

WHITEFISH STRATEGIC HOUSING PLAN STEERING COMMITTEE

MINUTES

March 11, 2021 at 6:00 p.m.

1. Call to order:

The meeting was called to order at 6:01 p.m.

Present: Addie Brown-Testa, Wendy Compton-Ring, Ben Davis, Rhonda Fitzgerald, Kevin Gartland, Bob Horne, Rebecca Norton, Dana Smith

Absent: John Muhlfeld

Others: none

2. Approval of Minutes from the February 11, 2021 meetings:

Fitzgerald/Smith moved to approve the February 11, 2021 meeting minutes. Passed unanimously (Norton abstained).

3. Public Comments: none

4. Accessory Dwelling Unit Draft Language Revisions:

The draft was reviewed by both the City Council and Architectural Review Committee.

Council wanted the Committee to look at Implementation Item #1 to identify strategies to get ADUs rented – deed restrictions for local workers. Is there a way to encourage non-residents to rent out their ADUs?

Are we getting what we want from the ADUs?

Rebecca – is there a way to monitor more closely

Rhonda – in favor of deed restricting them for rentals; if you build an ADU it should be rented to a resident

Dana – if the HB 259 passes, there is concern we may not be able to require a deed restriction

Committee discussion about incentives vs requirements and its relationship to the House Bill

Dana – IDEA: being able to rent both units then deed restrict the ADU could be an incentive

Ben – noted in new subdivisions, a lot of the lots are being bought by 2nd homeowners

Addie – we can't limit who can come in and buy; need to figure out how encourage to 2nd homeowners to rent out their ADUs. It's tough to tell people what they can and can't do with their land; maybe if we had two units available for rental

Rhonda – how tackle this as a tool for affordable housing; we need to increase the number of affordable units

Bob – IDEA: if you want to build an ADU in a single-family zoning district in a non-resort zone – it needs to be a rental for employee housing

Rebecca – we could have some sort of registry for this idea

Bob – we have substantial needs, linkage program would produce these types of units

Kevin – we are going to have to be aggressive where we can; if the state bill passes what's the different between incentive and requirement?

Dana – 'local worker' vs. income and pricing; deed restriction on employment location

Bob – described the difference between a 'requirement' for a development vs. an option for an ADU; the income/price of the rent will be dictated by needing to rent to a local employee

Dana – how do you incentivize a 2nd homeowner into a renting their ADU? Thinks it could be an incentive to provide a rental of both units.

Rhonda – doesn't think a 2nd homeowner wants to rent; consider providing property mgmt. services

Kevin – agrees that seems like a good thing

Ben – ask staff to look at other cities if there are other examples from other cities

Bob – made contacts in Ketchum and McCall; thinks there might be some other ideas from ID in the event HB 259 passes

Rebecca – Reduction in property tax in order to provide an affordable ADU

Bob – Tax abatement? Good for historic preservation perhaps its an option for affordable housing. Noted some cities in MT using tax abatement for historic preservation.

Dana – still need to come up with a place to recoup the money from? Other property taxes might need to increase? Would require extensive research

Rhonda – interesting idea; especially with the expiration of the TIF District; could be timely

NEXT STEPS: #1 STAFF – CONTACT WENDY AND MELANIE RE: ADUS

How we encouraging additional ADUs? We aren't doing a whole lot to encourage their expansion and maybe are doing a lot to discourage them. The main the thing in the plan is the limitation on the rentals. If we could get a structured deed restriction, would we be willing to permit them to both be rented.

Rhonda – two steps – are the neighbors OK with it and does it work

Bob – OK, if one can build a duplex and rent both sides out – why not an ADU and a single family home?

Kevin – OK to consider anything for local workers

Ben – the more he's thought about it, it may be OK to reconsider renting out both

Dana – some sort of registration process for an annual review & deed restricted for locals

Rhonda – needs to be a *real* long-term rental; should be a one-year

Rebecca – we are at a pivot point from being a community of families versus becoming a town of investment; are we protecting our housing enough to maintain a community? we don't want to lose what we have; reminded everyone to keep our community growing and our long-term goals of protecting and keeping housing

NEXT STEPS: #2 STAFF – FURTHER RESEARCH

The more rigid design standards make it more difficult (and more expensive) and may not make sense.

Arch Review Committee had a good discussion about design. The group agreed that some builders may appreciate the design standards to help meet the requirements while others may be able to design something that does not exactly meet the standards but complements the neighborhood and main home. Discussion about shape and form versus materiality. There was not consensus among the group about whether an ADU should go to Arch Review – they do not review single family but adding the 2nd unit does make it a two-family 'development' which is reviewed. Thoughts – general 'bumpers' something beyond, perhaps go to Arch Review?

NEXT STEPS: #3 STAFF – FURTHER RESEARCH WORK WITH ARC

5. Update from Whitefish Housing Authority:

Dana offered the following update.

Snow Lot – the WHA is negotiating a contract for the owner's rep from Great Falls: Montana Construction Management; the next item for the WHA will be the architect; costs are way up; talking about some grant \$\$; they are doing the Great Fish again

Ben – suggested proceeding with architectural at this time; can get through architectural and design

Dana – Material costs are WAY up so they may need to wait on actual construction

NEXT STEPS:

None for the Steering Committee

6. Update from City of Whitefish:

Needs Assessment/Plan Update of 2021 Moving Forward

Concerns when Census data will be released; some information in July and the remainder toward the end of the year; consultants suggested waiting until the end of the year when all the data is available

Rebecca – concerned with the ground always moving; need to get good accurate data

Montana State Legislature 2021 Session

Local Government Senate Committee Hearing tomorrow (3/12 at 3PM); what happens when/if this gets adopted, staff will be meeting with Council

Other Items:

Rhonda – any future Low Income Housing Tax Credit (LIHTC) projects? Possibly, for the remainder lot at Alpenglow Apartment

Dana – wants to encourage the down payment assistance program and any other funding sources

Bob – wondering if the Whitefish Community Foundation could be of assistance? Do we know of anyone willing to fund large projects? Jackson, WY – were able to tap into funding for housing

Dana – figuring out 'the gap'; COVID has created a potential opportunity for giving to housing

Rebecca – resort tax for housing; wanted to focus on historic housing

Dana – discussed possible ways to generate a fund for affordable housing through the budgeting process

Rhonda – can some of the flat rate impact fees be graduated so a smaller unit pays a lesser fee? The water and sewer rates are quite a bit higher.

Dana – The fees come out of an impact fee study.

7. **Next Committee Meeting:** April 8, 2021
8. **Adjourn:** The meeting adjourned at 7:40 p.m.