

Big Sky Community Housing

Assessment and Action Plan

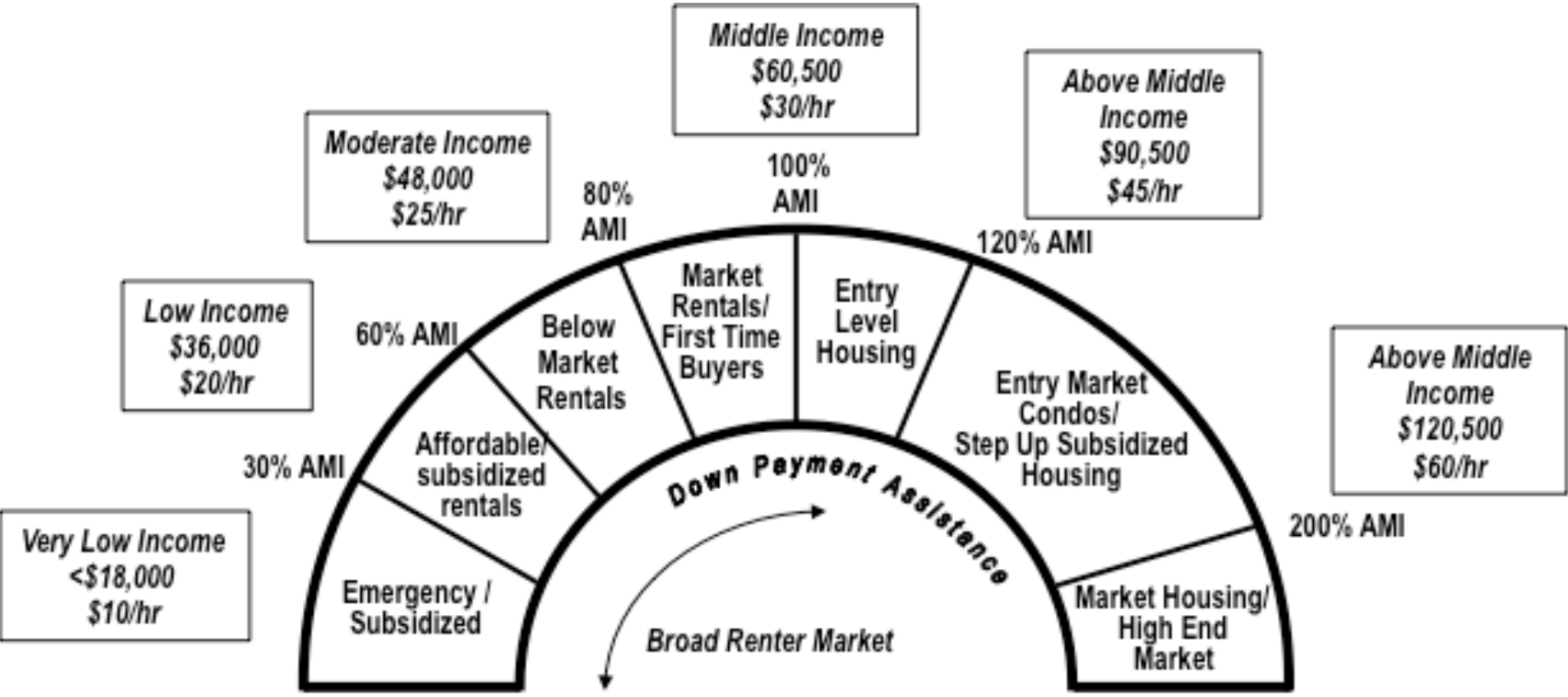
March 14, 2019

Presented by:

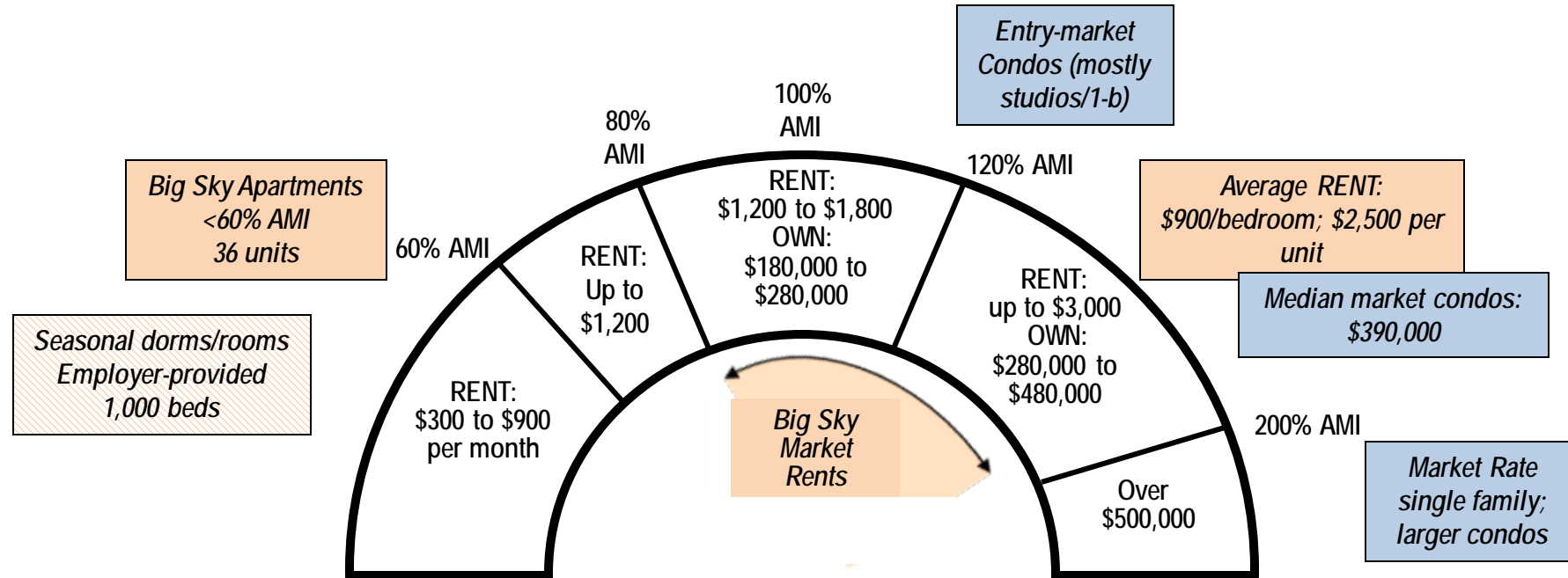
Wendy Sullivan - WSW Consulting, Inc.



Housing Spectrum: Big Sky

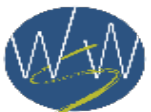


Housing Spectrum: 2018



Abut 600 units needed by 2023:

- Ownership (40% of stock)
- Rental (60% of stock)
- **55% below-market**

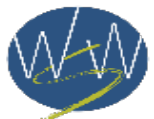


Primary Needs

30% of income for rent/mortgage

AMI	Household Income (2.5-persons)	Max Rent	Max Purchase Price
30%	\$18,105	\$455	\$71,000
50%	\$30,175	\$755	\$118,300
60%	\$36,210	\$905	\$142,000
80%	\$48,280	\$1,205	\$189,300
100%	\$60,350	\$1,510	\$236,700
120%	\$72,420	\$1,810	\$284,000
150%	\$90,525	\$2,265	\$355,000
200%	\$120,700	\$3,020	\$473,400

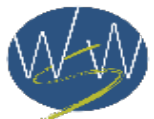
“Community Housing”



Study Process: Step 1

Housing Assessment (information)

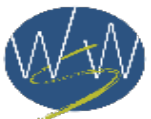
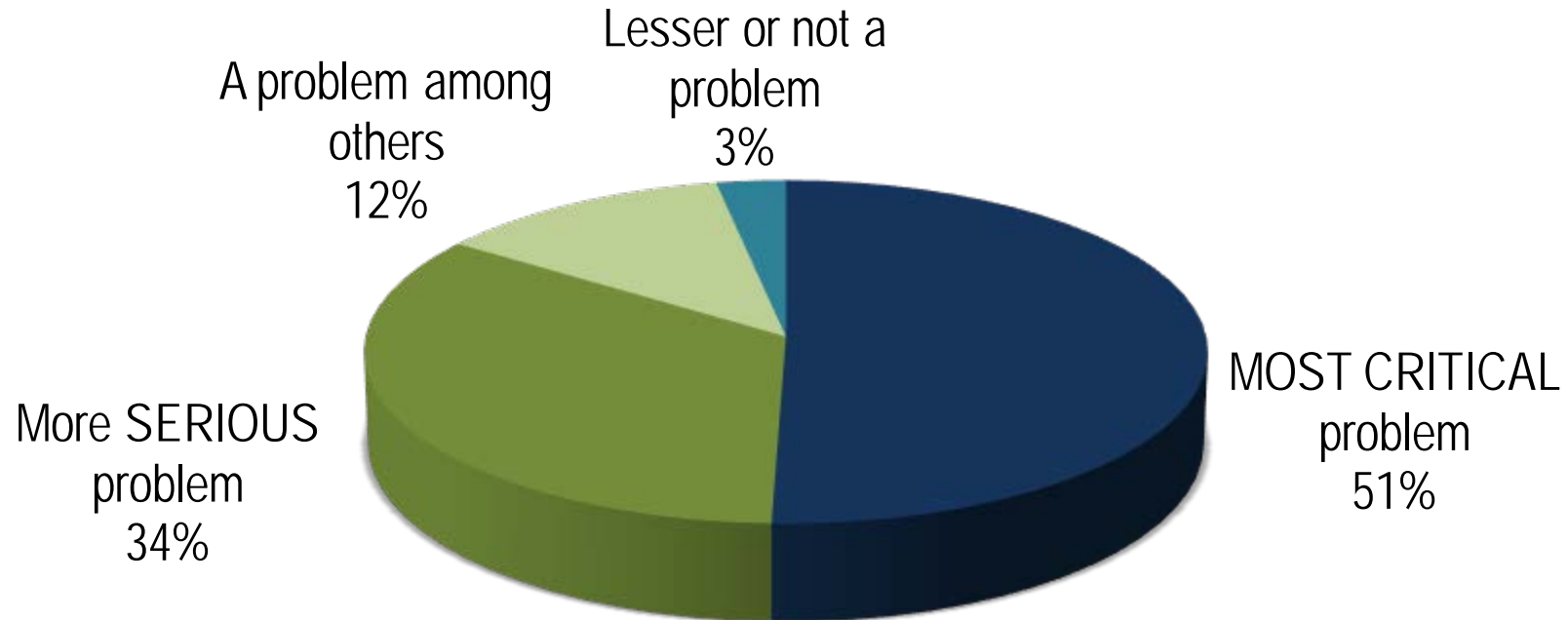
- Identifies employee housing needs
 - How much, what type, price, for whom
- Information:
 - Community outreach (survey)
 - Interviews/focus groups (local knowledge)
 - Local data (DOR, construction, etc)
 - Secondary sources (Census, ACS, jobs – BEA, etc)



Findings

Big Sky Community Survey:

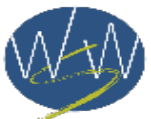
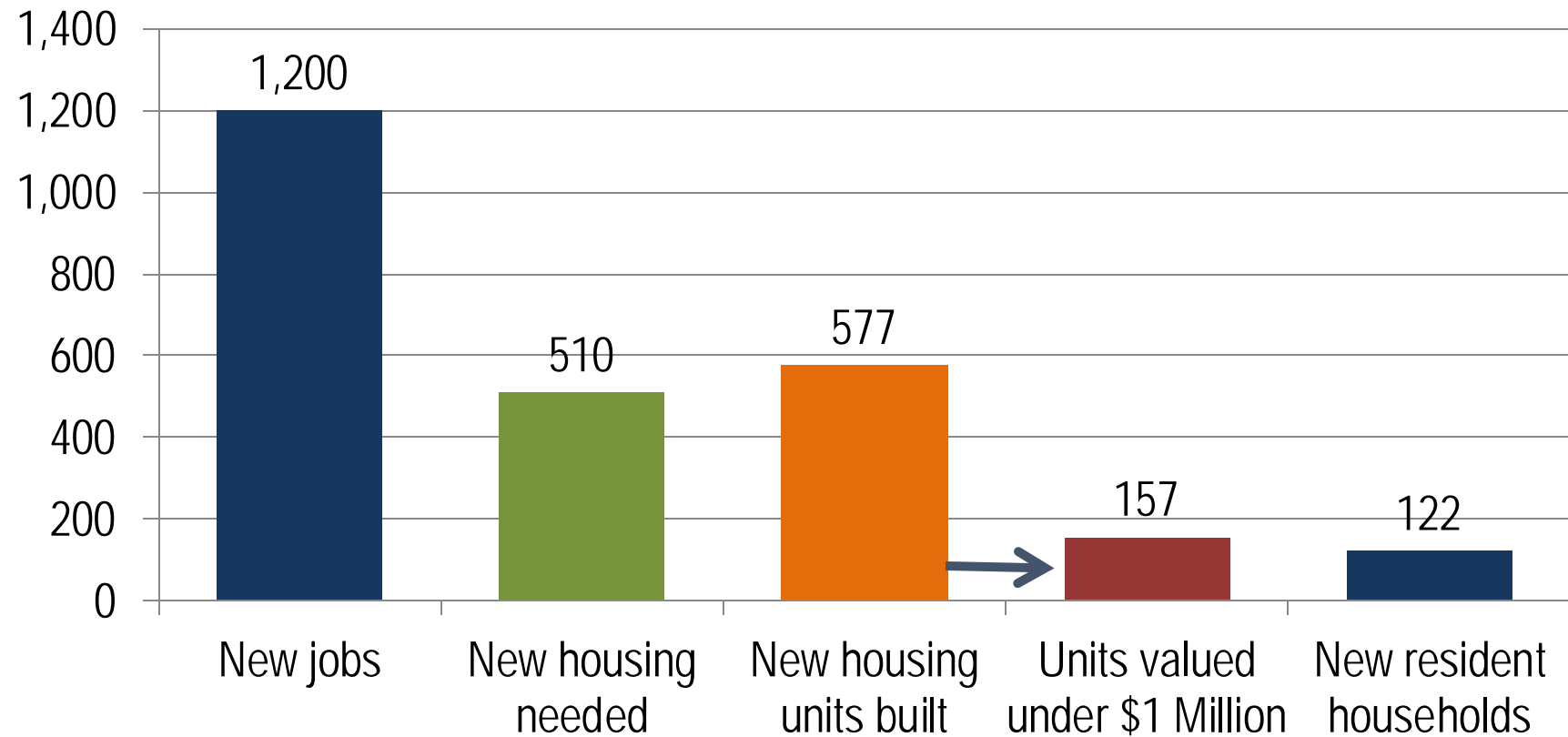
“How do you feel about the issue of people who work in Big Sky being able to find housing they can afford?”



How did we get here?

1. Underproduction of housing

Jobs/Housing Changes Since 2012



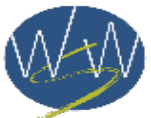
How did we get here?

2. Loss of Rentals

- Over 400 renters forced to move in past 5 years
 - 26% - unit sold by owner
 - 23% - unit converted to short-term rental
 - 9% - inability to pay rent
 - 8% - owner moved in

“In a 24-month time frame our rent increased from \$1800/mo to \$2400 /mo to \$3000/mo..... We have had to move three times ... due to the owner selling the property... The current rate of increase is unsustainable for our family.”

Survey comment



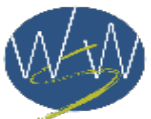
How did we get here?

3. Rising Housing Prices vs. Incomes/Wages

	Wages	Rents	Sale Prices
% Increase since 2012	4.4%/year	6%/year	6 to 10%/year

	Median rent	Vacancy rate	Turnover
% Increase since 2012	Available units: >\$2,500	<3%	20%/year (about 100 units)

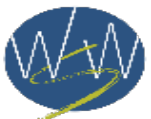
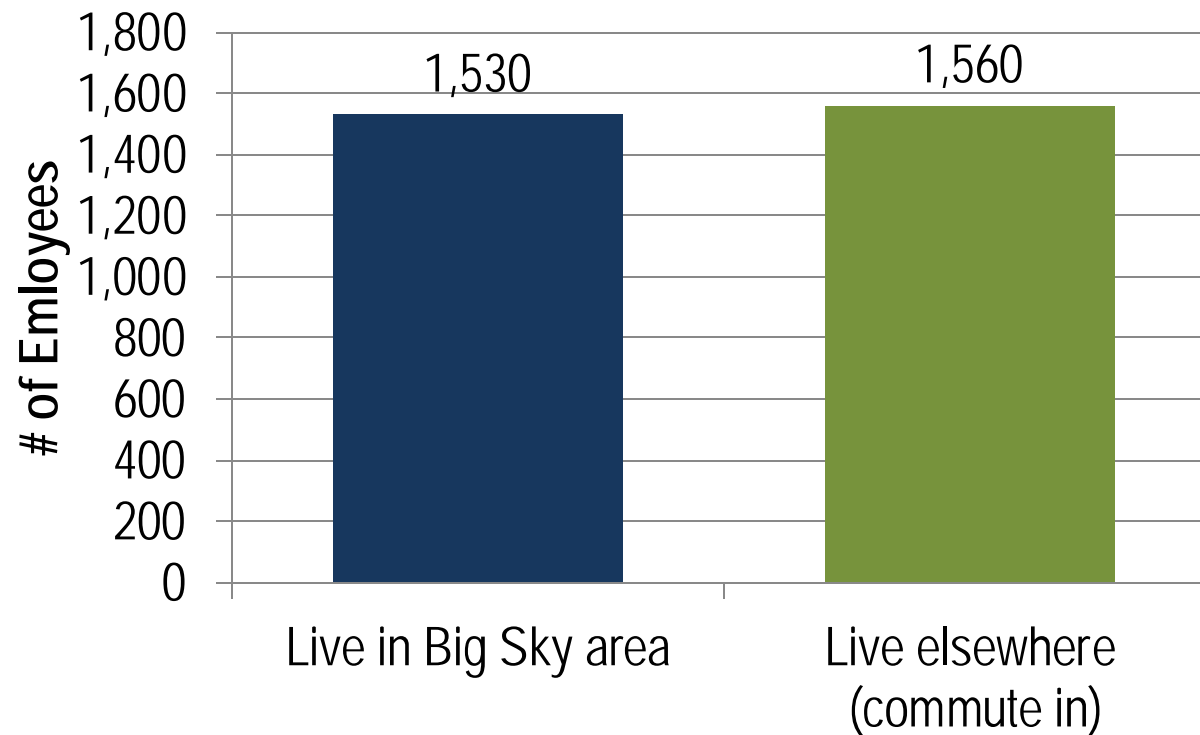
FOR SALE	Single-Family Homes	Condominiums/ Attached
Median Price	\$1,030,000	\$390,000
AMI Affordability	360%	165%



How did we get here?

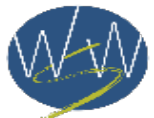
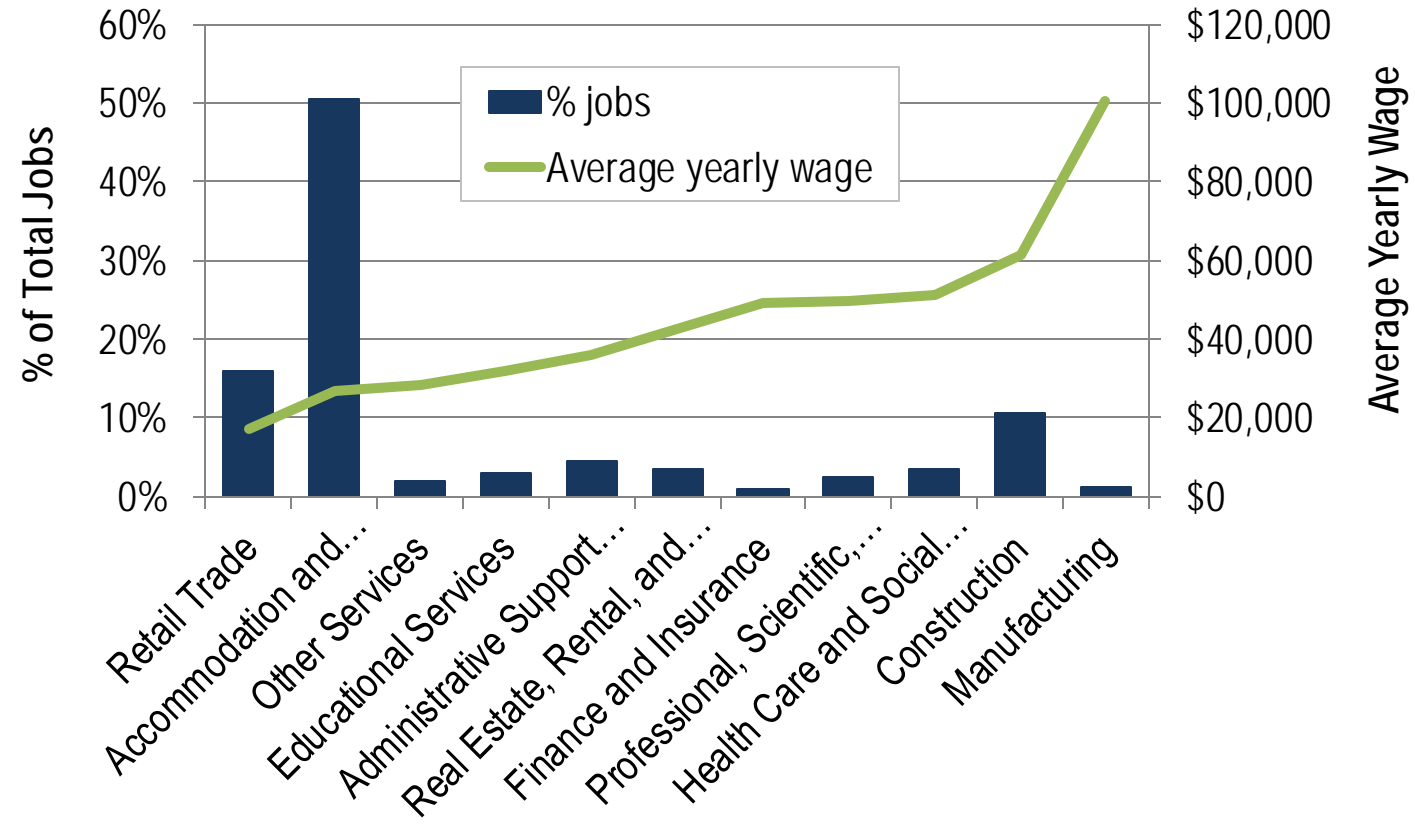
4. In-Commuting

About 1,560 workers (50%) commute in for work;
About 40% would prefer to move



Challenges – Jobs/Wages

Jobs and Wages by Industry: Big Sky 2016



Findings

Employer Problems

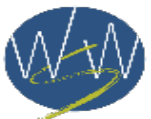
- Recruiting employees
- Growing/retaining employees: training is expensive!
- Loss of units (unstable housing) = loss of employees
- Providing quality service

“We are good at training [teachers, food/beverage employees, lodging staff, etc.] for jobs in Bozeman.”

We need more housing if we want to maintain morale and provide high quality service to our customers.

“You should feel rewarded just to live here” only goes so far when you have kids, want to grow a family or purchase a home.

Local employers



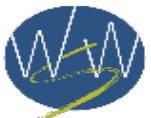
Importance

“ALL EMPLOYEES ARE ESSENTIAL FOR A FUNCTIONING BIG SKY!”

“It’s nice that people with power are listening, but we need them to start acting Take away the workers, take away Big Sky.”

“We need to do better to create opportunities for working class people to live here.”

Employee survey comments



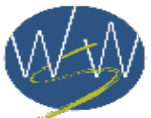
Study Process

Housing ACTION Plan

- How do we address community housing needs:
 - Goals and objectives
 - Strategies
 - Roles and responsibilities
 - Regular program evaluation – “living document”

There is NO silver bullet!

No one entity is the solution: it is a community problem!

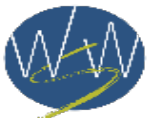


Community Housing Action Plan

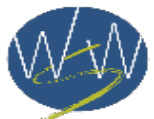
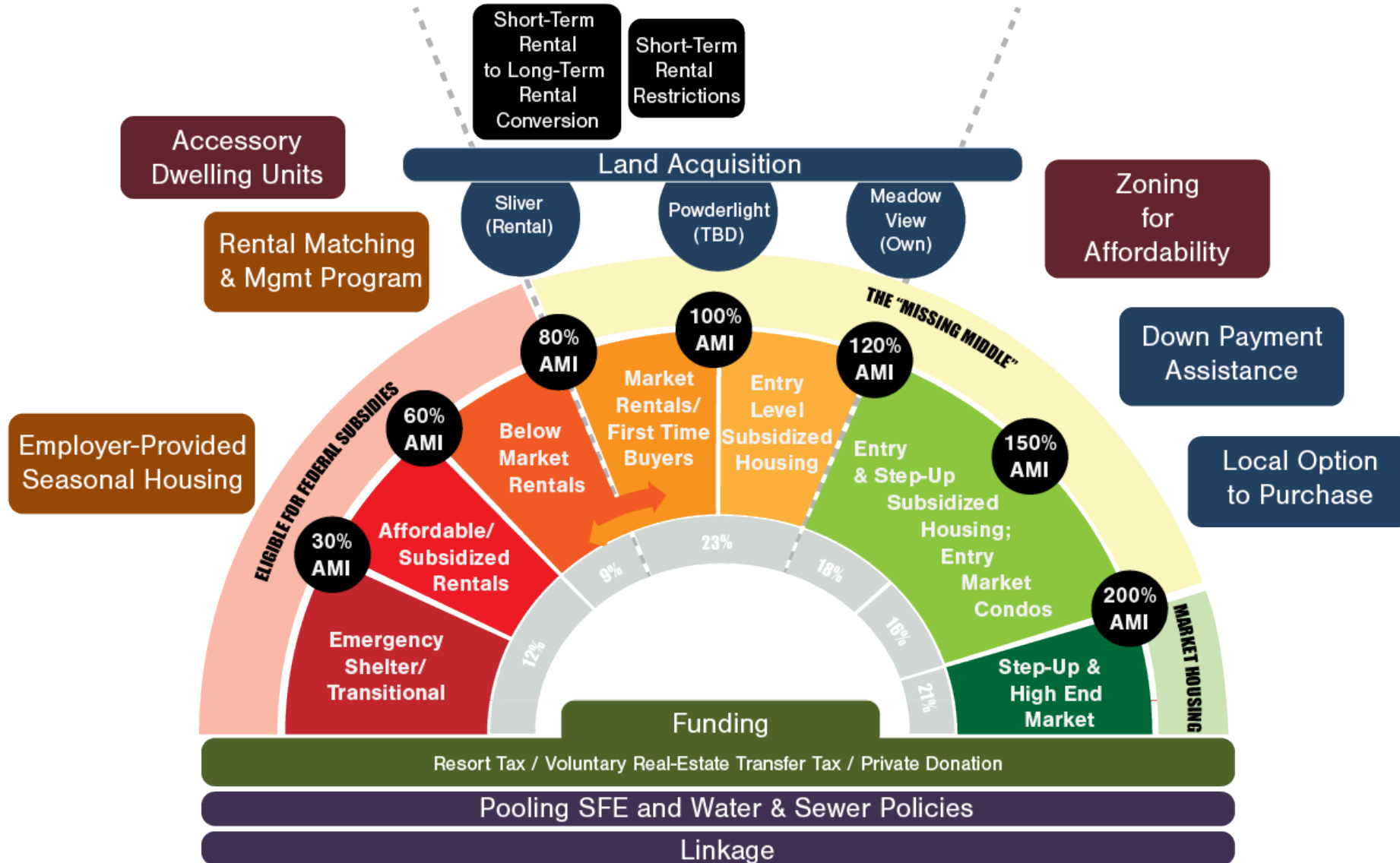
Goals and Objectives

To provide a diversity of housing affordable for the community in order to grow and retain a strong base of residents and employees living in Big Sky, which will support the local economy and enhance the character of the community.

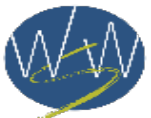
- 250-300 Community Housing Units through 2023
- Range of incomes: <100%AMI rental; <200%AMI ownership
- Incorporate Community Housing into build-out
- Resident housing occupancy above 30% of units



Community Housing Action Plan



Progress Being Made



Questions?

- Thank You -

Wendy Sullivan

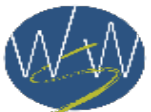
Wendy@wswconsult.com

303-579-6702

Christine Walker

Christine@navigatejh.com

307-690-4487



WSW CONSULTING

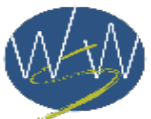
NAVIGATE

WORKFORCE HOUSING SOLUTIONS

Area Median Income (AMI) Defined

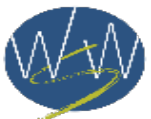
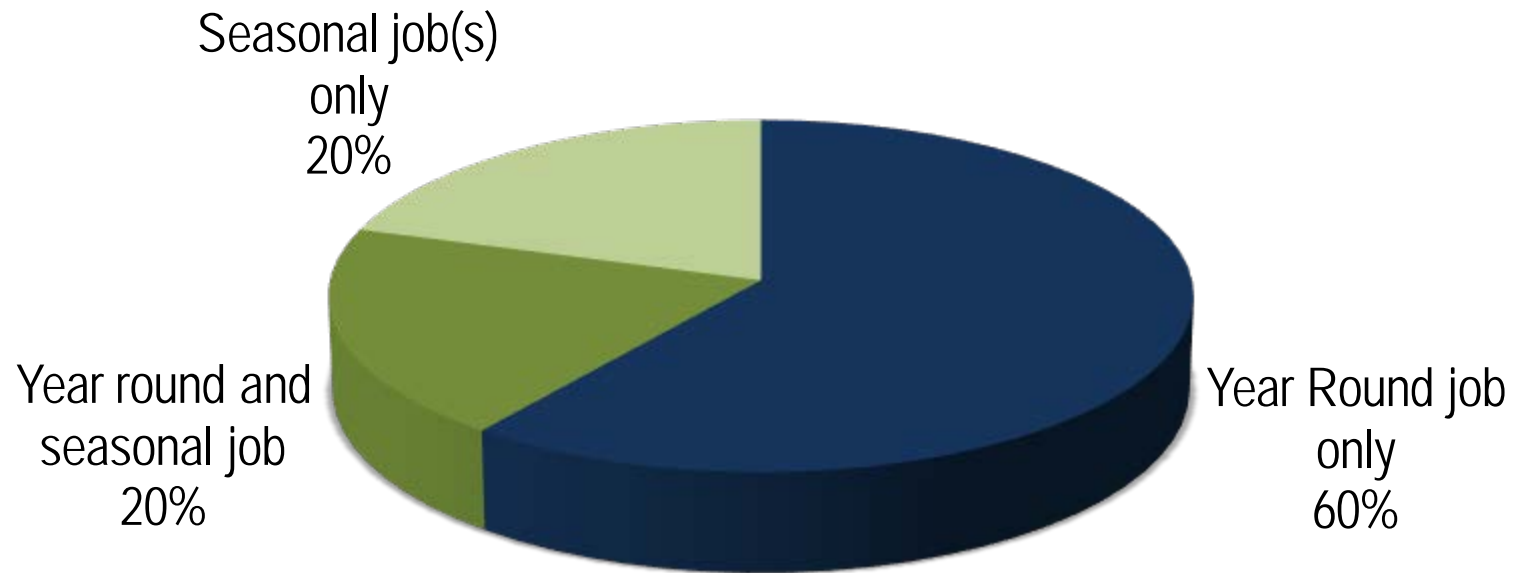
Gallatin County AMI: 2017

AMI Level	1- person	2- person	3- person	4- person
30%	\$14,910	\$17,040	\$19,170	\$21,300
60%	\$29,820	\$34,080	\$38,340	\$42,600
80%	\$39,760	\$45,440	\$51,120	\$56,800
100%	\$49,700	\$56,800	\$63,900	\$71,000
120%	\$59,640	\$68,160	\$76,680	\$85,200
150%	\$74,550	\$85,200	\$95,850	\$106,500
200%	\$99,400	\$113,600	\$127,800	\$142,000



Employee Household Characteristics

Term of Job Held: Live in Area Year-Round



Action Strategies: Initial Years

Strategies and Tools	2018		2019				2020				2021			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Resort tax for housing														
Land acquisition for housing - Meadowview														
Pooling SFE / Water & sewer policies														
Homebuyer assistance - down payment														
STR Conversion to long term rentals														
STR Restrictions														
Zoning for Affordability														
Land acquisition for housing - evaluation														
Land acquisition for housing - purchase														
TEDD for housing														
Voluntary RE Transfer Assmt														
Employer Assisted Housing - rental program														
Local option to purchase														
Private donations														
Linkage - commercial and residential														if needed

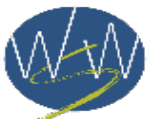
Action Strategies

On-Going Strategies

On-going strategies - to continue	
Accessory Dwelling Units (ADU)	Changes made in 2012; monitor development; Include in "rent local" campaign Already occurring (HRDC) - continue Already occurring (employers) - continue
Federal/State - Grants/Loans/LIHTC	
Seasonal housing (beds) - voluntary	

Additional Considerations

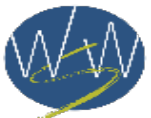
TBID	To be evaluated for potential implementation
Seasonal housing requirement (beds)	
Fast Track Processing	
Habitat for Humanity	
No-Net Loss/Redevelopment Policy	



Community Housing Action Plan

Roles/Responsibilities

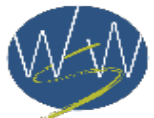
BSCHT LEAD	Others LEAD
Resort tax for housing	Pooling SFE; Water & Sewer District Policies
Land acquisition for housing - Meadowview	Zoning for Affordability
Homebuyer assistance - down payment	TEDD for housing
STR Conversion to long term rentals	Private donations
STR Restrictions	
Land acquisition for housing	
Voluntary Real Estate Transfer Assessment	
Employer Assisted Housing - rental program	
Local option to purchase	
Linkage - commercial and residential	



Action Plan Administration

Transparency, Public Accountability, Collaboration

- BSCHT Board – accept Plan, set priorities, contracts
- Present to Counties for recognition
- BSCHT evolution:
 - Add staff: senior housing staff; administrative staff
 - Local entity/presence
- Management items: deed restrictions, guidelines, unit & application management, inventory database
- Public education/outreach
- Updates and Adaptation – living document



What Has/Is Being Done

Housing Assistance Provided by Employers: 2017/18

Pay higher wages than other employers in the counties

Build or purchase units/rooms occupied by employees

Master lease units that are rented to employees

Assist employees with housing search;
negotiate more affordable lease terms

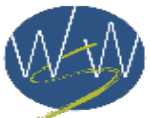
Salary stipend/rent assistance (typically \$200 to \$600/month)

Down payment assistance (grant/loan)

Employer provides temporary housing within
their own home or with others

*“We could not function without the housing that
we provide for our employees.”*

Local Employer



Why is Community Housing Important?



How did we get here?

4. Almost No Dedicated Community Housing (i.e., with Occupancy-/income-/price-limits)

