

WHITEFISH COMMUNITY HOUSING COMMITTEE AGENDA



Monday, October 23, 2023, at 4:00 p.m.
City Hall – City Council Conference Room

1. Call to order.
2. Communications from the public.
3. Approval of minutes from the September 25th meeting.
4. Continue to review light deed restriction drafts and annexation policy with Angie.
5. Discuss enforcement of housing policies/short-term rentals
6. Discuss new date for December meeting
7. Review procedure for conversion from temporary to standing committee
8. Other items not on the agenda.
9. Next committee meeting.
 - a. Monday, November 27th at 4:00 p.m.
10. Adjourn.

Committee Documents:

Click [here](#) to access the Whitefish Community Housing Roadmap

Click [here](#) to access the 2022 Whitefish Area Community Housing Needs Assessment

Click [here](#) to access the Workforce Housing Needs Assessment

Click [here](#) to access the 2017 Whitefish Strategic Housing Plan

Whitefish Community Housing Committee Minutes

Monday, September 25, 2023, at 4:00 p.m.

City Hall – City Council Conference Room

Present: Cameron Blake, Ben Davis, Rhonda Fitzgerald,

Leanne Galaz, Roxann Gallagher, Dwarne Hawkins,

Staff: Dana Smith, City Manager; Wendy Compton-Ring, Senior Planner; Luke Sponable, Housing Planner, Angie Jacobs, City Attorney

Others: Joel Temple – University of Hawaii

1. Call to order at 4 pm by Ben Davis
2. Communications from the public. Joel introduced himself. He is here talking to local communities about the gentrification of Mountain towns for his master's thesis.
3. Approval of minutes from the August 28th meeting. Rhonda moved with correction of her last name, Cameron seconded, approved.
4. Continue to review light deed restriction drafts with Angie (ownership and rental).

Dana - reviewed past decisions and decisions to be made. Made decisions related to light deed decision (no income requirement) Need to define qualified household. Questions around ownership, rentals and annexation (size).

Rhonda – in residence for 10 months leaves July and August open to rental - loophole

Dana – still have to rent to qualified household – 10 months or more unless primary resident. But should we even allow within first three years?

Cameron – what are they getting in return? Where is monetary benefit to developers – when is it not worth it? Financial cost?

Dana – only restriction is primary resident for ownership – as drafted not a workforce requirement (as drafted)

First question – what is a qualified household? Keeping expectation with 70-30 roadmap split (primary to secondary) to just do primary. Or do we add workforce? If we add workforce what is qualified?

Angie – could do three - primary, workforce and rental – maybe we want mix.

Discussed remote workers, more opportunities remotely, penalized for seeking growth, some see remote worker as problem earning income and driving others out – out of balance. Some are part of the community. How to differentiate between types of remote– residency – 10 months?

Ben – practical example – 10 lots single family subdivision – 1 house owned by someone who works at local business. What if it is too expensive. How does this work?

Dana – Lets do deed type definitions first, talk about how they'll be used later.

Angie – type will depend on developer negotiations – what do they want to provide?

Leanne – Could this create space for new folks to move here, move up, free up stock? Is that how others see it?

Dana – this won't serve lowest earner – can't restrict by price. Developer agreement important as mutually agreed upon.

Leanne - So workforce definition is trying to get around restriction on price? Concern with workforce is restrictive – school, family considerations.

Dana – require qualification only at time of purchase.

Ben –Ownership forever, workforce temporary. Better solved with rental where city has subsidy or ownership? Financial risk borne by others versus owners.

Dana - if definitions are in place can use for other purposes – doesn't have to be workforce. Could be a future resort tax funded situation.

Dana - Need ownership option 1) primary 10 months or more and 2) 10 months or more primary plus workforce 30 hours a week.

Discussion around rentals – owner occupancy?

Ben - Annexation policy 70% of all units primary and Rentals 1) primary or 2) , need two for rentals.

Cameron – Couldn't go back to council if not marketable?

Dana – yes, Trailview did this

Dana – so two for rentals too. 1) one-year lease – 12 months or more for a rental and 10 months or more for ownership (10 months came from Legacy homes, teachers).

Angie – rental deed restriction based on ADU – must be a year. Does the committee feel this is the same?

Dana – qualified tenant – occupied as primary residence.

Ben – affidavit or self-certification that purchasing as a primary resident.

Leanne – need enforcement.

All agreed:

- Ownership 1 - owner-occupied for 10 months or as more primary residence.
- Rental 1 - occupied for 10 months or more as primary residence with 12-month lease.
- Ownership 2 – owner occupied for 10 months or more and works 30 hours a week for a Qualified Business.

Discussed and agreed on Qualified business definition – Located in (by priority) 1) City limits, 2) 59937, 3) Flathead County, 4) everywhere

Who is eliminated? Retirees are not if worked for business. Remote workers are.

Leanne- who is impacting housing stock - 40% who don't live here full time affecting more than remote workers.

Cameron – we are trying to solve the issue of local business worker shortage.

Discussion there are other solutions for seasonal and increasing supply could help too.

Only one person on lease has to meet qualified business definition.

Consensus – 12 months.

Dana – two other items for rentals

- 1) Section 2 – constructed same as other units?

Discussion – integration, similar finishes, similar size. Consensus – yes – but should go in developer agreement and not go in deed restriction.

- 2) Section 9 - maintenance

Dana – probably covered under landlord-tenant – leave to State law.

All agreed.

Dana - next time annexation policy development agreement.

Dana & Angie – will bring back a clean draft for next time.

Annexation – developers are bringing a proposal to City that will have mix. Incentive - City services
Ben – big picture of implementing – very complex —administration. . Example of Legacy homes policies and procedures.

Dana – Policy has to be drafted. Similar to Legacy homes.

Ben – sees as presenting a program to potential annexors. Council needs to be able to have right to approve or deny.

Cameron – how does developer agreement work vis a vis deed restriction.

Discussion around how it would work, what gets recorded. When goes to deed – initially or upon subdivision.

Roxanne – recommended recording only development agreement memorandum.

Rhonda – timeline – we need a win. Let's not spend six more months.

5. Discuss canceling or rescheduling December meeting since the 4th Monday falls on Christmas Day. Reschedule to earlier time – will decide at next meeting. Dana expecting in late December. Congratulations! Out through early Feb.

6. Review current Committee membership and possibly recommend to the City Council that the Whitefish Community Housing Committee be created as a standing committee.

Dana – sent to expire end of December. Would need to re-apply. Two-year term.

Membership – is every group represented?

Discussion around combining committees (climate action) was turned down by council.

Leanne – periodically committees representatives meet to share?

Rhonda – could we do brown bag lunch housing to share information?

Leanne – should have renter, workforce on community – prioritize.

Dana reviewed membership make-up and history.

Ben – bring up membership at council as they are deciding.

Consensus - makes sense to make a standing committee.

7. Other items not on the agenda.

Cameron – STR Enforcement?

Rhonda – latest AIRDNA Almost 800 in City limits and 1600 in 59937.

Dana - Many are 30 -day. Short-staffed, Once fully staffed in finance department who helps with enforcement. Will have more time. Need solid answer from State meeting of City Managers in October before proposed changes to business licenses needed to fund full time position.

Message to council to prioritize.

Lawsuit against City to control short term rentals by zone.

Luke - HUD grant – working on to fund work needed for growth policy. Changing zoning to better accommodate affordable housing. \$1 million ask to hire consultants for better rounded idea on what will work – planning grant.

8. Next committee meeting. a. Monday, October 23rd at 4:00 p.m.

9. Adjourned at 6:10 pm

LIGHT DEED RESTRICTIONS/ANNEXATION POLICY

DECISIONS MADE:

- Qualified Household may rent to another Qualified Household, but primary residency is still required at 10 months or more.
- Delete Sections:
 - 2.3 - Maintenance and Inspection of Property
 - 5.1.ii - Sale of Property
 - 6. - Option to Purchase

PENDING DECISIONS:

Ownership – Have 2 Deed Restrictions (OPTION 1 and OPTION 2)

- Define *Qualified Household* -
 - Option 1: Owner occupied as primary residence for 10 months or more.
 - Option 2: Owner occupied as primary residence for 10 months or more and works 30 hours per week for a qualified business.
 - If Option 2: Define *Qualified Business* – Legacy Homes Definition + County before everyone.
Does it include remote workers? Is priority given to City businesses and then those located in the 59937 Zip Code before allowing anyone to purchase?
- Should we require the property to be used for 3 years as primary before renting to another qualified household as their primary residence? No
- Administrative fee – Change the fee to a flat fee? What is the appropriate rate, if any? Flat Fee – will create a chart of fees based on hours.

Rentals – Have 2 Deed Restrictions (OPTION 1 and OPTION 2)

- Define *Qualified Tenant*:
 - Option 1: Occupied as primary residence for 10 months or more.
 - Lease term 12 months
 - Option 2: Occupied as primary residence for 10 months or more and works at least 30 hours per week for a qualified business.
 - Define *Qualified Business* – Legacy Homes Definition + County before everyone. (Same as Ownership)
 - Lease term 12 months
- Determine minimum lease term:
 - Current draft requires at least one year lease based on City's ADU deed restrictions.
 - Other term options? Seasonal? **No**
- Do we remove paragraph in Section 2 regarding construction of units since there are no price restrictions? **Developer Agreement**
- Do we remove paragraph in Section 9 regarding maintenance? **Remove**

Annexation Policy – Development Agreement

- When do deed restrictions apply?
 - Size of annexation by petition?
- What percentage of units should be deed restricted?

- Multi-family rentals
 - Ownership units
- What type of deed restrictions for ownership units if there are two types (example: primary resident and primary resident w/ workforce requirement)?
 - Percentage for primary residence?
 - Percentage for workforce?
 - Example: 70% of a development must serve primary residences with 20% of those units being restricted to workforce. Follows minimum primary residences need per Roadmap and the former Legacy Homes program for workforce housing.