifications signed and sealed by licensed professionals. The Construction Manager shall be entitled to rely on the accuracy of information in the plans and specifications. In the Construction Phase, all construction services, materials, and environmental testing along with construction survey staking is the responsibility of the Construction Manager as described in Article 3.3.2.6 and 3.3.2.7. The Construction Manager shall take proper precautions relating to the safe performance of the Work.

§ 4.1.4.1 Intentionally blank.

§ 4.1.4.2 Intentionally blank.

§ 4.1.4.3 The Construction Manager shall review all appropriate contract documents and notify the Owner of any errors or omissions not already explicitly provided in the contract documents. Upon timely notice that additional services are necessary due to any errors or omissions in the plans or specifications for proper execution of the Work, that is not already provided in the contract documents or provided geotechnical reports, the Owner, may furnish additional testing and/or design services.

§ 4.1.5 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 4.1.6 Intentionally Blank.

§ 4.2 Owner's Designated Representative

The Owner identifies Jorgensen Associates as the representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delays in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201–2017, the Engineer does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 4.2.1 Legal Requirements. The Owner shall furnish all legal, insurance, and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 4.3 Engineer

The Owner shall retain Jorgensen Associates as the Engineer to provide services, duties, and responsibilities as described in the executed Agreement Between Owner and Engineer, Construction Manager as Constructor Edition, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Engineer, and any further modifications to the Engineer's scope of services in the agreement.

ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

§ 5.1 Compensation

§ 5.1.1 For the Construction Manager's Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

Task 3.1 and Task 3.2 Pre-Construction Phase Fee: $55,550.00 (Fifty-Five Thousand Five Hundred and Fifty Dollars

§ 5.1.2 The hourly billing rates for Preconstruction Phase services of the Construction Manager's labor rates and schedule for key personnel, if any, are set forth below by Exhibit C attached to Agreement.

Individual or Position	Rate

§ 5.1.2.1 Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within Eight (8) months of the date of this Agreement, through no fault of the Construction Manager or Owner, the Construction Manager's compensation for Preconstruction Phase shall not be increased.

§ 5.2 Payments
§ 5.2.1 Unless otherwise agreed, payments for services shall be invoiced monthly in proportion to services performed.

§ 5.2.2 Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at the rate of 3% for each thirty (30) day period after the due date.

ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 6.1 Contract Sum
§ 6.1.1 The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract after execution of the Guaranteed Maximum Price First Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager's Fee.

§ 6.1.2 The Construction Manager's Fee:

Task 3.3 Construction Phase Services: Five Percent (5.0%) of the cost of the Work.

§ 6.1.3 Intentionally Blank.

§ 6.1.4 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

§ 6.1.5 The Construction Manager's Daily General Conditions Rate:

Task 3.3 Construction Phase Services: $3,143 Daily General Conditions Rate

§ 6.1.6 Liquidated damages, if any:
If the Construction Manager fails to achieve Substantial Completion of the Work pursuant to Article 1.1.4(.3) or fails to achieve any of the contract milestones, the Construction Manager agrees to pay the Owner $4,000.00 per day as liquidated damages to cover losses, expenses, and damages of the Owner for each calendar day which the Construction Manager fails to achieve Substantial Completion of the entire project, subject to the following limitation: (i) liquidated damages are in lieu of all liability for all extra costs, losses, expenses, claims, penalties, and any other damages of any nature incurred by the Owner resulting from not attaining the Substantial Completion date. Furthermore, in the event of partial occupancy, the Construction Manager shall also be entitled to a pro rata reduction in liquidated damages, if any, based on the per day square footage of the Project being occupied divided by the total square footage of the entire Project.
Note: Substantial Completion of the Work calendar days To Be Determined upon approval of GMP First Amendment.

§ 6.1.7 Intentionally Blank.

§ 6.2 Guaranteed Maximum Price
§ 6.2.1 The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price, subject to additions and deductions by Change Order as provided in the Contract Documents. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Construction Manager without reimbursement by the Owner.

§ 6.2.2 POTENTIALLY PRICE-IMPACTED MATERIAL. Certain markets providing essential materials to the Project may experience moderate, industry-wide economic fluctuation during the performance of this Agreement that may impact price of materials required for construction of the Project. This Section provides for an equitable allocation of the risk of such market conditions between the Owner and the Construction Manager.

.1 BASELINE PRICE. The Construction Manager's Guaranteed Maximum Price will be based upon market prices for materials as of the date of the Guaranteed Maximum Price First Amendment, Exhibit A ("Baseline Price").

.2 INCREASE ADJUSTMENT IN BASELINE PRICE. If during the course of the Project any materials required for construction of the Project experience an increase in their Baseline Price, the Construction Manager shall notify the Owner in writing, no later than ten (10) days from the date the Construction Manager becomes aware of said increase, stating the basis for utilization of the Escalation Contingency Fund, providing appropriate documentation substantiating such adjustment. An adjustment in the pricing for any material shall include the same percentage for the overhead and profit used for the Project. In the event of an increase in any material prices above and beyond the Escalation Contingency Fund, the Guaranteed Maximum Price shall be adjusted to reflect such increase, but only for those materials approved by Owner from the date of the written notice. If Owner is notified later than ten (10) business days from the date any materials experience an increase in their Baseline Price, Construction Manager shall pay the full cost of such adjustment.

.3 Any Escalation Contingency Funds remaining at the end of the Project shall be returned to the Owner.

§ 6.2.3 The GMP is based on commencing work no later than the date set forth in Exhibit A, Guaranteed Maximum Price First Amendment. If the Construction Manager is unable to commence work on or before the date set forth in Exhibit A, through no fault of its own nor the fault of the Owner, the Construction Manager will be entitled to an adjustment in the Contract Time pursuant to Article 1.1.4(.3) as well as a prorated extension of the Daily General Conditions Rate as set forth in Exhibit C, page 19 of the Dick Anderson Construction Stilson Transportation Proposal for Preconstruction & GC/CM Services

§ 6.3 Changes in the Work

§ 6.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions, or other revisions. The Owner shall issue such changes in writing. The Construction Manager may be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 6.3.1.1 The Engineer may order minor changes in the Work as provided in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price First Amendment may be determined by any of the methods listed in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.3 Adjustments to subcontracts awarded on the basis of a stipulated sum shall be determined in accordance with Article 7 of A201–2017, as they refer to "cost" and "fee," and not by Articles 6 and 7 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior written consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 6.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in Article 7 of AIA Document A201–2017 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 6.1.2 of this Agreement.

§ 6.3.5 Intentionally Blank.

ARTICLE 7 COST OF THE WORK FOR CONSTRUCTION PHASE

§ 7.1 Costs to Be Reimbursed

§ 7.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. The Cost of the Work shall include only the items set forth in Sections 7.1 through 7.7.

§ 7.1.2 Where, pursuant to the Contract Documents, any cost is subject to the Owner's prior approval, the Construction Manager shall obtain such approval in writing prior to incurring the cost.

§ 7.1.3 Costs shall be at rates not higher than the standard rates paid at the place of the Project, except with prior approval of the Owner.

§ 7.2 Labor Costs

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ 7.2.2 Wages or salaries of the Construction Manager's supervisory and administrative personnel when stationed at the site and performing Work, with the Owner's prior approval.

§ 7.2.2.1 Wages or salaries of the Construction Manager's supervisory and administrative personnel when performing Work and stationed at a location other than the site, but only for that portion of time required for the Work, and limited to the personnel and activities listed below:
(Identify the personnel, type of activity and, if applicable, any agreed upon percentage of time to be devoted to the Work.)

100% of John Danby's (project manager) Project Management Duties while stationed at DAC's Jackson, WY Office.

§ 7.2.3 Wages and salaries of the Construction Manager's supervisory or administrative personnel engaged at factories, workshops, or while traveling, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

§ 7.2.5 Agreed rates for labor costs, in lieu of actual costs, are provided in this Agreement, the rates shall remain unchanged throughout the duration of this Agreement, unless the parties execute a Modification. All labor rates shall comply with the Davis Bacon Wage Rates.

§ 7.2.6 Labor cost reimbursement shall not apply to labor furnished to perform bid package work awarded to Construction Manager as a Subcontractor, pursuant to Section 7.8 of this Agreement, compensation for which is paid on a lump sum basis for the bid package award.

§ 7.3 Subcontract Costs

Payments made by the Construction Manager to Subcontractors shall be in accordance with the requirements of the subcontracts and this Agreement including payments made for invoices submitted by Construction Manager for bid package work performed as a Subcontractor.

§ 7.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.4.1 Costs, including transportation and storage at the site, of materials and equipment incorporated, or to be incorporated, in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ 7.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 7.5.1 Costs of transportation, storage, installation, dismantling, maintenance, and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment, and tools, that are not fully consumed, shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation, installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities of equipment owned by the Construction Manager, or a related party as defined in Section 7.8, shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

§ 7.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 7.5.4 Costs of the Construction Manager's site office, including general office equipment and supplies.

§ 7.5.5 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

§ 7.6 Miscellaneous Costs

§ 7.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract, including premiums for bonds determined by the Construction Manager, in its sole discretion, to be required with respect to any Subcontractors.

§ 7.6.1.1 Intentionally Blank.

§ 7.6.1.2 Intentionally Blank.

§ 7.6.2 Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is liable.

§ 7.6.3 Fees and assessments for the building permit, and for other permits, licenses, and inspections, for which the Construction Manager is required by the Contract Documents to pay.

§ 7.6.4 Fees of laboratories for tests required by the Contract Documents; except those related to defective or nonconforming Work for which reimbursement is excluded under Article 13 of AIA Document A201–2017 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3.

§ 7.6.5 Royalties and license fees paid for the use of a particular design, process, or product, required by the Contract Documents.

§ 7.6.5.1 Intentionally Blank.

§ 7.6.6 Costs for communications services, electronic equipment, and software, directly related to the Work and located at the site, with the Owner's prior approval.

§ 7.6.7 Costs of document reproductions and delivery charges.

§ 7.6.8 Deposits lost for causes other than the Construction Manager's negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 7.6.9 Intentionally Blank.

§ 7.6.10 Expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work, with the Owner's prior approval.

§ 7.6.11 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ 7.7 Other Costs and Emergencies
§ 7.7.1 Intentionally Blank.

§ 7.7.2 Costs incurred in taking action to prevent threatened damage, injury, or loss, in case of an emergency affecting the safety of persons and property directly related to the Work, as provided in Article 10 of AIA Document A201–2017.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors, or suppliers, provided that such damaged or nonconforming Work was not caused by the negligence of, or failure to fulfill a specific responsibility by, the Construction Manager, and only to the extent that the Construction Manager first attempt to recover the cost of repair or correction from insurance, sureties, Subcontractors, suppliers, or others and is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 7.7.4 The costs described in Sections 7.1 through 7.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2017 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 7.9.

§ 7.8 Related Party Transactions

§ 7.8.1 For purposes of this Section 7.8, the term "related party" shall mean (1) Construction Manager, a parent, subsidiary, affiliate, or other entity having common ownership of, or sharing common management with, the Construction Manager; (2) any entity in which any stockholder in, or management employee of, the Construction Manager holds an equity interest in excess of ten percent in the aggregate; (3) any entity which has the right to control the business or affairs of the Construction Manager; or (4) any person, or any member of the immediate family of any person, who has the right to control the business or affairs of the Construction Manager.

§ 7.8.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated, or cost incurred. If the Owner, after such notification, authorizes the proposed transaction in writing, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods, or service, from the related party, as a Subcontractor, according to the terms of Article 9. If the Owner fails to authorize the transaction in writing, the Construction Manager shall procure the Work, equipment, goods, or service from some person or entity other than a related party according to the terms of Article 9. In the event the Construction Manager is awarded a bid package scope of work, with Owner's written approval, Construction Manager's compensation for the bid package work shall be on the basis of the lump sum price approved by Owner for the bid package. Construction Manager shall invoice for any such bid package work as a Subcontractor, and payment to Construction Manager by Owner for such bid package work shall be based on Construction Manager's invoices as a Subcontractor.

§ 7.9 Costs Not To Be Reimbursed

§ 7.9.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation from the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 7.2, or as may be provided in Article 14;
- .2 Bonuses, profit sharing, incentive compensation, and any other discretionary payments, paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, unless the Owner has provided prior written approval;
- .3 Expenses of the Construction Manager's principal office and offices other than the site office;
- .4 Overhead and general expenses, except as may be expressly included in Sections 7.1 to 7.7;
- .5 The Construction Manager's capital expenses, including interest in the Construction Manager's capital employed for the Work;
- .6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence of, or failure to fulfill a specific responsibility of the Contract by, the Construction Manager, Subcontractors, and suppliers, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable;
- .7 Any cost not specifically and expressly described in Sections 7.1 to 7.7;
- .8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded; and
- .9 Costs for services incurred during the Preconstruction Phase.

ARTICLE 8 DISCOUNTS, REBATES, AND REFUNDS

§ 8.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included the amount to be paid, less such discount, in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds, and amounts received from sales of surplus materials and equipment shall be accrued to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 8.2 Amounts that accrue to the Owner in accordance with the provisions of Section 8.1 shall be credited to the Owner as a deduction from the Cost of the Work.

ARTICLE 9 SUBCONTRACTS AND OTHER AGREEMENTS

§ 9.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager's own personnel shall be performed under subcontracts or other appropriate agreements with the Construction Manager. In addition to the Publicly Advertised sub-contractor solicitations noted as a requirement in Section 1.1.14, the Owner may also recommend known entities to solicit bids from. The Construction Manager shall obtain bids from Subcontractors, and from suppliers of materials or equipment fabricated especially for the Work, who are qualified to perform that portion of the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall deliver such bids to the Engineer and Owner with an indication as to which bids the Construction Manager intends to accept. The Owner then has the right to review the Construction Manager's list of proposed subcontractors and suppliers in consultation with the Engineer and, subject to Section 9.1.1, to object to any subcontractor or supplier. Any advice from the Engineer, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requests that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 9.2 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement and shall not be awarded on the basis of cost plus a fee without the Owner's prior written approval. If a subcontract is awarded on the basis of cost plus a fee, the Construction Manager shall provide in the subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Article 10.

ARTICLE 10 ACCOUNTING RECORDS

The Construction Manager shall keep full and detailed records and accounts related to the Cost of the Work and exercise such controls as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, job cost reports, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, Subcontractor's invoices, purchase orders, vouchers, memoranda, and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such a longer period as may be required by law.

ARTICLE 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

§ 11.1 Progress Payments

§ 11.1.1 Based upon Applications for Payment submitted to the Engineer by the Construction Manager, and Certificates for Payment issued by the Engineer, the Owner shall make progress payments on account of the Contract Sum, to the Construction Manager, as provided below and elsewhere in the Contract Documents.

§ 11.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

§ 11.1.3 Provided that an Application for Payment is received by the Engineer not later than the last day of a month, the Owner shall make payment of the amount certified to the Construction Manager not later than the last day of the following month. If an Application for Payment is received by the Engineer after the application date fixed above, payment of the amount certified shall be made by the Owner not later than Thirty (30) days after the Engineer receives the Application for Payment.

§ 11.1.4 With each Application for Payment, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Engineer to demonstrate that payments already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, plus payrolls for the period covered by the present Application for Payment, less that portion of the progress payments attributable to the Construction Manager's Fee.

§ 11.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among: (1) the various portions of the Work; (2) any contingency for costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order; and (3) the Construction Manager's Fee. Any amount identified in a line item in the schedule of values is not a guaranteed amount for that line item, and any overrun or underrun in a line item may be balanced against an overrun or underrun in another line item, as long as the total of the schedule of values remain within the GMP.

§ 11.1.5.1 The schedule of values shall be prepared in such a form and supported by such data to substantiate its accuracy as the Engineer may require. The schedule of values shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 11.1.5.2 The allocation of the Guaranteed Maximum Price under this Section 11.1.5 shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.

§ 11.1.5.3 When the Construction Manager allocates costs from a contingency to another line item in the schedule of values, the Construction Manager shall submit supporting documentation to the Engineer and Owner.

§ 11.1.6 Applications for Payment shall show the percentage of completion and/or unit pricing of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work and for which the Construction Manager has made payment or intends to make payment prior to the next Application for Payment, by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 11.1.7 In accordance with AIA Document A201–2017 and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 11.1.7.1 The amount of each progress payment shall first include:

.1 That portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the most recent schedule of values;

.2 That portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction or, if approved in writing in advance by the Owner, suitably stored off the site at a location agreed upon in writing;

.3 That portion of Construction Change Directives that the Engineer determines, in the Engineer's professional judgment, to be reasonably justified; and

.4 The Construction Manager's Fee, computed upon the Cost of the Work described in the preceding Sections 11.1.7.1.1 and 11.1.7.1.2 at the rate stated in Section 6.1.2 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections 11.1.7.1.1 and 11.1.7.1.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

.1 The aggregate of any amounts previously paid by the Owner;

.2 The amount, if any, for Work that remains uncorrected and for which the Engineer has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201–2017;

.3 Any amount for which the Construction Manager does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Construction Manager intends to pay;

.4 For Work performed or defects discovered since the last payment application, any amount for which the Engineer may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201–2017;

.5 The shortfall, if any, indicated by the Construction Manager in the documentation required by Section 11.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and

.6 Retainage withheld pursuant to Section 11.1.8.

§ 11.1.8 Retainage

§ 11.1.8.1 For each progress payment made prior to Substantial Completion of the Work, the Owner shall withhold the following amount, as retainage, from the payment otherwise due:

Five percent (5%).

§ 11.1.8.1.1 The following items are not subject to retainage:

Contractor's insurance and bonds.

§ 11.1.8.2 Reduction or limitation of retainage, if any, shall be as follows:

None.

§ 11.1.8.3 Except as set forth in this Section 11.1.8.3, upon Final Completion of the Work, the Construction Manager may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 11.1.8.

§ 11.1.9 If Final Completion of the Work is materially delayed through no fault of the Construction Manager, the Owner shall pay the Construction Manager any additional amounts in accordance with Article 9 of AIA Document A201–2017.

§ 11.1.10 Except with the Owner's prior written approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and suitably stored at the site.

§ 11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to Subcontractors, and the percentage of retainage held on Subcontracts, and the Construction Manager shall execute subcontracts in accordance with those agreements.

§ 11.1.12 In taking action on the Construction Manager's Applications for Payment the Engineer shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager, and such action shall not be deemed to be a representation that (1) the Engineer has made a detailed examination, audit, or arithmetic verification, of the documentation submitted in accordance with Section 11.1.4 or other supporting data; (2) that the Engineer has made exhaustive or continuous on-site inspections; or (3) that the Engineer has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits, and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ 11.2 Final Payment

§ 11.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract, except for the Construction Manager's responsibility to correct Work as provided in Article 12 of AIA Document A201–2017, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Engineer in accordance with Section 11.2.2.2.

§ 11.2.2 Within 30 days of the Owner's receipt of the Construction Manager's final accounting for the Cost of the Work, the Owner shall begin an audit of the Cost of the Work or notify the Engineer that it will not conduct an audit.

§ 11.2.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Engineer.

§ 11.2.2.2 Within seven days after receipt of the written report described in Section 11.2.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section 11.2.1 have been met, the Engineer will either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Engineer's reasons for withholding a certificate as provided in Article 9 of AIA Document A201–2017. The time periods stated in this

Section 11.2.2 supersede those stated in Article 9 of AIA Document A201–2017. The Engineer is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Article 15 of AIA Document A201–2017. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Engineer's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Engineer's final Certificate for Payment.

§ 11.2.3 The Owner's Final Payment to the Construction Manager shall be made no later than 41 days after the issuance of the Engineer's final Certificate for Payment.

In accordance with § 9.10.2.1 of the Supplementary Conditions: "The Owner shall not be required to make final payment to the CONTRACTOR until such time as the provisions of Wyoming Statue Section 15-1-113 (e), 16-6-116, and 16-6-117, have been fulfilled. If no claims or liens have been filed within a forty-one (41) day period following the publication and posting that the project is complete and ready for final payment, the retainage percentage will be paid (final estimate) within twenty (20) days of the expiration of said 41-day advertisement period. Should any liens or claims be filed, retainage equal to the amount of the lien or claim will be held until satisfactory agreement is reached between the Owner, Contractor, and Contractor's surety. All warranties and guarantees from the Contractor, subcontractors, suppliers, manufacturers, etc., shall be delivered to the Owner and be of acceptable form and content as determined by the Owner before final payment is made."

§ 11.2.4 If, subsequent to Final Payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall not reimburse the Construction Manager for such costs nor pay the Daily General Conditions Rate or Construction Manager's Fee applicable thereto.

§ 11.3 Interest

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

Three Percent (3%).

ARTICLE 12 DISPUTE RESOLUTION

§ 12.1 Initial Decision Maker

§ 12.1.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of A201–2017. However, for Claims arising from or relating to the Construction Manager's Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 12.1.2 of this Agreement shall not apply.

§ 12.1.2 The Engineer will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201–2017 for Claims arising from or relating to the Construction Manager's Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.

None.

§ 12.2 Binding Dispute Resolution
For any Claim subject to, but not resolved by mediation pursuant to Article 15 of AIA Document A201–2017, the method of binding dispute resolution shall be as follows:

Litigation in a court of competent jurisdiction.

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

ARTICLE 13 TERMINATION OR SUSPENSION
§ 13.1 Termination Prior to Execution of the Guaranteed Maximum Price
§ 13.1.1 If the Owner and the Construction Manager do not reach an agreement on the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner.

§ 13.1.2 In the event of termination of this Agreement pursuant to Section 13.1.1, the Construction Manager shall be compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination, in accordance with the terms of this Agreement. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.3 Prior to the execution of the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner, for the reasons set forth in Article 14 of A201–2017.

§ 13.1.4 In the event of termination of this Agreement pursuant to Section 13.1.3, the Construction Manager shall be equitably compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.5 If the Owner terminates the Contract pursuant to Section 13.1.3 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 13.1.4:

.1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;

.2 Add the Construction Manager's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and

.3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

§ 13.1.6 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.1.5.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

§ 13.1.6.1 If the Owner accepts assignment of subcontracts, purchase orders, or rental agreements as described above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order, or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order, or rental agreement and the Owner will pay the Construction Manager the costs, if any, necessarily incurred by the Construction Manager because of such termination.

§ 13.2 Termination or Suspension Following Execution of the Guaranteed Maximum Price
§ 13.2.1 Termination
The Contract may be terminated by the Owner or the Construction Manager as provided in Article 14 of AIA Document A201–2017.

§ 13.2.2 Termination by the Owner for Cause
§ 13.2.2.1 If the Owner terminates the Contract for cause as provided in Article 14 of AIA Document A201–2017, the amount, if any, to be paid to the Construction Manager under Article 14 of AIA Document A201–2017 shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

- **.1** Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- **.2** Add the Construction Manager's Fee, computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager' Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- **.3** Subtract the aggregate of previous payments made by the Owner; and
- **.4** Subtract the costs and damages incurred, or to be incurred, by the Owner under Article 14 of AIA Document A201–2017.

§ 13.2.2.2 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.2.2.1.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders.

§ 13.2.3 Termination by the Owner for Convenience

If the Owner terminates the Contract for convenience in accordance with Article 14 of AIA Document A201–2017, then the Owner shall pay the Construction Manager a termination fee as follows:

None – no termination fee shall be applied, and Owner is not responsible for any such fee.

§ 13.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017; in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Article 14 of AIA Document A201–2017, except that the term "profit" shall be understood to mean the Construction Manager's Fee as described in Sections 6.1 and 6.3.5 of this Agreement.

ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Terms in this Agreement shall have the same meaning as those in A201–2017. Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 14.2 Successors and Assigns

§ 14.2.1 The Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 14.2.2 of this Agreement, and in Section 13.2.2 of A201–2017, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 14.2.2 The Owner may, without consent of the Construction Manager, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Construction Manager shall execute all consents reasonably required to facilitate the assignment.

§ 14.3 Insurance and Bonds

§ 14.3.1 Preconstruction Phase

The Construction Manager shall maintain the following insurance for the duration of the Preconstruction Services performed under this Agreement.

§ 14.3.1.1 Commercial General Liability with policy limits of not less than one million dollars ($1,000,000) for each occurrence and three million dollars ($3,000,000) in the aggregate for bodily injury and policy limits of not less than one million dollars ($1,000,000) for each occurrence and two million dollars ($2,000,000) in the aggregate for property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than one million dollars ($ 1,000,000) per person and two million dollars ($2,000,000) per occurrence for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 14.3.1.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided that such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 14.3.1.1 and 14.3.1.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 14.3.1.4 Workers' Compensation at statutory minimum or higher and Employers Liability at statutory minimum or higher.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than Five Million ($5,000,000) per claim and Five Million ($5,000,000) in the aggregate.

§ 14.3.1.6 Other Insurance
Intentionally Blank.

§ 14.3.1.7 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella polices for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 14.3.1.8 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 14.3.1.

§ 14.3.2 Construction Phase
After execution of the Guaranteed Maximum Price, the Owner and the Construction Manager shall purchase and maintain insurance as set forth in AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, Exhibit B, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 14.3.2.1 The Construction Manager shall provide all bonds as set forth in AIA Document A133™–2019 Exhibit B, and elsewhere in the Contract Documents.

§ 14.4 Notice in electronic format, pursuant to Article 1 of AIA Document A201–2017, may be given in accordance with Jorgensen Electronic Exchange Agreement, or as otherwise set forth below:

By email transmission to Owner and Engineer as a digitally signed PDF and signed paper copy, or as mutually agreed to by Owner, Engineer, and Construction Manager.

§ 14.5 Other provisions:

§ 14.5.1 BINDING EFFECT OF AGREEMENT. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

§ 14.5.2 MODIFICATIONS AND WAIVER. No modification of the terms of this Agreement shall be valid unless in writing and executed with the same formality as this Agreement, and no waiver of the breach of the provisions of any section of this Agreement shall be construed as a waiver of any subsequent breach of the same section or any other sections which are contained herein.

§ 14.5.3 AUTHORITY. Contractor warrants having full power and authority to enter into this Agreement.

§ 14.5.4 SEVERABILITY. This Agreement is to be governed and construed according to the laws of the State of Wyoming. In the event that any provision of this Agreement is held to be in violation of Town, State or Federal laws and hereby rendered invalid or unenforceable as to any party or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

§ 14.5.5 INTEGRATION. The parties intend this statement of their agreement, including all Contract Documents, to constitute the complete, exclusive, and fully integrated statement of their agreement. As such, it is the sole expression of their agreement, and they are not bound by any other agreements of whatsoever kind or nature.

§ 14.5.6 ADDITIONAL DOCUMENTS AND ACTS. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

§ 14.5.7 CONFLICT OF LAWS, JURISDICTION, CONSTRUCTION. This Agreement shall be constructed, performed and enforced in accordance with, and governed by, the laws of the State of Wyoming, without giving effect to the principles of conflict of laws thereof. The parties hereto irrevocably elect as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent to the jurisdiction of, the courts of the County of Teton, State of Wyoming, or the United States District Court for the District of Wyoming. This Agreement was negotiated by both parties and thus it shall not be construed against or in favor of any party by virtue of which party drafted it or any portion thereof.

§ 14.5.8 GOVERNMENTAL IMMUNITY. The Town of Jackson does not waive its governmental immunity by entering into this Agreement, and fully retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this Agreement.

§ 14.5.9 ELECTRONIC SIGNATURES. The words "execution," "signed," "signature," and words of like import in this document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law.

ARTICLE 15 SCOPE OF THE AGREEMENT

§ 15.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 15.2 The following documents comprise the Agreement:

.1 AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

.2 AIA Document A133™-2019, Exhibit A, Guaranteed Maximum Price First Amendment – Phase 1, to be executed at a later date

.3 AIA Document A133™–2019, Exhibit B, Insurance and Bonds

.4 AIA Document A201™–2017, General Conditions of the Contract for Construction

.5 00 73 00 Supplemental Conditions of the Contract
.6 Jorgensen Electronic Exchange Agreement
.7 Drawings: See the following:

DRAWINGS;
To Be Approved upon Approval of GMP First Amendment

.8 Specifications: See the following:
To Be Approved upon approval of GMP First Amendment

.9 Other Exhibits:
The below exhibits will be included with the GMP Amendment executed at a later date:
Exhibit C: Dick Anderson Constructions' Stilson Transportation Center Proposal dated Oct. 13, 2023
Exhibit D: Request for Proposals Pre-Construction and CM/GC Services
Exhibit E:
a) Federal Contract Provisions
b) Davis Bacon Wages
c) Federal Certifications
e) FTA Contract Clauses
Exhibit F: Protest Procedures
Exhibit G: Digital Information File Terms and Conditions

.10 Other documents, if any, listed below:

Unknown at time of execution.

This Agreement is entered into as of the day and year first written above.

OWNER *(Signature)*	CONSTRUCTION MANAGER *(Signature)*

Hailey Morton Levinson
Mayor, Town of Jackson

Tyler Duncan
Vice President, Dick Anderson Construction

ATTEST

Riley Taylor, Town Clerk

Joint Monthly Meeting (JMM)
December 2, 2024

TETON COUNTY WYOMING

MOVING TOGETHER

TOWN OF JACKSON WYOMING

Goal of Today's Discussion and Next Steps

December 2, 2024
JMM Meeting

Stilson Transit Center

- Project Cost Review
- Cost Reduction Options
- Transportation Alternatives SPET Allocation Consideration
- GMP Contract Execution and Award

We are here

→ Material Procurement and Mobilization

→ **Construction Begin**
Spring 2025

→ **Construction Complete**
Fall 2026

Dick Anderson Construction
Guaranteed Maximum Price (GMP)

$15,039,107

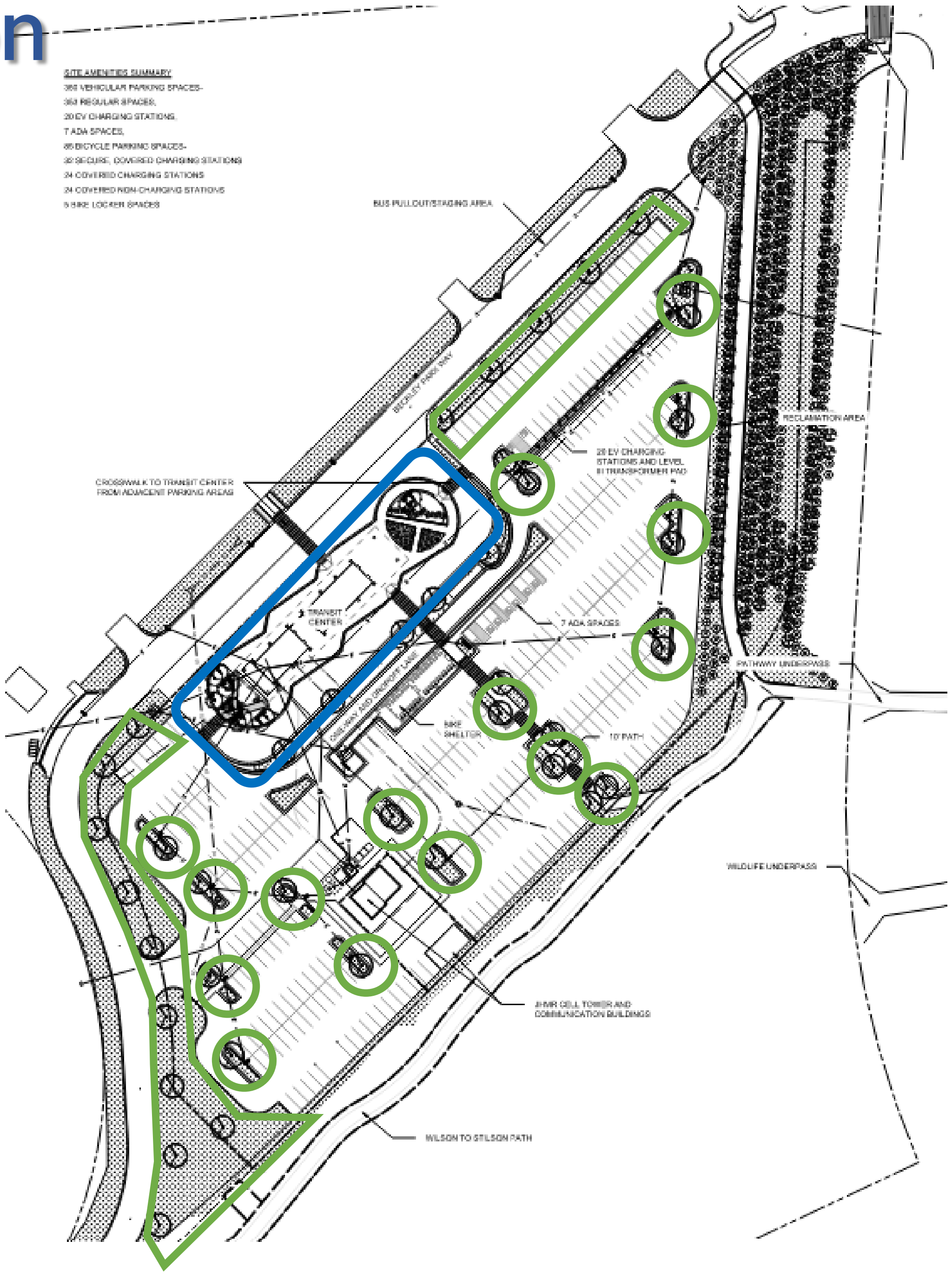
Total Project Cost

- Dick Anderson Construction Contract GMP = $15,039,107
- GMP Cost Reductions = -$364,936
- Additional Costs
  - Public Art = $200,000 (Net cost of $125,000 due to $75,000 NEA grant)
  - Owner Contingency = $376,000 (2.5%)

Total GMP + Public Art (Local Share) + Owner Contingency = $15,175,171

Additional Cost Reduction Option for Consideration

Scope Element	Savings	Cost Reduction Recommendation
Shrubs, Trees and Plantings	$ 85,616	Plant native grasses only*
		* Vegetation mitigation does not change



GMP Options

<u>Option 1:</u> GMP *including* landscaping — $14,674,171

<u>Option 2:</u> GMP *excluding* landscaping (native grasses only on transit island and within parking lot) — $14,588,555

SPET Funding Allocation - Option 1:
GMP *including* Landscaping

Total Project Cost	$15,175,171
(GMP + Public Art Local Share + Owner Contingency)	
External Funding Sources:	
BUILD Grant	-$7,201,279
Energy Efficiency Block Grant (Solar Ready Set-Up)	-$150,000
Yellowstone Teton Clean Cities Coalition	-$34,000
Shooting Star Fund (for pathways)	-$401,000
Total External Funding	$7,786,279

OPTION 1 SPET ALLOCATION	$7,388,892

SPET Funds Remaining with Option 1	$4.37M

SPET Funding Allocation - Option 2:
GMP *excluding* Landscaping

Project Cost (GMP + Public Art Local Share + Owner Contingency)	$15,089,555
External Funding Sources:	
BUILD Grant	-$7,201,279
Energy Efficiency Block Grant (Solar Ready Set-Up)	-$150,000
Yellowstone Teton Clean Cities Coalition	-$34,000
Shooting Star Fund (for pathways)	-$401,000
Total External Funding	$7,786,279

OPTION 2 SPET ALLOCATION	$7,303,276

SPET Funds Remaining with Option 2:	$4.46M

Remaining SPET Funds After Stilson Project Completion

Option 1 (*including* Landscaping): $4.37M SPET Remaining

Option 2 (*excluding* Landscaping): $4.46M SPET Remaining

SUGGESTED MOTIONS:
Option 2 GMP *excluding* Landscaping

Town Council:

- I move to approve the Guaranteed Maximum Price of $14,588,555 and authorize use of $7,303,276 from the 2022 Transportation Alternatives SPET funds for the Stilson Transit Center Project.

- Furthermore, I move to approve the Stilson Transit Center Agreement and GMP First Amendment with Dick Anderson Construction in the amount of $14,588,555 and authorize the Mayor to execute all necessary contract agreements, subject to minor changes by staff.

Board of County Commissioners:

- I move to approve the Guaranteed Maximum Price of $14,588,555 and authorize use of $7,303,276 from the 2022 Transportation Alternatives SPET funds for the Stilson Transit Center Project.

SUGGESTED MOTIONS

Option 1: GMP *including* Landscaping

Town Council:

- I move to approve the Guaranteed Maximum Price of $14,674,171 and authorize use of $7,388,892 from the 2022 Transportation Alternatives SPET funds for the Stilson Transit Center Project.

- Furthermore, I move to approve the Stilson Transit Center Agreement and GMP First Amendment with Dick Anderson Construction in the amount of $14,674,171 and authorize the Mayor to execute all necessary contract agreements, subject to minor changes by staff.

Board of County Commissioners:

- I move to approve the Guaranteed Maximum Price of $14,674,171 and authorize use of $7,388,892 from the 2022 Transportation Alternatives SPET funds for the Stilson Transit Center Project.

TETON COUNTY WYOMING

BOARD OF COUNTY COMMISSIONERS

TOWN COUNCIL

JOINT MEETING
AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: Joint Housing **PRESENTER**: Stacy Stoker, Housing Manager

MEETING DATE: December 2, 2024

SUBJECT: Adoption and Second Reading of the Jackson/Teton County Housing Department Rules and Regulations

STATEMENT/PURPOSE

The Teton County Board of County Commissioners ("Board") will consider adopting the Jackson/Teton County Housing Department Rules and Regulations ("Rules and Regulations") with the 2024 changes and updates. The Jackson Town Council ("Council") will consider approving Ordinances I, J, K, L, M, N, O, AA, and AB amending Title 16.

BACKGROUND/ALTERNATIVES

In June of 2018, Council and Board adopted the Jackson/Teton County Housing Department Rules and Regulations. Staff brings proposed changes to the Council and Board bi-annually for approval.

On August 5, 2024, Council and Board identified a list of topics to be analyzed by staff and discussed at the bi-annual Rules and Regulations Update.

On August 20, 2024, the Housing Authority Board considered changes to the Rules and Regulations and provided recommendations to Council and Board.

On September 9 continued to September 23, 2024; Council and Board considered the list of topics and directed staff to make changes to the Rules and Regulations. The redlined document is attached, which shows the details of each change. The changes are as follows:

Please note that during the public review period, a local attorney provided comment on one change – No. 17 in the staff report. This change amounts to adding a sentence in the Rules & Regulations stating that a rule added in 2022 (about assessments by HOAs) is retroactive and shall apply to all developments that include restricted units. The idea behind the change was to make the application of the rule regarding HOA assessments to existing developments explicit. The attorney raised helpful points via the public comment process, which we appreciate. We have removed this change from the update at this time to provide more time to review the comments and work with legal staff.

1. Allow self-employed individuals to use hours worked for local clients to meet the employment standards. These hours can be combined with other hours working for a local business.
2. Add an asset limit for Affordable rental units that is equal to the Affordable ownership asset limit.
3. Add 120-160% income range to the Affordable Housing Program.
4. Allow retirees to qualify for rental units if they have met the employment requirements for a minimum of 10 years immediately prior to retiring.
5. Allow CWC Jackson students to qualify for housing if they meet the following criteria:
   a. Students must be enrolled a minimum of ¾ time or 9 credit hours.
   b. Hours enrolled along with hours for study will be included for meeting the employment criteria.

6. Allow ownership of vacant residential land with a maximum size of one acre.

7. Require parents to have physical custody rights of children to count them as part of their household.

8. Change the rule prohibiting ownership of residential real estate within 150 miles of Teton County to within 75 miles driving distance from the Town of Jackson.

9. The Housing Department will require a one-time application fee to begin the process of applying for the housing program.

10. Add penalties for the following:
    a. Falsifying an application: Five-year ban from eligibility to apply.
    b. Eviction from a rental: Permanent ban from eligibility to apply.
    c. Forced sale of ownership unit: Permanent ban from eligibility to apply

11. Change the language concerning transferring a restricted ownership unit upon death of an owner to allow properties to be transferred through a Transfer on Death Deed, which eliminates the home from going through probate. Transfers to minor children will require they have a legal guardian who will reside in the home with them until they reach the age of 18 at which time, they will need to qualify to keep the home.

12. To change restrictions on Workforce units the following rules will apply:
    a. Prior to the initial sale of a unit, the owner can decide if they want to restrict the unit as Ownership or Rental.
    b. If the unit has already been sold and restricted as a rental unit, it can be changed to an ownership unit because rental units do not have an appreciation cap so conversion to ownership would be changing from less restrictive to more restrictive.
    c. If the unit has already been sold and restricted as an Ownership unit, it will be subject to an appreciation cap, so it cannot be converted to a Rental restriction because it would lose the intentional long term affordability component. The unit cannot be changed from a more restrictive to a less restrictive.
    d. An administrative fee will be incorporated into the Housing Department Fee Schedule to account for staff time processing these requests.

13. Add a rental rate policy for owners who have paid off their home.

14. Require owners of rental units to submit the name and contact information of a “responsible party” to the Housing Department who will be held responsible for compliance on the unit.

15. Add a policy for master leasing of restricted unit as follows:
    a. Prior to execution, master leases must be approved by the Housing Department and include the responsible party for compliance and a termination for non-compliance clause.
    b. Master Lessee must attend a Compliance Conference with the Housing department to ensure they understand the restriction on the unit and the compliance process.

16. Add language concerning entities allowed to purchase restricted rental units to ensure shell companies are not being created to elude the rules.

17. Make the rule concerning HOA dues in developments that have a mix of restricted and market units retroactive – *this item has been removed.*

18. Update the summary descriptions of Housing Department Programs.

19. Add the rules for Rental Units owned by a Private Entity that were formerly contained in the Special Restrictions, which now refer to the Rules and Regulations.

20. Clarify the Hearing Process for the Housing Authority Board

21. Clarify the Multiple Defaults rule.

22. Add a definition of “Rent”.

23. Add a definition of “Owner”.

24. Add a definition of “Fee Schedule”.

25. Add a definition of "Volunteer Hours”.

26. Add a definition of “Qualified Household”.

27. Add a definition of "Physical Custody Rights”.

On October 7, 2024, Council directed staff to prepare the ordinance with the above changes for Three Readings. The Town approved the First Reading on November 18, 2024. The Board directed staff to release the Jackson/Teton County Housing Department Rules and Regulations with the above changes for a 45-day public comment period.

COMPREHENSIVE PLAN ALIGNMENT

Common value 3, Section 5 is to ensure a variety of workforce housing opportunities so that at least 65% of those employed locally also live locally. The Housing Department Rules and Regulations govern the workforce housing to ensure that the units are being used as the community intends.

Housing Action Plan – The Housing Rules and Regulations annual update aligns with Chapter 3 of the Housing Action Plan *Housing Management Plan,* which requires the Housing Manager to revise existing Rules into a unified set of rules that address: standards and processes for enforcement and monitoring of restrictions; maintenance and improvement of restricted housing units; minimum requirements for new restricted units; and minimum standards of livability for existing units to be adopted by the Town Council and the Board of County Commissioners.

STAKEHOLDER ANALYSIS

Stakeholders include applicants, owners and tenants of restricted homes, the public, elected officials, and staff. The process for making changes to the Housing Rules and Regulations provides ample opportunity for stakeholders to make public comment and includes the following:

- June 4 – June 16: Housing Department staff sent out a survey to the community requesting feedback on Housing Rules and Regulations topics.
- June 14, 2024: Housing Department sent out an email to community members, highlighting the opportunity to provide suggested upgrades or changes to the Rules and Regulations directing the public to the Housing Department’s website and requesting they complete the survey.
- July 3, 2024, Housing Authority Board Meeting – Issue Identification Recommendations
- August 5, 2024: Joint Information Meeting – Issue Identification
- August 20, 2024: Housing Authority Board Meeting, Rules and Regulations Annual Update Recommendations
- September 9, 2024: Joint Information Meeting – Rules and Regulations Annual Update Discussion and Direction to staff.

FISCAL IMPACT
N/A

STAFF IMPACT
Tracking, reviewing, and keeping notes on needed or potential changes to the Housing Rules and Regulations has taken approximately 50 hours of both Town and County Legal staff time and 250 hours of Housing staff time.

LEGAL REVIEW
L. Colasuonno, Town Attorney
R. Stout, County Attorney
K. Gingery, Deputy County Attorney

ATTACHMENTS
- Housing Rules and Regulations with changes redlined
- Ordinance I, J, K, L, M, N, 0, AA, and AB with changes redlined
- Written public comment received since the September 23, 2024 JIM

RECOMMENDATION
Staff recommends the Board adoption of the Rules and Regulations and Council approval of Second Reading

SUGGESTED MOTION
County motion:
I move to adopt the Jackson/Teton County Housing Rules and Regulations with the Caregiving revisions as presented by staff.

Town motion:
I move to approve Ordinances I, J, K, L, M, N, O, AA, and AB at Second Reading.

Teton County & Town of Jackson Wyoming

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Jackson/Teton County Housing Department Rules and Regulations

Adopted June, 2018
Amended August, 2019
Amended October, 2020
Amended September, 2021
Amended November, 2022
Amended December, 2024

Table of Contents

Section 1. 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' Special Restriction, so these Housing Department Rules and Regulations also contain the rules that pertain to these programs.

1-1. Descriptions of Applicable Programs:

A. 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 and are required to have a Special Restriction for Workforce Rental Housing recorded on them. To qualify to rent these units, the Household must meet the Employment Requirement. 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.

B. 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 has income and asset requirements based on four income ranges: 0-50% Median Family Income (MFI), 50-80% MFI, 80-120% MFI, and 120-160% MFI.

The 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, and the Household must meet the Employment Requirement. No ownership of other residential real estate is allowed within ~~150 miles~~75 ~~miles driving distance~~ 75 miles driving distance of ~~Teton County is allowed~~the Town of Jackson.

~~The owners~~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 (minimum lease term is six months). 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 annually. Maximum rents and sales prices are based on median family income as published by HUD. Ownership units appreciate based on the Consumer Price Index not to exceed 3% annually.

C. Attainable

These units were built before housing standards were codified in the LDRs. No more Attainable Restricted 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 is allowed within ~~150 miles~~75 miles driving distance of ~~Teton County is allowed~~the Town of Jackson at time of purchase. The owners must physically occupy the units a minimum of 9 months each year. No requalification or future documentation will be required after purchase of the unit.

D. Employee

These rental Restricted 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 2018 which aligns with the Comprehensive Plan's goal of housing the local year-round workforce. The owner of the Employee Restricted Housing Units ultimately makes the decision about unit tenancy so long as the Household qualifies. These units can be converted to condominiums and sold to private entities but must be used as rental units as required by their Special Restriction in perpetuity. 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. Households must meet the full-time employment requirement outlined in the Housing Unit's Special Restriction. No ownership of other residential real estate within ~~150 miles~~75 miles driving distance of ~~Teton County~~the Town of Jackson is allowed. Owners will be required to report annually and provide tenant information to the Housing Department pursuant to the Housing Department's request for information. The units are not allowed to remain vacant in excess of 60 days.

E. 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~~75 miles driving distance of ~~Teton County~~the Town of Jackson. 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.

F. Workforce Housing Programs

The Workforce Housing ~~is~~ program requires households earn at least 75% of their household income from a Local Business and meet Employment Requirements, but there is no maximum income or asset limit. Households may not own other residential real estate within 75 miles driving distance of ~~Teton county~~the Town of Jackson, Wyoming.

The Workforce 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. Households may not own other residential real estate within 150 miles75 miles driving distance of Teton County, and the Household must meet the Employment Requirement.~~ There is no cap on the initial sales 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~~CPI not to exceed 3% annually. The owners of Workforce Rental Units set the rental rates. There is no cap on rental rates. Units must be occupied a minimum of 10 months per year. Owners and tenants ~~will be~~are required to re-qualify annually.

1-2. Special Restrictions

	Affordable Ownership	Affordable Rental	ARU	Workforce Ownership	Workforce Rental
Applicability	All non-exempt residential or commercial dev.	All non-exempt residential or commercial dev.	Nonresidential ARUs	FAR Bonus; non-exempt res or com	FAR Bonus, non-exempt res or com
Rent/Own	Own	Rent (no owner occupancy)	Rent	Own or Rent a Room	Rent (no owner occ)
Income/Asset Restrictions	Based on income ranges and asset limits associated with each	Based on income ranges and asset limits associated with each	75% Household income earned locally	75% Household income earned locally	75% Household income earned locally
Ownership of Real Estate	Not within ~~150 miles~~75 miles driving distance of	Not within ~~150 miles~~75 miles driving distance of	Not within ~~150~~ 75 mls	Not within ~~150~~ 75 mls	Not within ~~150~~ 75mls
Income Ranges	0 - 50%, 50 - 80%, 80% - 120%, 120-160% of MFI	0 - 50%, 50 - 80%, 80% - 120%, 120-160% of MFI	None	None	None
Income Limit for Tenant Qualification	N/A	<50%, <80%, <120%, <160% MFI	75% of income earned locally	75% of income earned locally	75% of income earned locally
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 - 1,560 hrs per year	Avg 30 hrs/wk - 1,560 hrs per year
Residency Requirement	US Cit., Law Perm Resident or DACA Recipient	None	None	US Cit, Law Perm Res, or DACA recipient	None
Occupancy Requirement	10 months/yr	Minimum 80% of lease term.	Minimum 80% of lease term	10 months/yr, Minimum 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	No more than 60 days
Household Qualification	At time of purchase and must cont. FT employment until household reaches retirement age	Continuous	Continuous	Continuous until household reaches retirement age	Continuous
Appreciation Restrictions	CPI with max. 3% per year compounded	No measured appreciation	No measured app.	CPI with max. 3% per year comp.	No measured appreciation
Sales Process	Weighted Drawing	By Owner	By Owner	Weighted Drawing after initial sale	By Owner
Rental Rate	N/A	30% of bottom inc. range 30% of MFI for 0 – 50%	None	None	None
Rental Term	N/A	Not less than 6 months	Not less than 6 m.	HD Approval	Not less than 6 m.
Incentive	N/A	N/A	FAR exempt	2:1 Workforce Housing FAR Bonus, CR-3 Height Bonus	2:1 Workforce Housing FAR Bonus, CR-3 Height Bonus

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Requirement	According to LDR 6.3 - must record a restriction	According to LDR 6.3 - must record a restriction	According to LDR 6.1.11.B.3.b - must record a rest commercial only.	According to LDR 6.3. Must record a restriction	According to LDR 6.3. Must record a restriction

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Section 2. PURPOSE AND GENERAL GOALS

2-1. 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 Restricted Housing Units created through the Town or County established housing programs and/or administered by the 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

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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)

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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/she/they 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 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.

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2-2. 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.

2-3. 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	

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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 3. HOUSING DEVELOPMENT STANDARDS

3-1. 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. Section 3-2 lays out the requirements of the Housing Mitigation Plan, which is reviewed by both the Planning Department and the Housing Department. Section 3-3 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

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.

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.

3-2. 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)

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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

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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. Mitigation Fee in -Lieu 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

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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 Restricted 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

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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

All required housing mitigation units and Housing Units that are provided using an incentive or bonus tool in the Jackson or Teton County Land Development Regulations, with the exception of Accessory Residential Units that are secondary to Residential Use, are required to have the approved template for the applicable Special Restriction recorded on the property prior to issuance of Certificate of Occupancy for the development associated with the Housing Unit.

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. Inspection of Unit

The Housing Department must inspect the unit prior to recording the Special Restriction and prior to issuance of Certificate of Occupancy.

2. Compliance Conference

Developer shall meet with the Housing Department prior to issuance of Certificate of Occupancy to review the Compliance Checklist.

3. 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 Special Restrictions, Workforce Ownership, Workforce Rental, Affordable Ownership, and Affordable Rental.

4. 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.

5. 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.

6. 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 Special Restriction will be returned to the Housing Department office. The Housing Department shall witness the recording.

7. Modification/Amendment to Housing Department Template

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.

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Amendment and Restatement to Existing Restrictions

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The restrictions on a restricted housing unit may be amended and restated as long as the amendment and restatement is more restrictive. The amendment and restatement may not be less restrictive.

a. **Workforce Units:** At time of the initial sale of a unit, the owner is allowed to decide if they want to restrict the unit as Ownership or Rental (unless another type of development agreement is already in place). For subsequent sales, the restriction can be amended and restated to designate the unit as an ownership unit. It may not be amended and restated to designate the unit as a rental unit.

9. Responsible Party

Owners of restricted housing units are required to provide a Notice of Responsible Party to the Housing Department upon signing Special Restrictions. The Notice of Responsible Party shall include the Owner's contact information and the contact information for the party responsible for management of the unit. The Notice of Responsible Party must be updated immediately upon any changes to the responsible party, ownership or management of the unit.

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3-3. Livability Standards

To meet the community's goals of providing working families a viable choice of housing, to protect social diversity, preserve affordability, and to contribute to economic stability, the LDRs and the Housing Department Rules and Regulations require that Restricted Housing Units are designed to provide, affordability, 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 do not 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.

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’

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Three bedrooms or more	7’	7’

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*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 alter 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 three (3) feet of continuous countertop workspace not including interior corner space.

c. Appliances

1. Table of Appliance Specifications

The following table specifies minimum appliance requirements.

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Unit Size	Sink width*	Range/oven width*	Refrigerator cubic feet*	Dishwasher*
Studio/One bedroom < 475 SF	24”	24”	18 CF	18”
One bedroom >475 SF	30”	30”	20 CF	24”
Two bedroom	32”	30”	25 CF	24”
Three bedrooms or more	32”	30”	25 CF	24”

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*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:

a. 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).

b. Refrigerator
One-year minimum warranty on the entire appliance.

c. Dishwasher
One-year minimum warranty on the entire appliance.

d. 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.

e. 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.

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a. Table of Minimum Storage Dimensions

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

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b. Other Storage Standards

1. Closet Depth

Closet depth must be a minimum of 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. Additional storage must have a height minimum of six feet (6’).

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

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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

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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 three feet (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 one to two inches (1-2") as a margin of error to accommodate discrepancies in the framing and finish.

a. Minimum Room Size

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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

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b. 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').

c. 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 three feet (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 two (2) chairs – four (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 twelve inches (12") deep and thirty-six inches (36") in length may be an acceptable alternative for units with less than two-bedrooms.

d. 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 six-foot (6') sofa, and a kitchen with eating area (table or island) that will accommodate two (2) 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.

Restricted 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 restricted units facing on and within one hundred yards (100 yd) of roadways with allowable speeds in excess of thirty-five (35) miles per hour or other types of industrial or other noise must have windows facing these conditions that meet a thirty-two (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 five (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. Parking

All restricted housing units must have access to a minimum of one parking space. The parking provided must be equivalent to parking provided for use by the market units in the development.

10. Other Design Features

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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 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

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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.

The kitchen facility must 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 four (4) burners and an oven. A refrigerator at least five (5) cubic feet per person proposed to use the dorm. Each unit must have a minimum of seven (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

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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 one (1)- four (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 a 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

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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 (5) 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 (10) 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 Livability Standards

It is recognized that use of existing housing stock makes it more difficult for units to be in compliance with 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 when other design features above and beyond the Livability Standards requirements exist at the sole discretion of the Housing Department.

G. Standards for Assessments Imposed by Covenants, Conditions and Restrictions

To preserve affordability of the community's Restricted Housing Units, the Covenants, Conditions and Restrictions, or like governing documents, for developments that comprise all restricted units with a mix of restriction types or that have a mix of restricted units and market units, must meet the following standards. ~~This policy applies to all new and existing developments.~~

1. Prohibition on Assessments for Luxury Items.

Costs for Luxury Items may not be assessed against Restricted Housing Units unless 100% of the owners of the Restricted Housing Units vote to approve the proposed Luxury Item.

2. Prohibition on Assessments for Common Areas

Costs for maintenance and operations of common areas or shared amenities that are not accessible for use by the Restricted Housing Units may not be assessed against Restricted Housing Units.

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3. Regular Dues Assessments

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Regular Dues Assessments imposed on Restricted Housing Units may not exceed the Value Comparison Percentage. The Value Comparison Percentage for each restricted unit is calculated by dividing the value of the Restricted Housing Unit by the total value of all housing units in the development. For the purposes of calculating the Value Comparison Percentage for the Restricted Housing Units, values for each unit type in the Development will be determined as follows:

a. Market Units: The value of each market unit in a development in the first year Regular Dues Assessments are imposed is the original sale price of each market unit as set by the developer. In subsequent years, the value of each market unit is the Teton County Assessor's assessed value for the applicable calendar year.

b. Workforce Restricted Units: The value of each Workforce Restricted Housing Unit in a development in the first year Regular Dues Assessments are imposed is the original sale price of each unit as set by developer. In subsequent years, the value of each Workforce Restricted Housing Unit in a development is the Teton County Assessor's assessed value for the applicable calendar year.

c. Affordable Restricted Units: The value of each Affordable Restricted Housing Unit in a development in the first year Regular Dues Assessments are imposed is the Maximum Resale Value. In subsequent years, the value of each Affordable Restricted Housing Unit is the Teton County Assessor's assessed value for the applicable calendar year.

d. Undeveloped lots: The Value Comparison Percentage shall be calculated for undeveloped lots, whether Market or Restricted, in the same manner

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Sample Calculation of Value Comparison Percentage and Special Assessment

Subject Unit – Affordable Restricted Value
Unit A: $200,000

Other Restricted Units in the Development Values

Unit B:	$250,000
Unit C:	$500,000
Unit D:	$498,000

Market Units in the Development Values

Unit E:	$3,000,000
Unit F:	$3,800,000
Unit G:	$2,950,000
Unit H:	$5,050,000
Unit I:	$4,000,000
Unit J:	$3,800,000

Step 1: Calculate the total value of all units in the development (A-J) by adding the values = $24,048,000

Step 2: Calculate Unit A's Value Comparison Percentage by dividing Unit A's value ($200,000) by the total value of all units in the development = 0.0083 or **.83%**

Example Annual Regular Dues Assessments = $10,000

Value Comparison Percentage for All Units in the Development

Unit A:	**0.83%**	**$83**
Unit B:	1.04%	$104
Unit C:	2.08%	$208
Unit D:	2.07%	$207
Unit E:	12.48%	$1,248*
Unit F:	15.80%	$1,580*
Unit G:	12.27%	$1,227*
Unit H:	21.00%	$2,100*
Unit I:	16.63%	$1,663*
Unit J:	15.80%	$1,580*

*The method used in this sample for assessing Market Units is not a requirement under these Rules and Regulations. Market Units may be assessed as determined by the CCRs.

Sample Special Assessment for Unit A: A Special Assessment for the Development totaling $8,000 will be $66.40 for Unit A. The maximum payment requirement per year may not exceed $16.60

4. Special Assessments

Special Assessments imposed on restricted housing units may not exceed the Value Comparison Percentage for each unit.

5. Payment of Special Assessments

Payment of Special Assessments for Restricted Housing Units must be amortized over a period of time such that-the maximum payment requirement is no more than twenty percent (20%) of the annual obligation for the Regular Dues Assessments. Special Assessments are calculated and assessed separately and in addition to Regular Dues Assessments.

6. Review of CCRs and Budget

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The Housing Department shall review and approve the CCRs that will be recorded for a development prior to issuance of final plat as well as any subsequent amendments thereto.

Section 4. QUALIFICATION AND ELIGIBILITY

4-1. 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 Restricted Housing Unit in question; the two levels of evaluation are herein referred to as qualification and eligibility. Where rules for purchasing can be applied to tenants, the Housing Department will apply the same rules to both purchasing and ~~rental~~renting.

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.

4-2. 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 (purchase) or move-in (rental):

A. Employment Requirement

To qualify for any restricted housing unit or program, Households must meet the Employment Requirement, which is determined by the Household's total combined number of hours worked at a Local Business per adult. The requirement is as follows: At least one adult in the Household must work a minimum of an average of thirty (30) hours per week or 1,560 hours per calendar year.

Adult members of the Household can fulfill the Employment Requirement by being employed in one or more of the following categories:

1. Employed in Teton County

Be employed for a Local Business.

For purchases or rentals that are not subject to the Weighted Drawing process, , the Household can be under contract for employment at a Local Business, where such contract commences employment before the date of move-in (rental) or closing (purchase) of a Restricted Housing Unit, 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 for a business with ~~less~~fewer than ~~2~~two employees, the business must meet the definition of a Local Business. Second, the number of work hours must be documented to substantiate meeting the Employment Requirement. Notwithstanding the foregoing, if the business does not have a minimum of 75% of clients who are physically located in Teton County, the business can provide documentation of hours worked only for the clients who are physically located in Teton County. Verified local hours working self-employed may be combined with other verified local employment to meet the eligibility requirement of 1,560 hours per year. Since self-employment is often unique, different methods of verification may be used, however, a log of hours is required. Other methods may include verification from vendors, employees, or other applicable methods. All verification documents must be to the satisfaction of the Housing Department.

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 and if the individual has returned to employment for a Local Business withing sixty (60) days of terminating enlistment with the U.S. Armed Services.

b. Retirement

Individuals who have reached the Age of Retirement and can verify to the satisfaction of the Housing Department that they have met the Employment Requirement for ten consecutive years immediately prior to retirement are eligible to apply for Affordable Rental Housing. All other qualification criteria apply.

c. CWC-Jackson Student

Students attending CWC-Jackson studying as a ¾ time student (a minimum of 9 credit hours per semester) may use actual class hours plus Study Hours as defined by these Housing Rules and Regulations combined with hours of Employment with a Qualified Local Business for Housing Department Program eligibility. Combined hours must equal 1,560 hours.

~~b.~~d. Caregiver

1. Purpose.

The purpose of this exemption is to allow hours worked as the primary caregiver of children or immediate family to be counted towards a household's employment requirements as the household would otherwise be paying a daycare provider or other individual for the service, which increases the need for services, employees, and affordable workforce housing in Teton County.

2. Criteria.

Hours worked as a caregiver may be counted towards a household's employment requirements under this exemption if the following criteria and conditions are met:

- **a.** The caregiver is a full-time resident (resides a minimum of ten (10) months per calendar year) of Teton County, Wyoming or Teton County, Idaho or Lincoln County, Wyoming.
- **b.** The caregiver is a full-time resident (resides a minimum of ten (10) months per calendar year) of Teton County, Wyoming or Teton County, Idaho or Lincoln County, Wyoming.
- **c.** The caregiver is a full-time resident (resides a minimum of ten (10) months per calendar year) of Teton County, Wyoming or Teton County, Idaho or Lincoln County, Wyoming.
- **d.** The caregiver is a full-time resident (resides a minimum of ten (10) months per calendar year) of Teton County, Wyoming or Teton County, Idaho or Lincoln County, Wyoming.

- **e.** The caregiver is a full-time resident (resides a minimum of ten (10) months per calendar year) of Teton County, Wyoming or Teton County, Idaho or Lincoln County, Wyoming.
- **f.** The caregiver is an adult in the household.
- **g.** The caregiver is the primary caregiver for:
  - **1.** Children under the age of 12 who are members of the household; or
  - **2.** An immediate family member residing in Teton County, Wyoming who is unable to care for themselves and/or cannot be left alone due to a serious mental or physical disability, or illness such that they require a permanent or long term caregiver.
- **h.** No other adult in the household is available to provide care at that time because they are working at a verifiable place of employment
- **i.** No more than six (6) hours a day may be counted.
- **j.** Hours worked during no more than 5 days per week may be counted.
- **k.** No more than thirty (30) hours per week may be counted per household.
- **l.** Hours may not be counted for providing care to school aged children during times when the school in which the child is enrolled is in session.
- **m.** Hours providing care for children who are being officially home schooled will be verified by the Housing Department on a case by case basis. Households undergoing qualification for Restricted Housing who wish to have hours counted towards employment requirements under this caregiver exemption must have the exemption approved by the Housing Department prior to the start of a Drawing Process.
- **n.** Hours shall not be counted for children in the household 12 and older unless they have been approved for homeschooling hours by the Housing Department, have a long-term illness, are disabled, or need long term care for some other reason that renders them unable to care for themselves.

3. Verification.

Documentation will be required to verify and substantiate caregiver hours under this exemption which may include birth certificates, letters from health care provider, court orders, and affidavits from employers, family members, and neighbors. The Housing Department has the discretion to determine whether caregiving hours will be allowed to be counted towards employment requirements based upon its review of the documentation and circumstances.

B. Citizenship

At least one (1) member of the Household must be a U.S. Citizen, hold a Lawful Permanent Residency card in the United States, or be an individual classified under the Deferred Action Childhood Arrivals program ("DACA") in order to qualify to purchase a Restricted Housing Unit. All other Qualification and Eligibility Rules apply.

1. DACA Recipients

DACA Recipients must hold a valid Social Security Number and a valid Employment Authorization Document ("EAD")

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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 an Affordable Housing Unit. Workforce units are allowed a cosigner with the approval of the Housing Department.

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.

E. REASONABLE ACCOMMODATION

1. Housing Department Consideration

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The Housing Department will consider all requests for Reasonable Accommodations. Approvals will be given according to the Joint Statement made by HUD/DOJ (Reasonable Accommodations under the FHA). Reasonable Requests will be approved if they do not impose undue financial and administrative burden on the Housing Department or if they do not fundamentally alter the nature of the Housing Department's operations. Determinations will be made on a case-by-case basis involving various factors, such as the cost of the requested accommodation, the financial resources of the Housing Department, the benefits the accommodation would provide the requester, and the availability of alternative accommodations that would effectively meet the requester's disability related needs.

2. Process

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Households wishing to submit a request for a Reasonable Accommodation shall do so using the Housing Department's Request for Reasonable Accommodation Form along with the following documentation:

a. Verification from Healthcare Provider

Verification using Housing Department's form by a licensed healthcare provider that has a history of treatment of the individual requesting the Reasonable Accommodation. The provider must state with sufficient clarity whether the applicant qualifies as disabled as defined by the U.S. Department of Housing and Urban Development and the Fair Housing Act, what accommodation is requested and describe the relationship between the reasonable accommodation and the applicant's disability and verify that the individual has a disability that requires the Reasonable Accommodation.

b. Assistance Animal Addendum

Households who are approved to have Assistance Animals shall sign an Agreement with the Housing Department. The Agreement includes but is not limited to the following: to keep the animal under control at all times; to keep the animal on a leash or in a cage while in common areas; to never leave the animal unattended; to immediately dispose of all droppings properly; to keep the animal from causing annoyance to tenants or neighbors; to remove offspring from the premises within six (6) weeks after birth; to keep only approved Assistance Animals on the premises. Failure to comply may be cause for revocation of approval for the Assistance Animal.

c. Other Documentation:

The Housing Department reserves the right to request other documentation as deemed necessary on a case-by-case basis.

4-3. 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 Restricted Housing Unit. The Special 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

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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% - 160%

Workforce Housing – No income range/limits

Ownership units developed after 2018 adoption of Housing Mitigation Standards

50% - 80%

80% – 120%

120% - 160%

Workforce – No income range/limits

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 Special Restriction recorded on the Employee Housing Unit, the Special Restriction shall supersede these Housing Department Rules and Regulations.

d. Employment-Based

There is no income limit for Employment-Based units. However, at least 75% of the Household's combined income must be earned from a Local Business 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 limit for Workforce Restricted Housing Units. However, at least 75% of the Household's combined income must be earned from a Local Business 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 restricted housing unit.

2. Calculation of Income

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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. For Affordable units, 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 both under the age of 25 who are members of the Household and who are Attending College will not be counted. Income of adult children who are members of the Household over the age of 25 will be counted.

b. Business Income

Gross income is used minus cash expenses. Examples of non-cash expenses that are prohibited deductions include but are not limited to depreciation, travel, meals, entertainment, and business use of the home.

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

1. Tax returns are used to calculate 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 calculate 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 calculate 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 calculate 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 calculate 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 calculate 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 calculate average monthly income. The average monthly income will be multiplied by 12 to calculate 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 calculate gross income minus cash expenses. The gross income will be divided by the number of months the business was operating in that year to calculate average monthly income. Average monthly income will be multiplied by 12 to calculate one full year for the first year in business.

Seasonal Businesses:

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

Housing Department Discretion

The Housing Department will use its discretion when calculating business income as unique situations arise from time to time. In unique situations, the Housing Department may need to deviate from the above methods. Deviations from the above method include but are not limited to the following:

1. If a business is in operation while its owner is also working full-time as a W-2 employee for another organization but has since terminated the W-2 employment, that year(s) will not be included in the average.

2. Independent contractors who are contracted for one organization may be required to submit an Affidavit of Employment.

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c. Household Members

All individuals who are intending to occupy the unit must be included on the application. All adults who will be occupying the unit must include income and assets on the application except children of intended members of the Household that are under the age of 25 and Attending College. For Affordable units, adults not listed on the application may not reside in the Restricted Housing Unit within the first year and may not reside in the restricted unit thereafter without prior approval from the Housing Department. For Workforce units, additional adults may reside in the Restricted Housing Unit 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 an ownership unit or signing a lease for a rental unit~~the Restricted Housing Unit~~. For Workforce units divorces are not required to be finalized, and applicants can apply without their spouse, and the spouse's income/assets, etc. will not be counted.

d. Residential Rental Income

All income from residential real estate will be counted toward Household income. All expense deductions are prohibited.

e. Local Income

Local Income is an income earned from employment compensation of self-employment from a Local Business. Child support and local retirement income may also be counted as Local Income.

f. Non-Local Income

Non=Local Income includes, but is not limited to, the following:

Dividends

Income from a party that does not meet the definition of Local Business

Child support, except for child support being paid by a person working for or self-employed with a Local Business if it can be demonstrated and verified.

Alimony

Rental Income

Retirement, except if the person receiving the retirement income is over the age of 62 or the retirement income is from being fully vested in a pension pan associated with past employment with a Local Business. If either o the age of the recipient or the status of the pension plan can be demonstrated and verified, the income will be deemed Local Income.

Social Security

Disability

Unemployment

All consistent sources of income not from a Local Business.

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

Affordable Rental and Ownership Units have limitations on the value of assets owned. 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 Restricted 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

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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.

b. 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~~75 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 Real Estate 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 or rent a Restricted Housing Unit.

C. Readiness to Purchase or Rent

Individuals purchasing or renting a Restricted Housing Unit must demonstrate readiness to purchase or rent by showing the following:

1. Contingencies

For purchase only, 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.

4. Co-signers and Guarantors

a. Affordable Units

Cosigners and Guarantors are prohibited when a Household is purchasing or renting Affordable Units.

b. Workforce Units

Cosigners and Guarantors are allowed when a Household is purchasing or renting Workforce Housing units with the approval of the Housing Department, which approval will only be granted when, a cosigner or guarantor is needed solely due to the buyer's lack of ability to afford the unit on their own. Cosigners and Guarantors are prohibited from being on title to the Housing Unit.

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D. Homebuyer Education

For purchase only, ~~C~~completion of the Homebuyer Education course is required to meet eligibility criteria to enter a Weighted Drawing for a Restricted Housing Unit or purchase a Restricted Housing Unit. The required course is available through the Wyoming Housing Network or another Housing Department approved organization. The financial counseling offered after the completion of the homebuyer education course is encouraged but not required.

E. Online ~~Intake Form~~Interest Application

The Online ~~Intake Form~~Interest Application must be completed prior to entering a Weighted Drawing for a Restricted Housing Unit. Completion of this application~~form~~ will put a Household on the Housing Department's email list, and the Household will begin receiving emails with information about Restricted Housing Units ~~when they are available~~for which they qualify. All advertising of Restricted Housing Units available will be done through email to those who have completed the ~~Online Intake Form~~Interest Application and on the Housing Department website. The ~~Online Intake Form~~Interest Application can be found on the Housing Department's website: jhaffordablehousing.org. This ~~form~~ application 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~~Interest Application does not automatically enter a Household into a Weighted Drawing. The Weighted Drawing is a separate process.

Section 5. 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. A one-time application fee per household may be charged to apply for Housing Department programs. Changes to members of a household constitutes a new household and may require an additional fee.

5-1. Minimum Occupancy Requirement

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 no 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. Parents must have Physical Custody Rights of children to count the children as part of their household.

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

5-2. 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 is equal to 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 Service 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. ~~a different bedroom count~~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

Each Household must meet the Employment Requirement herein.

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 five (5) years. Points will not be given for the time 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 of termination of the reason for the interruption of employment and must have met the Employment Requirement for one entire year upon reestablishing compliance with the Employment Requirement. The only reasons a Household's employment may be interrupted are caring for a sick or disabled immediate family member, attending post-secondary school, and hospitalization. Appropriate documentation verifying to the satisfaction of the Housing Department permitted interruption of employment includes but is not limited to, a letter from a health care provider or school transcripts and will be required to obtain points for prior employment.

B. Additional Points

1. Critical Service Provider

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Qualified Critical Service Providers (CSPs) 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 Service Provider for two (2) CSP organizations, they will receive two (2) points.

The following conditions must be met to receive the Critical Service Provider designation and priority:

a. Critical Service Provider Designation

Organizations who believe their employees or volunteers meet the definition of Critical Service Provider can apply to the Housing Department to become an approved Critical Service Provider organization and have certain job positions deemed "qualified". The Jackson/Teton County Housing Authority Board will approve or deny Critical Service Provider Organization applications. Critical Service Provider Critical Service Provider Organization applications must be approved at a regular scheduled Housing Authority Board meeting prior to the close of a Weighted Drawing for applicants to enter a drawing as a qualified Critical Service Provider.

1. Required Documentation

Employees who work in these "qualified" positions for approved Critical Service Provider Organizations can enter a Weighted Drawing and receive additional points. The positions must be approved as Critical Service Provider Positions at a regular scheduled Housing Authority Board meeting prior to the close of a Weighted Drawing. These individuals must submit a "Critical Service 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 Critical Service Provider's supervisor to update the Supervisor's Questionnaire.

b. One Year of Full-Time Employment

A qualified Critical Service 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 Service Provider.

c. Approval Process

Applications received by the Housing Department for approval as Critical Service 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. If the unit has minimum occupancy requirements, it will be open to Households in the next tier of the minimum occupancy requirements. If there are no minimum occupancy requirements or if after offering the unit again in a Weighted Drawing there are still no qualified entries, the Restricted Housing Unit will be offered first come, first served. The first Qualified Household to submit a complete application will have the opportunity to purchase. First come Qualified Households will be allowed to make an offer on the Restricted Housing Unit. In the case an offer is made that is less than the Maximum Resale Price, the Seller may accept the offer or make a counteroffer. The prospective buyer Household then has the opportunity to accept the Seller's counteroffer or issue a counteroffer. If made, the Seller can accept or counteroffer a second time. As long as there is not another Qualified Household in line, the first Qualified Household can continue to make counteroffers until the Seller accepts. If there is another Qualified Household in line, the first Qualified Household is limited to accepting the Seller's second counteroffer or rejecting it. If the Seller's second counteroffer is rejected, the second Qualified Household will have the opportunity to make an offer, but it must be more than the first Qualified Household's highest offer. This process will continue until an offer is accepted by the Seller or the Seller withdraws its Letter of Intent to Sell. Notwithstanding the foregoing, the Housing Department may make a different determination if the owner is in default and/or if the sale is a forced sale.

E. Email Confirmation

Households who submit a complete Weighted Drawing entry during an open Weighted Drawing for a Restricted Housing Unit will receive an email confirmation that their Weighted Drawing entry has been entered. The confirmation will be sent prior to the close of the Weighted Drawing and will include the number of entries received.

F. Incomplete Weighted Drawing Entries

The Housing Department will not accept or enter any incomplete Weighted Drawing Entries into a Weighted Drawing. It is the responsibility of the Household wishing to enter the Weighted Drawing to submit a complete Weighted Drawing entry with updated documentation and to contact the Housing Department to ensure it is complete and has been accepted.

G. Drawing Results

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

H. Town and County Options

When the Town of Jackson or Teton County holds an option on a unit, Town or County employees will have a preference in Weighted Drawings.

5-3. Weighted Drawing Entry

A. Open Weighted Drawing

When a Restricted Housing Unit under a Housing Department program becomes available for rent or for sale, a Weighted Drawing will be opened by the Housing Department. Open Weighted Drawings begin on Wednesdays, remain open for two (2) weeks and close at 4:00 PM on Tuesdays. Information about the Restricted Housing Unit and how to enter the Weighted Drawing will be posted on the Housing Department's website www.jhaffordablehousing.org. Households who have completed an Intake Form will receive an email notice that the Restricted Housing Unit is available with links to information about the unit and how to enter the Weighted Drawing. A text message will also be sent. The Housing Department may also advertise using other methods.

B. Required Documents

1. Weighted Drawing Entry ~~Form~~Request

A Weighted Drawing Entry Request~~Form~~ in accordance with Housing Department policies and procedures must be submitted for each Restricted Housing Unit's Weighted Drawing. ~~It must be completed in its entirety. Fields that do not apply shall be completed with N/A or a strike.~~

2. Current Work Verification

Documentation showing total income earned and hours worked at the current place of employment. An Affidavit of Current Employment must be submitted for each adult member of the Household (except adult children under the age of 25 who are Attending College). The Affidavit of Current Employment must be completed by the employer and submitted by the employer directly to the Housing Department.~~or employer's agent and include the employer's notarized signature. If the employer does not have access to a notary, they may deliver it directly to the Housing Department via email, USPS, fax, or by hand.~~

3. Previous Work Verification

Affidavits of Previous Employment are required to verify a minimum of one year of full-time working hours for a Local Business in Teton County, WY. Only one member of the Household must verify one year of full-time employment~~work~~. Affidavits of Previous Employment are to be completed by the former employer or employer's agent and submitted by the employer or agent directly to the Housing Department~~include a notarized signature~~. ~~If the employer does not have access to a notary, they may deliver it directly to the Housing Department via email, USPS, fax, or by hand.~~

Affidavits of Previous Employment are also used by the Housing Department to verify years of work history for points in the Weighted Drawing.

Other types of verification of previous employment may also be accepted such as a final pay stub for the year showing business name and total hours worked for the year along with a W-2.

4. Other Types of Employment Verification

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In cases where Affidavits of Employment are not possible, the Housing Department may accept the following documentation.

- Full year W-2s with final pay stub of the year showing hourly wage and annual hours worked.
- Sworn statement/affidavit from past business owner or owner's agent including hours worked.

- Caregiver – One (1) year verification of residency immediately prior to drawing entry, two (2) forms of the following: lease, warranty deed, utility bills or other statement showing physical address verifying full-time residency in Teton County Wyoming, Teton County Idaho, or Lincoln County Wyoming, and a birth certificate for child, or letter from a health care provider for adult.
- Military – two (2) years local employment verification prior to beginning military service.

5. Homebuyer Education Certificate

At least one member of the 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.

6. Lender's Qualification Worksheet

A current Lender's Qualification Worksheet (within one year of the date the Weighted Drawing opens) is required to be completed by a lending institution.

7. Credit Report

A full credit report or an equivalent, as such may be determined by the Housing Department is required and must include data from all accounts.

8. Self-employment Verification

Self-employed individuals must submit the following:

- Three (3) years of complete business tax returns or as many years up to three (3) years that the business has been operating.
- Year-to-Date Profit & Loss and Balance sheet
- Documents to verify hours worked
  - Copies of business contracts/agreements
  - Affidavits from vendors
  - Detailed log of hours worked

9. Critical Service Provider Verification

Individuals working in approved Critical Service Provider positions must submit a Critical Service Provider Supervisor Questionnaire.

10. Interruption of Employment Verification

Individuals who qualify for Interruption of Employment must submit two (2) years of work history immediately prior to the start of the Interruption of Employment, and verification of the reason for the Interruption of Employment such as school transcripts, or a letter from a health care provider.

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5-4. Notice to Selected Household

Upon receipt of the Weighted Drawing results, the Housing Department will notify the Household chosen first in the drawing. The Housing Department will use the contact information given in the Household's Intake Form to contact the Household. The Household will have five (5) business days to respond to the Housing Department. If there is no response from the Household within five (5) business

days, the Household drawn second in the drawing will have the option to purchase, under the same circumstances as the first. The process continues until a Household provides the requisite response within the five (5) business days.

The Housing Department may simultaneously notify the Households drawn first, second, and third in the drawing for purposes of speeding up the purchase process, however, the timelines for response outlined above will be maintained.

Households that may be out of town at the time of a drawing or unable to be reached are encouraged to notify the Housing Department and make necessary arrangements in case they are drawn in a drawing for which they have entered.

Section 6. PURCHASE AND SALE STANDARDS AND PROCEDURES

6-1. Sale and Resale Standards

A. Applicability

Each restricted housing program dictates both the initial sales price and the maximum resale price. The Special 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 Restricted 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 standards.

5. Other Programs

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For other Restricted Housing Units, the property’s Special Restrictions clarify how the sale and resale prices are configured.

B. Maximum Sales Price

The Housing Department updates the maximum sales prices for Affordable Restricted 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 MFI used to calculate affordability for the 80% - 120% income range is 100% of MFI.

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

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The maximum sales price for a Restricted Housing Unit is determined by calculating 30% of a qualifying Household's income, using the following assumptions:

a. Loan Principal and Interest

22% of Household income covers principal and interest.

b. HOA dues, Taxes, and Insurance

Eight percent (8%) of Household income covers HOA dues, taxes, and insurance,

c. Mortgage Assumptions.

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

a. Below grade or no garage

The maximum sales prices will be lower if the unit is below grade, or if there is no garage.

b. Housing Department Option to Purchase

If an owner is determined to be in default of their Special 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 Special Restrictions.

c. Stopping Appreciation

If an owner is found to be in default of their Special 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 Special Restrictions or ground lease specifically reference an alternative appreciation method or no measured appreciation.

a. The following standards apply:

i. 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.

ii. 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.

iii. 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.

b. Denver-Aurora-Lakewood CPI

The CPI used to calculate maximum resale prices in some Special 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 Restricted Housing Unit, 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.

c. Northwest Wyoming Cost of Living Index

The Northwest Wyoming Cost of Living Index (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.

d. Appreciation Rate of 2.5 Percent

The 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 Special 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 Restricted Housing Unit 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.

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 National Association of Home Builders/Bank of America Home Equity Study of Life Expectancy of Home Components 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 Restricted Housing Unit. 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 to Sell must be submitted and the meeting with the seller must occur the week prior to the beginning of the Weighted Drawing entry period. 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 Ground Lease/Special Restrictions and to provide a transfer to a Qualified Household. Specifically, the Housing Department facilitates sales of Affordable Restricted Housing Units, Employment-Based Restricted Housing Units, and Workforce Restricted Housing Units. Sellers will be required to enter into a Facilitation Agreement with the Housing Department to sell their Restricted Housing Unit. The Facilitation Agreement must be executed prior to advertising the Restricted Housing Unit 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 Special 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 Special Restrictions, 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 Owner 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

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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 Restricted Housing Unit 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 Restricted Housing Unit. 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 Restricted Housing Unit, 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 Restricted Housing Unit 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.

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 funds will be withheld from the seller's proceeds to cover the costs.

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.

a. Capital Improvement Request Fee

Applicants for Capital Improvement requests will be charged a fee by the Housing Department in accordance with the Housing Department Fee Schedule.

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 Restricted Housing Unit to its original condition.

3. Approved Capital Improvements

A Capital Improvement is an improvement done to the Restricted Housing Unit 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:

a. Fixtures erected, installed or attached as permanent, functional, non-decorative improvements to real property, excluding repair, replacement and/or maintenance improvements. May also include blinds or shutters if approved by the Housing Department.

b. For the benefit of seniors and/or handicapped persons.

c. Health and safety protection devices (including radon).

d. Adding and/or finishing of permanent/fixed storage space.

e. Finishing of unfinished space.

f. Landscaping; Adding trees, shrubs, lawn, patio, walkways, or sprinkler systems.

g. Decks and balconies, and any extension thereto.

h. 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 Restricted Housing Unit.

4. Improvements Not Approved for Credit

Permitted capital improvements shall not include the following:

a. Jacuzzis, saunas, steam showers and other similar items.

b. Upgrades or addition of decorative items, including lights, window treatments and other similar items.

c. 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.

d. 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

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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

1. Nonqualified Transfer on 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.~~the owner's interest may be transferred to the owner's child, children or other beneficiary who may not be Qualifed. If they do qualify, they will be allowed to keep the home in accordance with the Special Restrictions and these Housing Rules and Regulations. If the beneficiary does not qualify, the beneficiary will be required to sell the home in accordance with the Special Restriction and the Housing Rules and Regulations. Proceeds of the sale, after payment of all parties owed in accordance with the Special Restriction and Housing Rules and Regulations, will be retained by the beneficiary.

2. Qualified Transfer on Death

In the event of the death of an owner, a qualified transferee must meet Occupancy, Use, Qualification and Eligibility criteria in accordance with these Housing Rules and Regulations within 90 days of the transfer of title.

3. Transfer on Death to Minor(s)

If the restricted unit is transferred to a beneficiary(s) who is a minor child(ren), the beneficiary(s) can keep the home if they have a legal guardian who will live in the home with the child(ren) until the youngest child becomes an adult. The legal guardian will be required to sign an Occupancy Agreement. The Special Restriction and the Housing Rules and Regulations will remain in effect. If the minor child(ren) beneficiary(s) do not have a legal guardian who will live in the home, the home will be sold in accordance with Nonqualified Transferee as defined in these Housing Rules and Regulations.

c. Nonqualified Transferee

If title to the Restricted Housing Unit vests in a nonqualified transferee, as defined in these Housing Department Rules and Regulations Qualification, the Restricted Housing Unit shall immediately be listed for sale in accordance with the Special Restrictions and the Housing Department Rules and Regulations. The following shall apply when the Housing Department determines there is a nonqualified transferee:

1. Cooperation 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 Special Restriction

A nonqualified transferee shall comply with the Special 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. If a restricted housing unit is placed in a trust illegally, the trust is a Non-qualified Transferee and will be handled as such.

3. Nontestamentary Transfer on Death

A Nontestamentary Transfer on Death deed is allowed to be recorded on Restricted Housing Units. Applicant for a Nontestamentary Transfer on Death will use the Housing Department's form and pay a fee to the Housing Department in accordance with the Housing Department Annual Fees schedule. The Form will 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 Special Restrictions on the property.

c. Approval by Housing Department. The Housing Department must approve the document before recordation.

4. Title

Applicants and Co-applicants are required to be on title to the Restricted Housing Unit or sign an Occupancy Agreement. Additions and removal of names on the title constitute a transfer of title. The Housing Department must approve all transfers of title. Transfers of title without the consent of the Housing Department constitute Default.

5. Occupancy Agreement

All adults who are not on title and occupy any restricted housing unit for more than 30 cumulative days in a calendar year, except for children under the age of twenty-five (25) Attending College,

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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. Individuals who sign an Occupancy Agreement will be considered a member of the Household and will be included in annual re-qualifications and check-ins.

6. Occupancy Affidavit

Owners of Affordable units may allow other adults to occupy their unit after one year of ownership with approval from the Housing Department. Owners of Workforce units may allow other adults to occupy their unit any time after closing on the purchase with approval from the Housing Department. One person Households purchasing Affordable Units will be required to sign an Occupancy Affidavit at closing affirming that no other adults will occupy the Restricted Housing Unit for a minimum of one year. All adults not on title who occupy a restricted housing unit will need to sign and Occupancy Agreement.

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

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All sellers and buyers of Restricted Housing Units are advised to consult independent legal counsel to examine all contracts, CC&Rs, Special 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

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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 Restricted Housing Units that do not have a measured appreciation, such as Attainable Restricted Housing Units, an appraisal recognizing the Special 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 under the age of twenty-five (25) 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 Special 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

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Owners are required to keep hazard insurance on their Restricted Housing Units for 100% replacement cost. Since the Restricted Housing Units are subsidized, this amount could be more than the price of the restricted housing unit. 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 restricted housing unit. Ground lease properties are required to name the Jackson/Teton County Housing Authority as additionally insured.

6-2. 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

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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 Special 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 drawings. Drawings 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.

2. Bid Process

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If the Special 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.

3. Owner Selection

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If the Special 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.

4. Attainable Housing Program Sale Procedures

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a. Listing of Unit

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

b. Letter of Intent to Sell

The owner of the Attainable restricted 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. Advertising

The owners will be responsible for advertising their Attainable restricted 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. Sale Price

There is not a maximum resale price for Attainable Restricted 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. 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 restricted housing unit. The seller may make a counteroffer that includes changes to the Purchase and Sale Agreement. The Attainable restricted 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 restricted 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. 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.

g. Application for Qualification

1. Time of Submittal: The Attainable restricted 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 must request further information from the applicant.

3. Qualified Buyer Letter: Once the Household is deemed to be "qualified" to purchase the Attainable restricted 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. 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 Special Restrictions as well as agreeing to allow the Housing Department to release the sales price of the restricted housing unit, 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

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a. Application

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:

1. True and Correct Information. That the facts contained in the application are true and correct to the best of the applicant's knowledge.

2. Standard Application. That the applicant has been given the standard application information packet by Housing Department Staff; and

3. Applicant Applying in Good Faith. 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 Special Restriction, these Housing Department Rules and Regulations, and all other applicable procedures.

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

b. 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 restricted housing unit.

c. Credit Report

A complete credit report (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.

d. 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.

e. 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 returned directly to the Housing Department 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.

f. 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.

g. 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.

h. 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:

- **a.** Wage stubs
- **b.** Employer name, address, and phone number
- **c.** Contract for employment
- **d.** “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 housing unit in the past 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 Affidavit

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 restricted housing unit without express written approval of the Housing Department. Approval will not be given within twelve (12) months from closing on a restricted housing unit for adults being added to the Household. An Occupancy Affidavit 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 restricted housing unit or must sign an Occupancy Agreement.

7. Accessible Unit Preference

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

8. Critical Service Provider

Organizations applying for Critical Service 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.

10. 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.

11. 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 an Affordable Weighted Drawing the Household wishes to enter or the Household will be ineligible to enter the Weighted Drawing. Households may make changes to their Intake Form if applying for Workforce Housing. The Intake form must be updated annually to be eligible to continue to enter drawings.

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. 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 the Privy to Purchase and Sale 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.

c. 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.

d. 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 Special Restrictions as well as agreeing to allow the Housing Department to release the sales price of the restricted housing unit. 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.

H. Purchase by Housing Authority

The Housing Authority through the Housing Department shall have the option (Option) to purchase any restricted residential unit for which an owner desires to sell, an owner is forced to sell, or the residential unit is in default of their mortgage or in foreclosure.

1. Owner Desires to Sell

In cases where the Housing Department desires to exercise their Option when the owner desires to sell their restricted residential unit, the Housing Department shall provide written notice to the owner of its election within thirty (30) days of receipt of Letter of Intent to Sell. Such notice shall include the purchase price and the timing for the closing of the purchase. The purchase price shall be the Maximum Resale Price as calculated by the Housing Department in accordance with the Special Restriction and the Housing Rules and Regulations or the appraised value, whichever is less. The seller shall not be required to pay a facilitation fee to the Housing Department. The Housing Department shall provide the contract and shall not be required to pay earnest money.

2. Owner is Forced to Sell

In cases where the Housing Department desires to exercise their Option when an owner of a restricted residential unit is found by the Housing Department to be in Default and is therefore forced to sell their restricted housing unit, the Housing Department shall provide written notice to the owner of its election within ninety (90) days of determination of Default. The notice shall include the purchase price and the timing of the closing of the purchase. The purchase price shall be the Maximum Sales Price as calculated by the Housing Department in accordance with the Special Restriction and the Housing Rules and Regulations. Notwithstanding the foregoing, the Maximum Sales Price will not include appreciation after the known date the owner went into default. This known date may be prior to the Housing Department's Notice of Default to the owner.

3. Foreclosure

In cases where the Housing Department desires to exercise their Option when the restricted residential unit is in foreclosure, the Housing Department must exercise the Option within ninety (90) days from the receipt of notification of a borrower Default of Mortgage or the property foreclosure.

4. Application of Proceeds

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Whether the Housing Department elects to exercise its Option or to force a sale in accordance herewith, all proceeds, unless otherwise required by statute, will be applied in the following order:

FIRST, to the payment of any unpaid taxes.

SECOND, to the payment of any Qualified Mortgage.

THIRD, to assessments, claims and liens on the Residential Unit (not including any mortgage or lien purportedly affecting a Residential Unit which is not a Qualified Mortgage

FOURTH, to the payment of the closing costs and fees.

FIFTH, to the two percent (2%) facilitation fee to the Housing Department.

SIXTH, to the payment of any penalties assessed against owner by the Housing Department.

SEVENTH, to the repayment to the Housing department of any monies advanced by it in connection with a mortgage or other debt with respect to a Residential Unit, or any other payment made in owner's behalf.

EIGHTH, to any repairs needed for the Residential Unit; and

NINTH, any remaining proceeds shall be paid to owner.

If there are insufficient proceeds to satisfy the foregoing, owner shall remain personally liable for such deficiency.

5. Appointment of Housing Department as Owner's Attorney-in-fact.

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In the event the Housing Department exercises its Option or requires a forced sale, owner shall cooperate or irrevocably appoint the Housing Manager as such owner's Attorney-in-Fact to effect any such purchase or sale on owner's behalf (including without limitation the right to cause an inspection of the Residential Unit and make such repairs to the Residential Unit as the Housing department may reasonably deem necessary), and to execute any and all deeds of conveyance or other instruments necessary to fully effect such purchase or sale and conveyance. Buyers of restricted units under these Rules and Regulations agree to this at time of purchase by signing the Buyer's Acknowledgment which is recorded in the office of the Teton County Clerk.

Section 7. RENTAL STANDARDS AND PROCEDURES

7-1. Applicability

All rental Restricted Housing Units administered by the Housing Department, including the Affordable Rental program (which includes legacy Employee Restricted Housing Units), the Workforce Rental program (which includes the legacy ARU program), and restricted ownership units who apply to rent a room in their unit 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.

7-2. Housing Department Program Rental Standards and Procedures

A. Affordability

To ensure that the rents are affordable to Households earning less than one hundred twenty percent (120%) MFI, 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 percent (75%) of a studio.

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. 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.

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B. Primary Residence

1. Occupancy Requirement

Households shall physically occupy their restricted housing unit full-time at least 80% of the term of their lease.

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.

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C. Eviction

If 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.

D. 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.

2. First Come First Served

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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.

E. 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.

F. 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.

G. 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.

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

Federal income tax returns 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

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One or more of the following will be required for verification of Current Employment in Teton County includes:

a. Wage stubs.

b. Employer name, address, and phone number.

c. Contract for employment.

d. Authorization to Release Information.

Form signed by all adults in the Household to obtain third party employment verifications; and

e. Business Tax Returns

Three (3) years of business and personal tax returns along with a current Profit and Loss Statement and balance sheet.

f. Healthcare Provider Verification Form for Accessible Unit Preference.

g. Other Documentation. Any other documentation that the Housing Department deems necessary to determine qualification, such as, divorce decrees, Social Security income, rental income, etc.

H. 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.

I. Qualification Letter

After the Housing Department verifies that the Household meets the qualification and eligibility criteria for the restricted housing unit, it will issue a Qualification Letter to the potential renter within 10 business days.

7-3. Private Owner 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. Owner-Occupied Properties~~Primary Residence~~

1. ~~Owners of Restricted Housing Units shall maintain the restricted housing unit as their primary residence.~~ Primary Residence Requirement

Owners of Restricted Housing Units shall maintain the restricted housing unit as their primary residence.

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~~1.~~2. Occupancy Requirement

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

~~2.~~3. 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.~~4. 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.~~5. 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 these Housing Rules and Regulations.

~~5.~~6. Post Leave of Absence

a. Timing

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 to Sell form, which will begin the selling process of the restricted housing unit.

b. Choice to Sell

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. 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

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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

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a. Qualified Household

Tenants shall be a Qualified Household according to the general Qualification and Eligibility Criteria contained in the recorded Special 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 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 restricted 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 total housing costs, which include only (the mortgage payment, taxes, insurance, Ground Lease Fees and HOA dues). The actual cost of utilities can be added to the rent or billed to the tenant if utilities are in the owner's name. Housing costs shall be verified by the Housing Department prior to approval of the lease. If there is no mortgage on the property, the Maximum Affordable Rent Calculation shall be used for Affordable units. The Housing Department shall approve rental rates for Workforce units.

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.

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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 Special 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 Special 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.

7-4. Restricted Rentals Owned by a Private Entity

A. Purchase of Restricted Rental Units

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Restricted Rental U~~u~~nits may be purchased and owned by entities or individuals in accordance with the Special Restrictions and these Housing Rules and Regulations. Restricted Rental Units shall not be owner occupied or occupied by persons that have an ownership interest in an entity holding title to a

Restricted Unit. Restricted Rental units shall not be occupied by persons that have family members that have an ownership interest in an entity holding title to a Restricted Unit. Restricted Rental Units shall not be occupied by persons that have an ownership interest in any entity that has an ownership interest in an entity holding title to a Restricted Unit. Restricted Rental Units shall not be occupied by persons that have family members that have an ownership interest in any entity that has an ownership interest in an entity holding title to a Restricted Unit. The Housing Department may require any individual or entity to provide appropriate documentation at any time to ensure compliance with these Rules and Regulations. ~~The identity of the individual or entity must be transparent. Restricted units are prohibited from being purchased by anonymous shell companies or the like. Entities shall provide the name and information for any parent company, the name, contact information of the actual owner of the entity and responsible party in accordance with these Housing Rules and Regulations to the satisfaction of the Housing Department.~~

B. Tenant Qualifications

All tenants of restricted housing units must meet the qualification criteria in accordance with the Special Restrictions and these Housing rules and Regulations. Tenants must be qualified prior to signing or renewing a lease agreement. The Housing Department reserves the right to request verification that the tenants are qualified at any time.

1. Approval of Leases

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Prior to signing a lease with a tenant, owner shall submit the lease form to the Housing Department for approval. The lease agreement must include the occupancy and use requirements and tenant qualification and reporting requirements in accordance with the Special Restriction and the Rules and Regulations.

2. Tenant Qualification Process

Tenants are required to qualify prior to signing or renewing a lease. Owner shall submit or cause tenant to submit of all qualification documentation required by the Housing Department ~~for qualification approval~~verification of tenant household eligibility. The Housing Department will request qualification documentation at its discretion and in accordance with its policies and procedures.

3. No Owner Occupancy

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Owners or members of owners' immediate family 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, sharehold, other principal or owner of the entity, and any trustee or beneficiary of the trust.

4. 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 ocdes (or other relevant law, code, statute, ordinane or the like) regarding maximum occupancy standards or limitations.

5. Written Lease Requirement

Occupancy of the Residential Unit shall be pursuant to a written lease, the form of which shall be approved by the Housing Department as it may require. Owner of the Residential Unit shall obtain written verification of income, asset ownership, and employment in Teton County, Wyoming for each Qualified Household proposing to rent the Residential Unit prior to such Housheold's occupancy, and upon each extension or renewal of any lease therefore.

6. Rental Term

The Residential Unit shall be offered for ~~aren't~~rent in periods of not less than six (6) months.

7. Vacancies

The Residential Unit may be vacant between tenancies to allow for proper advertisement and verification for Qualified Households and reasonable maintenance. However, a Residential Unit shall not be vacant for a period greater than sixty (60) days, unless authorized by the Housing Department. If any Residential Unit remains vacant for more than sixty (60) days without approval, the Housing Department has the right, but not the obligation, to identify a Qualified Household to rent the Residential Unit.

8. Preference

Owner may give first priority to rent the Residential Unit to Qualified Households of which a member of the Household is an employee of Owner. In the event there are no persons directly employed by Owner to whom Owner desires to rent the Residential Unit, then Owner shall rent to any Qualified Household.

~~A.~~C. Affordable Units

1. Standard of Affordability

The standard for affordability used by Teton County is based on HUD standards which provide that no more than thirty percent (30%) of a household's income should be spent on housing costs. Included in this thirty percent (30%) is rent property tax, water, sewer, gas and/or electric, and trash removal. Additionally, one parking space is required at no charge to the tenant.

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To ensure that housing costs are affordable for the Households who qualify within the applicable affordable income range of the Special Restriction for a particular Affordable Housing Unit, rent charged may not exceed the Maximum Affordable Rent as set forth below.

2. Maximum Affordable Rent Calculation

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The Maximum Affordable Rent for an Affordable Housing Unit will be calculated using the Housing Department Income Range and Asset Chart which establishes the dollar amounts for each affordable income range based on the Median Family Income (MFI) for Teton County calculated annually by HUD, and according to the following method and requirements:

Step 1 – Determine household size applicable to the Affordable Housing Unit
For the purposes of calculating Maximum Affordable Rent only, household size is determined not by the number of persons to occupy an Affordable Rental Unit but by the Unit Type (number of bedrooms):

Unit Type	Household Size
Studio	One (1) person
One-bedroom	One (1) person
Two-bedroom	Two (2) persons
Three-bedroom	Three (3) persons
Four-bedroom	Four (4) persons
*Dormitories:	Household Size = Number of bedrooms in Dormitory

*Dormitory is defined as a rental housing unit with more than 4 bedrooms and may not exceed 8 bedrooms under the Livability Standards.

Step 2 – Determine annual income amount applicable to the Affordable Housing Unit
The annual income amount used to calculate the Maximum Affordable Rent is the lowest dollar figure on the current annual Housing Department Income Range and Asset Limit Chart within the income range applicable to the Affordable Housing Unit for the household size/Unit Type as determined in Step 1 ("Income Number"):

Example:	3-bedroom Affordable Rental Unit in 50 to 80% income range
Step 1:	For a 3-bedroom unit, refer to a 3-person household
Step 2:	The lowest allowable income for 3-person household in the 40% to 80% income range on the income Range and Asset Chart is $55,350* (*Housing Department Income and Asset Char effective April 20, 2022)

For Affordable Rental Units subject to the zero (0) to 50% income range, the Income Number for calculating Maximum Affordable Rent is thirty percent (30%) of MFI for Teton County according to HUD.

Step 3 – Calculate Annual Maximum Affordable Rent for the Affordable Housing Unit
Multiply the Income number by thirty percent (30%) ("Annual Maximum Affordable Rent").

Example:	3-bedroom Affordable Rental Unit in 50% to 80% income range
Step 3:	$55,350 multiplied by 30% = $16,605 (Annual Maximum Affordable Rent)

Step 4~~:~~ – Calculate Monthly Maximum Affordable Rent for the Affordable Housing Unit
Divide the Annual Maximum Affordable Rent by twelve (12) and round up or down to the nearest dollar ("Monthly Maximum Affordable Rent")>

Example:	3-bedroom Affordable Rental Unit in 50% to 80% income range	
Step 4:	$16,605/12	= $1,383.75
	Round up	= $1,384 (Monthly Maximum Affordable Rent)

Step 5~~:~~ (Dormitories only) – Calculate Maximum Affordable Rent for Each Dormitory Unit
Follow Step 1 - Step 4 to calculate the Monthly Maximum Affordable Rent for the entire Dormitory and then divide by the number of bedrooms to determine the Maximum Affordable Rent that can be charged per bedroom.

Example	6-bedroom Dormitory in 50% - 80% income range
Step 1:	For 6-bedroom dormitory, refer to a 6-person household
Step 2:	The lowest allowable income for a 6-person household in the 50% to 80% income range on the Income Range and Asset Chart = $71,340* (*Housing Department Income and Asset effective April 20, 2022)
Step 3:	Annual Maximum Affordable Rent is $71,340 multiplied by 30% = $21,402
Step 4:	Monthly Maximum Affordable Rent is $21,402 divided by 12 = $1,783.50
Step 5:	Maximum Affordable Rent for Dormitory Unit is $1,783.50 divided by 6 = $297.25

3. Prohibitions on Additional Charges to Maximum Affordable Rent

Maximum Affordable Rent shall afford tenants the right to occupancy and possession of the leased unit, as well as all necessary services for livability including at least one parking space, trash removal, and utilities (water/sewer, electricity, gas, and/or other energy source). Necessary services for livability may not be charged to tenants in addition to Maximum Affordable Rent.

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Tenants may not be charged in addition to Maximum Affordable Rent for any generally applicable or routine costs incurred by landlord, property owner, or any management company such as real estate or other taxes, insurance, administration expenses, building and property maintenance and operations expenses, or other costs which are not specifically and solely related to an actual cost incurred due to occupancy of the Affordable Housing Unit by the tenant and which are charged to tenant pursuant to their written lease agreement.

Luxury Items, including cable/satellite/internet services or furniture, may not be charged to tenants of Affordable Rental Units in addition to Maximum Affordable Rent without their written consent.

All agreements between the tenant and landlord must be memorialized in the written lease or otherwise approved by the Housing Department.

D. Workforce Units

1. Standard of Affordability

Workforce units are intended to serve households who earn more than 160% of Median Family Income. There is no maximum rent rate requirement on Workforce Rental Units. Notwithstanding the foregoing, households who earn less than 160% of Median Family Income are eligible to occupy Workforce Rental Units.

2. Rental Rate

Workforce rental rates must be structured to meet the definition of Rent as defined in these Housing Rules and Regulations.

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E. Qualification and Reporting to Housing Department

Owners of restricted units are required to provide documentation upon request to the Housing Department for the purposes of determining that the occupants/tenants of a restricted unit meet the requirements ~~to qualify~~ to occupy the unit and ~~whether~~ the owner's ~~is in~~ compliance with the Special Restriction recorded on the unit.

1. Responsible Party

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Owners of restricted housing units are required to provide a Notice of Responsible Party to the Housing Department upon signing Special Restrictions. The Notice of Responsible Party shall include the Owner's contact information and the contact information for the party responsible for management of the unit. The Notice of Responsible Party must be updated immediately upon any changes to the responsible party, ownership or management of the unit.

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2. Master Leasing of Rental Units

Owners of restricted rental units may master lease the units to other entities with approval of the Housing Department. Owners are ultimately responsible for ensuring that the restricted units are in compliance with the Special Restrictions and Rules and Regulations. If the unit is not in compliance, the Housing Department reserves the right to require the termination of the Master Lease ~~to be terminated~~ and ~~the~~eviction of the tenants ~~to vacate~~from the unit. The Housing Department will approve master leasing as follows:

a. Approval of Master Lease

Owners shall submit the Master Lease Form to the Housing Department for approval prior to execution of the Master Lease.

b. Lessee Contact Information

Prior to executi~~i~~on of Master Lease, owner shall provide contact information for Lessee to the Housing Department. Contact information shall include Lessee entity name, entity's responsible party, mailing address, phone number, and email address.

c. Lessee Compliance Conference

Prior to execution of a Master Lease, Lessee must attend a Compliance Conference with the Housing Department.

1. Approval of Sublease

Prior to execution of a sublease with a sublessee, the Housing Department shall approve the Sublease form.

2. Approval of Sublessee

Prior to execution of sublease with a sublessee, the Lessee or potential sublessee shall provide documentation as required by the Housing Department for the purposes of qualifying the potential sublessee.

F. Default or Breach of Special Restriction

Subject to the notice and cure provisions, of these Housing Rules and Regulations, each of the following shall be considered a default ("Default"):

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a. Violation of Special Restrictions or Rules and Regulations

A violation of any term of the Special Restrictions, the Rules and Regulations, the Declaration, or any laws affecting the Residential Unit.

b. Vacancy

Vacancy of a Residential Unit for more than sixty (60) days continuously.

c. Fraud

Fraud or misrepresentation by Owner and/or occupant in the provision of an application, reporting requirement, inspectin requirement or any other informational requirement to the Housing Department.

d. Taking or Assignment

If the Residential Unit is taken by execution or by other process of law, or if Owner is judicially insolvent according to law, or if any assignment is made of the property of Owner for the benefit of creditors, or if a receiver, trustee or other similar officer is appointed to take charge of any substantial part of the Residential Unit or Ownr's property by a court of competent jurisdiction.

In the event the Housing Department believes there to be a Default, the Housing Manager, or a Designee of the Housing Department shall send written notice to Owner of such violation, the required action to cure and the timing for such cure. If Owner disputes the Housing Department's decision, Owner shall proceed in accordance with the Rules and Regulations.

G. Default Remedies

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Subject to the notice and cure provisions, if any, of the Housing Department Rules and Regulations, in addition to any other remedies the Housing Department may have at law or equity, in the event of a Default, after notice and opportunity to cure as set forth in the preceding section, the Housing Department's remedies shall include, without limitation, as an exercise of its regulatory authority, the following:

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a. Specific Performance

The Housing Department shall have the right of specific performance of these Special Restrictions and the Rules and Regulations, and the right to obtain from any court of competent jurisdiction a temporary restraining order, preliminary injunction and permanent injunction to obtain such performance.

b. Equitable Relief

In addition to subsection A, any equitable relief provided for herein may be sought singly or in combination with such other remedies as the Housing Department may be entitled to, either pursuant to these Special Restrictions or any other action authorized under the laws of the State of Wyoming.

c. Revocation

The Housing Department may, for purposes of enforcing these Special Restrictions or the Rules and Regulations, revoke or seek revocation of the rights to use or occupy the Residential Unit.

d. Enforcement

The Housing Department may, for purposes of enforcing these Special Restrictions or the Rules and Regulations, seek enforcement through the Town or County Land Development Regulations, including but not limited to Division 8.9 Enforcement.

e. Fines

The Housing Department may~~, for purposes of enforcing these Rules and Regulations or the Special Restrictions~~ seek to impose fines on the owner in accordance with Town of Jackson Ordinances~~ and Wyoming State Law~~. Penalties are defined in J.M.C. 1.12.010.~~Fines will be assessed based on the Schedule of Fines adopted by the Jackson/Teton County Housing Authority and published by the Housing Department.~~

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Section 8. COMPLIANCE, EXCEPTION, APPEAL, AND GRIEVANCE STANDARDS AND PROCEDURES

8-1. Compliance Process

Special Restriction are recorded on all Housing Department Restricted Housing Units. These Special 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 Special 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 Restricted Housing Units with Special 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 Restricted Housing Units with Special 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 Restricted Housing Units

Employment-based units and Workforce Restricted Housing Units are required to provide information to the Housing Department annually concerning income, employment, and ownership of other residential real estate.

3. Employee Restricted Housing Units

Owners of Employee Restricted 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, owners that reach retirement age as defined by the Federal Social Security Administration (FSSA) and further defined in these Housing Department Rules and Regulations are exempt from income and Employment Requirements but must remain a qualified Household for the duration of the ownership on all other aspects of the recorded Special Restriction including but not limited to the sole residency requirement, occupancy, and no ownership of other residential real estate within ~~150 miles~~75 miles driving distance of ~~Teton County~~the Town of Jackson. Owners or members of the Household that have not reached retirement age as defined by FSSA will be required to continue to comply with qualification criteria and reporting requirements in accordance with the Special Restriction and these Housing Rules and Regulations.

6. Method for Providing Required Information

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Regardless of the language in the special Restriction recorded on the unit, landlords may choose to have the Housing Department qualify their tenant(s) independently. If a landlord chooses to have the Housing Department do so, the Housing Department will adhere to its internal practices, policies and procedures for tenant qualification (which are available upon request), which may be changed from time to time at the discretion of the Housing Department. If so qualified, the Housing Department will provide the tenant and landlord with a Qualified Tenant Letter. Prior to qualifying a tenant, the Housing Department will require the landlord to submit a signed lease agreement that names the tenant and is contingent upon the tenant's qualification with the Housing Department or another type of document acceptable to the Housing Department.

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 Special Restrictions. The owner will be given thirty (30) days from the date of the letter to submit the requested information to the Housing Department or for their tenant to be qualified by 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 Special Restriction defines the default process, it will control the process. If the Special 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 Special 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 forth herein.

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 Special 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 that the Household meets the Employment Requirement. 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 verify that their Household meets the Employment Requirement.

11. Ownership of Residential Real Estate

Owners of Affordable, Employment-based and Workforce Restricted Housing Units built or sold after June 4, 2018 are not allowed to own Residential Real Estate within ~~150 miles~~75 miles driving distance of ~~Teton County~~the Town of Jackson. All renters of Housing Department-administered rental units are not allowed to own Residential Real Estate within ~~150 miles~~75 miles driving distance of ~~Teton County~~the Town of Jackson. Notwithstanding the foregoing, the Housing Department may approve the purchase of Residential Real Estate in unique circumstances.

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

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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

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Special Restrictions are recorded on properties with the strict intent that the Special Restrictions will run with the property in perpetuity. Restrictions may not be stripped from the property in cases of bankruptcy.

D. Penalties

1. Falsifying an Application

Any household or adult member of a household who has been found by the Housing Department to have falsified an application including but not limited to making false claims, forging signatures or information, or otherwise providing false information or documents will be prohibited from applying for any Housing Department program restricted housing unit for a period of five (5) years.

2. Eviction

Any household or adult member of a household who has been evicted from a Housing Department restricted rental unit will be permanently prohibited from applying for or occupying any Housing Department program restricted housing unit.

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3. Forced Sale

Any household or adult member of a household who has been forced to sell a Housing Department ownership restricted ownership unit will be permanently prohibited from applying for or occupying any Housing Department restricted housing unit.

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8-2. 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:

a. Cure the default, or

b. Request a default hearing of the Jackson/Teton County Housing Authority Board, or

c. Provide the Housing Department with a “Letter of Intent to Sell” the restricted housing unit in accord with the Special Restriction.

2. Housing Department Discretion

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 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 “Housing Department 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 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 default includes but is not limited to forcing the sale of the restricted housing unit.

D. Multiple Defaults

Upon the fourth time an owner of an owner-occupied restricted housing unit is found to be in Default within fifteen (15) years, the owner will not have an opportunity to cure. Multiple Defaults include any Defaults or failure to comply with Housing Rules and Regulations or the applicable Special Restrictions. The Housing Department will force the sale of the restricted housing unit or follow through with other remedies allowed by the Special Restriction and/or these Housing Rules and Regulations. The owner will no longer be eligible to apply for, own, or rent restricted housing. Notwithstanding the foregoing, the Housing Department reserves the right to force a sale upon any uncured default regardless of the number of times the owner has been in default of the Special Restrictions or the Rules and Regulations.

E. 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 Appointing the Hearing Officer, 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 unless otherwise stipulated or ordered. 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 arrange 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.

F. 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. Order of 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.

8-3. 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 restricted housing unit. 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 restricted 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 of Directors within thirty (30) days with a recommendation for action, copied to the Household~~complainant and/or representative~~.

D. Hearing

The hearing will be heard by the JTCHA Board of Directors 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. Notwithstanding the foregoing, the JTCHA Board of Directors may choose to appoint a Hearing Officer within the thirty (30) days following the Housing Department's receipt of the "Request for Hearing" in which case the Hearing will be scheduled by the Hearing Officer.

1. Hearing Process

~~1.~~a. Hearing Officer

The JTCHA Board of Directors may designate a Hearing Officer and sign an Order Appointing the Hearing Officer. T~~If~~he JTCHA Board of Directors may~~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.~~b. Scheduling Order

If a Hearing Officer is designated, within thirty (30) days of the signed O~~o~~rder Appointing the Hearing Officer, the Hearing Officer will send out a scheduling order (Official Notice of Hearing) and timeline for the parties to su~~n~~bmit evidentiary documents and a list of witnesses.~~.~~

~~b.~~c. Transcripts

Hearings may be recorded and are not required to be transcribed. If the Household ~~owner~~ wishes to have a hearing transcribed, all associated costs shall be paid by the Household~~owner~~.

d. 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.

e. Transcripts

Hearings may be recorded and are not required to be transcribed. If the Household~~owner~~ wishes to have a hearing transcribed, all associated costs shall be paid by the Household~~owner~~.

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f. 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 Board of Directors shall have the opportunity to ask questions of the witnesses and Housing Department staff.

g. Burden of Proof

The Housing Department's decision concerning the exception will be assumed correct, and the burden of proof shall be on the Household~~complainant~~.

h. Failure to Appear

If the Household~~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.

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~~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.~~2. JTCHA Decision Binding

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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.

8-4. 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

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Grievance fee.

B. Housing Department Review and Decision

1. Housing Manager Review

The Housing Department Housing Manager will review all "Requests for Grievances." 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.

2. Request for Hearing

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The applicant may request a hearing of the JTCHA pursuant to these Housing Rules and Regulations if the grievance decision of the Housing Manager is disputed.

Section 9. OCCUPANCY AND USE OF RESTRICTED UNITS

9-1. Occupancy and Use

Rental and ownership units have occupancy and use Special Restrictions. Households will be required to comply with the following occupancy and use Special Restrictions.

A. Household Income

Households who own or rent a Workforce restricted housing unit and Households who rent an Affordable restricted housing unit will be required to requalify annually to verify that their income meets the requirements of the Special Restriction.

B. Employment Requirement

Households who own or rent a Workforce or Affordable restricted housing unit will be required to verify annually that they are meeting the Employment Requirement. The employment calculation will be based on the prior calendar year. Affordable Restricted Housing Units 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~~seventy-five (75~~(150~~) driving miles of ~~Teton County~~the Town of Jackson, Wyoming at any time during occupancy or ownership of the Residential Unit. Not withstanding the foregoing, the Housing Department may approve ownership of Residential Real Estate in unique circumstances.

D. Occupancy

1. Household Occupancy

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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 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 in accordance with the "Housing Department Annual Fees" published annually by the Housing Department.

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 can rent a room in their restricted housing unit 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 Owners of rental units 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

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The owner may only undertake capital improvements according to these Rules and Regulations. 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. Owners are required to provide evidence of insurance to the Housing Department upon request.

6. Periodic Reporting, Inspection

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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 10. OTHER HOUSING PROGRAMS

10-1. 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 Local Business.

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4. Determination of Qualification

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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:

a. **Notice to Sell.** Housing Department's receipt of a "Notice to Sell" by the owner of the property.

b. **Default Option.** Housing Department's exercise of its default option as set forth in the Special Restrictions.

c. **Forced Sale.** 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

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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 restricted housing unit. Additionally, the proposed purchaser must submit a complete 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:

a. Qualified under "Option Agreement."

b. 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.

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 Weighted Drawing process.

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

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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.

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 as set forth herein.

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

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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.

10-2. Housing Preservation Program

A. Program Purpose and Goals

The purpose of the Housing Preservation Program is to protect existing market housing for the local workforce in perpetuity. The program is intended to stop housing leakage, which is the loss of workforce housing that is sold to non-local workers. This is accomplished by recording a Special Restriction for Workforce Ownership Housing or a Special Restriction for Workforce Rental Housing (“Workforce Special Restriction”) on the property in exchange for Housing Preservation Program funds.

B. Applicability

The Housing Preservation Program applies to existing market homes that are not otherwise restricted either by Land Development Regulations or a recorded Special Restriction.

C. Down Payment Assistance Available to Purchasers

Buyers of market homes can apply to receive Housing Preservation Program funds in exchange for recording a Workforce Special Restriction on the property. Owners may apply to record either a Special Restriction for Workforce Ownership Housing ("Workforce Ownership Restriction) or a Special Restriction for Workforce Rental Housing ("Workforce Rental Restriction").

1. Funding Available

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a. Workforce Ownership Restriction.

The amount of funds provided for down payment assistance in exchange for recording a Workforce Ownership Restriction will be twenty percent (20%) of the appraised value of the home or the purchase price, whichever is less. The maximum amount of down payment assistance is two hundred thousand dollars ($200,000).

b. Workforce Rental Restriction.

The amount of funds provided for down payment assistance in exchange for recording a Workforce Rental Restriction will be ten percent (10%) of the appraised value of the home or the purchase price, whichever is less. The maximum amount of down payment assistance for a property purchased for rental use is one hundred thousand dollars ($100,000).

2. Qualification of Applicants

Applicants must submit a complete application for either a Workforce Ownership Restriction or a Workforce Rental Restriction f to the Housing Department on forms provided by the Housing Department that must include all signatures and notarizations, documents, and information listed as required on the Housing Preservation Program Application form.

The Housing Department will review submitted applications for completeness and will determine whether the applicant meets the qualification criteria for the applicable Workforce Housing Program. If the Housing Department finds that the applicant meets the qualification criteria, the Housing Department will submit the applicant to the Housing Authority Board with a recommendation for approval. If the applicant is approved by the Housing Authority Board, a Qualification Letter will be issued to the applicant.

Issuance of a Qualification Letter does not guarantee availability of Housing Preservation funds. The Qualification Letter is good for one year. All applicable qualification criteria must continue to be met by the applicant through the closing and purchase of qualified housing with available

Housing Preservation Program funds. . Any changes to the information that was included in the Housing Preservation Program Application must be reported to the Housing Department and may require re-qualification including approval by the Housing Authority Board and issuance of a new Qualification Letter prior to Final Approval as outlined below and commitment of funds.

3. Final Approval and Closing

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Funds will not Funds will not be wired until Final Approval which will not occur until the following conditions have been satisfied:

a. **Title Company.** Closing must take place at a title company.

b. **Appraisal.** A complete appraisal dated within sixty days of closing must be submitted to the Housing Department prior to final approval.

c. **Home Inspection**. A complete home inspection report must be submitted to the Housing Department dated within sixty days and performed by a professional Home Inspector is required prior to final approval.

d. **Title Insurance.** The buyer must provide title insurance to insure clear title to the property prior to recording the Workforce Special Restriction. The Title Commitment provided by the buyer to the lender is sufficient. The Housing Department must approve the Title Insurance Commitment prior to final approval.

e. **Approval of Closing Statement.** The final closing statement must be reviewed and approved by the Housing Department.

f. **Final Loan Approval**. The Housing Department must receive a letter from any mortgagee stating that the buyer has received final loan approval for financing of the purchase of the housing unit.

g. **Final HUD 1008 Statement.** The Housing Department must approve the final HUD 1008 Statement for any mortgage financing the purchase of the housing unit.

h. **Workforce Special Restriction** The buyer must execute the applicable Housing Department template Workforce Special Restriction prior to closing on the home. The applicable Workforce Special Restriction will be recorded in the land records of the Teton County Clerk.

i. **Buyer's Acknowledgment** The buyer shall execute the Buyer's Acknowledgment template form provided by the Housing Department at the time of closing, which shall be recorded in the land records of the Teton County Clerk on the housing unit by the title company.

j. **Closing Instructions.** The Housing Department will provide instructions to the title company concerning required signatures, recording of documents, and disbursement of funds.

D. Payment of Funds Available to Existing Owners

Owners of market homes can apply to receive Housing Preservation Program funds in exchange for recording a Workforce Special Restriction on their property. Owners may apply to record either a Workforce Ownership Restriction or a Workforce Rental Restriction.

1. Occupancy

a. Workforce Ownership Restriction

Housing with a Workforce Ownership Restriction may be occupied by the owner or may be rented to a Qualified Household approved by the Housing Department pursuant the Workforce Housing Program.

b. Workforce Rental Restriction

Housing with a Workforce Rental Restriction may only be occupied by a tenant who is a Qualified Household approved by the Housing Department pursuant to the Workforce Housing Program. Owners may not occupy housing with a Workforce Rental Restriction.

2. Funding Available

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a. Workforce Ownership Restriction.

The amount of funds provided for down payment assistance in exchange for recording a Workforce Ownership Restriction will be twenty percent (20%) of the appraised value of the home or the purchase price, whichever is less. The maximum amount of down payment assistance is two hundred thousand dollars ($200,000).

b. Workforce Rental Restriction

The amount of funds provided for down payment assistance in exchange for recording a Workforce Rental Restriction will be ten percent (10%) of the appraised value of the home or the purchase price, whichever is less. The maximum amount of down payment assistance for a property purchased for rental use is one hundred thousand dollars ($100,000).

3. Qualification of Applicants

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Applicants must submit a complete application for either a Workforce Ownership Restriction or a Workforce Rental Restriction to the Housing Department on forms provided by the Housing Department that must include all signatures and notarizations, documents, and information listed as required on the Housing Preservation Program Application form.

The Housing Department will review submitted applications for completeness and will determine whether the applicant meets the qualification criteria for the applicable Workforce Housing Program. If the Housing Department finds that the applicant meets the qualification criteria, the Housing Department will submit the applicant to the Housing Authority Board with a recommendation for approval. If the applicant is approved by the Housing Authority Board, a Qualification Letter will be issued to the applicant.

Issuance of a Qualification Letter does not guarantee availability of Housing Preservation funds. The Qualification Letter is good for one year. All applicable qualification criteria must continue to be met by the applicant through the closing and purchase of qualified housing with available Housing Preservation Program funds. Any changes to the information that was included in the Housing Preservation Program Application must be reported to the Housing Department and may require re-qualification including approval by the Housing Authority Board and issuance of a new Qualification Letter prior to Final Approval as outlined below and commitment of funds.

4. Final Approval and Closing

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Funds will not be wired until Final Approval which will not occur until the following conditions have been satisfied:

a. **Title Company**. Closing must take place at a title company.

b. **Appraisal.** A complete appraisal dated within sixty days of closing is required prior to final approval.

c. **Home Inspection.** A complete home inspection report dated within sixty days and performed by a professional Home Inspector is required prior to final approval.

d. **Title Insurance.** The buyer must provide title insurance to insure clear title to the property prior to recording the Workforce Special Restriction. The Title Commitment provided by the buyer to the lender is sufficient. The Housing Department must approve the Title Insurance Commitment prior to final approval.

e. **Workforce Special Restriction.** The approved Household must execute the applicable Housing Department template Workforce Special Restriction prior to receiving payment. The Title Company will record the applicable Workforce Special Restriction at time of closing.

f. **Owner's Acknowledgment** The owner shall execute the Owner's Acknowledgment template form provided by the Housing Department at the time of closing, which shall be recorded in the land records of the Teton County Clerk on the housing unit by the title company.

g. **Closing Instructions.** The Housing Department will provide instructions to the title company concerning required signatures, recording of documents and disbursement of funds.

Section 11. DEFINITIONS

11-1. 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.

Affordability: No more than thirty percent (30%) of a household's income should be spent on housing costs. This percentage is the standard of affordability used by the Department of Housing and Urban Development (HUD).

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 restricted housing unit. The application consists of 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.

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.

Area Median Income (AMI): See Median Family Income (MFI)

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.

Attending College: Enrollment in an accredited institution for higher learning for a minimum of twelve (12) credit hours per semester or its equivalent.

11-1. Definitions

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 restricted 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 housing unit 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 restricted housing unit 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.

Combined Loan to Value (CLTV). Loan to Value is the ratio of the loan amount to the value of the housing unit. Combined Loan to Value is when a second mortgage exists and the two loan amounts are combined and compared to the value of the housing unit. 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 Service Provider: An employee or volunteer of a community based institutional or non-profit organization on call 24 hours per day for public safety emergencies.

Debt: A sum of money due by certain and express agreement requiring the borrower to pay the money back, typically by a certain date.

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.

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.

Development: Physical subdivision of land or construction of buildings that may include both commercial and residential uses, which may be condominiums, single family homes, townhouses or apartments governed by the same CCRs or other governing documents.

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.

Dormitory: A housing unit with more than two (2) bedrooms that is designed to house unrelated individuals and meets the requirements for a dormitory in the Livability Standards.

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 housing unit and is held in escrow by the title company until closing.

Eligibility Criteria: Criteria defined in either the Special Restrictions 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 (1,560 hours per year) of employment for a Local Business (must have been hired even if the job hasn't started yet).

Escrow: A legal arrangement where the JTCHA holds money until a particular condition has been met. This includes but is not limited to inspection maintenance & repair items that were not completed prior to closing on a housing unit.

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 number of bedrooms in a unit.

Fee Schedule: A document published by the Housing Department that includes the list of fees charged for certain services provided by the Housing Department and allowed fee waivers.

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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 housing unit at least 48 business hours before closing on the sale of the housing unit. The purpose is to determine whether the housing unit 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 applicants, 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: having a physical or mental disability.

Hearing Impaired: Individuals with hearing measures between 25 dB and total hearing loss.

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 Special Restrictions.

Household:

> **Affordable and Workforce Ownership:** A social unit composed of those living together in the same dwelling.

Workforce Rental: One person or a group of two or more persons living together in the same dwelling that comprise a social unit composed of at least one adult that have established ties and familiarity with each other, including but not limited to, by marriage, domestic partnership, blood, or guardianship. More than one Household can occupy one Workforce rental unit.

Dormitory: One person who will be renting a bed or bedroom in a dormitory unit.

Household Income: The current income going forward 12 months of all adult wage earners within a Household before taxes. Income from dependents that are under the age of 25 and Attending College, is not included in the Household income calculation. For self-employed individuals, Income is the net income from the business with all non-cash expenses 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, travel, and entertainment/meals.

Household Net Assets: The value of all items owned by the Household that are valued more than $500 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 restricted housing unit 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 Special Restrictions.

Lawful Permanent Resident: Any foreign national who has been granted the right to reside permanently in the United States.

Lender's Qualification: The Institutional Lender's judgement of the Household's financial ability to obtain financing for purchasing a restricted housing unit.

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 housing unit 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:

Three Part Definition

A.) A Local Business means (1) a business physically located within Teton County, Wyoming, that can provide verification of business status physically located in Teton County, Wyoming, and (2) A minimum of seventy-five percent (75%) of the business' clients or customers 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.

Or

C.) A private residence physically located in Teton County, Wyoming that employs a minimum of one Qualified Employee who must be physically located in Teton County, Wyoming to perform their job.

Luxury Item: An item or feature of an item that is not essential or necessary but is an amenity or desired bonus that adds pleasure, comfort, or convenience to either aesthetics of function and which may increase the market values of the unrestricted properties.

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 restricted housing unit at the final inspection.

Market Unit: A housing unit that does not have a Housing Department, Housing Trust, or Habitat for Humanity Special Restriction or Ground Lease either recorded on or associated with the property.

Maximum Affordable Rents: The maximum rental rate that may be charged to a tenant occupying an Affordable Housing unit (fka Employee). The rates must include all necessary life services, which include but are not limited to one parking space, water/sewer, electric, gas or other source of energy, trash removal, and costs associated with maintenance, administration and operations.

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 Special Restrictions or the Housing Department Rules and Regulations.

Maximum Resale Letter: A letter given to a seller of a restricted housing unit informing them of the maximum amount for which the unit may be sold.

Maximum Sales Price: The maximum amount that newly provided ownership Restricted 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.

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.

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 Agreement: An Occupancy Agreement is an agreement signed by an owner and a new resident of a restricted unit with approval of the Housing Department. The new resident certifies that they are qualified for occupancy of the unit and acknowledges the Special Restrictions and any other rules pertaining to the property and agrees to follow them. The owner consents to the new resident and agrees that any violation by the new resident constitutes a violation by the owner.

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 restricted housing unit.

Owner: A person or entity who has the legal right in accordance with the Special Restrictions and these Rules and Regulations to possess, transfer title, or sell a restricted housing unit.

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Physical Custody Rights: Legal custody rights granted by the Court that allows a parent to have their child reside with him/her.

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"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 restricted housing unit. 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 Restricted Housing Unit's Special 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 Service 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 restricted housing unit. This letter is needed by the Title Company 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 or rent a restricted housing unit after verification of information, based on the unit's Special Restrictions 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.

Regular Dues and Assessments: Dues that are assessed to units within a development on a regular basis (for example: monthly or quarterly) that cover costs of regular and consistent maintenance, insurance, and operations for the development.

Rent: Tenant's regular payment to a landlord for the use of a restricted housing unit.

Commented [SS3]: I am not sure what else to include here. This is not enough and needs to cover Workforce Units.

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Resale Process: The process by which an owner of a restricted housing unit sells it to a new owner.

Residential Dwelling Unit: Any property used for personal or commercial residential purposes. Examples include, but are not limited to, single-family housing units, condominiums, cooperatives, duplexes, townhouses, and multi-family housing units.

Residential Real Estate: A parcel that ~~either~~ includes a Residential Dwelling Unit or is larger than one acre and 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.

Special Restriction: A contract between the Board of County Commissioners, the Town of Jackson, and/or the Jackson/Teton County Housing Authority and the owner of real property, which has been developed or designated to ensure the occupancy and use of the real property will be as intended by the community's Workforce Housing Program in perpetuity. Special Restrictions are recorded on the property in the land records of the Teton County Clerk. Special Restrictions are sometimes also referred to as Deed Restrictions, or Restrictions.

Study Hours: For purposes of calculating hours worked for CWC students, Study Hours will equal two hours outside of the classroom for every one hour of class time.

Teacher: Any individual who (1) works with individuals aged 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 pass their portion to other beneficiary(s) and not to the other owner(s) if they desire through a will.

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.

V**alue Comparison Percentage:** The percentage of the total development's budgeted expenses, not including Luxury Items, a restricted unit can be charged for dues and assessments. The Value Comparison Percentage for each restricted unit is calculated by dividing the value of the restricted unit by the average value of all of the housing units in the development.

Verification Checklist: Checklist used by JTCHA to verify whether a Household is qualified to purchase a particular restricted housing unit.

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. A developer may propose these units in addition to those required by the Land Development Regulations.

Volunteer Hours: Documented and verified hours worked for a qualifying Local Business or Local Organization for which no pay is received but may be counted as hours worked for eligibility in Housing Department programs.

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Weighted Drawing: The event that selects the order, of all the applicants for an applicable restricted housing unit, which the restricted housing unit 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 restricted housing unit. 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 housing unit and determines the order the Households will be offered the restricted housing unit 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.

Section 11. Definitions
11-1. Definitions

From:	April Norton
To:	Stacy Stoker
Subject:	FW: Housing Regs Update
Date:	Tuesday, October 22, 2024 9:18:57 AM
Attachments:	image001.png

Stacy,

Please make sure this is included with the next Joint Meeting packet for the Rules and Regs & for the Town's First Reading.

Thank you!

April Norton (she/her/hers)
Director l Jackson/Teton County Affordable Housing Department
(o) 307-732-0867 (m) 307-690-7442
www.jhaffordablehousing.org
Follow us on Facebook & Instagram

JACKSON/TETON COUNTY AFFORDABLE HOUSING

From: Bobby Thomson <rhthomson3@gmail.com>
Sent: Friday, October 18, 2024 7:01 PM
To: April Norton <ahnorton@tetoncountywy.gov>
Subject: RE: Housing Regs Update

Thanks April.

The two in two rules don't help us young working people who haven't had a chance to live alone and grow.

On Oct 18, 2024 at 6:59 PM -0600, April Norton <ahnorton@tetoncountywy.gov>, wrote:

Thank you, Bobby. We will share this with the Town Council and County Commission prior to their consideration of the amendments to the Rules.

Best,
April

April Norton (she/her/hers)
Director l Jackson/Teton County Affordable Housing Department
(o) 307-732-0867 (m) 307-690-7442
www.jhaffordablehousing.org
Follow us on Facebook & Instagram

<image001.png>

From: Bobby Thomson <rhthomson3@gmail.com>
Sent: Friday, October 18, 2024 5:12 PM
To: housing <housing@tetoncountywy.gov>
Subject: Housing Regs Update

> Some people who received this message don't often get email from rhthomson3@gmail.com. Learn why this is important

[**NOTICE:** This message originated outside of the Teton County's mail system -- **DO NOT CLICK** on **links** or open **attachments** unless you are sure the content is safe.]

Howdy,

As an almost 40 year old still having to have a roommate to afford to live in Jackson I am disappointed the minimum occupancy requirements are not changing.

I want to be able to rent/purchase a two bedroom affordable so that I can have space for guests and a home office. I am a single male and need space to grow as an individual. I haven't lived on my own my entire life. As a single male how am I able to host friends or family from out of town who can no longer afford the rising costs of hotel rooms?

I'm mostly thinking about my father who will have no place to sleep if I am in a tiny one bedroom and he is no longer able to afford the overpriced hotels in town.

I currently rent a 3 bedroom with one roommate. We agreed to split the 3rd bedroom as a guest room and home office as the room was too small for a 3rd occupant (it also doesn't have a parking spot making winter parking very difficult). It has worked very well and provides us a space to host visiting friends and family as well as a productive space for me to run my business.

How are we millennials supposed to obtain affordable housing with appropriate space to be functioning adults?

The requirement for two people in a two bedroom needs to go away. Since when did the American dream require a roommate?

Thanks a lot,

Bobby Thomson

ORDINANCE I

AN ORDINANCE AMENDING SECTION 16.10.000, INTRODUCTION, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.000 of the Town of Jackson Municipal Code is hereby amended to read as follows:

16.10.000 - Introduction

A. . . .

B. *Summary of Housing Programs.*

1. . . .

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 has income and asset requirements based on four income ranges: 0-50% Median Family Income (MFI), 50-80% MFI, 80-120% MFI, and 120-160% MFI. The 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, and the Household must meet the Employment Requirement. No ownership of other residential real estate is allowed within ~~1~~75~~0~~ miles driving distance of the Town of Jackson ~~Teton County is allowed~~. ~~The o~~ Owners must physically occupy the units a minimum of ten months each year. Tenants must physically occupy the units a minimum of 80 percent of their lease term (minimum lease term is six months). Tenants will be required to requalify annually. Owners will be required to provide proof of continued local employment, occupancy, and nonownership 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 not to exceed 3% annually. ~~Units with three or four bedrooms may be restricted as dormitories if they are allowed by the LDRs in the proposed location, meet the definition of dormitory in these Rules and Regulations, and comply with the Livability Standards.~~

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 is allowed within ~~1~~75~~0~~ miles driving distance of the Town of Jackson~~Teton County is allowed~~ at time of purchase. The owners must physically occupy the units a minimum of nine 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 and sold to private entities but must be used as rental units as required by their Restriction in perpetuity. 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. Households must meet the full-time employment requirement outlined in the Housing Unit's Special Restriction. No ownership of other residential real estate is allowed within ~~1~~75~~0~~ miles driving distance of the Town of Jackson~~of Teton County is allowed~~. Owners will be required to report annually and provide tenant information to the Housing Department pursuant to the Housing Department's request for information. 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 75 miles driving distance of the Town of Jackson. 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.* The Workforce Housing program requires households earn at least 75% of their household income from a Local Business and meet Employment Requirements, but there is no maximum income or asset limit. Households may not own other residential real estate within 75 miles driving distance of the Town of Jackson, Wyoming. The Workforce program is divided into "Workforce Rental" units and "Workforce Ownership" units. There is no cap on the initial sales price. Once an ownership unit is sold, the maximum resale price is restricted to CPI not to exceed 3% annually. The owners of Workforce Rental Units set the rental rates. There is no cap on rental rates. Units must be occupied a minimum of 10 months per year. Owners and tenants are required to re-qualify annually. ~~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. Households may not own other residential real estate within 150 miles of Teton County, and the Household must meet the Employment Requirement. 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.~~

C. *Special restrictions.*

~~Deed Restrictions, July 2021~~

	Affordable Ownership	Affordable Rental	ARU	Workforce Ownership	Workforce Rental
Applicability	All nonexempt residential or commercial development	All nonexempt residential or commercial development	Nonresidential ARUs	Workforce Housing FAR Bonus, Section 7.8.4; nonexempt	Workforce Housing FAR Bonus, Section 7.8.4; nonexempt

				residential or commercial	residential or commercial
Rent/Own	Own	Rent (no owner occupancy)	Rent	Own or Rent a room	Rent (no owner occupancy)
Income/Asset Restrictions	Based on income ranges and Asset limits associated with each	Based on income ranges and Asset limits associated with each	75% Household Income earned locally	75% Household Income earned locally	75% Household Income earned locally
Owner of Real Estate	Not within 75 miles driving distance of ~~150 miles~~	Not within 75 miles driving distance of ~~150 miles~~	Not within 75 miles driving distance of ~~150 miles~~	Not within 75 miles driving distance of ~~150 miles~~	Not within 75 miles driving distance of ~~150 miles~~
Income Ranges	0—50%, 50—80%, 80—120% 120% - 160% of Median Family Income	0—50%, 50—80%, 80—120% 120% - 160% of Median Family Income	None	None	None
Income Limit for Tenant Qualification	N/A	<50%, <80%, <120% MFI	75% of Household Income earned locally	75% of Household Income earned locally	75% of Household Income earned locally
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 - 1,560 hrs per year	Avg 30 hrs/wk - 1,560 hrs per year
Residency Requirement	U.S. Citizen, Lawful Permanent Resident or DACA Recipient	None	None	U.S. Citizen, Lawful Permanent Resident or DACA Recipient	None
Occupancy Requirement	10 months/yr	Minimum 80% of lease term	Minimum 80% of lease term	10 months/yr, Minimum 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	No more than 60 days
Household Qualification	At time of purchase and must continue to be employed full-time until household reaches retirement age	Continuous	Continuous	Continuous until household reaches retirement age	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	Not less than 6 months	Approval by Housing Department	Not less than 6 months
Incentive	N/A	N/A	FAR exempt	2:1 Workforce Housing FAR Bonus, Section 7.8.4	2:1 Workforce Housing FAR Bonus, Section 7.8.4
Requirement	According to LDR 6.3 - must record a restriction on the unit	According to LDR 6.3 - must record a restriction on the unit	According to LDR 6.1.11.B.3.b - must record a restriction. Nonresidential only	According to LDR 6.3. Must record a restriction on all required and bonus Workforce units	According to LDR 6.3. Must record a restriction on all required and bonus Workforce units

(Ord. ____ § __, 2024; Ord. 1325 § I, 2022; Ord. 1289 § 1, 2021; Ord. 1259 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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 _____DAY OF ___________________ , 2024.
PASSED 2ND READING THE _____DAY OF ___________________ , 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: ___________________________________ __________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 __________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book _____ of Ordinances of the Town of Jackson, Wyoming.

____
Riley Taylor, Town Clerk

ORDINANCE J

AN ORDINANCE AMENDING SECTION 16.10.200, HOUSING DEVELOPMENT STANDARDS AND PROCEDURES, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.200 of the Town of Jackson Municipal Code is hereby amended to read as follows:

16.10.200 Housing development standards and procedures.

A. . . .

B. . . .

1. . . .

2. . . .

a. . . .

b. . . .

c. . . .

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d) . . .

e) . . .

f) . . .

g) Modification/amendment to Housing Department Template. 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.

h) Amendment and Restatement to Existing Restrictions. The restrictions on a restricted housing unit may be amended and restated as long as the amendment and restatement is more restrictive. The amendment and restatement may not be less restrictive.

I. Workforce Units: At time of the initial sale of a unit, the owner is allowed to decide if they want to restrict the unit as Ownership or Rental (unless another type of development agreement is already in place). For subsequent sales, the restriction can be amended and restated to designate the unit as an ownership unit. It may not be amended and restated to designate the unit as a rental unit.

j) Responsible Party. Owners of restricted housing units are required to provide a Notice of Responsible Party to the Housing Department upon signing Special Restrictions. The Notice of Responsible Party shall include the Owner's contact information and the contact information for the party responsible for management of the unit. The Notice of Responsible Party must be updated immediately upon any changes to the responsible party, ownership or management of the unit.

. . .

(Ord. § , 2024; Ord. 1328, § 1, 2022; Ord. 1327 § 1, 2022; Ord. 1326 § 1, 2022; Ord. 1290 § 1, 2021; Ord. 1259 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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 _____DAY OF ___________________ , 2024.
PASSED 2ND READING THE _____DAY OF ___________________ , 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: ___________________________________ __________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____

Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 ___________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book ______ of Ordinances of the Town of Jackson, Wyoming.

____

Riley Taylor, Town Clerk

ORDINANCE K

AN ORDINANCE AMENDING SECTION 16.10.300, QUALIFICATION AND ELIGIBILITY, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.300 of the Town of Jackson Municipal Code is hereby amended to read as follows:

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. Where rules for purchasing can be applied to tenants, the Housing Department will apply the same rules to both purchasing and renting.

. . .

B. . . .

1. . . .

a. . . .

i. *Self-employed.* If self-employed for a business with fewer than two employees, the business must meet the definition of a Local Business. Second, the number of work hours must be documented to substantiate meeting the Employment Requirement. Notwithstanding the foregoing, if the business does not have a minimum of 75% of clients who are physically located in Teton County, the business can provide documentation of hours worked only for the clients who are physically located in Teton County. Verified local hours working self-employed may be combined with other verified local employment to meet the eligibility requirement of 1,560 hours per year. Since self-employment is often unique, different methods of verification may be used; however, a log of hours is required. Other methods may include verification from vendors, employees, or other applicable methods. All verification documents must be to the satisfaction of the Housing Department.

b. *Employment exemptions.*

i. . . .

ii. *Retirement*. Individuals who have reached the Age of Retirement and can verify to the satisfaction of the Housing Department that they have met the Employment Requirement for ten consecutive years immediately prior to retirement are eligible to apply for Affordable Rental Housing. All other qualification criteria apply.

iii. *CWC-Jackson Student*. Students attending CWC-Jackson studying as a ¾ time student (a minimum of 9 credit hours per semester) may use actual class hours plus Study Hours as defined by these Housing Rules and Regulations combined with hours of Employment with a Qualified Local Business for Housing Department Program eligibility. Combined hours must equal 1,560 hours.

i~~i~~v. . . .

v~~iii~~. . . .

~~i~~iv. . . .

2. . . .

3. . . .

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5. . . .

C. . . .

1. . . .

a. . . .

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% - 160%
Workforce Housing – No income range/limits
~~≥120%~~
Ownership units developed after 2018 adoption of housing mitigation standards:
50—80%
80—120%
120% - 160%
Workforce Housing – No income range/limits
~~≥120%~~

ii. . . .

iii. . . .

iv. . . .

v. . . .

vi. . . .

b. . . .

i. . . .

ii. . . .

a) . . .

b) . . .

c) . . .

d) *Housing Department Discretion:*

1) The Housing Department will use its discretion when calculating business income as unique situations arise from time to time. In unique situations, the Housing Department may need to deviate from the above methods. Deviations from the above method include but are not limited to the following:

I. If a business is in operation while its owner is also working full-time as a W-2 employee for another organization but has since terminated the W-2 employment, that year(s) will not be included in the average.

II. Independent contractors who are contracted for one organization may be required to submit an Affidavit of Employment.

iii. *Household members.* All individuals who are intending to occupy the unit must be included on the application. All adults who will be occupying the unit must include income and assets on the application except children of intended members of the Household that are under the age of 25 and Attending College. For Affordable units, adults not listed on the application may not reside in the unit within the first year and may not reside in the restricted unit thereafter without prior approval from the Housing Department. For Workforce units, additional adults may reside in the unit 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 an ownership unit or signing a lease for a rental unit~~the unit~~. 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.

iv. . . .

v. . . .

vi. . . .

2. . . .

a. *Calculation of net Assets.* Affordable Rental and Ownership Units have limitations on the value of assets owned. Household Net Assets include the value of all Assets over $500.00 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. . . .

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 ~~1~~75~~0~~ 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. . . .

3. *Readiness to purchase or rent.* Individuals purchasing or renting a Restricted Housing Unit must demonstrate readiness to purchase or rent by showing the following:

a. . . .

b. . . .

c. . . .

d. . . .

i. *Affordable Units.* Cosigners and Guarantors are prohibited when a Household is purchasing or renting Affordable Units.

ii. *Workforce Units.* Cosigners and Guarantors are allowed when a Household is purchasing or renting Workforce Housing units with the approval of the Housing Department, which approval will only be granted when, a cosigner or guarantor is needed solely due to the buyer's lack of ability to afford the unit on their own. Cosigners and Guarantors are prohibited from being on title to the Housing Unit.

4. *Homebuyer Education.* For purchase only, ~~C~~completion of the Homebuyer Education course is required to meet eligibility criteria to enter a weighted drawing for a restricted housing unit or purchase a restricted housing unit. The required course is available through the Wyoming Housing Network or another Housing Department approved organization. The financial counseling offered after the completion of the homebuyer education course is encouraged but not required.

5. *Online interest application~~intake form~~.* The online interest application ~~intake form~~ must be completed prior to entering a Weighted Drawing for a home. Completion of this application~~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~~for which they qualify. All advertising of homes available will be done through email to those who have completed the interest application ~~online intake form~~ and on the Housing Department website. The interest application ~~online intake form~~ can be found on the Housing Department's website: jhaffordablehousing.org. This ~~form~~ application 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 interest application ~~online intake form~~ does not automatically enter a Household into a Weighted Drawing. The Weighted Drawing is a separate process. See Section 16.10.004.C.5.

(Ord. ____ § ___, 2024; Ord. 1329 § I, 2022; Ord. 1291 § 1, 2021; Ord. 1260 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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 _____DAY OF ___________________ , 2024.
PASSED 2ND READING THE _____DAY OF ___________________ , 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: ___________________________________ __________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 __________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book ______ of Ordinances of the Town of Jackson, Wyoming.

____
Riley Taylor, Town Clerk

ORDINANCE L

AN ORDINANCE AMENDING SECTION 16.10.400, WEIGHTED DRAWING, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.400 of the Town of Jackson Municipal Code is hereby amended to read as follows:

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 -interest application ~~online intake form~~. A one-time application fee per household may be charged to apply for Housing Department programs. Changes to members of a household constitutes a new household and may require an additional fee. ~~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 or two people.
One-bedroom: One or more people.

Two-bedroom:	Two more people.
Three-bedroom:	One or two adults with two or more Dependents. For rental units; three or more people.
Four-bedroom:	One or two adults with three or more Dependents. For rental units; four 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. Parents must have Physical Custody Rights of children to count the children as part of their household. 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 points. One point is assigned for each Qualified Critical Services Provider with a maximum of two 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.~~In a Weighted Drawing for a workforce unit, a Household that meets the minimum Occupancy Requirements for the affordable program will receive one point. The total maximum points a Household can receive is 12. Households are not eligible to enter a Weighted Drawing until they have one full year of full-time employment in Teton County for a Local Business or one point.~~

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7. . . .
8. . . .

C. . . .

1. . . .
2. *Required documents.*

a. *Weighted Drawing entry request~~form~~.* A Weighted Drawing entry request Request in accordance with Housing Department policies and procedures ~~form~~ must be submitted for each housing unit's Weighted Drawing. ~~It must be completed in its entirety. Fields that do not apply shall be completed with N/A or a strike.~~

b. *Current work verification.* Documentation showing total income earned and hours worked at the current place of employment. An affidavit of current employment must be submitted for each adult member of the Household (except adult children under the age of 25 who are attending college). The affidavit of current employment must be completed by the employer and submitted by the employer directly to the Housing Department.~~or employer's agent and include the employer's notarized signature. If the employer does not have access to a notary, they may deliver it directly to the Housing Department via email, USPS, fax, or by hand.~~

c. *Previous work verification.* Affidavits of previous employment are required to verify a minimum of one-year of full-time working hours for a Local Business in Teton County, WY. Only one member of the Household must verify one-year of full-time ~~work~~employment. Affidavits of previous employment are to be completed by the former employer or employer's agent and submitted by the employer or agent directly to the Housing Department.~~include a notarized signature. If the employer does not have access to a notary, they may deliver it directly to the Housing Department via email, USPS, fax, or by hand.~~

Affidavits of previous employment are also used by the Housing Department to verify years of work history for points in the Weighted Drawing.

Other types of verification of previous employment may also be accepted such as a final pay stub for the year showing business name and total hours worked for the year along with a W-2.

. . .

(Ord. ____ § ___, 2024; Ord. 1330 § I, 2022; Ord. 1292 § 1, 2021; Ord. 1261 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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 _____DAY OF ___________________, 2024.
PASSED 2ND READING THE _____DAY OF ___________________, 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: ___________________________________ __________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 __________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book ______ of Ordinances of the Town of Jackson, Wyoming.

____
Riley Taylor, Town Clerk

ORDINANCE M

AN ORDINANCE AMENDING SECTION 16.10.500, SALE AND RESALE STANDARDS, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.500 of the Town of Jackson Municipal Code is hereby amended to read as follows:

16.10.500 Sale and Resale Standards.

A. . . .

B. . . .

C. . . .

D. . . .

E. . . .

1. . . .
2. . . .
3. . . .
   a. Fixtures erected, installed or attached as permanent, functional, nondecorative improvements to real property, excluding repair, replacement and/or maintenance improvements. May also include blinds or shutters if approved by the Housing Department;

   . . .

4. . . .

F. . . .

1. . . .

a. . . .

b. *Death.*

i. *Nonqualified Transfer on Death.* In the event of the death of an owner, the owner's interest may be transferred to the owner's child, children or other beneficiary who may not be Qualified. If they do qualify, they will be allowed to keep the home in accordance with the Special Restrictions and these Housing Rules and Regulations. If the beneficiary does not qualify, the beneficiary will be required to sell the home in accordance with the Special Restriction and the Housing Rules and Regulations. Proceeds of the sale, after payment of all parties owed in accordance with the Special Restriction and Housing Rules and Regulations, will be retained by the beneficiary.~~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.~~

ii. *Qualified Transfer on Death.* In the event of the death of an owner, a qualified transferee must meet Occupancy, Use, Qualification and Eligibility criteria in accordance with these "Housing Rules and Regulations" within 90 days of the transfer of title.

iii. *Transfer on death to minor(s).* If the restricted unit is transferred to a beneficiary(s) who is a minor child(ren), the beneficiary(s) can keep the home if they have a legal guardian who will live in the home with the child(ren) until the youngest child becomes an adult. The legal guardian will be required to sign an Occupancy Agreement. The Special Restriction and the Housing Rules and Regulations will remain in effect. If the minor child(ren) beneficiary(s) do not have a legal guardian who will live in the home, the home will be sold in accordance with Nonqualified Transferee as defined in these Housing Rules and Regulations.

. . .

(Ord. § , 2024; Ord. 1331 § I, 2022; Ord. 1295 § 1, 2021; Ord. 1293 § 1, 2021; Ord. 1262 § 1, 2020; Ord. 1242 § 1, 2019; and Ord. 1195 § 1, 2018).

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 _____DAY OF ___________________ , 2024.
PASSED 2ND READING THE _____DAY OF ___________________ , 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: ___________________________________ __________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 __________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book _____ of Ordinances of the Town of Jackson, Wyoming.

____
Riley Taylor, Town Clerk

ORDINANCE N

AN ORDINANCE AMENDING SECTION 16.10.600, RENTAL STANDARDS AND PROCEDURES, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.600 of the Town of Jackson Municipal Code is hereby amended to read as follows:

16.10.600 Rental standards and procedures.

A. . . .

B. . . .

C. . . .

1. Owner-occupied properties~~*Primary Residence*~~. ~~Owners of restricted housing units shall maintain the unit as their primary residence.~~

    a. *Primary residence requirement.* Owners of Restricted Housing Units shall maintain the restricted housing unit as their primary residence.

    b. . . .

    ~~b~~c. . . .

    ~~c~~d. . . .

    ~~d~~e. . . .

    ~~e~~f. . . .

2. . . .

    a. . . .

    b. . . .

    c. . . .

i. *Rent Limitations.* Rent charged while the owner is on leave will be limited to total housing costs, which include only (the mortgage payment, taxes, insurance, Ground Lease Fees and HOA dues). The actual cost of utilities can be added to the rent or billed to the tenant if utilities are in the owner's name. Housing costs shall be verified by the Housing Department prior to approval of the lease. If there is no mortgage on the property, the Maximum Affordable Rent Calculation shall be used for Affordable units. The Housing Department shall approve rental rates for Workforce units.

. . .

d. . . .

D. *Restricted Rentals Owned by Private Entity.*

1. *Purchase of Restricted Rental Units*. Restricted Rental Units may be purchased and owned by entities or individuals in accordance with the Special Restrictions and these Housing Rules and Regulations. Restricted Rental Units shall not be owner occupied or occupied by persons that have an ownership interest in an entity holding title to a Restricted Unit. Restricted Rental units shall not be occupied by persons that have family members that have an ownership interest in an entity holding title to a Restricted Unit. Restricted Rental Units shall not be occupied by persons that have an ownership interest in any entity that has an ownership interest in an entity holding title to a Restricted Unit. Restricted Rental Units shall not be occupied by persons that have family members that have an ownership interest in any entity that has an ownership interest in an entity holding title to a Restricted Unit. The Housing Department may require any individual or entity to provide appropriate documentation at any time to ensure compliance with these Rules and Regulations.

2. *Tenant qualifications*. All tenants of restricted housing units must meet the qualification criteria in accordance with the Special Restrictions and these Housing rules and Regulations. Tenants must be qualified prior to signing or renewing a lease agreement. The Housing Department reserves the right to request verification that the tenants are qualified at any time.

   a. *Approval of leases*. Prior to signing a lease with a tenant, owner shall submit the lease form to the Housing Department for approval. The lease agreement must include the occupancy and use requirements and tenant qualification and reporting requirements in accordance with the Special Restriction and the Rules and Regulations.

   b. *Tenant qualification process*. Tenants are required to qualify prior to signing or renewing a lease. Owner shall submit or cause tenant to submit of all qualification documentation required by the Housing Department verification of tenant household eligibility. The Housing Department will request qualification documentation at its discretion and in accordance with its policies and procedures.

   c. *No owner occupancy*. Owners or members of owners' immediate family 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.

d. *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.

e. *Written lease requirement*. Occupancy of the Residential Unit shall be pursuant to a written lease, the form of which shall be approved by the Housing Department as it may require. Owner of the Residential Unit shall obtain written verification of income, asset ownership, and employment in Teton County, Wyoming for each Qualified Household proposing to rent the Residential Unit prior to such Housheold's occupancy, and upon each extension or renewal of any lease therefor.

f. *Rental term*. The Residential Unit shall be offered for rent in periods of not less than six (6) months.

g. *Vacancies*. The Residential Unit may be vacant between tenancies to allow for proper advertisement and verification for Qualified Households and reasonable maintenance. However, a Residential Unit shall not be vacant for a period greater than sixty (60) days, unless authorized by the Housing Department. If any Residential Unit remains vacant for more than sixty (60) days without approval, the Housing Department has the right, but not the obligation, to identify a Qualified Household to rent the Residential Unit.

h. *Preference*. Owner may give first priority to rent the Residential Unit to Qualified Households of which a member of the Household is an employee of Owner. In the event there are no persons directly employed by Owner to whom Owner desires to rent the Residential Unit, then Owner shall rent to any Qualified Household.

3. *Affordable units. . . .*

4. Workforce units.

a. *Standards of affordability*. Workforce units are intended to serve households who earn more than 160% of Median Family Income. There is no maximum rent rate requirement on Workforce Rental Units. Notwithstanding the foregoing, households who earn less than 160% of Median Family Income are eligible to occupy Workforce Rental Units.

b. Rental rate. Workforce rental rates must be structured to meet the definition of Rent as defined in these Housing Rules and Regulations.

5. *Qualification and reporting to housing department*. Owners of restricted units are required to provide documentation upon request to the Housing Department for the purposes of determining that the occupants/tenants of a restricted unit meet the requirements to occupy the unit and the owner's compliance with the Special Restriction recorded on the unit.

a. *Responsible party*. Owners of restricted housing units are required to provide a Notice of Responsible Party to the Housing Department upon signing Special Restrictions. The Notice of Responsible Party shall include the Owner's contact information and the contact information for the party responsible for management of the unit. The Notice of Responsible Party must be updated immediately upon any changes to the responsible party, ownership or management of the unit.

b. *Master leasing of rental units*. Owners of restricted rental units may master lease the units to other entities with approval of the Housing Department. Owners are ultimately responsible for ensuring that the restricted units are in compliance with the Special Restrictions and Rules and Regulations. If the unit is not in compliance, the Housing Department reserves the right to require the termination of the Master Lease to be terminated and the eviction of the tenants to vacate from the unit. The Housing Department will approve master leasing as follows:

I. *Approval of Master Lease.* Owners shall submit the Master Lease Form to the Housing Department for approval prior to execution of the Master Lease.

II. *Lessee Contact Information*. Prior to execution of Master Lease, owner shall provide contact information for Lessee to the Housing Department. Contact information shall include Lessee entity name, entity's responsible party, mailing address, phone number, and email address.

III. *Lessee Compliance Conference*. Prior to execution of a Master Lease, Lessee must attend a Compliance Conference with the Housing Department.

1. *Approval of Sublease*. Prior to execution of a sublease with a sublessee, the Housing Department shall approve the Sublease form.

2. *Approval of Sublessee*. Prior to execution of sublease with a sublessee, the Lessee or potential sublessee shall provide documentation as required by the Housing Department for the purposes of qualifying the potential sublessee.

6. Default or breach of Special Restriction. Subject to the notice and cure provisions, of these Housing Rules and Regulations, each of the following shall be considered a default ("Default"):

a. *Violation of Special Restrictions or Rules and Regulations*. A violation of any term of the Special Restrictions, the Rules and Regulations, the Declaration, or any laws affecting the Residential Unit.

b. *Vacancy*. Vacancy of a Residential Unit for more than sixty (60) days continuously.

c. *Fraud*. Fraud or misrepresentation by Owner and/or occupant in the provision of an application, reporting requirement, inspection requirement or any other informational requirement to the Housing Department.

d. *Taking or Assignment*. If the Residential Unit is taken by execution or by other process of law, or if Owner is judicially insolvent according to law, or if any assignment is made of the property of Owner for the benefit of creditors, or if a receiver, trustee or other similar officer is appointed to take charge of any substantial part of the Residential Unit or Ownr's property by a court of competent jurisdiction.

e. In the event the Housing Department believes there to be a Default, the Housing Manager, or a Designee of the Housing Department shall send written notice to Owner of such violation, the required action to cure and the timing for such cure. If Owner disputes the Housing Department's decision, Owner shall proceed in accordance with the Rules and Regulations.

7. *Default remedies*. Subject to the notice and cure provisions, if any, of the Housing Department Rules and Regulations, in addition to any other remedies the Housing Department may have at law or equity, in the event of a Default, after notice and opportunity to cure as set forth in the preceding

section, the Housing Department's remedies shall include, without limitation, as an exercise of its regulatory authority, the following:

a. *Specific performance.* The Housing Department shall have the right of specific performance of these Special Restrictions and the Rules and Regulations, and the right to obtain from any court of competent jurisdiction a temporary restraining order, preliminary injunction and permanent injunction to obtain such performance.

b. *Equitable relief*. In addition to subsection A, any equitable relief provided for herein may be sought singly or in combination with such other remedies as the Housing Department may be entitled to, either pursuant to these Special Restrictions or any other action authorized under the laws of the State of Wyoming.

c. *Revocation*. The Housing Department may, for purposes of enforcing these Special Restrictions or the Rules and Regulations, revoke or seek revocation of the rights to use or occupy the Residential Unit.

d. *Enforcement*. The Housing Department may, for purposes of enforcing these Special Restrictions or the Rules and Regulations, seek enforcement through the Town or County Land Development Regulations, including but not limited to Division 8.9 Enforcement.

f. Fines. The Housing Department may seek to impose fines on the owner in accordance with Town of Jackson Ordinances. Penalties are defined in J.M.C. 1.12.010.

(Ord. § , 2024; Ord. 1331 § I, 2022; Ord. 1296 § 1, 2021; Ord. 1294 § 1, 2021; Ord. 1263 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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 _____DAY OF ___________________ , 2024.
PASSED 2ND READING THE _____DAY OF ___________________ , 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: ___________________________________ __________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 ___________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book ______ of Ordinances of the Town of Jackson, Wyoming.

____
Riley Taylor, Town Clerk

ORDINANCE O

AN ORDINANCE AMENDING SECTION 16.10.700, COMPLIANCE AND EXCEPTION, APPEAL, AND GRIEVANCE STANDARDS AND PROCEDURES, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.700 of the Town of Jackson Municipal Code is hereby amended to read as follows:

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

A. . . .

1. . . .

a. . . .

b. . . .

c. . . .

d. . . .

e. . . .

f. *Exemption for retirees.* During ownership, owners that reach Retirement Age as defined by the Federal Social Security Administration (FSSA) and further defined in these Housing Department Rules and Regulations are exempt from income and Employment Requirements but must remain a Qualified Household for the duration of the ownership on all other aspects of the recorded special restriction including, but not limited to the sole residency requirement, occupancy, and no ownership of other Residential Real Estate within ~~1~~75~~0~~ miles driving distance of the Town of Jackson~~Teton County~~. Owners or members of the Household that have not reached Retirement Age as defined by FSSA will be required to continue to comply with qualification criteria and reporting requirements in accordance with the special restriction and these Housing Rules and Regulations.

g. . . .

2. . . .

3. . . .

a. . . .

b. . . .

c. . . .

d. . . .

e. . . .

f. . . .

g. . . .

h. . . .

i. . . .

j. . . .

k. *Ownership of residential property.* Owners of Affordable, Employment-based and Workforce Restricted Housing Units built or sold after June 4, 2018 are not allowed to own Residential Real Estate within 75 miles driving distance of the Town of Jackson. All renters of Housing Department-administered rental units are not allowed to own Residential Real Estate within 75 miles driving distance of the Town of Jackson. Notwithstanding the foregoing, the Housing Department may approve the purchase of Residential Real Estate in unique circumstances.~~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.~~

. . .

4. Penalties

a. Falsifying an Application. Any household or adult member of a household who has been found by the Housing Department to have falsified an application including but not limited to making false claims, forging signatures or information, or otherwise providing false information or documents will be prohibited from applying for any Housing Department program restricted housing unit for a period of five (5) years.

b. Eviction. Any household or adult member of a household who has been evicted from a Housing Department restricted rental unit will be permanently prohibited from applying for or occupying any Housing Department program restricted housing unit.

c. Forced Sale. Any household or adult member of a household who has been forced to sell a Housing Department ownership restricted ownership unit will be permanently prohibited from applying for or occupying any Housing Department restricted housing unit.

B. . . .

1. . . .

2. . . .

3. . . .

4. *Multiple defaults.* Upon the fourth time an owner of an owner-occupied restricted housing unit is found to be in Default within 15 years, the owner will not have an opportunity to cure. Multiple Defaults include any Defaults or failure to comply with the Housing Rules and Regulations or the applicable Special Restrictions. The Housing Department will force the sale of the unit or follow through with other remedies allowed by the Restriction and/or these Housing Rules and Regulations. The owner will no longer be eligible to apply for, own, or rent restricted housing. Notwithstanding the foregoing, the Housing Department reserves the right

to force a sale upon any uncured default regardless of the number of times the owner has been in default of the Special Restrictions or the Rules and Regulations.

5. *Default hearing.*

   a. . . .

   b. Within 30 days of the signed ~~o~~Order Appointing the Hearing Officer, 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. *Process for Exception hearing process.*

1. . . .

2. . . .

3. *Housing department review and recommendation.* All requests for hearings will be reviewed by Housing Department for completeness and provided to the JTCHA Board of Directors within 30 days with a recommendation for action, copied to the -Household~~complainant and/or representative~~.

4. *Hearing.* The hearing will be heard by the JTCHA Board of Directors at a properly noticed meeting scheduled at least 30 days following the Housing Department's receipt of the "request for hearing" to ensure notice and due process. Notwithstanding the foregoing, the JTCHA Board of Directors may choose to appoint a Hearing Officer within the thirty (30) days following the Housing Department's receipt of the "Request for Hearing" in which case the Hearing will be scheduled by the Hearing Officer.

   a. *Hearing Officer.*

      i. The JTCHA Board of Directors may designate a hearing officer and sign an "order appointing the hearing officer." If the JTCHA Board of Directors~~desires, they can elect to~~ appoint a nonexclusive hearing officer for a period of two 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 30 days of the signed ~~o~~Order Appointing the Hearing Officer, 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. 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.

      iv. 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.

      v. Hearings may be recorded and are not required to be transcribed. If the Household wishes to have a hearing transcribed, all associated costs shall be paid by the Household.

vi. 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 Board of Directors shall have the opportunity to ask questions of the witnesses and Housing Department staff.

vii. The Housing Department's decision concerning the exception will be assumed correct, and the burden of proof shall be on the Household.

viii. If the Household 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.

~~b. *Hearing process.*~~

~~i. JTCHA may designate a hearing officer and sign an "order appointing the hearing officer."~~

~~ii. Within 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 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~~b. *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.

. . .

(Ord. § , 2024; Ord. 1332 § I, 2022; Ord. 1297 § 1, 2021; Ord. 1264 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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 _____DAY OF ___________________ , 2024.
PASSED 2ND READING THE _____DAY OF ___________________ , 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: __________________________________ ___________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 __________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book ______ of Ordinances of the Town of Jackson, Wyoming.

____
Riley Taylor, Town Clerk

ORDINANCE AA

AN ORDINANCE AMENDING SECTION 16.10.800, OCCUPANCY AND USE, OF CHAPTER 16.10, TOWN OF JACKSON HOUSING RULES AND REGULATIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.800 of the Town of Jackson Municipal Code is hereby amended to read as follows:

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. . . .

B. . . .

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 75 driving miles of the Town of Jackson, Wyoming at any time during occupancy or ownership of the Residential Unit. Notwithstanding the foregoing, the Housing Department may approve ownership of Residential Real Estate in unique circumstances.~~150 miles of Teton County, Wyoming at any time during occupancy of the residential unit.~~

D. . . .

E. . . .

(Ord. § , 2024; Ord. 1333 § I, 2022; Ord. 1265 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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.

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PASSED 1ST READING THE _____DAY OF ___________________ , 2024.
PASSED 2ND READING THE _____DAY OF ___________________ , 2024.
PASSED AND APPROVED THE _____DAY OF __________________, 2024.

TOWN OF JACKSON

BY: ___________________________________ __________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

I hereby certify that the foregoing Ordinance No. 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 __________________, 2024.

I further certify that the foregoing Ordinance was duly recorded on page __ of Book ______ of Ordinances of the Town of Jackson, Wyoming.

____
Riley Taylor, Town Clerk

ORDINANCE AB

AN ORDINANCE AMENDING SECTION 16.10.900, DEFINITIONS, OF THE TOWN OF JACKSON MUNICIPAL CODE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JACKSON, WYOMING:

SECTION I.

Section 16.10.900 of the Town of Jackson Municipal Code is hereby amended to read as follows:

16.10.900 Definitions.

A. *Definitions.*

. . .

Fee Schedule: A document published by the Housing Department that includes the list of fees charged for certain services provided by the Housing Department and allowed fee waivers.

. . .

Owner: A person or entity who has the legal right in accordance with the Special Restrictions and these Rules and Regulations to possess, transfer title, or sell a restricted housing unit.

Physical Custody Rights: Legal custody rights granted by the Court that allows a parent to have their child reside with him/her.

. . .

Qualified Households. Households that have applied for housing through the housing department, where Housing Department staff deem them as eligible to purchase or rent 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.

. . .

Rent: Tenant's regular payment to a landlord for the use of a restricted housing unit.

. . .

Residential Real Estate. A parcel that ~~either~~ includes a Residential Dwelling Unit or is larger than one acre and has the by-right potential for developing a Residential Dwelling Unit per local zoning regulations.

. . .

Study Hours: For purposes of calculating hours worked for CWC students, Study Hours will equal two hours outside of the classroom for every one hour of class time.

. . .

Volunteer Hours: Documented and verified hours worked for a qualifying Local Business or Local Organization for which no pay is received but may be counted as hours worked for eligibility in Housing Department programs.

. . .

(Ord. _____ § ___, 2024; Ord. 1335 § I, 2022; Ord. 1298 § 1, 2021; Ord. 1266 § 1, 2020; Ord. 1242 § 1, 2019; Ord. 1195 § 1, 2018).

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.
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PASSED 1ST READING THE ______DAY OF ____________________ , 2024.
PASSED 2ND READING THE ______DAY OF ____________________ , 2024.
PASSED AND APPROVED THE ______DAY OF ___________________, 2024.

TOWN OF JACKSON

BY: _____________________________________ ____________________________
Hailey Morton Levinson, Mayor

ATTEST:

BY: ____
Riley Taylor, Town Clerk

ATTESTATION OF TOWN CLERK

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

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I further certify that the foregoing Ordinance was duly recorded on page __ of Book ______ of Ordinances of the Town of Jackson, Wyoming.

____

Riley Taylor, Town Clerk

BOARD OF COUNT COMMISSIONERS

TOWN COUNCIL

JOINT MEETING

AGENDA DOCUMENTATION

SUBMITTING DEPARTMENT: Joint Housing **PRESENTER**: April Norton, Housing Director

MEETING DATE: December 2, 2024

SUBJECT: 90 Virginian Lane Ground Lease Option Agreement & Ground Leases

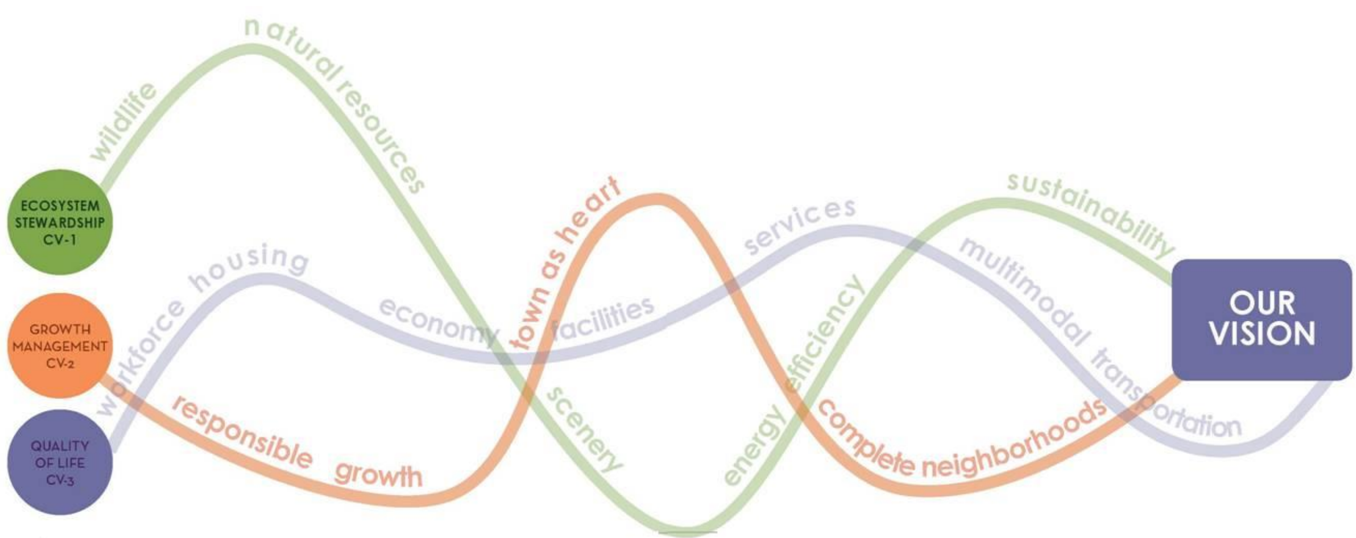
STATEMENT/PURPOSE

The Teton County Board of Commissioners ("Board") and Jackson Town Council ("Council") will consider a Ground Lease Option Agreement with Pennrose, LLC for 90 Virginian Lane. This Agreement includes Ground Leases for 90 Virginian Lane that will be executed once all terms stated in the Option Agreement are satisfied. The Ground Leases are included as attachments to the Option Agreement. The Option Agreement and Ground Leases are informed by the terms discussed at the October Joint Meeting.

BACKGROUND/ALTERNATIVES

This is the 14th meeting at which the Council and Board will discuss the 90 Virginian Lane affordable workforce housing development. Staff brought terms for the Ground Lease to the October Joint Meeting and today is presenting a Ground Lease for 90 Virginian Lane based on those terms and the direction provided by Council (4-1 in favor) and Board (3-2 in favor). A draft Development Agreement has been moved to the December 10 Joint Meeting to allow for results of the market study to be reviewed and considered.

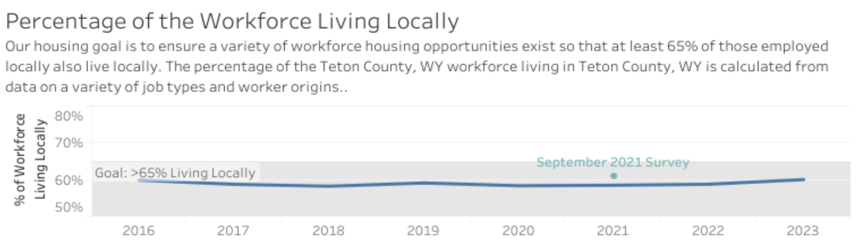
The Jackson/Teton County Comprehensive Plan is predicated on three equally important Common Values for us to live within our shared community Vision: Ecosystem Stewardship, Growth Management, and Quality of Life. Just as the strength of a rope depends on the integrity of each intertwining thread, the strength of our community character is derived from a commitment to all three Common Values, each in support of and reliant upon the others.

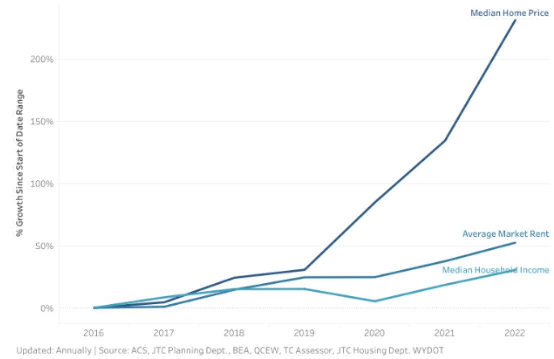


Common Value: Quality of Life

The Comprehensive Plan sets a minimum goal of achieving a 65% resident workforce. Building on this goal, the Workforce Housing Action Plan set forth strategies for increasing our resident workforce that include location for growth, a focus on public-private partnerships, and updating land development regulations to incentivize affordable workforce housing development by the private sector.

Since Housing Action Plan implementation began, permanently restricted affordable workforce housing production has increased 260% compared to the previous seven years, and the resident workforce has stabilized around 60%, despite the addition of close to 3,000 jobs during this same time period and rapidly increasing housing prices.

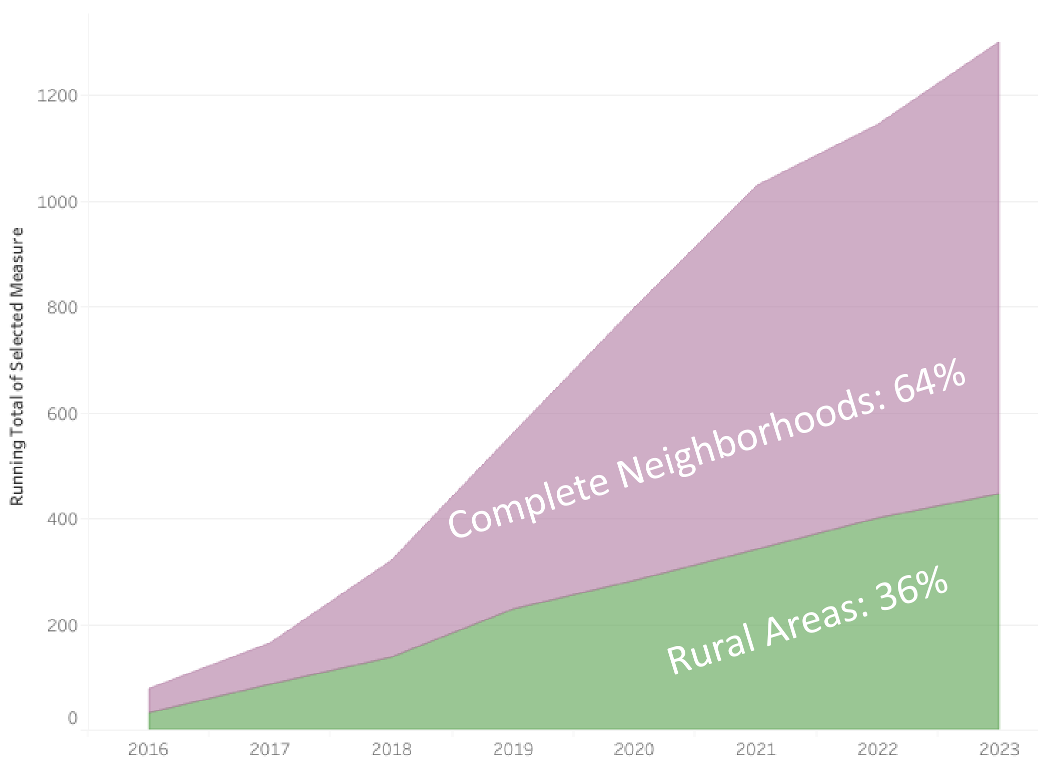




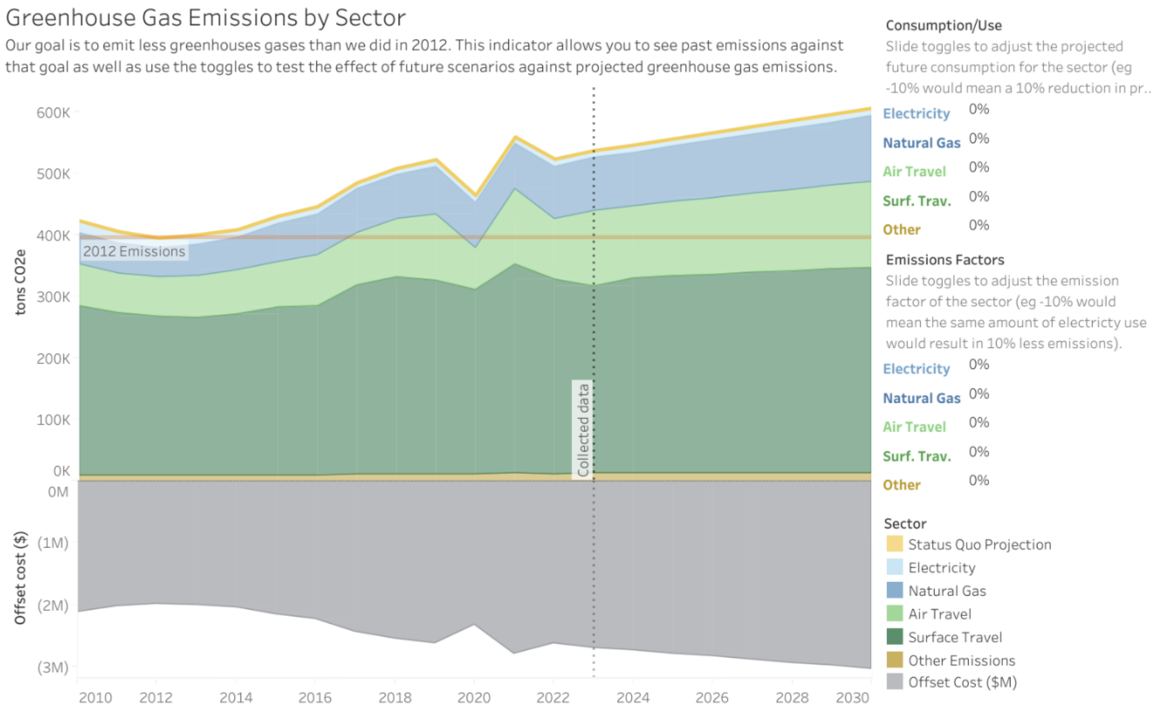
The future neighborhood at 90 Virginian Lane is an example of a public-private partnership, leveraging private sector expertise, while mitigating public risk; and utilizes LDR incentives for affordable workforce housing development.

Common Value: Ecosystem Stewardship

The Comprehensive Plan also sets a goal to direct at least 60% of all new residential development into Complete Neighborhoods to preserve habitat, scenery, and open space and provide workforce housing opportunities. Since Housing Action Plan implementation and including changes to the Land Development Regulations that incentivize affordable workforce housing production in the Town of Jackson, the percentage of new development built in Complete Neighborhoods has exceeded the 60% minimum threshold. By placing development in the center of Town, the 90 Virginian Lane development accomplishes our goal of concentrating new development in Complete Neighborhoods.

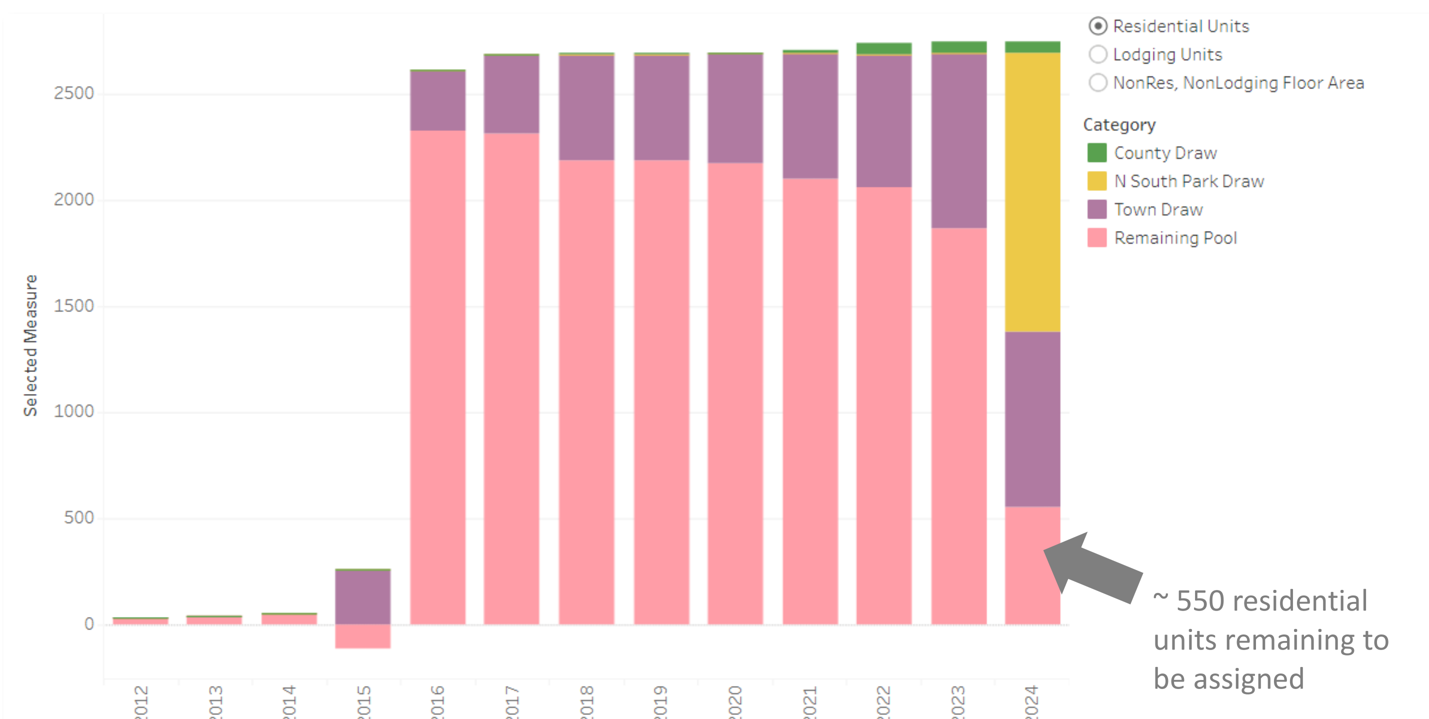


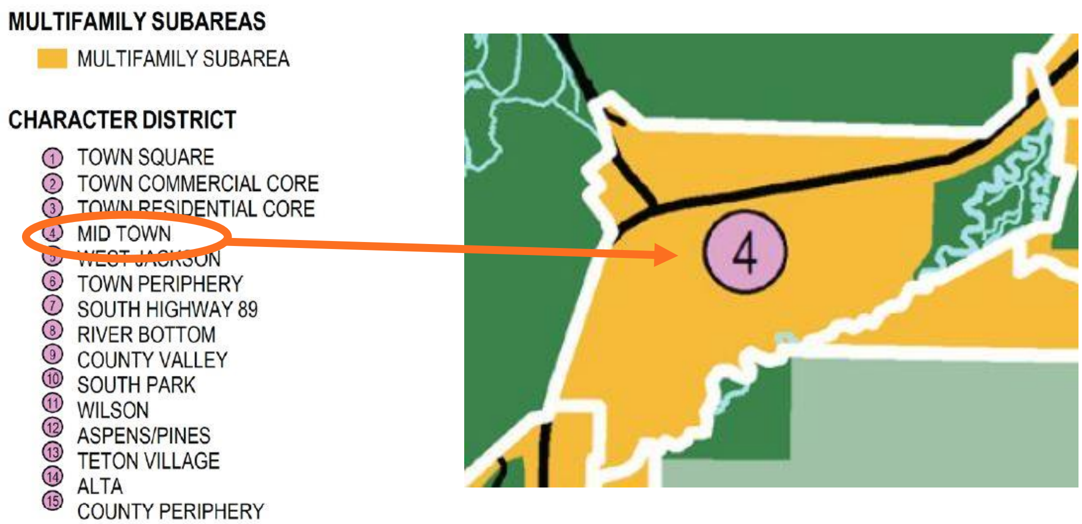
The Comprehensive Plan sets a goal to emit less greenhouse gases ("GHG") than we did in 2012. Surface travel accounts for most of the GHG Emissions created locally. By placing households close to their jobs, local convenience, recreational amenities, and providing them with opportunities to use alternative modes of transportation like the bus or biking, the 90 Virginian Lane development will positively impact GHG Emissions.



Common Value: Growth Management

The Comprehensive Plan sets a cap on new residential units that can be built. We currently have about 550 pooled residential bonus units remaining to be assigned to future developments. The 90 Virginian Lane Neighborhood accomplishes our Comprehensive Plan goals related to growth management by effectively using the remaining pooled units for 100% permanently deed restricted affordable workforce housing in a high-density residential zone located in a Transitional Subarea (as opposed to using the units for unrestricted, free market homes located outside a Complete Neighborhood).





Achieving our Vision
Ultimately, by providing housing opportunities like 90 Virginian Lane that support a resident workforce, we are protecting local working families; providing for a stable tax base; creating neighborhood accountability; increasing civic, social, and economic investment; limiting commuters on our roads; and protecting our open spaces and scenic vistas. We are achieving the vision laid forth in our Comprehensive Plan.

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90 Virginian Lane is a 5.15-acre parcel of land located within the largest Complete Neighborhood: The Town of Jackson. It is currently zoned Neighborhood High ("NH-1") and is one of the few large, mostly vacant parcels of land that is appropriately zoned for affordable workforce housing. During four Joint Meetings (May 15, 2023; June 14, 2023; July 10, 2023; and July 17, 2023) the Board and Council discussed how to finance the purchase of the property and ultimately directed and authorized the Jackson/Teton County Housing Authority ("JTCHA") to buy the property for future affordable workforce housing development. The transaction closed August 1, 2023.

On August 7, 2023; September 11, 2023; October 2, 2023; and November 6, 2023 Board and Council provided staff with direction related to the Request for Proposals for a development partner at 90 Virginian Lane. This included specific direction on the scoring criteria, desired project densities and affordability, sustainable design program, and financing. On November 8, 2023, the RFP was released with a response due date of February 2, 2024. 11 responses to the RFP were received. These are posted to the Housing Department website.

On February 14 & 15, 2024, the Housing Supply Board reviewed the responses and identified four firms to interview in person. On March 6, 2024, the Housing Supply Board interviewed Corum, Elmington, Pennrose, and Ulysses. A recording of the interviews is provided on the Housing Department's website. On March 20, 2024, the Housing Supply Board held a Special Meeting at which they identified Pennrose as their leading candidate to develop the property.
On May 6, 2024, Board and Council considered potential partners for the development of the site; the Board continued the item, and the Council approved the following motion:

> *To direct and authorize the Housing Authority to direct staff to negotiate a Ground Lease and Development Agreement including the agreed upon internal procedures and negotiation topics with both Pennrose Development and Elmington Affordables, LLC for affordable workforce housing located at 90 Virginian Lane and to bring these documents and the results of the negotiations back to the Council and Board for consideration at a future meeting.*

On May 21, 2024, the Board approved the following motion:

> *To recommend to the Housing Department to negotiate a Ground Lease with Pennrose Development recognizing the 16 points that were made earlier at the Joint Information Meeting with the Town as well as points made during the BCC discussion today.*

On June 3, 2024, Council approved the following motion:

To direct and authorize staff to negotiate a Ground Lease and Development Agreement including the agreed upon internal procedures and negotiation topics with Pennrose Development for affordable workforce housing located at 90 Virginian Lane and to bring these documents and the results of the negotiations back to the Council and Board for consideration at a future meeting.

On August 5, 2024, Staff provided an update on the development, including the 15 negotiation topics identified by the Council and Board. The Council and Board then asked staff to bring back additional information related to the development.

On October 7, 2024, Staff provided responses to additional questions posted by the Council and Board and draft terms for the Ground Lease with Pennrose for 90 Virginian Lane. The Council and Board approved the terms laid forth during that meeting and directed staff to draft a Ground Lease for consideration for 90 Virginian Lane.

Since the October 7 meeting, Staff and Pennrose have been working on both the Ground Lease and the Development Agreement. During this time, Staff and Pennrose mutually agreed to amend our path forward to allow for the completion of the market study and subsequent necessary time to analyze recommendations, finalization of the traffic impact study after Town & County staff review, and to allow the Housing Authority to enter into a separate Ground Lease with the Virginian RV Park for 2025 operations.

The recommended path forward is as follows:

1. December 2, 2024. Direct & authorize the Housing Authority to enter into a Ground Lease Option Agreement that outlines necessary criteria for Pennrose to meet prior to the execution of the Ground Leases for the property.
    a. This gives the Town, County, and Housing Authority assurance that the following will be complete *prior to* Ground Lease execution:
        i. Development Agreement has been executed by the developer and Housing Authority.
        ii. Pennrose will have completed the Subdivision, dividing the parcel into at least two parcels – one for the rental units and one for the ownership units.
        iii. Pennrose will have commitments for financing that are sufficient for the construction of the development consistent with the Development Agreement.
    b. Additionally, this allows the Housing Authority to lease the property for RV park operations for 2025.
    c. This also allows Pennrose to move forward with assurance that so long as they are doing what they have agreed to do in the Option Agreement, the Housing Authority will lease the ground to them to develop Affordable and Workforce Housing.

2. February 2025 Joint Meeting. Consider a draft Development Agreement that is fully informed by the traffic impact study and market study and includes specifics related to density, parking, sustainable design, traffic demand management, affordability, and horizontal and vertical construction.

3. Ongoing. The Town planning process is already underway. We have completed one visit to the Design Review Committee and our pre-application conference with the Town. The goal is to break ground on the development in the spring of 2026

Ground Lease Option Agreement

Today, the Board and Council are considering a Ground Lease Option Agreement with Pennrose LLC for 90 Virginian Lane. If approved, the Council and Board will direct and authorize the Housing Authority to execute the Option Agreement. The Option Agreement includes Ground Leases for 90 Virginian Lane that will be executed once all terms stated in the Option Agreement are satisfied. The Ground Leases are included as attachments to the Option Agreement and further described below.

Why a Ground Lease Option Agreement?

Staff and Pennrose mutually agreed to recommend a two-step approach to the Ground Leases for 90 Virginian Lane, which include 1) Option Agreement, and 2) Ground Leases – one for the rental development and one for the ownership development.

This approach allows the Housing Authority and Pennrose to accomplish the following:

1. The RV Park can continue to run and generate revenue for the Housing Authority while Pennrose takes the Affordable & Workforce housing developments through the planning process.
2. Pennrose does not take control of the property until they have satisfied specific conditions laid forth in the Option Agreement.
3. Pennrose has the assurance that so long as they meet the conditions set forth in the Option Agreement on the timeline identified, the Housing Authority will lease the property to them for the construction and management of Affordable and Workforce Rental Housing and the construction and sale of Affordable and Workforce Ownership Housing.

Key components of the Option Agreement

- Optionor: Jackson / Teton County Housing Authority
- Optionee: Pennrose LLC
- Option Price: $10.00
- Option Term: Ends June 30, 2026. A right to extend the Term for an additional 12 months is included provided the Optionee (Pennrose) is not then in default of the Option Agreement, or the Development Agreement, and they are diligently pursuing the development of the Project consistent with the Development Agreement.
- The 90 Virginian Lane Housing Development ("the Project") will consist of two components:
  - Project A or the Rental Project
  - Project B or the For-Sale Project
- Project A will be undertaken by a to-be-formed affiliate of Optionee and referred to as Project A Lessee.
- Project B will be undertaken by one or more separate to-be-formed affiliate(s) of Optionee and referred to collectively as Project B Lessee.
- The Optionee may exercise the option for Project A separate from Project B.
- Optionor and Optionee intend to enter into a Development Agreement for the Project, which will set forth the obligation of Optionee and its affiliates (including Project A Lessee and Project B Lessee) to construct, own, and operate the Project, and will describe the specific density, parking, sustainable design, traffic demand management, affordability, cohesiveness between Project A and Project B, and horizontal and vertical construction of the Project.
- Ground leases for each of the Project A and the Project B Parcels are attached to the Option Agreement and are subject to the terms of the Option Agreement.
- Conditions required to exercise the Option Agreement are listed below. Once Optionee has satisfied these conditions, Optionor will be obligated to execute the Ground Leases.
  - Optionee shall have entered into the Development Agreement and shall not then be in default thereunder.
  - Optionee shall have completed the Subdivision, dividing the parcel into at least two parcels – one for the rental units (Project A) and one for the ownership units (Project B).
  - Optionee shall have obtained commitments for financing sufficient, in the reasonable judgment of Optionor, for the construction of the development consistent with the Development Agreement.
- Optionee will be obligated to execute the Ground Lease upon the satisfaction of the following:
  - Optionor is authorized to consummate the Ground Leases.
  - Optionor shall be able to convey good, marketable and insurable leasehold title to the property (90 Virginian Lane).
- The occurrence of either of the following shall constitute an event of default:
  - The failure of the other party to perform any of its duties and obligations set forth in the Option Agreement, and the continuation of such failure after notice and a reasonable opportunity to cure, not to exceed 30 days.
  - The termination of the Development Agreement.
- Default Remedies: Upon occurrence of a default and during the default, the non-defaulting party may, at its option, elect to enforce the terms of the Option Agreement, including specific performance, or demand and be entitled to, full termination of the agreement.
- Optionee may not assign, pledge, or otherwise transfer its interest in the Option Agreement without the prior written consent of the Optionor.

Key components of the Ground Lease for Project A (the Rental Project)

- Lessor: Jackson/Teton County Housing Authority
- Lessee: Special Purpose Entity created by Pennrose LLC ("Developer")
- Property: 90 Virginian Lane will be subdivided into parcels – one for the Rental Project.
    - Property will be more specifically described once 90 Virginian Lane has been subdivided
- Term: 99 years
- Lease Payments: $10 per year.
- Use of Property: Soley for providing Affordable and Workforce housing in accordance with the Ground Lease and Development Agreement.
- Property taxes: Lessee is responsible for payment of property taxes during lease term.
- Construction: Lessee is responsible for the permitting, entitlement, development, construction, and financing of the project in accordance with the ground lease, development agreement, deed restrictions, and all Town of Jackson Land Development Regulations. Lessee will be obligated to install, at its ole cost and expense, all site improvements required by the laws and regulation of the Town of Jackson, or desired by Lessee for the Project, including, but not limited to, the burying or relocation of power lines, utilities, sewer and storm sewer lines, water lines, and storm drains; the connection to sewer, water, storm drain, and electrical systems; and the modification of or additions to landscaping and roads or pathways on the site or in the adjacent right-of-way.
- Lessee commits to constructing a minimum of 200 permanently deed restricted units on the entire site (the Rental Project and the For-Sale Project).
- Five (5) revolving rights of first refusal must be provided to the Virginian Hotel.
- Date of completion: Lessee must submit for a certificate of occupancy from the Town of Jackson for the entire project on the timeline set forth in the Development Agreement unless an extension is otherwise approved.
- Reporting Requirements: Upon execution of the ground lease, Lessee shall provide quarterly reports on the progress of the construction to the Lessor. Once the development is complete, the Lessee shall provide a final report for the project that includes all costs associated with the development, construction, financing, marketing, and sale or leasing of all units, demographic information on the households living in the units created, and any other information requested by the Housing Authority.
- Project Operations: Lessee will operate the project as Affordable and Workforce rental housing consistent with the Development Agreement and all applicable restrictions.
- Ground lease addresses defaults and remedies, mortgages, maintenance, insurance, condemnation, assignments and transfers, and force majeure.

Key components of the Ground Lease for Project B (the For-Sale Project)

- Lessor: Jackson/Teton County Housing Authority
- Lessee: Special Purpose Entity created by Pennrose LLC ("Developer")
- Property: 90 Virginian Lane will be subdivided into parcels – one or more for the For-Sale Project.
    - Property will be more specifically described once 90 Virginian Lane has been subdivided
- Term: 99 years
- Lease Payments: $10 per year.
- Use of Property: Soley for providing Affordable and Workforce housing in accordance with the Ground Lease and Development Agreement.
- Property taxes: Lessee is responsible for payment of property taxes during lease term.
- Construction: Lessee is responsible for the permitting, entitlement, development, construction, and financing of the project in accordance with the ground lease, development agreement, deed restrictions, and all Town of Jackson Land Development Regulations. Lessee will be obligated to install, at its ole cost and expense, all site improvements required by the laws and regulation of the Town of Jackson, or desired by Lessee for the Project, including, but not limited to, the burying or relocation of power lines, utilities, sewer and storm sewer lines, water lines, and storm drains; the connection to sewer, water, storm drain, and electrical systems; and the modification of or additions to landscaping and roads or pathways on the site or in the adjacent right-of-way.
- Lessee commits to constructing a minimum of 200 permanently deed restricted units on the entire site (the Rental Project and the For-Sale Project).
- Date of completion: Lessee must submit for a certificate of occupancy from the Town of Jackson for the entire project on the timeline set forth in the Development Agreement unless an extension is otherwise approved.

- Lessee must pursue and accomplish the Final Plat approval of the project by the Town of Jackson, in compliance with the LDRs. The Final Plat application shall include the following:
    - A deed restriction for each For-Sale Unit, consistent with the Development Agreement;
    - Right of First Refusal Agreement
    - The Condominium Declaration ("Condo Dec"). Lessor must approve the Condo Dec before filing.
- Prior to recordation of the final pat, Lessee shall deliver to Lessor written confirmation from Lessee's lender that Lessee is in good standing with the Loans and Lender is confident in Lessee's ability to satisfy all obligation of the loan.
- Reporting Requirements: Upon execution of the ground lease, Lessee shall provide quarterly reports on the progress of the construction to the Lessor. Once the development is complete, the Lessee shall provide a final report for the project that includes all costs associated with the development, construction, financing, marketing, and sale or leasing of all units, demographic information on the households living in the units created, and any other information requested by the Housing Authority.
- Ground lease addresses defaults and remedies, mortgages, maintenance, insurance, condemnation, assignments and transfers, and force majeure.

Next Steps / Timeline

- December 2, 2024 Joint Meeting: Ground Lease Option Agreement & Ground Leases
- February Joint Meeting: Development Agreement

Ground Lease / GL Option Agreement October & December	**Development Agreement** February	**Town Planning Process** 2024-2026
• Establishes site control for specific term, use, and rate • Provides a timeline for performance • Includes default provisions and reporting requirements • Points to the Development Agreement for specific obligations of both developer (Lessee) and landowner (Lessor) • Ground Lease Option Agreement requires developer to meet specific conditions prior to execution of the ground leases	• Establishes obligations of Developer and Landowner (Housing Authority) • Includes specifics related to density, parking, sustainable design, traffic demand management, affordability, horizontal and vertical construction. • Moved to December to allow for review and consideration of market study findings.	• Pre-application Conference (2024) • Development Option Plan – Planning Director (2025) • Subdivision Plat – Town Council (2025) • Design Review Committee (2024-2025, multiple meetings) • Grading Pre-application Conference (2025) • Grading & Building Permits (2025-2026)

COMPREHENSIVE PLAN ALIGNMENT

Comprehensive Plan Policy:

- Reduce greenhouse gas emissions through land use. 2.2.
- Reduce greenhouse gas emissions through transportation. 2.3.
- 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
- Direct at least 60% of all new residential development into Complete Neighborhoods. Common Value 3.

Housing Action Plan Strategy:

- Provide land as a public subsidy and build development partnerships. 2B

STAKEHOLDER ANALYSIS

Teton County community members, businesses, and visitors.

FISCAL IMPACT

Varies depending on direction received.

STAFF IMPACT

Housing staff have spent 20 hours preparing this staff report, including meeting with Pennrose Development and their team, and other Town and County staff.

LEGAL REVIEW

K. Gingery & L. Colasuonno

ATTACHMENTS

Ground Lease Option Agreement for 90 Virginian Lane

RECOMMENDATION

Staff recommend approval of the Option Agreement as outlined in this staff report.

SUGGESTED MOTION

I move to direct and authorize the Jackson Teton County Housing Authority Board to execute the Ground Lease Option Agreement with Pennrose LLC for 90 Virginian Lane, subject to non-substantive clerical corrections made by the Town Attorney and / or the Teton County Attorney.

OPTION TO ENTER INTO GROUND LEASE

This Option to Enter Into Ground Lease (this "**Agreement**") is entered into this ____ day of December, 2024 by and between JACKSON/TETON COUNTY HOUSING AUTHORITY, a duly constituted housing authority in the State of Wyoming pursuant to Wyo. Stat. §16-10-116(b), (the "**Optionor"**) and PENNROSE, LLC, a Pennsylvania limited liability company, or its assignee (the "**Optionee"**).

PREAMBLE

WHEREAS, Optionor is a duly constituted housing authority in the State of Wyoming pursuant to Wyo. Stat. §15-10-116(b);

WHEREAS, Optionor has designated the Jackson / Teton County Housing Department ("**JTCHD**") to manage and administer the developments and agreements contemplated in this Agreement, as well as all associated capital improvements;

WHEREAS, pursuant to Wyo. Stat. §15-10-115(a)(ii), the Teton County Board of County Commissioners and the Jackson Town Council approved 90 Virginian Lane as a housing project, as defined by Wyo. Stat. §15-10-101(a)(ii);

WHEREAS, Optionee is not exempt from the Town of Jackson Land Development Regulation ("**LDR**") requirements and shall comply with all relevant and applicable LDR standards therefore;

WHEREAS, Optionor has determined that the shortage of affordable and workforce housing opportunities is a growing burden of Teton County and part of its governmental function, specifically that the findings have been made in the creation of the Jackson/Teton County Housing Authority by the Teton County Board of County Commissioners and the Jackson Town Council, that there is a shortage of safe and sanitary dwelling accommodations in the Town of Jackson and Teton County available to persons of low income at rentals or prices they can afford;

WHEREAS, Optionor owns certain real property located within the Town of Jackson legally described in **Exhibit A** attached hereto with a physical address of 90 Virginian Lane, together with all rights, privileges, and appurtenances thereto (the "**Property**");

WHEREAS, Optionor has determined that the Property is suited for affordable and workforce housing opportunities for the benefit of the community and desires that Optionee and its affiliates develop the Property in accordance with Optionor's request for proposals, and Optionee's response thereto (collectively, the "**RFP Documents**");

WHEREAS, the parties intend for the to-be-developed project (the "**Project**") to consist of a rental component, consisting of rental apartment buildings and related amenities ("**Project A**" or the "**Rental Project**") to be undertaken by a to-be-formed affiliate of Optionee ("**Project A Lessee**"), and a for-sale component, consisting of condominium buildings in which units will be sold to homebuyers ("**Project B**" or the "**For-Sale Project**"), to be undertaken by one or more separate to-be-formed affiliate(s) of Optionee (collectively, "**Project B Lessee**");

WHEREAS, to allow for the two components of the Project, the parties intend for the Property to be subdivided into two or more parcels, one for Project A (the "**Project A Parcel**") and one or more for Project B (collectively, the "**Project B Parcel**");

WHEREAS, Optionor and Optionee intend to enter into a Development Agreement with respect to the Project, which shall more fully set forth the obligations of Optionee (and its affiliates, including Project A Lessee and Project B Lessee), to construct, own, and operate the Project, and which shall more fully describe the specific density, parking, sustainable design, traffic demand management, affordability, cohesiveness between Project A and Project B, and horizontal and vertical construction of the Project (the "**Development Agreement**");

WHEREAS, to allow for the development of the Project consistent with the Development Agreement, Optionor desires to grant Optionee the option to enter into a ground lease for each of the Project A Parcel and the Project B Parcel, in the forms attached hereto as **Exhibit B** and **Exhibit C**, respectively, subject to the terms of this Agreement.

AGREEMENT

In consideration of the promises and mutual covenants set forth herein, the parties hereto, with the intent to be legally bound hereby, agree as follows:

1. Option to Lease Property; form of Ground Lease. During the Term (as defined in Section 3 hereof), the Optionee shall have the exclusive right and option (the "**Option**") to lease the Property, upon the terms set forth herein, and subject to the satisfaction of the conditions set forth in Section 5 and elsewhere herein. The Option shall be exercisable by written notice from the Optionee to the Optionor at least thirty (30) days prior to the date of closing of the Ground Leases (the "**Closing**"). In the event that Optionee exercises the Option, Optionor and Project A Lessee shall execute and deliver a ground lease agreement in the form attached as Exhibit B hereto (the "**Project A Lease**"), and Optionor and Project B Lessee shall execute and deliver one or more ground leases in the form of Exhibit C hereto (collectively, the "**Project B Lease**", and together with the Project A Lease, the "**Ground Leases**").

2. Option Price. Concurrently with the execution of this Agreement, the Optionee shall pay to the Optionor the sum of Ten Dollars ($10.00).

3. Term. The term of the Option (the "**Term**") shall commence on the date hereof and shall end on [June 30, 2026]. Optionee shall have the right to extend the Term for an additional period of twelve (12) months by providing notice of the same to Optionor prior to the initial expiration of the Term, provided that (i) Optionee is not then in default hereunder or under the Development Agreement and (ii) Optionee is diligently pursuing the development of the Project consistent with the Development Agreement.

4. Development Agreement. Optionor and Optionee shall use reasonable efforts in good faith to negotiate and enter into the Development Agreement, which shall be broadly consistent with the RFP Documents as the same have been further discussed and refined. The Option and this Agreement shall terminate if the Development Agreement is not executed on or before June 30, 2025, unless such date is extended by consent of the parties. Consent to an extension of such deadline shall not be unreasonably withheld, conditioned or delayed so long as the parties are pursuing the finalization and execution of the Development Agreement in good faith.

5. Conditions Precedent to Exercise. Optionee shall have the right to exercise the Option, and Optionor shall be obligated to complete the transactions contemplated herein, only upon the satisfaction of each of the following conditions set forth below or the waiver thereof by Optionor:

a. Optionee shall have entered into the Development Agreement and shall not then be in default thereunder.

b. Optionee shall have completed the subdivision of the Property into the Project A Parcel and the Project B Parcel (the "**Subdivision**"). The Subdivision plans and/or plat (the "**Subdivision Plat**") shall be in compliance with the LDR and shall be subject to the prior review and approval of the JTCHD, which approval shall not be unreasonably withheld, conditioned, or delayed. Upon such approval, Optionor and Optionee shall cause the Subdivision Plat to be filed and the Subdivision completed.

c. Optionee shall have obtained commitments for financing sufficient, in the reasonable judgment of Optionor, for the construction of the Project consistent with the Development Agreement.

d. The representations and warranties of the Optionee contained in this Agreement shall be true and correct in all respects on the date hereof and on the date of Closing as though such representations and warranties were made on each such date.

Optionee may exercise the Option separately for Project A and Project B upon satisfaction of the above conditions as to the applicable portion of the Project; provided that no such separation of the Option as to Project A and Project B shall have the effect of extending the Term.

6. Conditions Precedent to Performance by the Optionee. Optionee shall be obligated to complete the transaction and to consummate the Ground Leases only upon the satisfaction of each of the following conditions set forth below or the waiver thereof by Optionee:

a. Optionor is duly authorized to consummate the Ground Leases; and

b. Optionor shall be able to convey good, marketable and insurable leasehold title to the Property.

7. Representations and Warranties of the Optionee. Optionee hereby represents, warrants and covenants to Optionor, that:

a. Optionee is duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania; and

b. Optionee has the right, power, legal capacity and authority to execute, deliver and perform this Agreement.

8. Closing. Closing shall occur within 120 days after the date of written notice from Optionee to Optionor of Optionee's exercise of the Option, which date may be extended by the mutual written consent of the parties. At the Closing, each of the parties shall deliver such other documents and perform such other conditions as are required of them by the terms of this Agreement or which may reasonably be required in order to complete the transaction.

9. Event of Default. The occurrence of any of the following shall constitute an event of default:

a. The failure of the other party to perform any of its duties and obligations set forth in this Agreement, and the continuation of such failure after notice and a reasonable opportunity to cure the same, not to exceed thirty (30) days; or

b. The termination of the Development Agreement.

10. Remedies. Upon the occurrence and during the continuation of an event of default, the non-defaulting party may, at its option, elect to enforce the terms of this Agreement, including specific performance, or demand and be entitled to, full termination of this Agreement.

11. Notices. All notices, requests, demands, approvals, or other formal communications given hereunder or in connection with this Agreement shall be in writing and shall be deemed received three days after being sent by registered or certified mail, return receipt requested, postage prepaid; or one day after being sent by a nationally recognized, receipted overnight delivery service, addressed as follows, in either case with a copy sent by email:

If to Optionee:

Pennrose, LLC
230 Wyoming Avenue
Kingston, PA 18704
Attn: Timothy I. Henkel
thenkel@pennrose.com

With a copy to:

Berman Indictor LLP
3 Logan Square
1717 Arch Street, Suite 3301
Philadelphia, PA 19103
Attn: Steven P. Berman, Esq.
berman@bermanindictor.com

If to Optionor:

Teton County Clerk
P.O. Box 1727
Jackson, Wyoming 83001
mmurphy@tetoncountywy.gov

With a copy to:

Jackson / Teton County Housing Department
P.O. Box 714
Jackson, Wyoming 83001
housing@tetoncountywy.gov

and a copy to:

Town of Jackson
P.O. Box 1687
Jackson, WY 83001
clerk@jacksonwy.gov

13. No Third-Party Beneficiaries. Nothing contained in this Agreement, nor any act of Optionor, shall be deemed or construed to create any relationship of third-party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving Optionor and Optionee.

14. Brokers. Each party shall indemnify and hold the other party harmless from and against any and all commissions, fees, costs or expenses incurred by or due to any real estate broker alleged to be engaged by either party or by reason of the execution of this Agreement or the Ground Leases.

15. Assignment. Optionee may not assign, pledge or otherwise transfer its interest in this Agreement without the prior written consent of Optionor; provided that Project A Lessee and Project B Lessee shall succeed to Optionor's rights hereunder.

16. Modifications. No modification of this Agreement shall be effective unless set forth in writing and signed by both Optionee and Optionor.

17. Further Assurances. Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Agreement.

18. Successors and Assigns. This Agreement shall be binding, upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

19. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the transactions contemplated hereby, and supersedes all prior oral and written agreements between the parties with respect to the subject matter hereof.

20. Section Headings. Captions at the beginning of each paragraph of this Agreement are solely for the convenience of the parties and are not part of this Agreement.

21. Exhibits. All exhibits which are attached to this Agreement are incorporated herein by this reference.

22. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

23. Interpretation and Governing Law. This Agreement shall be construed as though prepared by both parties. This Agreement has been made and entered into and shall be construed, interpreted and governed by the law of the State of Wyoming.

24. Severability. If any portion of the Agreement is declared by a court of competent jurisdiction to be valid or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining parts shall remain in full force as though such invalid or unenforceable provision had not been a part of this Agreement.

Signatures appear on following page.

SIGNATURE PAGE TO
OPTION TO ENTER INTO GROUND LEASE

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have executed this Agreement as of the date first set forth above.

JACKSON/TETON COUNTY HOUSING AUTHORITY

By:___________________________________
Anne Kent Droppert, Chair
Jackson/Teton County Housing Authority Board

ATTEST:

BY:___________________________________
Justin Henry, Clerk
Jackson/Teton County Housing Authority Board

PENNROSE, LLC

By: ___________________________________
Timothy I. Henkel, President

EXHIBIT A

PROPERTY

EXHIBIT B

GROUND LEASE – RENTAL PROJECT (PROJECT A)

EXHIBIT C

GROUND LEASE – FOR-SALE PROJECT (PROJECT B)

GROUND LEASE

(90 VIRGINIAN LANE – RENTAL PROJECT)

THIS GROUND LEASE (the "Lease") is entered into and made to be effective as of the ___ day of _________________, ____________ (the "Effective Date"), by and between [**Jackson/Teton County Housing Authority**, a duly constituted housing authority in the State of Wyoming pursuant to Wyo. Stat. §16-10-116(b), (the "Lessor") and **[TBD ENTITY],** a Wyoming limited liability company (the "Lessee").

RECITALS

WHEREAS, Lessor is a duly constituted housing authority in the State of Wyoming pursuant to Wyo. Stat. §15-10-116(b);

WHEREAS, Lessee is a Wyoming limited liability company constituted pursuant to Wyo. Stat. §17-29-101 *et. seq.*, and is an affiliate of Pennrose, LLC, a Pennsylvania limited liability company ("Pennrose");

WHEREAS, Lessor has designated the Jackson / Teton County Housing Department ("JTCHD") to manage and administer this Lease, as well as all associated capital improvements;

WHEREAS, pursuant to Wyo. Stat. §15-10-115(a)(ii), the Teton County Board of County Commissioners and the Jackson Town Council approved 90 Virginian Lane as an housing project, as defined by Wyo. Stat. §15-10-101(a)(ii);

WHEREAS, Lessee is not exempt from the Town of Jackson Land Development Regulation ("LDR") requirements and shall comply with all relevant and applicable LDR standards therefore;

WHEREAS, Lessor has determined the shortage of affordable and workforce housing opportunities is a growing burden of Teton County and part of its governmental function, specifically that the findings have been made in the creation of the Jackson/Teton County Housing Authority by the Teton County Board of County Commissioners and the Jackson Town Council, that there is a shortage of safe and sanitary dwelling accommodations in the Town of Jackson and Teton County available to persons of low income at rentals or prices they can afford;

WHEREAS, Lessor owns certain real property located within the Town of Jackson with a physical address of 90 Virginian Lane, together with all rights, privileges, and appurtenances thereto (the "Multiphase Site");

WHEREAS, Lessor has determined that the Multiphase Site is suited for affordable and workforce housing opportunities for the benefit of the community and desires that Pennrose and its affiliates develop the Property in accordance with Lessor's request for proposals, and Pennrose's response thereto;

WHEREAS, Lessor and Pennrose have entered into a Development Agreement for the to-be-developed project dated ______________ (the "Development Agreement"), which project shall consist of a rental component, consisting of rental apartment buildings and related amenities (the "Project" or the "Rental Project") to be undertaken by Lessee, and a for-sale component, consisting of condominium buildings in which units will be sold to homebuyers ("Project B" or the "For-Sale Project"), to be undertaken by a separate to-be-formed affiliate of Pennrose ("Project B Lessee");

WHEREAS, to allow for the above-described projects, the parties have subdivided the Multiphase Site into [two] parcels, one for the Project (referred to herein as the "Property") and [one] for Project B (the "Project B Parcel");

WHEREAS, the Property is more specifically described in Exhibit A attached hereto;

WHEREAS, Lessor and Pennrose entered in to an Option to Enter Into Ground Lease dated __________, 2024 pursuant to which Pennrose and its designees (including Lessee) were granted an option to enter into ground leases for the Property and the Project B Parcel, and Pennrose has duly exercised the option set forth therein;

WHEREAS, in exchange for Lessor leasing the Property to Lessee in accordance with the terms and conditions set forth in this Lease, and as more specifically detailed in the Development Agreement: (i) Lessee will be solely responsible for the permitting, entitlement, development, construction, and financing of the Project in accordance with this Lease; (ii) Lessee will be solely responsible for the marketing and rental, of the various units in the Project in accordance with the applicable restrictions; and (iii) Lessee will grant the Virginian Lodge LLC for the benefit of its employees five (5) revolving first options to rent apartments within the Project pursuant to the Right of First Refusal Agreement, attached as **Exhibit B**.

WHEREAS, Lessor and Lessee now desire to enter into this Lease pursuant to the terms and conditions set forth herein so that Lessee can accomplish the construction, marketing, rental, and administration of the Project, thereby lessening the burden of government.

NOW THEREFORE, in consideration of the foregoing Recitals and the mutual promises and covenants herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Lessor hereby leases the Property to the Lessee, and the Lessee hereby leases the Property from Lessor subject to the terms and conditions set forth hereafter.

ARTICLE 1. DEFINITIONS

1.1 Definitions. The following terms shall have the following meanings in this Lease.

(a) "Award" means any compensation or payment made or paid for the Total, Partial, or Temporary Taking of all or any part of or interest in the Property and/or the Improvements, whether pursuant to judgment, agreement, or otherwise.

(b) "Affordable" means the housing program administered by the JTCHD that has specific requirements including but no limited to asset and income based on income ranges, and employment, all of which are set forth in the Housing Department Rules and Regulations.

(c) "Development Agreement" has the meaning set forth in the Recitals.

(d) "Improvements" shall mean the buildings, structures and other improvements, including the building fixtures therein, hereafter located on the Property, including but not limited to the Rental Units.

(e) “Lease” shall mean this Ground Lease between the Lessee and the Lessor for the Property and shall include any and all duly approved amendments made to this Lease in writing.

(f) “Lease Term” shall have the meaning set forth in Section 2.2.

(g) “Leasehold Mortgage” shall mean any mortgage, deed of trust, security agreement or collateral assignment securing a Loan and encumbering Lessee’s leasehold interest in the Property.

(h) “Lender(s)” shall mean only those lenders identified by Lessee to the Lessor in writing, and any assignee of such Lenders who are also identified to the Lessor in writing during the term of the identified loans.

(i) “Loans” shall mean collectively any loans or funding sources originated by Lessee secured by the Property.

(j) “Loan Documents” shall mean all loan agreements, notes, deeds of trust, and security documents, including regulatory agreements, use agreements, security agreements, fixture filings, and financing statements required in connection with any Loans.

(k) “Notice of Intended Taking” means any notice or notification on which a reasonably prudent person would rely, and which said person would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, without limitation, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a notice of intent to take, in writing, containing a description or map of the taking that reasonably defines the extent of the taking.

(l) “Partial Taking” means any taking of the fee title of the Property and/or the Improvements that is not either a Total, Substantial or Temporary Taking.

(m) “Party” shall mean the Lessor or the Lessee individually.

(n) “Parties” shall mean the Lessor and the Lessee collectively.

(o) “Project” has the meaning set forth in the Recitals.

(p) Property” has the meaning set forth in the Recitals.

(q) “Rules and Regulations” shall mean any valid and legal duly adopted rule of JTCHD. Furthermore, where there is conflict between the Housing Department Rules and Regulations and this Lease (or the Development Agreement), this Lease (or the Development Agreement) shall control.

(r) “Rental Units” means the residential rental units to be constructed as part of the Project.

(s) “Taking” means instituting any proceedings for the taking or condemnation of all or a portion of the Property by the government of the United States, State of Wyoming, County of Teton, any other governmental authority, or any other entity under the right of eminent domain. Unless otherwise provided, the taking shall be deemed to occur as of the earlier of (a) the date actual physical possession is taken by the condemner or (b) the date on which the right to compensation and damages accrues under the law applicable to the Property and/or the Improvements.

(t) "Substantial Taking" means the taking of so much of the Property and/or the Improvements that the portion of the Property and/or the Improvements not taken cannot be repaired or reconstructed, taking into consideration the amount of the Award available for repair or reconstruction, rendering the Property and/or Improvements economically unfeasible for the Lessee's intended purpose. Eminent domain actions filed by the Lessor against owners of portions of the Property and pending as of the date of this Lease shall not be deemed, construed, or interpreted as a Substantial Taking under this Lease.

(u) "Temporary Taking" means a taking of all or any part of the Property and/or the Improvements for a term certain which term is specified at the time of taking. Temporary Taking does not include a taking that is to last for an indefinite period or a taking that will terminate only upon the happening of a specified event unless it can be determined at the time of the taking substantially when such event will occur. If a taking for an indefinite term should take place, it shall be treated as a Total, Substantial, or Partial Taking in accordance with the definitions set forth herein.

(v) "Total Taking" means the taking of the fee title to all of the Property.

(w) "Workforce" means the housing program administered by the JTCHD that has specific requirements including but not limited to asset, income, and employment as set forth in the Housing Department Rules and Regulations.

ARTICLE 2. LEASE OF THE PROPERTY; TERM; LEASE PAYMENTS; CONSTRUCTION OF UNITS, TAXES AND ASSESSMENTS

(2.1) Lease of the Property. The Lessor, for and in consideration of the covenants and agreements to be kept and performed by the Lessee, leases the Property to the Lessee, and in consideration thereof, the Lessee does take, hire, and lease the Property from the Lessor pursuant to the terms of this Lease. Concurrently with the execution of this Lease, Lessor and Lessee shall record this Lease, or a memorandum hereof, in the Office of the Teton County Clerk.

(2.2) Term. The term of this Lease shall commence upon the Effective Date and end ninety-nine (99) years from that date unless sooner terminated as provided for herein (the "Lease Term").

(2.3) Lease Payments. The Lessee shall make all lease payments to the Lessor, at Post Office Box 1727, Jackson, Wyoming 83001, or such other place as the Lessor may designate in writing. Rent for the Property will be $10.00 per year. If at any time the Property is not used in accordance with the intent of this Lease to provide for the provision of decent, Affordable and Workforce housing, or as otherwise permitted under the Development Agreement, the rent shall be increased to an amount calculated by Lessor to equal the market rental value of the Property for unrestricted use.

(2.4) Construction of the Project.

(a) Obligation to Entitle, Develop, and Construct. Lessee shall be obligated to entitle, develop, and construct the Rental Units and related amenities on the Property in the specific number and type as shall be described in the Development Agreement. The total number of deed-restricted units on the Multiphase Site shall be no less than 200. Lessee shall be obligated to install, at its sole cost and expense, all site improvements required by the laws and regulations of the Town of Jackson, or desired by Lessee for the Project, including, but not limited to, the burying or relocation of power lines, utilities, sewer and storm sewer lines, water lines, and storm drains; the connection to sewer, water, storm drain, and electrical systems; and the modification of or additions to landscaping and roads or pathways on the site or in the adjacent right-of-way.

(b) Reporting Requirements. Lessee will provide quarterly reports to Lessor regarding the progress of development and construction. This review will include budget and schedule tracking, as well as a discussion of any key project issues, to ensure all reasonable efforts are being expended towards achieving the construction on time. In addition, Lessee shall provide such additional documentation related to the project as Lessor may reasonably request.

(c) Project Operations. Upon completion of construction of the Project, Lessee shall operate the Project as Affordable and Workforce rental housing consistent with the Development Agreement and all applicable restrictions.

(2.5) Intentionally omitted.

(2.6) Taxes and Assessments.

(a) Payment by Lessee. Lessee covenants and agrees during the entire Lease Term, at its own cost and expense, to pay, subject to any applicable exemptions, prior to delinquency and before any fine, penalty, interest, or other charge may be added to them for nonpayment, all real estate taxes, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature, made, assessed, levied or imposed upon, or due and payable in connection with, or which become a lien upon, the Property, the Improvements located thereon, or any part of the Property or Improvements located thereon, or upon this Lease, as well as assessments for sidewalks, streets, sewers, water, or any other public improvements and any other improvements or benefits which shall, during the Lease Term, be made, assessed, levied, or imposed upon or become due and payable in connection with, or a lien upon the Property, the Improvements, or any part of the Property or Improvements, or upon this Lease (collectively, "Taxes"). Nothing herein shall impair Lessee's right to request and receive an exemption from the payment of real estate taxes. Notwithstanding anything in this Lease to the contrary, Lessee shall not be required to pay any franchise tax or transfer tax imposed on any document to which Lessor is a party (other than this Lease) creating or transferring an estate or interest in the Property, any municipal, state or federal income taxes levied against Lessor, any income, profits or revenues tax, assessment or charge imposed upon the Rent received by Lessor under this Lease, any estate, gift, succession, inheritance or transfer taxes of Lessor, or any business and occupational tax attributed and imposed upon Lessor for work, business or income not related or attributable to the Property.

(b) Lessee's Right to Contest. If Lessee disputes any amount or validity of any liens, taxes, assessments, or charges upon the Property or the Improvements located thereon, Lessee may contest and defend against the same at its cost, and in good faith diligently conduct any necessary proceedings in connection therewith to prevent and avoid the same; provided, however, that such contest shall be prosecuted to a final conclusion as speedily as possible. Lessor agrees to render to Lessee all reasonable assistance, at no expense to Lessor, in contesting the validity or amount of any such liens, taxes, assessments or charges, but specifically excluding joining in the signing of any protests or pleadings to the tax assessor. During any such contest, Lessee shall (by the payment or bonding of such liens, disputed taxes, assessments or charges, if necessary) prevent any advertisement of tax sale, any foreclosure of, or any divesting thereby of Lessor's title, reversion or other interest in or to the Property. Notwithstanding the foregoing, Lessee acknowledges that when either Lessee receives a certificate of occupancy for the Project or Lessee receives title to the Property subject to this Lease, whichever occurs first, Lessee shall not be able to claim any tax exemptions due to Lessor's status as a governmental entity.

ARTICLE 3. MAINTENANCE; USE OF PREMISES

(3.1) Title to Improvements. During the Lease Term title to all Improvements, now existing or later made, on the Property are and shall be vested in Lessee, provided, however, that Lessee shall have no right to destroy, demolish or remove the Improvements except as specifically provided for in this Lease or as approved in writing by Lessor. Lessor acknowledges and agrees that any and all depreciation, amortization, and tax credits for federal or state tax purposes relating to the Improvements located on the Property and any and all additions thereto, substitutions therefor, fixtures therein and other property relating thereto shall be deducted or credited exclusively to Lessee during the Lease Term and for the tax years during which the Term begins and ends.

(3.2) Permits. Licenses and Easements; Utilities. The Lessor, by virtue of its fee title to the Property, may hold certain rights, entitlements or credit, and in that capacity, Lessor agrees that, within a reasonable period after receipt of written request from the Lessee, it shall (at no expense to the Lessor) join in any and all applications for permits, licenses or other authorizations required by any governmental or other body claiming jurisdiction in connection with any work the Lessee may do pursuant to this Lease, and shall also join in any grants of easements for public utilities useful or necessary to the development of the Property.

(3.3) Use of Property. The Lessee shall at all times during the Lease Term use the Property and the Improvements for the purposes set forth in this Lease, consistent with the Development Agreement and all applicable LDR, zoning and environmental laws of any governmental authority having jurisdiction over the Property and the Improvements. The Lessee agrees to comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of the United States, the State of Wyoming, the County of Teton, the Town of Jackson and of any other governmental authority having jurisdiction over the Property or the Improvements.

(3.4) Utilities. Lessee shall be responsible for the cost of all utilities, including water, heat, gas, electricity, waste removal, sewers, and other utilities or services supplied to the Property, and the Lessee shall pay or cause the same to be paid currently and as due.

(3.5) Damage to Person or Property - General Indemnification. During the Lease Term Lessor shall not in any event whatsoever be liable for any injury or damage to any person happening on or about the

Property, for any injury or damage to the Improvements, or to any property of Lessee, or to any property of any other person, entity or association on or about the Property. Lessee shall defend, hold harmless and indemnify the Lessor, and its respective officers, agents, and employees (each an "Indemnified Party" and together, the "Indemnified Parties"), of and from all claims, loss, damage, injury, actions, causes of action and liability of every kind, nature and description directly or indirectly arising from and during its tenancy, its use of the Property and the Project, and any of its operations and activities thereon or connected thereto; provided, however, that this Section shall not be deemed or construed to and shall not impose an obligation to indemnify and save harmless the Lessor, the County or any of their officers, agents or employees from any claim, loss, damage, liability or expense, of any nature whatsoever, arising from or in any way related to or connected with any willful misconduct or gross negligence by the person or entity seeking such indemnity. This Section shall survive termination of this Lease.

(3.6) Hazardous Materials – Indemnification.

(a) Subject to Section 3.6(b), Lessee shall indemnify, defend, and hold the Lessor, and its officials, officers, agents and employees (individually, an "Indemnified Party" and collectively, the "Indemnified Parties") harmless from and against any and all losses, costs, claims, damages, liabilities, and causes of action of any nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel and engineering consultants) (the "Liabilities") incurred by or asserted against any Indemnified Party in connection with, arising out of, in response to, or in any manner relating to violation of any Environmental Law, or any Release, threatened Release and any future condition of pollution, contamination or Hazardous Substance-related nuisance on, or under or from the Property, arising from and after the Effective Date. Except as aforesaid, the foregoing indemnity shall apply to any Liabilities arising from and during Lessee's tenancy.

(b) Except to the extent that an environmental condition is aggravated or exacerbated by the negligent or willful acts or omissions of Lessee, its agents or contractors, Lessee shall not be responsible under this Lease for any Liabilities arising out of (i) any activity by Lessor or its agents or contractors or its tenants carried on or undertaken on or off the Property prior to the Effective Date in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Substances located or present on or under the Property (except to the extent of any activity carried on or undertaken by or contracted for by Lessee, its affiliates or its agents or tenants); or (ii) the failure of Landlord or its agents or contractors prior to the Effective Date to comply with any Environmental Laws relating to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Substances into, on, under or from the Property at any time, whether or not such failure to comply was known or knowable, discovered or discoverable prior to the Effective Date.

(c) For purposes of this Section, the following definitions shall apply:

   i. "Hazardous Substance" shall have the meaning set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended as of the date of this Agreement, 42 U.S.C. '9601(14), and in addition shall include, without limitation, petroleum (including crude oil or any fraction thereof) and petroleum products, asbestos, asbestos-containing materials, polychlorinated biphenyls ("PCBs"), PCB-containing materials, all hazardous substances identified in the Wyoming Health & Safety Code 25316 and 25281(d), all chemicals listed pursuant to the Wyoming Health & Safety Code 25249.8, and any substance deemed a hazardous substance, hazardous material, hazardous waste, or contaminant under Environmental Law.

ii. "Environmental Law" shall include all federal, state and local laws, regulations and ordinances governing hazardous waste, wastewater discharges, drinking water, air emissions, Hazardous Substance releases or reporting requirements, Hazardous Substance use or storage, and employee or community right-to-know requirements related to the work being performed under this Agreement.

iii. "Release" shall mean any spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment, including the abandonment or discharging of barrels, containers, and other closed receptacles containing any Hazardous Substances.

(d) This Section shall survive termination of this Lease.

ARTICLE 4. MORTGAGE LOANS

(4.1) Liens and Encumbrances Against Lessee's Interest in the Leasehold Estate. The Lessee shall have the right to mortgage, pledge, deed in trust, assign rents, issues and profits and/or collaterally (or absolutely for purposes of security if required by any Lender) assign its interest in this Lease or otherwise encumber the leasehold estate, and/or the interest of Lessee hereunder, in whole or in part, and any interests or rights appurtenant to this Lease, and to assign or pledge the same as security for any debt (the holder of such mortgage, pledge or other encumbrance, and the beneficiary of any such deed of trust being hereinafter referred to as "Mortgagee" and the mortgage, pledge, deed of trust or other instrument hereinafter referred to as "Leasehold Mortgage").

(4.2) Cost of Loans to be Paid by Lessee. The Lessee affirms that it shall bear all of the costs and expenses in connection with (i) the preparation and securing of the Loans, (ii) the delivery of any instruments and documents and their filing and recording, if required, and (iii) all taxes and charges payable in connection with the Loans.

(4.3) Proceeds of Loans. It is expressly understood and agreed that all Loan proceeds shall be paid to and become the property of Lessee, and that the Lessor shall have no right to receive any such Loan proceeds.

(4.4) Notice and Right to Cure Defaults Under Loans. Any Loan which encumbers the leasehold must provide Lessor with adequate rights to cure any defaults by Lessee, including (a) providing the Lessor or its successor with copies of any notices of default at the same time and in the same manner as provided to Lessee, and (b) providing the Lessor with a cure period of at least sixty (60) days from a default notice to cure any default.

(4.5) Notice to Lessor of Leasehold Mortgages. Lessee shall provide written notice to Lessor of the name and address of each Lender under this Lease and shall provide Lessor with updates based on any changes in name or address or assignments that occur.

ARTICLE 5. INSURANCE

(5.1) Required Insurance Coverage.

(a) Property Insurance. The Lessee shall during the Lease Term keep the Improvements insured against loss or damage by a property insurance policy providing coverage of the perils of direct damage as insured under the Insurance Services Office (ISO) "Causes of Loss-Special Form" or equivalent with limits in sufficient amounts such that the proceeds of such insurance shall not be less than the replacement value of the Improvements.

(b) Commercial General Liability (CGL) Insurance. During the Lease Term, the Lessee shall keep in full force and effect a policy or policies of Commercial General Liability insurance against liability for bodily injury to or death of any person or property damage arising out of an occurrence on or about the Property. The limits of such insurance shall be not less than One Million Dollars ($1,000,000) combined single limit for bodily injury and property damage.

(c) Builders' Risk Insurance. During the course of any alteration, construction or reconstruction, the cost of which exceeds One Hundred Thousand Dollars ($100,000), either Lessee or its contractor shall provide builders' risk insurance for not less than the amount of work to be performed, insuring against the perils of direct damage as insured under the Insurance Services Office ISO "Causes of Loss - Special Form" or equivalent.

(d) Adjustment of Coverage Limits. Whenever the insurance coverages required by this Section 5.1 are renewed or extended, the Lessee shall increase the coverage limits required to an amount that incorporates the insurance coverage limits required by its Lender at the time the insurance is renewed or extended which shall be confirmed at such time by Lessee by obtaining documentation of the insurance coverage limits required by at least one Teton County, Wyoming lender for financing of similar types of property.

(5.2) Insurance Policies and Premiums.

(a) All policies required by this Lease shall name the Lessor as an additional insured.

(b) Any policy of insurance shall provide that any change or cancellation of said policy shall be made in writing and sent to the Lessee and the Lessor at their respective principal offices at least thirty (30) days before the effective date of change or cancellation.

(c) Any insurance provided for in this Article 5 may be placed by a policy or policies of blanket and/or excess liability (or umbrella) insurance.

(5.3) Proceeds of Insurance.

(a) For so long as any Loan on the Improvements is outstanding, all fire and standard risk or extended coverage (casualty) insurance proceeds shall be applied to the payment of the costs of repairing or rebuilding that part of the Improvements damaged or destroyed if to the extent required, each Lender with an outstanding Loan permits such repair or rebuilding. If the Improvements are not repaired or rebuilt, all such proceeds shall be applied in a manner consistent with the terms of the Loans with any excess of any proceeds being paid to Lessee. In the event the repair or rebuilding is not economically feasible in Lessee's reasonable discretion, then all insurance proceeds shall be paid to the Lessor and Lessee shall have no further obligation to repair or rebuild the improvements. Lessor shall have the same rights to documentation as set forth in subsection (b).

(b) In the event that no Loan is outstanding, all insurance proceeds received under the policies set forth in this Article shall be paid to the Lessee, provided that the Lessee shall apply such proceeds to the repair or rebuilding of the Improvements, and if repair or rebuilding is not economically feasible in Lessee's reasonable discretion, then all insurance proceeds shall be paid to Lessor and Lessee shall have no further obligation to repair or rebuild the Improvements. Lessor, at its sole discretion, may demand and Lessee shall provide, relevant and appropriate documentation related to the insurance proceeds received; the repair or rebuilding of the Improvements; and the economic infeasibility of the repair or rebuilding of the Improvements.

ARTICLE 6. CONDEMNATION

(6.1) Taking of Land or Improvements. If, during the term of this Lease, there is any Taking of all or any part of the Improvements, or the Property, the rights and obligations of the parties shall be determined as follows:

(6.2) Total Taking. If the Improvements, or the Property are totally taken by condemnation, this Lease shall terminate on the date of the taking. If this Lease is terminated pursuant to this Section 6.2, the Award for such taking shall be apportioned and distributed as follows:

(a) First, to the Mortgagees, if any, to the extent of the Leasehold Mortgage;

(b) Second, to Lessee, a sum equal to the fair market value of the Improvements on the date immediately preceding the Taking as determined by the appraisal method set forth in Section 6.7 and determined as if there were no Taking, nor threat of condemnation; plus the residual value of the Term, subject to the rent reserved; and

(c) Third, to Lessor, the remainder, if any.

(6.3) Substantial Taking.

(a) In the event of a Taking which is substantial, Lessee may, subject to the rights of the Mortgagee, if any, terminate this Lease. For purposes hereof, a Taking shall be deemed to be "substantial" if it renders the Property and/or Improvements economically infeasible for Lessee's intended purpose. If Lessee elects to terminate this Lease under this provision, Lessee shall give written notice of its election to do so to Lessor within forty-five (45) days after receipt of a copy of a Notice of Intended Taking.

(b) In the event Lessee terminates this Lease in accordance with this Section 6.4, such termination shall be as of the time when the Taking entity takes possession of the portion of the Property and the Improvements taken. In such event, the Award for such Substantial Taking (including any award for severance, consequential or other damages which will accrue to the portion of the Property and/or the Improvements not taken) shall be apportioned and distributed as follows:

i. First, to the Mortgagee, if any, to the extent of the Leasehold Mortgage;

ii. Second, to Lessee a sum equal to the fair market value of the Improvements taken preceding the date of the Taking as determined by the appraisal process provided for in Section 6.7, commenced as provided in Section 6.2, and as modified by Section 6.5(c); plus the residual value of the Term, subject to the rent reserved; and

iii. Third, to Lessor, the remainder, if any.

(c) Notwithstanding anything to the contrary contained in Section 6.6.d, if Lessee has elected to terminate this Lease, and the taking authority abandons or revises the Taking, Lessee shall have forty-five (45) days from receipt of written notice of such abandonment or revision to revoke its notice of termination of this Lease.

(6.4) Partial Taking.

(a) In the event of a Partial Taking, this Lease shall continue in full force and effect and there shall be no abatement in or reduction of any of Lessee's obligations hereunder.

(b) The Award for such Partial Taking shall be apportioned and distributed first to the Mortgagee, if any, to the extent of the Leasehold Mortgage, then to Lessor and Lessee in proportion to the fair market value of their respective interests in the Property and Improvements, as such interests existed immediately prior to such Partial Taking.

(c) The fair market value of the parties' respective interests in the Property and the Improvements shall be determined by the appraisal process provided in Section 6.6.d, except the assumptions listed in such Section shall not apply. Rather, the appraisal shall be based on the value of the Property as improved and encumbered by this Lease and on the value of the Improvements as they stand, but without regard to any Taking or threat of condemnation.

(d) Any Award for severance, consequential or other damages which accrues by reason of the Partial Taking to the portion of the Property or the Improvements not taken shall be distributed first to the Mortgagee, if any, to the extent of the Leasehold Mortgage, then shall be apportioned between Lessor and Lessee in accordance with the diminution in value of their respective interests.

(6.5) Temporary Taking.

(a) In the event of a Temporary Taking of the whole or any part of the Property and/or Improvements, the Term shall not be reduced or affected in any way and Lessee shall continue to pay in full any sum or sums of money and charges herein reserved and provided to be paid by Lessee, and, Lessee shall be entitled to any Award or payment for the temporary use of the Property and/or Improvements prior to the termination of this Lease, and Lessor shall be entitled to any Award or payment for such use after the termination of this Lease.

(b) Any Award or payment for damages or cost of restoration made on or after the termination of this Lease shall be paid first to the Mortgagee, if any, to the extent of the Leasehold Mortgage, then to Lessor absolutely, together with the remaining balance of any other funds paid to Lessee for such damages or cost of restoration.

(6.6) Appraisal. Whenever an appraisal of the Property or the Improvements is called for under the terms of this Lease, the parties shall use the following procedure:

(a) Appointment of Appraiser. Within ten (10) days after notice from Lessor to Lessee, Lessor and Lessee shall each appoint a MAI appraiser to participate in the appraisal process provided for in this Section and shall give written notice thereof to the other party. If a party fails to appoint an appraiser within such time, that party forfeits the right to appoint its own appraiser.

(b) Determination of Fair Market Value. The appraisals shall determine the fair market value of the Property and/or improvements taking into account the deed restrictions imposed on the Property and/or Improvements pursuant to Article 2 of this Lease. The appraisal(s) shall be produced to both parties within 30 calendar days of the nomination of the appraiser(s). In the event there is only one appraisal, that shall be the valuation. If there are two appraisals and they are less than 15% apart in appraised value, the appraised value shall be the average of the two appraisals. If the two appraisals are 15% or more apart, the appraisers shall nominate a third appraiser who shall, within 30 calendar days of being nominated produce a third appraisal and the fair market value shall be the average of the three appraisals. Each party shall pay for its own appraisal and shall split the costs of the third appraisal if necessary.

(c) Payment of Fees. Each of the parties hereto shall (a) pay for the services of its appointee, (b) pay one-half (1/2) of the fee charged by the appraiser selected by their appointees, and (c) pay one-half (1/2) of all other proper costs of the appraisal.

(6.7) Lessor's Waiver of Rights to Eminent Domain. Lessor hereby waives any and all rights to condemnation or eminent domain of the Property for the duration of the Lease Term.

ARTICLE 7. ASSURANCES OF LESSOR

(7.1) Lessor to Give Peaceful Possession. The Lessor covenants that it owns the Property in fee simple, and that it has good and marketable title to the Property, that as of the date of execution of this Lease, the Property is free of all easements, covenants, conditions and restrictions except as disclosed in writing to Lessee. The Lessor has the full right and authority to make this Lease. The Lessor covenants and warrants that the Lessee shall peacefully and quietly have, hold and enjoy the Property during the Lease Term so long as no Event of Default exists.

(7.2) Lessor to Lease the Property with Marketable Title. The Lessor covenants and warrants that as of the date of execution of this Lease, there are no outstanding liens or encumbrances on the Property, other than those disclosed in writing to Lessee.

(7.3) Release of Lessor; Assumption Agreement. The Lessor may sell, assign, transfer or convey (but not encumber), with the prior written consent of the Lenders which shall not be unreasonably withheld, conditioned or delayed, Lessor's interest in the Property or this Lease without Lessee's consent, but only to an affiliated governmental entity of the State of Wyoming, provided that the purchaser, assignee, or transferee expressly assumes all of the obligations of the Lessor under this Lease by a written instrument in a form reasonably satisfactory to the Lessee and recordable in the Office of the Teton County Clerk (an "Assumption Agreement"). Any such sale, assignment, transfer or conveyance shall be subject to this Lease, which shall remain in full force and effect unless otherwise agreed. If Lessor intends to sell, assign, transfer, or convey its interest in the Property or this Lease, it shall give Lessee good faith notice of such intention as early as possible (preferably before a contract to assign, transfer or convey is signed). Lessor shall not be liable for any claims or liabilities that arise from this Lease after the execution of an Assumption Agreement. However, Lessor shall remain liable (to the extent provided by this Lease or by law) for any claims or liabilities that arise from this Lease prior to the execution of an Assumption Agreement.

ARTICLE 8. DEFAULTS AND REMEDIES

(8.1) Events of Default; Notices. Any one or more of the following events shall constitute an "Event of Default."

(a) Failure to make Lease payments, as required pursuant to Section 2.3 of this Lease, or any other payment required under this Lease, and continuance of such failure for a period of thirty (30) days after receipt by the Lessee of written notice specifying the nonpayment; or

(b) Failure of the Lessee to observe and perform any material covenant, condition, or agreement hereunder on its part to be performed, except for the payment of rent, and (i) continuance of such failure for a period of forty-five (45) days after receipt by the Lessee of written notice specifying the nature of such default, or (ii) if by reason of the nature of such default the same cannot be remedied within said forty-five (45) days, the Lessee fails to proceed with reasonable diligence after receipt of said notice to cure the same; or

(c) Pennrose defaults in its obligations under the Development Agreement and such default continues beyond any applicable notice and cure period.

(d) A general assignment by the Lessee for the benefit of creditors; or

(e) The filing of a voluntary petition by the Lessee, or the filing of an involuntary petition by any of the Lessee's creditors seeking the rehabilitation, liquidation or reorganization of the Lessee under any law relating to bankruptcy, insolvency or other relief of debtors, provided that in the case of an involuntary petition Lessee shall have ninety (90) days to cause such petition to be withdrawn or dismissed; or

(f) The appointment of a receiver or other custodian to take possession of substantially all of Lessee's assets or of this leasehold which appointment is not withdrawn or dismissed within ninety (90) days; or

(g) The Lessee becomes insolvent or declares it is unwilling to pay its debts as they become due; or any court enters a decree or order directing the winding up or liquidation of Lessee or of substantially all of its assets; or the Lessee takes any action toward the dissolution or winding up of its affairs or the cessation or suspension of its use of the Residential Units; or

(h) Attachment, execution, or other judicial seizure of substantially all of the Lessee's assets or this leasehold, which is not dismissed, bonded, or stayed within ninety (90) days.

(8.2) Remedy of Material Breach by Lessee. At any time after the occurrence of an Event of Default hereunder, and subject to Lender's Protections and Obligations provided in Article 11, Lessor may terminate this Lease once it has paid to Lessee the fair market value of the improvements constructed at the Property, by giving Lessee written notice thereof, setting forth in such notice an effective date for termination which is not less than thirty (30) days after the date of such notice, in which event this Lease and Lessee's estate created hereby and all interest of Lessee and all parties claiming by, through or under Lessee shall automatically terminate upon the effective date for termination as set forth in such notice, with the same force and effect and to the same extent as if the effective date of such notice had been the date originally fixed in Article 2 hereof for the expiration of the Lease Term. In such event, Lessor, its agents or representatives, shall have the right, without further demand or notice, to reenter and take possession of the Property (including all buildings and other Improvements comprising any part thereof) at any time from and after the effective termination date without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or existing breaches of covenants. Upon the exercise of Lessor's remedies pursuant to this Section, Lessee shall execute such releases, deeds and other instruments in recordable form as Lessor shall reasonably request in order to accurately set forth of record the then current status of Lessee's estate and Lessee's rights hereunder.

(8.3) Deficiency Judgments. Lessor, for itself and for each and every succeeding owner of Lessor's estate in the Property, agrees that it shall not be entitled to seek a personal judgment against Lessee and that upon any Event of Default hereunder, the rights of Lessor to enforce the obligations of Lessee, its successors or assigns, or to collect any judgment, shall be limited to the termination of this Lease and of Lessee's estate and the enforcement of any other rights and remedies specifically granted to Lessor hereunder.

ARTICLE 9. ASSIGNMENTS AND TRANSFERS

(9.1) Consent Required. Except as expressly provided herein, Lessee shall not, without the prior written consent of Lessor which shall not be unreasonably withheld, conditioned or delayed, assign this Lease or any interest therein ("Transfer"). A Transfer shall be deemed to include any attempt by Lessee to make or permit any voluntary or involuntary, total or partial, sale, assignment, conveyance, mortgage, pledge, encumbrance, or other transfer of any or all of the Improvements. Any attempt to Transfer Lessee's interest in this Lease without Lessor's prior written consent shall be null and void, and any assignee, sublessee, secured party or transferee shall acquire no right or interest by reason of such attempted Transfer.

(9.2) Permitted Transfers. Notwithstanding the foregoing, Lessor's prior written consent of an assignment or transfer of this Lease or conveyance of Lessee's leasehold interest in the Property, or any part thereof, shall not be required to effectuate any of the following ("Permitted Transfers"):

(a) A transfer to a Wyoming entity owned entirely by Lessee or to any other entity controlled by or under common control with Pennrose.

(b) In the event of a Permitted Transfer by Lessee pursuant to this Section, Lessee nevertheless agrees that within thirty (30) days following such Permitted Transfer it shall give written notice to Lessor of such assignment or transfer along with a true and complete copy of the executed assignment or transfer document.

ARTICLE 10. MISCELLANEOUS

(10.1) Instrument Is Entire Agreement. This Lease including the Recitals above and the attached Exhibits constitute the entire agreement between the Parties with respect to the matters set forth in this Lease. This Lease shall completely and fully supersede all other prior understandings or agreements, both written and oral, previously entered into between the Lessor and the Lessee relating to the lease of the Property by the Lessor to the Lessee.

(10.2) Notices. All notices, requests, demands, or other communications required or permitted to be given hereunder shall be in writing and shall be addressed and delivered by hand, or by certified mail, return receipt requested, or by Federal Express or other nationally-recognized overnight carrier, or by hand delivery by a recognized, reputable courier, to each party at the addresses set forth below. Any such notice, request, demand or other communication shall be considered given or delivered, as the case may be, on the date of receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which proper notice was not given shall be deemed to be receipt of the notice, request, demand or other communication. By giving prior written notice thereof, any Party, from time to time, may change its address for notices hereunder. Legal counsel for the respective Parties may send to the other Party any notices, requests, demands or other communications required or permitted to be given hereunder by such Party. Irrespective of the method of notice selected, notice shall also be given by email:

If to the Lessee:	Pennrose, LLC 230 Wyoming Avenue Kingston, PA 18704 thenkel@pennrose.com
To Lessor at:	Teton County Clerk P.O. Box 1727 Jackson, Wyoming 83001 mmurphy@tetoncountywy.gov]
With a copy to:	Jackson / Teton County Housing Department P.O. Box 714 Jackson, Wyoming 83001 ahnorton@tetoncountywy.gov And a copy to: Town of Jackson P.O. Box 1687 Jackson, Wyoming 83001 clerk@jacksonwy.gov

(10.3) <u>Non-Waiver of Breach</u>. Neither the failure of the Lessor or the Lessee to insist upon strict performance of any of the covenants and agreements of this Lease nor the failure by the Lessor or the Lessee to exercise any rights or remedies granted to such Party under the terms of this Lease shall be deemed a waiver or relinquishment (i) of any covenant contained in this Lease or of any of the rights or remedies of the Lessee or the Lessor under this Lease, or (ii) or the right in the future of the Lessor or the Lessee to insist upon and to enforce by any appropriate legal remedy a strict compliance with all of the covenants and conditions of this Lease.

(10.4) <u>Effective Date; Counterparts</u>. This Lease shall be effective during the Lease Term. This Lease may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

(10.5) <u>Lease Binding on Successors</u>. This Lease and all of its provisions and attached Exhibits shall inure to the benefit of, and shall be binding upon, the Lessor, the Lessee, and their respective permitted successors and permitted assigns and, as provided in this Lease, Lenders of the Lessee.

(10.6) <u>Relationship of Parties.</u> Nothing contained in this Lease shall be deemed or construed by the Parties or by any third party to create the relationship of principal or agent or of partnership, joint venture or association or of buyer and seller between the Lessor and the Lessee, it being expressly understood and agreed that neither the computation of any payments and other charges under the terms of this Lease nor any other provisions contained in this Lease, nor any act or acts of the Parties, shall be deemed to create any relationship between the Lessor and the Lessee other than the relationship of landlord and tenant.

(10.7) <u>No Merger</u>. There shall be no merger of this Lease or any interest in this Lease nor of the leasehold estate created by this Lease, with the fee estate in the Property, by reason of the fact that this Lease or such interest in the Lease, or such leasehold estate may be directly or indirectly held by or for the account of any person who shall hold the fee estate in the Property, or any interest in such fee estate, nor shall there be such a merger by reason of the fact that all or any part of the leasehold estate created by this Lease may be conveyed or mortgaged in a leasehold mortgage to a leasehold mortgagee who shall hold the fee estate in the Property or any interest of the Lessor under this Lease.

(10.8) <u>Gender and Number.</u> Words of any gender used in this Lease shall be held to include any other gender, and any words in the singular number shall be held to include the plural (and vice versa), when the sense requires.

(10.9) <u>Titles.</u> The titles and article or paragraph headings are inserted only for convenience, and are in no way to be construed as a part of this Lease or as a limitation on the scope of the particular provisions to which they refer.

(10.10) <u>Severability.</u> If any provision of this Lease or the application of any provision to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

(10.11) Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of Wyoming.

(10.12) Amendments. This Lease may not be amended or modified without the prior written consent of Lessor and Lessee. The Housing Director of Jackson Teton County Housing Department, or his or her designee, shall have the authority on behalf of the Lessor to approve amendments to this Agreement.

(10.13) No Mortgage Encumbrance by Lessor. Lessor shall not mortgage its fee estate unless there exists an express subordination of any fee mortgage to Lessee's interest in the Lease. Lessee shall not be obligated to subordinate its leasehold interest and any interests in subleases and subrents to a subsequent mortgage of the fee estate granted by Lessor.

(10.14) Governmental Immunity. Lessor does not waive its governmental immunity by entering into this Ground Lease and specifically retains immunity and defenses available to it as a governmental entity pursuant to Wyo. Stat. Ann. §1-39-101, *et seq.,* and all other state law.

(10.15) Joint Drafting. The parties to this agreement acknowledge that this instrument was an exercise in joint drafting, and shall not be construed against either party due to its position as the drafter.

ARTICLE 11. LENDER PROTECTIONS AND OBLIGATIONS

(11.1) Rights and Obligations of Lenders. If Lessee obtains a Leasehold Mortgage in accordance with the provisions of Article 4, as long as any such Leasehold Mortgage shall remain unsatisfied of record, the following provisions shall apply:

(a) No Cancellation. Lessor will not cancel, accept a surrender of, terminate or modify this Lease in the absence of a default by Lessee without the prior consent in writing of the Lender and until Lessor has complied with the provisions of this Article as to the Lender's rights to cure and obtain a new lease.

(b) Notice of Defaults to Lender. Lessor agrees to give to each Lender a written copy of all notices of default that Lessor gives to Lessee; provided, however, that the failure to give notice to Lender will not invalidate or otherwise affect the notice given to Lessee. Such copy shall be mailed or delivered to any Lender at, or as near as possible to, the same time such notices are given to Lessee. Upon the execution of any Leasehold Mortgage, Lessor shall be informed in writing of the vesting of the security interest evidenced by the Leasehold Mortgage and of the address to which all notices to the Lender are to be sent. Any notices of default given by Lessor under the Lease shall describe the default(s) with reasonable detail. Each Lender shall have the right to cure any breach or default within the time periods given below.

(11.2) Lender's Cure Rights. After receipt by Lessee of a notice of default under the Lease and the expiration of any applicable period of cure given to Lessee under the Lease, Lessor shall not terminate the Lease or exercise its other remedies under the Lease if:

(a) Within sixty (60) days after Lender's receipt of the notice of default, any Lender (i) cures the default, or (ii) if the default reasonably requires more than sixty (60) days to cure, commences to cure said default within such sixty (60) day period and thereafter diligently prosecutes the same to completion; or

(b) Where the default cannot be cured by payment or expenditure of money or without possession of the Property, and Lender initiates foreclosure or other appropriate proceedings within sixty (60) days after receipt of the notice of default, and thereafter cures all other defaults reasonably capable of cure by the payment of money to Lessor, and thereafter continues to pay all rents, real property taxes and assessments, and insurance premiums to be paid by Lessee under the Lease, then Lender shall then have sixty (60) days after acquiring the leasehold interest to cure any additional default; provided, however, that if any such additional default, by its nature, is such that it cannot practicably be cured within sixty (60) days, then Lender shall have such additional time as shall be reasonably necessary to cure the additional default provided that Lender commences such cure within such sixty (60)-day period and thereafter diligently prosecutes the cure to completion.

(c) Lessor agrees to accept performance by Lender of all cures, conditions and covenants as though performed by Lessee, and agrees to permit Lender access to the Property to take all such actions as may be necessary or useful to perform any condition or covenants of the Lease or to cure any default of Lessee. Lender shall not be required to perform any act or cure any default which is not reasonably susceptible to performance or cure by Lender.

(d) If Lender elects to acquire the leasehold interest, then upon Lender's acquisition of the Lease by foreclosure, whether by power of sale or otherwise or by deed or assignment in lieu of foreclosure, or if a receiver be appointed, the Lease shall continue in full force and effect subject to Section 11.3.

(11.3) <u>Lender Obligation to Provide Notice of Default and Right to Cure Default of Leasehold Mortgage; Lessor's Forbearance.</u>

(a) <u>Notice of Default; Right to Cure</u>. If a Lender sends notice of default of a Leasehold Mortgage to the Lessee because the Lessee has failed to comply with the terms of the Leasehold Mortgage, the Lender shall, at the same time, send a copy of that notice to the Lessor. Upon receiving a copy of the notice of default and within that period of time in which the Lessee has a right to cure such default, the Lessor shall have the right to cure the default on the Lessee's behalf, provided that all current payments due the Lender since the notice of default was given are made to the Lender. If after the cure period has expired, the Lender intends to accelerate the note secured by the Leasehold Mortgage or begin foreclosure proceedings under the Leasehold Mortgage, the Lender shall first notify the Lessor of its intention to do so, and Lessor shall then have the right, upon notifying the Lender within thirty (30) days of receipt of such notice, to acquire the Leasehold Mortgage by paying off the debt secured by the Leasehold Mortgage. If the Lender acquires the leasehold interest and Improvements through foreclosure or acceptance of a deed in lieu of foreclosure the Lender shall give Lessor written notice of such acquisition and Lessor shall then have an option to purchase the leasehold interest and Improvements from the Lender for the full amount owing to the Lender under the Leasehold Mortgage. Lender shall not be required to complete any or all Improvements prior to exercising its right to accelerate indebtedness or foreclose. To exercise this option to purchase, Lessor must give written notice to the Lender of its intent to purchase the leasehold interest and Improvements within thirty (30) days following Lessor's receipt of the Lender's notice. Lessor must then complete the purchase within sixty (60) days of having given written notice of its intent to purchase. If Lessor does not complete the purchase within this sixty (60) day period, the Lender shall be free to sell the leasehold interest and Improvements.

(b) Lender's Transferees. Etc. In the event the leasehold estate hereunder shall be acquired by foreclosure, trustee's sale or deed or assignment in lieu of foreclosure of a Leasehold Mortgage, the term of the Lease shall be reduced to fifty (50) years, and the entity or individual in possession of the leasehold interest shall be released from the requirement to record any and all deed restrictions affecting the individual condominium units. If, however, the entity or individual in possession of the leasehold interest agrees with Lessor, in writing, to abide by Articles 2 and 3 of this Lease, the term of the Lease shall not be reduced.

(c) Insurance and Condemnation. In the event of any casualty to, or condemnation of, all or any part of the leased premises or any improvements now or hereafter located thereon, the provisions of the Leasehold Mortgages, relating thereto shall prevail over any provisions of this Lease relating thereto.

(11.4) No Liability of Lender for Prior Indemnified Acts. A Lender shall not be obligated to assume the liability of Lessee for any indemnities arising for a period prior to Lender's acquiring the right to possession of the Property under this Lease.

(11.5) Further Amendments: Estoppels. Lessor and Lessee shall cooperate in including in the Lease by suitable amendment from time to time any provision which may be reasonably requested by any proposed Lender for the purpose of implementing the mortgagee protection provisions contained in this Lease. Lessor and Lessee each agree to execute and deliver (and to acknowledge for recording purposes, if necessary) any agreement required to affect any such amendment. At the request of Lessee or any proposed or existing Lender, Lessor shall promptly execute and deliver (i) any documents or instruments reasonably requested to evidence, acknowledge and/or perfect the rights of Lenders as herein provided; and (ii) an estoppel certificate certifying the status of this Lease and Lessee's interest herein and such matters as are reasonably requested by Lessee or such Lenders. Any such estoppel certificate may be conclusively relied upon by any proposed or existing leasehold Lender or assignee of Lessee's interest in this Lease.

ARTICLE 12. - FORCE MAJEURE

(12.1) Any prevention, delay, nonperformance, or stoppage by Lessee due to any of the following causes shall be excused: acts of God; acts or omissions of Lessor or its agents or employees; fire, explosion or floods; strikes, walkouts; war, riots, sabotage or civil insurrection; or any other causes beyond the reasonable control of Lessee.

(12.2) No prevention, delay, or stoppage of performance shall be excused unless Lessee notifies Lessor within ninety (90) days of such prevention, delay or stoppage that it is claiming excuse of its obligations under this Article 12.

[signature page follows]

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date first written above.

LESSEE:

________________________, a Wyoming limited liability company

By:_________________________________
Title:_______________________________

By:_________________________________
Title:_______________________________

COMMONWEALTH OF PENNSYLVANIA)
) ss
COUNTY OF PHILADELPHIA)

On this _________day of ________________________, 2024, before me, the undersigned Notary Public, personally appeared __________________________for ________________, a Wyoming limited liability company, and known to me, or proven by satisfactory evidence, to be the ________________of the company that executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the company, by authority of Statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that such person is authorized to execute said instrument on behalf of the limited liability company.

[SEAL]

____
Notary Public

LESSOR:

The foregoing Agreement is hereby accepted by the Teton County this _________ day of ______________________, 20___________.

JACKSON/TETON COUNTY HOUSING AUTHORITY

BY:________________________________

_______________, Chair
Jackson/Teton County Housing Authority Board

ATTEST:

BY:_______________________________________

________________, Clerk
Jackson/Teton County Housing Authority Board

State of Wyoming)
) ss.
County of Teton)

The foregoing instrument was acknowledged before me by ______________________, as Chair; and ___________________ as Clerk, respectively, of Jackson/Teton County Housing Authority this _ day of ________, 20____.

Witness my hand and official seal.

____
Notary Public

My Commission Expires:

Exhibit A

Legal Description of the Property

Exhibit B

Right of First Rental
(see attached)

GROUND LEASE

(90 VIRGINIAN LANE – FOR-SALE PROJECT)

THIS GROUND LEASE (the "Lease") is entered into and made to be effective as of the ___ day of _________________, ___________ (the "Effective Date"), by and between **Jackson/Teton County Housing Authority**, a duly constituted housing authority in the State of Wyoming pursuant to Wyo. Stat. §16-10-116(b), (the "Lessor") and **[TBD ENTITY],** a Wyoming limited liability company (the "Lessee").

RECITALS

WHEREAS, Lessor is a duly constituted housing authority in the State of Wyoming pursuant to Wyo. Stat. §15-10-116(b);

WHEREAS, Lessee is a Wyoming limited liability company constituted pursuant to Wyo. Stat. §17-29-101 *et. seq.*, and is an affiliate of Pennrose, LLC, a Pennsylvania limited liability company ("Pennrose");

WHEREAS, Lessor has designated the Jackson / Teton County Housing Department ("JTCHD") to manage and administer this Lease, as well as all associated capital improvements;

WHEREAS, pursuant to Wyo. Stat. §15-10-115(a)(ii), the Teton County Board of County Commissioners and the Jackson Town Council approved 90 Virginian Lane as an housing project, as defined by Wyo. Stat. §15-10-101(a)(ii);

WHEREAS, Lessee is not exempt from the Town of Jackson Land Development Regulation ("LDR") requirements and shall comply with all relevant and applicable LDR standards therefore;

WHEREAS, Lessor has determined the shortage of affordable and workforce housing opportunities is a growing burden of Teton County and part of its governmental function, specifically that the findings have been made in the creation of the Jackson/Teton County Housing Authority by the Teton County Board of County Commissioners and the Jackson Town Council, that there is a shortage of safe and sanitary dwelling accommodations in the Town of Jackson and Teton County available to persons of low income at rentals or prices they can afford;

WHEREAS, Lessor owns certain real property located within the Town of Jackson with a physical address of 90 Virginian Lane, together with all rights, privileges, and appurtenances thereto (the "Multiphase Site");

WHEREAS, Lessor has determined that the Multiphase Site is suited for affordable and workforce housing opportunities for the benefit of the community and desires that Pennrose and its affiliates develop the Property in accordance with Lessor's request for proposals, and Pennrose's response thereto;

WHEREAS, Lessor and Pennrose have entered into a Development Agreement for the to-be-developed project dated _______________ (the "Development Agreement"), which project shall consist of a rental component, consisting of rental apartment buildings and related amenities ("Project A" or the "Rental Project") to be undertaken by a separate to-be-formed affiliate of Pennrose ("Project A Lessee"), and a for-sale component, consisting of condominium buildings in which units will be sold to homebuyers (the "Project" or the "For-Sale Project"), to be undertaken by Lessee;

WHEREAS, to allow for the above-described projects, the parties have subdivided the Multiphase Site into [two] parcels, one for Project A (the "Project A Parcel") and [one] for the Project (referred to herein as the "Property");

WHEREAS, the Property is more specifically described in Exhibit A attached hereto;

WHEREAS, Lessor and Pennrose entered in to an Option to Enter Into Ground Lease dated __________, 2024 pursuant to which Pennrose and its designees (including Lessee) were granted an option to enter into ground leases for the Property and the Project A Parcel, and Pennrose has duly exercised the option set forth therein;

WHEREAS, in exchange for Lessor leasing the Property to Lessee in accordance with the terms and conditions set forth in this Lease, and as more specifically detailed in the Development Agreement: (i) Lessee will be solely responsible for the permitting, entitlement, development, construction, and financing of the Project in accordance with this Lease; (ii) Lessee will be solely responsible for the marketing and sale, of the various units in the Project in accordance with the applicable restrictions; and (iii) Lessee will grant the Virginian Lodge LLC for the benefit of its employees five (5) revolving first options to purchase For-Sale Units within the Project pursuant to the Right of First Refusal Agreement, attached as **Exhibit B**.

WHEREAS, Lessor and Lessee now desire to enter into this Lease pursuant to the terms and conditions set forth herein so that Lessee can accomplish the construction, marketing, sale, and administration of the Project, thereby lessening the burden of government.

NOW THEREFORE, in consideration of the foregoing Recitals and the mutual promises and covenants herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Lessor hereby leases the Property to the Lessee, and the Lessee hereby leases the Property from Lessor subject to the terms and conditions set forth hereafter.

ARTICLE 1. DEFINITIONS

1.1 Definitions. The following terms shall have the following meanings in this Lease.

(a) "Award" means any compensation or payment made or paid for the Total, Partial, or Temporary Taking of all or any part of or interest in the Property and/or the Improvements, whether pursuant to judgment, agreement, or otherwise.

(b) "Affordable" means the housing program administered by the JTCHD that has specific requirements including but no limited to asset and income based on income ranges, and employment, all of which are set forth in the Housing Department Rules and Regulations.

(c) "Deed Restriction" means any deed restriction that permanently restricts occupancy in or ownership of any portion of the Project and is subject to the Housing Department Rules and Regulations.

(d) "Development Agreement" has the meaning set forth in the Recitals.

(e) “For-Sale Units” means the for-sale condominium units to be developed by Lessee and sold to Qualified Buyers as part of the Project.

(f) “Improvements” shall mean the buildings, structures and other improvements, including the building fixtures therein, hereafter located on the Property, including but not limited to the For-Sale Units.

(g) "Initial Sale" shall mean the initial sale by Lessee of a deed restricted For-Sale Unit.

(h) “Lease” shall mean this Ground Lease between the Lessee and the Lessor for the Property and shall include any and all duly approved amendments made to this Lease in writing.

(i) “Lease Term” shall have the meaning set forth in Section 2.2.

(j) “Leasehold Mortgage” shall mean any mortgage, deed of trust, security agreement or collateral assignment securing a Loan and encumbering Lessee’s leasehold interest in the Property.

(k) “Lender(s)” shall mean only those lenders identified by Lessee to the Lessor in writing, and any assignee of such Lenders who are also identified to the Lessor in writing during the term of the identified loans.

(l) “Loans” shall mean collectively any loans or funding sources originated by Lessee secured by the Property.

(m) “Loan Documents” shall mean all loan agreements, notes, deeds of trust, and security documents, including regulatory agreements, use agreements, security agreements, fixture filings, and financing statements required in connection with any Loans.

(n) “Notice of Intended Taking” means any notice or notification on which a reasonably prudent person would rely, and which said person would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, without limitation, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a notice of intent to take, in writing, containing a description or map of the taking that reasonably defines the extent of the taking.

(o) “Partial Taking” means any taking of the fee title of the Property and/or the Improvements that is not either a Total, Substantial or Temporary Taking.

(p) “Party” shall mean the Lessor or the Lessee individually.

(q) “Parties” shall mean the Lessor and the Lessee collectively.

(r) “Project” has the meaning set forth in the Recitals.

(s) “Property” has the meaning set forth in the Recitals.

(t) "Qualified Buyer" shall mean an individual or household who is qualified to purchase a restricted Workforce Ownership Unit or an Affordable Ownership Unit pursuant to Section 3 of the Rules and Regulations, or a substantially similar successor section, or as otherwise permitted in the Development Agreement.

(u) "Qualified Household" shall mean an individual or household who is qualified to rent a restricted Workforce Rental Unit or an Affordable Rental Unit pursuant to Section 3 of the Rules and Regulations, or a substantially similar successor section, or as otherwise permitted in the Development Agreement.

(v) "Rules and Regulations" shall mean any valid and legal duly adopted rule of JTCHD. Furthermore, where there is conflict between the Housing Department Rules and Regulations and this Lease (or the Development Agreement), this Lease (or the Development Agreement) shall control.

(w) "Taking" means instituting any proceedings for the taking or condemnation of all or a portion of the Property by the government of the United States, State of Wyoming, County of Teton, any other governmental authority, or any other entity under the right of eminent domain. Unless otherwise provided, the taking shall be deemed to occur as of the earlier of (a) the date actual physical possession is taken by the condemner or (b) the date on which the right to compensation and damages accrues under the law applicable to the Property and/or the Improvements.

(x) "Substantial Taking" means the taking of so much of the Property and/or the Improvements that the portion of the Property and/or the Improvements not taken cannot be repaired or reconstructed, taking into consideration the amount of the Award available for repair or reconstruction, rendering the Property and/or Improvements economically unfeasible for the Lessee's intended purpose. Eminent domain actions filed by the Lessor against owners of portions of the Property and pending as of the date of this Lease shall not be deemed, construed, or interpreted as a Substantial Taking under this Lease.

(y) "Temporary Taking" means a taking of all or any part of the Property and/or the Improvements for a term certain which term is specified at the time of taking. Temporary Taking does not include a taking that is to last for an indefinite period or a taking that will terminate only upon the happening of a specified event unless it can be determined at the time of the taking substantially when such event will occur. If a taking for an indefinite term should take place, it shall be treated as a Total, Substantial, or Partial Taking in accordance with the definitions set forth herein.

(z) "Total Taking" means the taking of the fee title to all of the Property.

(aa) "Workforce" means the housing program administered by the JTCHD that has specific requirements including but not limited to asset, income, and employment as set forth in the Housing Department Rules and Regulations.

ARTICLE 2. LEASE OF THE PROPERTY; TERM; LEASE PAYMENTS; CONSTRUCTION OF UNITS, TAXES AND ASSESSMENTS

(2.1) Lease of the Property. The Lessor, for and in consideration of the covenants and agreements to be kept and performed by the Lessee, leases the Property to the Lessee, and in consideration thereof, the Lessee does take, hire, and lease the Property from the Lessor pursuant to the terms of this Lease. Concurrently with the execution of this Lease, Lessor and Lessee shall record this Lease, or a memorandum hereof, in the Office of the Teton County Clerk.

(2.2) Term. The term of this Lease shall commence upon the Effective Date and end ninety-nine (99) years from that date unless sooner terminated as provided for herein (the "Lease Term").

(2.3) Lease Payments. The Lessee shall make all lease payments to the Lessor, at Post Office Box 1727, Jackson, Wyoming 83001, or such other place as the Lessor may designate in writing. Rent for the Property will be $10.00 per year. If at any time the Property is not used in accordance with the intent of this Lease to provide for the provision of decent, Affordable and Workforce housing, or as otherwise permitted under the Development Agreement, the rent shall be increased to an amount calculated by Lessor to equal the market rental value of the Property for unrestricted use.

(2.4) Construction of the Project.

(a) Obligation to Entitle, Develop, and Construct. Lessee shall be obligated to entitle, develop, and construct the For-Sale Units and related amenities on the Property in the specific number and type as shall be described in the Development Agreement. The total number of deed-restricted units on the Multiphase Site shall be no less than 200. Lessee shall be obligated to install, at its sole cost and expense, all site improvements required by the laws and regulations of the Town of Jackson, or desired by Lessee for the Project, including, but not limited to, the burying or relocation of power lines, utilities, sewer and storm sewer lines, water lines, and storm drains; the connection to sewer, water, storm drain, and electrical systems; and the modification of or additions to landscaping and roads or pathways on the site or in the adjacent right-of-way.

(b) Reporting Requirements. Lessee will provide quarterly reports to Lessor regarding the progress of development and construction. This review will include budget and schedule tracking, as well as a discussion of any key project issues, to ensure all reasonable efforts are being expended towards achieving the construction on time. In addition, Lessee shall provide such additional documentation related to the project as Lessor may reasonably request.

(2.5) Condominium.

(a) Lessee shall be obligated to pursue and accomplish the Final Plat approval of the Project by the Town of Jackson, in compliance with the LDRs. The Final Plat application to the Town of Jackson shall include the following:

a. A Deed Restriction for each For-Sale Unit, consistent with the Development Agreement;
b. Right of First Refusal Agreement, in substantially the form attached hereto as **Exhibit B**; and
c. The Condominium Declaration (the "Condo Dec"). The Lessor must approve of this Condo Dec before filing in order to ensure it provides a sufficiently detailed arrangement for a homeowner's association, or similar entity, that ensures the long-term capitalization of the building and integration with Project A. Lessor's approval shall not be unreasonably withheld, conditioned or delayed.

(b) Escrow. Upon the Lessor's Final Plat approval, the Plat, the relevant deed restrictions, the Right of First Refusal Agreement, and the Condo Dec shall be held for recordation by the parties' approved title company until such time that the Lessee obtains Certificates of Occupancy for the Residential Units.

(c) Financial Verification. Prior to recordation of the final plat for the Project, Lessee shall deliver to Lessor written confirmation from Lessee's Lender that Lessee is in good standing with the Loans and Lender is confident in Lessee's ability to satisfy all obligations of the Loan ("Financial Verification").

(d) Escrow Instructions and Recordation of Documents. Upon satisfaction of the requirements set forth above, Lessor and Lessee shall direct the escrow agent, in writing, to immediately record the Final Plat, the relevant Deed Restrictions, the Condo Dec, and Right of First Refusal Agreement, in that order.

(e) Sale of Units as Condominiums. Lessee shall offer the residential portions of the Project for sale as condominiums to Qualified Buyers consistent with the Development Agreement. Lessee shall maintain the rights to rent the For-Sale Units to Qualified Households pending Initial Sale.

(f) Amendment for Alternative Development Structure. Notwithstanding anything herein to the contrary, if prior to ______________, Lessor, Lessee and Lender mutually agree upon an alternative development structure that results in Lessor retaining adequate rights with respect to the Property without retaining a fee simple interest in the For-Sale Units, then this Lease shall be amended as necessary to accommodate the alternative development structure. If an alternative development structure is not agreed upon by Lessor, Lessee and Lender in writing by _______________, the procedures set forth in this Section 2.5 shall apply as drafted.

(2.6) Taxes and Assessments.

(a) Payment by Lessee. Lessee covenants and agrees during the entire Lease Term, at its own cost and expense, to pay, subject to any applicable exemptions, prior to delinquency and before any fine, penalty, interest, or other charge may be added to them for nonpayment, all real estate taxes, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature, made, assessed, levied or imposed upon, or due and payable in connection with, or which become a lien upon, the Property, the Improvements located thereon, or any part of the Property or Improvements located thereon, or upon this Lease, as well as assessments for sidewalks, streets, sewers, water, or any other public improvements and any other improvements or benefits which shall, during the Lease Term, be made, assessed, levied, or imposed upon or become due and payable in connection with, or a lien upon the Property, the Improvements, or any part of the Property or Improvements, or upon this Lease (collectively, "Taxes"). Nothing herein shall impair Lessee's right to request and receive an exemption from the payment of real estate taxes. Notwithstanding anything in this Lease to the contrary, Lessee shall not be required to pay any franchise tax or transfer tax imposed on any document to which Lessor is a party (other than this Lease) creating or transferring an estate or interest in the Property, any municipal, state or federal income taxes levied against Lessor, any income, profits or revenues tax, assessment or charge imposed upon the Rent received by Lessor under this Lease, any estate, gift, succession, inheritance or transfer taxes of Lessor, or any business and occupational tax attributed and imposed upon Lessor for work, business or income not related or attributable to the Property.

(b) Lessee's Right to Contest. If Lessee disputes any amount or validity of any liens, taxes, assessments, or charges upon the Property or the Improvements located thereon, Lessee may contest and defend against the same at its cost, and in good faith diligently conduct any necessary proceedings in connection therewith to prevent and avoid the same; provided, however, that such contest shall be prosecuted to a final conclusion as speedily as possible. Lessor agrees to render to Lessee all reasonable assistance, at no expense to Lessor, in contesting the validity or amount of any such liens, taxes, assessments or charges, but specifically excluding joining in the signing of any protests or pleadings to the tax assessor. During any such contest, Lessee shall (by the payment or bonding of such liens, disputed taxes, assessments or charges, if necessary) prevent any advertisement of tax sale, any foreclosure of, or any divesting thereby of Lessor's title, reversion or other interest in or to the Property. Notwithstanding the foregoing, Lessee acknowledges that when either Lessee receives a certificate of occupancy for the Project or Lessee receives title to the Property subject to this Lease, whichever occurs first, Lessee shall not be able to claim any tax exemptions due to Lessor's status as a governmental entity.

ARTICLE 3. MAINTENANCE; USE OF PREMISES

(3.1) Title to Improvements. During the Lease Term title to all Improvements, now existing or later made, on the Property are and shall be vested in Lessee, provided, however, that Lessee shall have no right to destroy, demolish or remove the Improvements except as specifically provided for in this Lease or as approved in writing by Lessor. Lessor acknowledges and agrees that any and all depreciation, amortization, and tax credits for federal or state tax purposes relating to the Improvements located on the Property and any and all additions thereto, substitutions therefor, fixtures therein and other property relating thereto shall be deducted or credited exclusively to Lessee during the Lease Term and for the tax years during which the Term begins and ends.

(3.2) Permits. Licenses and Easements; Utilities. The Lessor, by virtue of its fee title to the Property, may hold certain rights, entitlements or credit, and in that capacity, Lessor agrees that, within a reasonable period after receipt of written request from the Lessee, it shall (at no expense to the Lessor) join in any and all applications for permits, licenses or other authorizations required by any governmental or other body claiming jurisdiction in connection with any work the Lessee may do pursuant to this Lease, and shall also join in any grants of easements for public utilities useful or necessary to the development of the Property.

(3.3) Use of Property. The Lessee shall at all times during the Lease Term use the Property and the Improvements for the purposes set forth in this Lease, consistent with the Development Agreement and all applicable LDR, zoning and environmental laws of any governmental authority having jurisdiction over the Property and the Improvements. The Lessee agrees to comply with all applicable statutes, rules, orders, approvals, ordinances, requirements and regulations of the United States, the State of Wyoming, the County of Teton, the Town of Jackson and of any other governmental authority having jurisdiction over the Property or the Improvements.

(3.4) Utilities. Lessee shall be responsible for the cost of all utilities, including water, heat, gas, electricity, waste removal, sewers, and other utilities or services supplied to the Property, and the Lessee shall pay or cause the same to be paid currently and as due.

(3.5) Damage to Person or Property - General Indemnification. During the Lease Term Lessor shall not in any event whatsoever be liable for any injury or damage to any person happening on or about the Property, for any injury or damage to the Improvements, or to any property of Lessee, or to any property of any other person, entity or association on or about the Property. Lessee shall defend, hold harmless and indemnify the Lessor, and its respective officers, agents, and employees (each an "Indemnified Party" and together, the "Indemnified Parties"), of and from all claims, loss, damage, injury, actions, causes of action and liability of every kind, nature and description directly or indirectly arising from and during its tenancy, its use of the Property and the Project, and any of its operations and activities thereon or connected thereto; provided, however, that this Section shall not be deemed or construed to and shall not impose an obligation to indemnify and save harmless the Lessor, the County or any of their officers, agents or employees from any claim, loss, damage, liability or expense, of any nature whatsoever, arising from or in any way related to or connected with any willful misconduct or gross negligence by the person or entity seeking such indemnity. This Section shall survive termination of this Lease.

(3.6) Hazardous Materials – Indemnification.

(a) Subject to Section 3.6(b), Lessee shall indemnify, defend, and hold the Lessor, and its officials, officers, agents and employees (individually, an "Indemnified Party" and collectively, the "Indemnified Parties") harmless from and against any and all losses, costs, claims, damages, liabilities, and causes of action of any nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel and engineering consultants) (the "Liabilities") incurred by or asserted against any Indemnified Party in connection with, arising out of, in response to, or in any manner relating to violation of any Environmental Law, or any Release, threatened Release and any future condition of pollution, contamination or Hazardous Substance-related nuisance on, or under or from the Property, arising from and after the Effective Date. Except as aforesaid, the foregoing indemnity shall apply to any Liabilities arising from and during Lessee's tenancy.

(b) Except to the extent that an environmental condition is aggravated or exacerbated by the negligent or willful acts or omissions of Lessee, its agents or contractors, Lessee shall not be responsible under this Lease for any Liabilities arising out of (i) any activity by Lessor or its agents or contractors or its tenants carried on or undertaken on or off the Property prior to the Effective Date in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Substances located or present on or under the Property (except to the extent of any activity carried on or undertaken by or contracted for by Lessee, its affiliates or its agents or tenants); or (ii) the failure of

Landlord or its agents or contractors prior to the Effective Date to comply with any Environmental Laws relating to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Substances into, on, under or from the Property at any time, whether or not such failure to comply was known or knowable, discovered or discoverable prior to the Effective Date.

(c) For purposes of this Section, the following definitions shall apply:

i. "Hazardous Substance" shall have the meaning set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended as of the date of this Agreement, 42 U.S.C. '9601(14), and in addition shall include, without limitation, petroleum (including crude oil or any fraction thereof) and petroleum products, asbestos, asbestos-containing materials, polychlorinated biphenyls ("PCBs"), PCB-containing materials, all hazardous substances identified in the Wyoming Health & Safety Code 25316 and 25281(d), all chemicals listed pursuant to the Wyoming Health & Safety Code 25249.8, and any substance deemed a hazardous substance, hazardous material, hazardous waste, or contaminant under Environmental Law.

ii. "Environmental Law" shall include all federal, state and local laws, regulations and ordinances governing hazardous waste, wastewater discharges, drinking water, air emissions, Hazardous Substance releases or reporting requirements, Hazardous Substance use or storage, and employee or community right-to-know requirements related to the work being performed under this Agreement.

iii. "Release" shall mean any spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment, including the abandonment or discharging of barrels, containers, and other closed receptacles containing any Hazardous Substances.

(d) This Section shall survive termination of this Lease.

ARTICLE 4. MORTGAGE LOANS

(4.1) Liens and Encumbrances Against Lessee's Interest in the Leasehold Estate. The Lessee shall have the right to mortgage, pledge, deed in trust, assign rents, issues and profits and/or collaterally (or absolutely for purposes of security if required by any Lender) assign its interest in this Lease or otherwise encumber the leasehold estate, and/or the interest of Lessee hereunder, in whole or in part, and any interests or rights appurtenant to this Lease, and to assign or pledge the same as security for any debt (the holder of such mortgage, pledge or other encumbrance, and the beneficiary of any such deed of trust being hereinafter referred to as "Mortgagee" and the mortgage, pledge, deed of trust or other instrument hereinafter referred to as "Leasehold Mortgage").

(4.2) Cost of Loans to be Paid by Lessee. The Lessee affirms that it shall bear all of the costs and expenses in connection with (i) the preparation and securing of the Loans, (ii) the delivery of any instruments and documents and their filing and recording, if required, and (iii) all taxes and charges payable in connection with the Loans.

(4.3) Proceeds of Loans. It is expressly understood and agreed that all Loan proceeds shall be paid to and become the property of Lessee, and that the Lessor shall have no right to receive any such Loan proceeds.

(4.4) Notice and Right to Cure Defaults Under Loans. Any Loan which encumbers the leasehold must provide Lessor with adequate rights to cure any defaults by Lessee, including (a) providing the Lessor or its successor with copies of any notices of default at the same time and in the same manner as provided to Lessee, and (b) providing the Lessor with a cure period of at least sixty (60) days from a default notice to cure any default.

(4.5) Notice to Lessor of Leasehold Mortgages. Lessee shall provide written notice to Lessor of the name and address of each Lender under this Lease and shall provide Lessor with updates based on any changes in name or address or assignments that occur.

ARTICLE 5. INSURANCE

(5.1) Required Insurance Coverage.

(a) Property Insurance. The Lessee shall during the Lease Term keep the Improvements insured against loss or damage by a property insurance policy providing coverage of the perils of direct damage as insured under the Insurance Services Office (ISO) "Causes of Loss-Special Form" or equivalent with limits in sufficient amounts such that the proceeds of such insurance shall not be less than the replacement value of the Improvements.

(b) Commercial General Liability (CGL) Insurance. During the Lease Term, the Lessee shall keep in full force and effect a policy or policies of Commercial General Liability insurance against liability for bodily injury to or death of any person or property damage arising out of an occurrence on or about the Property. The limits of such insurance shall be not less than One Million Dollars ($1,000,000) combined single limit for bodily injury and property damage.

(c) Builders' Risk Insurance. During the course of any alteration, construction or reconstruction, the cost of which exceeds One Hundred Thousand Dollars ($100,000), either Lessee or its contractor shall provide builders' risk insurance for not less than the amount of work to be performed, insuring against the perils of direct damage as insured under the Insurance Services Office ISO "Causes of Loss - Special Form" or equivalent.

(d) Adjustment of Coverage Limits. Whenever the insurance coverages required by this Section 5.1 are renewed or extended, the Lessee shall increase the coverage limits required to an amount that incorporates the insurance coverage limits required by its Lender at the time the insurance is renewed or extended which shall be confirmed at such time by Lessee by obtaining documentation of the insurance coverage limits required by at least one Teton County, Wyoming lender for financing of similar types of property.

(5.2) Insurance Policies and Premiums.

(a) All policies required by this Lease shall name the Lessor as an additional insured.

(b) Any policy of insurance shall provide that any change or cancellation of said policy shall be made in writing and sent to the Lessee and the Lessor at their respective principal offices at least thirty (30) days before the effective date of change or cancellation.

(c) Any insurance provided for in this Article 5 may be placed by a policy or policies of blanket and/or excess liability (or umbrella) insurance.

(5.3) Proceeds of Insurance.

(a) For so long as any Loan on the Improvements is outstanding, all fire and standard risk or extended coverage (casualty) insurance proceeds shall be applied to the payment of the costs of repairing or rebuilding that part of the Improvements damaged or destroyed if to the extent required, each Lender with an outstanding Loan permits such repair or rebuilding. If the Improvements are not repaired or rebuilt, all such proceeds shall be applied in a manner consistent with the terms of the Loans with any excess of any proceeds being paid to Lessee. In the event the repair or rebuilding is not economically feasible in Lessee's reasonable discretion, then all insurance proceeds shall be paid to the Lessor and Lessee shall have no further obligation to repair or rebuild the improvements. Lessor shall have the same rights to documentation as set forth in subsection (b).

(b) In the event that no Loan is outstanding, all insurance proceeds received under the policies set forth in this Article shall be paid to the Lessee, provided that the Lessee shall apply such proceeds to the repair or rebuilding of the Improvements, and if repair or rebuilding is not economically feasible in Lessee's reasonable discretion, then all insurance proceeds shall be paid to Lessor and Lessee shall have no further obligation to repair or rebuild the Improvements. Lessor, at its sole discretion, may demand and Lessee shall provide, relevant and appropriate documentation related to the insurance proceeds received; the repair or rebuilding of the Improvements; and the economic infeasibility of the repair or rebuilding of the Improvements.

ARTICLE 6. CONDEMNATION

(6.1) Taking of Land or Improvements. If, during the term of this Lease, there is any Taking of all or any part of the Improvements, or the Property, the rights and obligations of the parties shall be determined as follows:

(6.2) Total Taking. If the Improvements, or the Property are totally taken by condemnation, this Lease shall terminate on the date of the taking. If this Lease is terminated pursuant to this Section 6.2, the Award for such taking shall be apportioned and distributed as follows:

(a) First, to the Mortgagees, if any, to the extent of the Leasehold Mortgage;

(b) Second, to Lessee, a sum equal to the fair market value of the Improvements on the date immediately preceding the Taking as determined by the appraisal method set forth in Section 6.7 and determined as if there were no Taking, nor threat of condemnation; plus the residual value of the Term, subject to the rent reserved; and

(c) Third, to Lessor, the remainder, if any.

(6.3) Substantial Taking.

(a) In the event of a Taking which is substantial, Lessee may, subject to the rights of the Mortgagee, if any, terminate this Lease. For purposes hereof, a Taking shall be deemed to be "substantial" if it renders the Property and/or Improvements economically infeasible for Lessee's intended purpose. If Lessee elects to terminate this Lease under this provision, Lessee shall give written notice of its election to do so to Lessor within forty-five (45) days after receipt of a copy of a Notice of Intended Taking.

(b) In the event Lessee terminates this Lease in accordance with this Section 6.4, such termination shall be as of the time when the Taking entity takes possession of the portion of the Property and the Improvements taken. In such event, the Award for such Substantial Taking (including any award for severance, consequential or other damages which will accrue to the portion of the Property and/or the Improvements not taken) shall be apportioned and distributed as follows:

i. First, to the Mortgagee, if any, to the extent of the Leasehold Mortgage;

ii. Second, to Lessee a sum equal to the fair market value of the Improvements taken preceding the date of the Taking as determined by the appraisal process provided for in Section 6.7, commenced as provided in Section 6.2, and as modified by Section 6.5(c); plus the residual value of the Term, subject to the rent reserved; and

iii. Third, to Lessor, the remainder, if any.

(c) Notwithstanding anything to the contrary contained in Section 6.6.d, if Lessee has elected to terminate this Lease, and the taking authority abandons or revises the Taking, Lessee shall have forty-five (45) days from receipt of written notice of such abandonment or revision to revoke its notice of termination of this Lease.

(6.4) Partial Taking.

(a) In the event of a Partial Taking, this Lease shall continue in full force and effect and there shall be no abatement in or reduction of any of Lessee's obligations hereunder.

(b) The Award for such Partial Taking shall be apportioned and distributed first to the Mortgagee, if any, to the extent of the Leasehold Mortgage, then to Lessor and Lessee in proportion to the fair market value of their respective interests in the Property and Improvements, as such interests existed immediately prior to such Partial Taking.

(c) The fair market value of the parties' respective interests in the Property and the Improvements shall be determined by the appraisal process provided in Section 6.6.d, except the assumptions listed in such Section shall not apply. Rather, the appraisal shall be based on the value of the Property as improved and encumbered by this Lease and on the value of the Improvements as they stand, but without regard to any Taking or threat of condemnation.

(d) Any Award for severance, consequential or other damages which accrues by reason of the Partial Taking to the portion of the Property or the Improvements not taken shall be distributed first to the Mortgagee, if any, to the extent of the Leasehold Mortgage, then shall be apportioned between Lessor and Lessee in accordance with the diminution in value of their respective interests.

(6.5) Temporary Taking.

(a) In the event of a Temporary Taking of the whole or any part of the Property and/or Improvements, the Term shall not be reduced or affected in any way and Lessee shall continue to pay in full any sum or sums of money and charges herein reserved and provided to be paid by Lessee, and, Lessee shall be entitled to any Award or payment for the temporary use of the Property and/or Improvements prior to the termination of this Lease, and Lessor shall be entitled to any Award or payment for such use after the termination of this Lease.

(b) Any Award or payment for damages or cost of restoration made on or after the termination of this Lease shall be paid first to the Mortgagee, if any, to the extent of the Leasehold Mortgage, then to Lessor absolutely, together with the remaining balance of any other funds paid to Lessee for such damages or cost of restoration.

(6.6) Appraisal. Whenever an appraisal of the Property or the Improvements is called for under the terms of this Lease, the parties shall use the following procedure:

(a) Appointment of Appraiser. Within ten (10) days after notice from Lessor to Lessee, Lessor and Lessee shall each appoint a MAI appraiser to participate in the appraisal process provided for in this Section and shall give written notice thereof to the other party. If a party fails to appoint an appraiser within such time, that party forfeits the right to appoint its own appraiser.

(b) Determination of Fair Market Value. The appraisals shall determine the fair market value of the Property and/or improvements taking into account the deed restrictions imposed on the Property and/or Improvements pursuant to Article 2 of this Lease. The appraisal(s) shall be produced to both parties within 30 calendar days of the nomination of the appraiser(s). In the event there is only one appraisal, that shall be the valuation. If there are two appraisals and they are less than 15% apart in appraised value, the appraised value shall be the average of the two appraisals. If the two appraisals are 15% or more apart, the appraisers shall nominate a third appraiser who shall, within 30 calendar days of being nominated produce a third appraisal and the fair market value shall be the average of the three appraisals. Each party shall pay for its own appraisal and shall split the costs of the third appraisal if necessary.

(c) Payment of Fees. Each of the parties hereto shall (a) pay for the services of its appointee, (b) pay one-half (1/2) of the fee charged by the appraiser selected by their appointees, and (c) pay one-half (1/2) of all other proper costs of the appraisal.

(6.7) Lessor's Waiver of Rights to Eminent Domain. Lessor hereby waives any and all rights to condemnation or eminent domain of the Property for the duration of the Lease Term.

ARTICLE 7. ASSURANCES OF LESSOR

(7.1) Lessor to Give Peaceful Possession. The Lessor covenants that it owns the Property in fee simple, and that it has good and marketable title to the Property, that as of the date of execution of this Lease, the Property is free of all easements, covenants, conditions and restrictions except as disclosed in writing to Lessee. The Lessor has the full right and authority to make this Lease. The Lessor covenants and warrants that the Lessee shall peacefully and quietly have, hold and enjoy the Property during the Lease Term so long as no Event of Default exists.

(7.2) Lessor to Lease the Property with Marketable Title. The Lessor covenants and warrants that as of the date of execution of this Lease, there are no outstanding liens or encumbrances on the Property, other than those disclosed in writing to Lessee.

(7.3) Release of Lessor; Assumption Agreement. The Lessor may sell, assign, transfer or convey (but not encumber), with the prior written consent of the Lenders which shall not be unreasonably withheld, conditioned or delayed, Lessor's interest in the Property or this Lease without Lessee's consent, but only to an affiliated governmental entity of the State of Wyoming, provided that the purchaser, assignee, or transferee expressly assumes all of the obligations of the Lessor under this Lease by a written instrument in a form reasonably satisfactory to the Lessee and recordable in the Office of the Teton County Clerk (an "Assumption Agreement"). Any such sale, assignment, transfer or conveyance shall be subject to this Lease, which shall remain in full force and effect unless otherwise agreed. If Lessor intends to sell, assign, transfer, or convey its interest in the Property or this Lease, it shall give Lessee good faith notice of such intention as early as possible (preferably before a contract to assign, transfer or convey is signed). Lessor shall not be liable for any claims or liabilities that arise from this Lease after the execution of an Assumption Agreement. However, Lessor shall remain liable (to the extent provided by this Lease or by law) for any claims or liabilities that arise from this Lease prior to the execution of an Assumption Agreement.

ARTICLE 8. DEFAULTS AND REMEDIES

(8.1) Events of Default; Notices. Any one or more of the following events shall constitute an "Event of Default."

(a) Failure to make Lease payments, as required pursuant to Section 2.3 of this Lease, or any other payment required under this Lease, and continuance of such failure for a period of thirty (30) days after receipt by the Lessee of written notice specifying the nonpayment; or

(b) Failure of the Lessee to observe and perform any material covenant, condition, or agreement hereunder on its part to be performed, except for the payment of rent, and (i) continuance of such failure for a period of forty-five (45) days after receipt by the Lessee of written notice specifying the nature of such default, or (ii) if by reason of the nature of such default the same cannot be remedied within said forty-five (45) days, the Lessee fails to proceed with reasonable diligence after receipt of said notice to cure the same; or

(c) Pennrose defaults in its obligations under the Development Agreement and such default continues beyond any applicable notice and cure period.

(d) A general assignment by the Lessee for the benefit of creditors; or

(e) The filing of a voluntary petition by the Lessee, or the filing of an involuntary petition by any of the Lessee's creditors seeking the rehabilitation, liquidation or reorganization of the Lessee under any law relating to bankruptcy, insolvency or other relief of debtors, provided that in the case of an involuntary petition Lessee shall have ninety (90) days to cause such petition to be withdrawn or dismissed; or

(f) The appointment of a receiver or other custodian to take possession of substantially all of Lessee's assets or of this leasehold which appointment is not withdrawn or dismissed within ninety (90) days; or

(g) The Lessee becomes insolvent or declares it is unwilling to pay its debts as they become due; or any court enters a decree or order directing the winding up or liquidation of Lessee or of substantially all of its assets; or the Lessee takes any action toward the dissolution or winding up of its affairs or the cessation or suspension of its use of the Residential Units; or

(h) Attachment, execution, or other judicial seizure of substantially all of the Lessee's assets or this leasehold, which is not dismissed, bonded, or stayed within ninety (90) days.

(8.2) Remedy of Material Breach by Lessee. At any time after the occurrence of an Event of Default hereunder, and subject to Lender's Protections and Obligations provided in Article 11, Lessor may terminate this Lease once it has paid to Lessee the fair market value of the improvements constructed at the Property, by giving Lessee written notice thereof, setting forth in such notice an effective date for termination which is not less than thirty (30) days after the date of such notice, in which event this Lease and Lessee's estate created hereby and all interest of Lessee and all parties claiming by, through or under Lessee shall automatically terminate upon the effective date for termination as set forth in such notice, with the same force and effect and to the same extent as if the effective date of such notice had been the date originally fixed in Article 2 hereof for the expiration of the Lease Term. In such event, Lessor, its agents or representatives, shall have the right, without further demand or notice, to reenter and take possession of the Property (including all buildings and other Improvements comprising any part thereof) at any time from and after the effective termination date without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or existing breaches of covenants. Upon the exercise of Lessor's remedies pursuant to this Section, Lessee shall execute such releases, deeds and other instruments in recordable form as Lessor shall reasonably request in order to accurately set forth of record the then current status of Lessee's estate and Lessee's rights hereunder.

(8.3) Deficiency Judgments. Lessor, for itself and for each and every succeeding owner of Lessor's estate in the Property, agrees that it shall not be entitled to seek a personal judgment against Lessee and that upon any Event of Default hereunder, the rights of Lessor to enforce the obligations of Lessee, its successors or assigns, or to collect any judgment, shall be limited to the termination of this Lease and of Lessee's estate and the enforcement of any other rights and remedies specifically granted to Lessor hereunder.

ARTICLE 9. ASSIGNMENTS AND TRANSFERS

(9.1) Consent Required. Except as expressly provided herein, Lessee shall not, without the prior written consent of Lessor which shall not be unreasonably withheld, conditioned or delayed, assign this Lease or any interest therein ("Transfer"). A Transfer shall be deemed to include any attempt by Lessee to make or permit any voluntary or involuntary, total or partial, sale, assignment, conveyance, mortgage, pledge, encumbrance, or other transfer of any or all of the Improvements. Any attempt to Transfer Lessee's interest in this Lease without Lessor's prior written consent shall be null and void, and any assignee, sublessee, secured party or transferee shall acquire no right or interest by reason of such attempted Transfer.

(9.2) Permitted Transfers. Notwithstanding the foregoing, Lessor's prior written consent of an assignment or transfer of this Lease or conveyance of Lessee's leasehold interest in the Property, or any part thereof, shall not be required to effectuate any of the following ("Permitted Transfers"):

(a) A transfer to a Wyoming entity owned entirely by Lessee or to any other entity controlled by or under common control with Pennrose.

(b) In the event of a Permitted Transfer by Lessee pursuant to this Section, Lessee nevertheless agrees that within thirty (30) days following such Permitted Transfer it shall give written notice to Lessor of such assignment or transfer along with a true and complete copy of the executed assignment or transfer document.

ARTICLE 10. MISCELLANEOUS

(10.1) Instrument Is Entire Agreement. This Lease including the Recitals above and the attached Exhibits constitute the entire agreement between the Parties with respect to the matters set forth in this Lease. This Lease shall completely and fully supersede all other prior understandings or agreements, both written and oral, previously entered into between the Lessor and the Lessee relating to the lease of the Property by the Lessor to the Lessee.

(10.2) Notices. All notices, requests, demands, or other communications required or permitted to be given hereunder shall be in writing and shall be addressed and delivered by hand, or by certified mail, return receipt requested, or by Federal Express or other nationally-recognized overnight carrier, or by hand delivery by a recognized, reputable courier, to each party at the addresses set forth below. Any such notice, request, demand or other communication shall be considered given or delivered, as the case may be, on the date of receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which proper notice was not given shall be deemed to be receipt of the notice, request, demand or other communication. By giving prior written notice thereof, any Party, from time to time, may change its address for notices hereunder. Legal counsel for the respective Parties may send to the other Party any notices, requests, demands or other communications required or permitted to be given hereunder by such Party. Irrespective of the method of notice selected, notice shall also be given by email:

If to the Lessee:	Pennrose, LLC 230 Wyoming Avenue Kingston, PA 18704 thenkel@pennrose.com
To Lessor at:	Teton County Clerk P.O. Box 1727 Jackson, Wyoming 83001

mmurphy@tetoncountywy.gov]

With a copy to:

Jackson / Teton County Housing Department
P.O. Box 714
Jackson, Wyoming 83001
ahnorton@tetoncountywy.gov

And a copy to:

Town of Jackson
P.O. Box 1687
Jackson, Wyoming 83001
Clerk@jacksonwy.gov

(10.3) Non-Waiver of Breach. Neither the failure of the Lessor or the Lessee to insist upon strict performance of any of the covenants and agreements of this Lease nor the failure by the Lessor or the Lessee to exercise any rights or remedies granted to such Party under the terms of this Lease shall be deemed a waiver or relinquishment (i) of any covenant contained in this Lease or of any of the rights or remedies of the Lessee or the Lessor under this Lease, or (ii) or the right in the future of the Lessor or the Lessee to insist upon and to enforce by any appropriate legal remedy a strict compliance with all of the covenants and conditions of this Lease.

(10.4) Effective Date; Counterparts. This Lease shall be effective during the Lease Term. This Lease may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

(10.5) Lease Binding on Successors. This Lease and all of its provisions and attached Exhibits shall inure to the benefit of, and shall be binding upon, the Lessor, the Lessee, and their respective permitted successors and permitted assigns and, as provided in this Lease, Lenders of the Lessee.

(10.6) Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the Parties or by any third party to create the relationship of principal or agent or of partnership, joint venture or association or of buyer and seller between the Lessor and the Lessee, it being expressly understood and agreed that neither the computation of any payments and other charges under the terms of this Lease nor any other provisions contained in this Lease, nor any act or acts of the Parties, shall be deemed to create any relationship between the Lessor and the Lessee other than the relationship of landlord and tenant.

(10.7) No Merger. There shall be no merger of this Lease or any interest in this Lease nor of the leasehold estate created by this Lease, with the fee estate in the Property, by reason of the fact that this Lease or such interest in the Lease, or such leasehold estate may be directly or indirectly held by or for the account of any person who shall hold the fee estate in the Property, or any interest in such fee estate, nor shall there be such a merger by reason of the fact that all or any part of the leasehold estate created by this Lease may be conveyed or mortgaged in a leasehold mortgage to a leasehold mortgagee who shall hold the fee estate in the Property or any interest of the Lessor under this Lease.

(10.8) Gender and Number. Words of any gender used in this Lease shall be held to include any other gender, and any words in the singular number shall be held to include the plural (and vice versa), when the sense requires.

(10.9) Titles. The titles and article or paragraph headings are inserted only for convenience, and are in no way to be construed as a part of this Lease or as a limitation on the scope of the particular provisions to which they refer.

(10.10) Severability. If any provision of this Lease or the application of any provision to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

(10.11) Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of Wyoming.

(10.12) Amendments. This Lease may not be amended or modified without the prior written consent of Lessor and Lessee. The Housing Director of Jackson Teton County Housing Department, or his or her designee, shall have the authority on behalf of the Lessor to approve amendments to this Agreement.

(10.13) No Mortgage Encumbrance by Lessor. Lessor shall not mortgage its fee estate unless there exists an express subordination of any fee mortgage to Lessee's interest in the Lease. Lessee shall not be obligated to subordinate its leasehold interest and any interests in subleases and subrents to a subsequent mortgage of the fee estate granted by Lessor.

(10.14) Governmental Immunity. Lessor does not waive its governmental immunity by entering into this Ground Lease and specifically retains immunity and defenses available to it as a governmental entity pursuant to Wyo. Stat. Ann. §1-39-101, *et seq.,* and all other state law.

(10.15) Joint Drafting. The parties to this agreement acknowledge that this instrument was an exercise in joint drafting, and shall not be construed against either party due to its position as the drafter.

ARTICLE 11. LENDER PROTECTIONS AND OBLIGATIONS

(11.1) Rights and Obligations of Lenders. If Lessee obtains a Leasehold Mortgage in accordance with the provisions of Article 4, as long as any such Leasehold Mortgage shall remain unsatisfied of record, the following provisions shall apply:

(a) No Cancellation. Lessor will not cancel, accept a surrender of, terminate or modify this Lease in the absence of a default by Lessee without the prior consent in writing of the Lender and until Lessor has complied with the provisions of this Article as to the Lender's rights to cure and obtain a new lease.

(b) Notice of Defaults to Lender. Lessor agrees to give to each Lender a written copy of all notices of default that Lessor gives to Lessee; provided, however, that the failure to give notice to Lender will not invalidate or otherwise affect the notice given to Lessee. Such copy shall be mailed or delivered to any Lender at, or as near as possible to, the same time such notices are given to Lessee. Upon the execution of any Leasehold Mortgage, Lessor shall be informed in writing of the vesting of the security interest evidenced by the Leasehold Mortgage and of the address to which all notices to the Lender are to be sent. Any notices of default given by Lessor under the Lease shall describe the default(s) with reasonable detail. Each Lender shall have the right to cure any breach or default within the time periods given below.

(11.2) Lender's Cure Rights. After receipt by Lessee of a notice of default under the Lease and the expiration of any applicable period of cure given to Lessee under the Lease, Lessor shall not terminate the Lease or exercise its other remedies under the Lease if:

(a) Within sixty (60) days after Lender's receipt of the notice of default, any Lender (i) cures the default, or (ii) if the default reasonably requires more than sixty (60) days to cure, commences to cure said default within such sixty (60) day period and thereafter diligently prosecutes the same to completion; or

(b) Where the default cannot be cured by payment or expenditure of money or without possession of the Property, and Lender initiates foreclosure or other appropriate proceedings within sixty (60) days after receipt of the notice of default, and thereafter cures all other defaults reasonably capable of cure by the payment of money to Lessor, and thereafter continues to pay all rents, real property taxes and assessments, and insurance premiums to be paid by Lessee under the Lease, then Lender shall then have sixty (60) days after acquiring the leasehold interest to cure any additional default; provided, however, that if any such additional default, by its nature, is such that it cannot practicably be cured within sixty (60) days, then Lender shall have such additional time as shall be reasonably necessary to cure the additional default provided that Lender commences such cure within such sixty (60)-day period and thereafter diligently prosecutes the cure to completion.

(c) Lessor agrees to accept performance by Lender of all cures, conditions and covenants as though performed by Lessee, and agrees to permit Lender access to the Property to take all such actions as may be necessary or useful to perform any condition or covenants of the Lease or to cure any default of Lessee. Lender shall not be required to perform any act or cure any default which is not reasonably susceptible to performance or cure by Lender.

(d) If Lender elects to acquire the leasehold interest, then upon Lender's acquisition of the Lease by foreclosure, whether by power of sale or otherwise or by deed or assignment in lieu of foreclosure, or if a receiver be appointed, the Lease shall continue in full force and effect subject to Section 11.3.

(11.3) Lender Obligation to Provide Notice of Default and Right to Cure Default of Leasehold Mortgage; Lessor's Forbearance.

(a) Notice of Default; Right to Cure. If a Lender sends notice of default of a Leasehold Mortgage to the Lessee because the Lessee has failed to comply with the terms of the Leasehold Mortgage, the Lender shall, at the same time, send a copy of that notice to the Lessor. Upon receiving a copy of the notice of default and within that period of time in which the Lessee has a right to cure such default, the Lessor shall have the right to cure the default on the Lessee's behalf, provided that all current payments due the Lender since the notice of default was given are made to the Lender. If after the cure period has expired, the Lender intends to accelerate the note secured by the

Leasehold Mortgage or begin foreclosure proceedings under the Leasehold Mortgage, the Lender shall first notify the Lessor of its intention to do so, and Lessor shall then have the right, upon notifying the Lender within thirty (30) days of receipt of such notice, to acquire the Leasehold Mortgage by paying off the debt secured by the Leasehold Mortgage. If the Lender acquires the leasehold interest and Improvements through foreclosure or acceptance of a deed in lieu of foreclosure the Lender shall give Lessor written notice of such acquisition and Lessor shall then have an option to purchase the leasehold interest and Improvements from the Lender for the full amount owing to the Lender under the Leasehold Mortgage. Lender shall not be required to complete any or all Improvements prior to exercising its right to accelerate indebtedness or foreclose. To exercise this option to purchase, Lessor must give written notice to the Lender of its intent to purchase the leasehold interest and Improvements within thirty (30) days following Lessor's receipt of the Lender's notice. Lessor must then complete the purchase within sixty (60) days of having given written notice of its intent to purchase. If Lessor does not complete the purchase within this sixty (60) day period, the Lender shall be free to sell the leasehold interest and Improvements.

(b) Lender's Transferees. Etc. In the event the leasehold estate hereunder shall be acquired by foreclosure, trustee's sale or deed or assignment in lieu of foreclosure of a Leasehold Mortgage, the term of the Lease shall be reduced to fifty (50) years, and the entity or individual in possession of the leasehold interest shall be released from the requirement to record any and all deed restrictions affecting the individual condominium units. If, however, the entity or individual in possession of the leasehold interest agrees with Lessor, in writing, to abide by Articles 2 and 3 of this Lease, the term of the Lease shall not be reduced.

(c) Insurance and Condemnation. In the event of any casualty to, or condemnation of, all or any part of the leased premises or any improvements now or hereafter located thereon, the provisions of the Leasehold Mortgages, relating thereto shall prevail over any provisions of this Lease relating thereto.

(11.4) No Liability of Lender for Prior Indemnified Acts. A Lender shall not be obligated to assume the liability of Lessee for any indemnities arising for a period prior to Lender's acquiring the right to possession of the Property under this Lease.

(11.5) Further Amendments: Estoppels. Lessor and Lessee shall cooperate in including in the Lease by suitable amendment from time to time any provision which may be reasonably requested by any proposed Lender for the purpose of implementing the mortgagee protection provisions contained in this Lease. Lessor and Lessee each agree to execute and deliver (and to acknowledge for recording purposes, if necessary) any agreement required to affect any such amendment. At the request of Lessee or any proposed or existing Lender, Lessor shall promptly execute and deliver (i) any documents or instruments reasonably requested to evidence, acknowledge and/or perfect the rights of Lenders as herein provided; and (ii) an estoppel certificate certifying the status of this Lease and Lessee's interest herein and such matters as are reasonably requested by Lessee or such Lenders. Any such estoppel certificate may be conclusively relied upon by any proposed or existing leasehold Lender or assignee of Lessee's interest in this Lease.

ARTICLE 12. - FORCE MAJEURE

(12.1) Any prevention, delay, nonperformance, or stoppage by Lessee due to any of the following causes shall be excused: acts of God; acts or omissions of Lessor or its agents or employees; fire, explosion or floods; strikes, walkouts; war, riots, sabotage or civil insurrection; or any other causes beyond the reasonable control of Lessee.

(12.2) No prevention, delay, or stoppage of performance shall be excused unless Lessee notifies Lessor within ninety (90) days of such prevention, delay or stoppage that it is claiming excuse of its obligations under this Article 12.

[signature page follows]

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date first written above.

LESSEE:

________________________, a Wyoming limited liability company

By:_____________________________________
Title:___________________________________

By:_____________________________________
Title:___________________________________

COMMONWEALTH OF PENNSYLVANIA)
) ss
COUNTY OF PHILADELPHIA)

On this _________day of ________________________, 2024, before me, the undersigned Notary Public, personally appeared __________________________for ________________, a Wyoming limited liability company, and known to me, or proven by satisfactory evidence, to be the ________________of the company that executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the company, by authority of Statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that such person is authorized to execute said instrument on behalf of the limited liability company.

[SEAL]

____
Notary Public

LESSOR:

The foregoing Agreement is hereby accepted by the Teton County this _________ day of _____________________, 20__________.

JACKSON/TETON COUNTY HOUSING AUTHORITY

BY:______________________________
______________________, Chair
Jackson/Teton County Housing Authority Board

ATTEST:

BY:_____________________________________
__________________, Clerk
Jackson/Teton County Housing Authority Board

State of Wyoming)
) ss.
County of Teton)

The foregoing instrument was acknowledged before me by _______________________, as Chair; and _____________________ as Clerk, respectively, of Jackson/Teton County Housing Authority this ___ day of _______, 20_____.

Witness my hand and official seal.

____
Notary Public

My Commission Expires:

Exhibit A

Legal Description of the Property

Exhibit B

Right of First Purchase
(see attached)