AGENDA

1. CALL TO ORDER

2. APPROVAL OF MINUTES FROM JANUARY 9, 2020 MEETING

3. SNOW LOT UPDATE AND DISCUSSION
   a. HOMEWARD TO PRESENT DRAFT FINANCIAL FEASIBILITY STUDY UPDATE
   b. COMMITTEE DISCUSSION AND DIRECTION TO MOVE FORWARD WITH CONCEPTUAL DESIGN DRAWINGS
   c. CONFIRM WORK SESSION DATE W/ CITY COUNCIL – MARCH 2ND
   d. TIF CONTRACT REQUIREMENTS

4. UPDATE AND DISCUSSION ON FUNDING STRATEGIES

5. UPDATE AND DISCUSSION ON ACCESSORY DWELLING UNITS

6. PUBLIC COMMENT

7. NEXT COMMITTEE MEETING
   a. MARCH 12, 2020

8. ADJOURN
WHITEFISH STRATEGIC HOUSING PLAN STEERING COMMITTEE MINUTES January 9, 2020 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, Melissa Hartman, John Muhlfeld, Rebecca Norton

Absent:  Dana Smith

Staff:  Angie Jacobson, Lori Collins, Katie Williams

2. Approval of Minutes from the December 19, 2019 meeting:

Hartman/Fitzgerald made a motion/second to approve the minutes from the December 19, 2019 meeting. Passed unanimously.

3. Review and Provide Direction to Move Forward on Proposal and New Scope of Work from Homeword:

The Committee reviewed the scope of work. The Committee asked if the financial analysis could include two different scenarios: 1) 24 townhouses and 2) phased option of townhouses to determine if there is any value to phasing the project. The final product will include one set of design work but phasing the financing.

Motion:  Rhonda – approve the scope of work, have it done sooner and consider phasing of the project
John – 2nd

Discussion:  It was suggested, and all agreed, a presentation from Homeword should occur during a worksession with Council (joint meeting) to save time
Vote:
Unanimous

Further Discussion:
Rebecca – Asked questions about the project and why we lost the rentals? The Committee noted the funding gap with the project
Ben – Asked if the Committee still OK with the decision to move to all townhouses and eliminate the rentals? The group was still comfortable with this decision
Katie Williams – provided additional background why we went to all townhouses
Rebecca – Asked questions about the contamination – it is located in the NW corner of the property and the City has been working with DEQ on remediation.
The Committee noted the City needs to have a signed contract by June 30th if they want to use money from the TIF – currently $200k from the TIF is identified for the Snow Lot
The Committee wondered if we could negotiate an earlier timeframe from Homeword. Angie and Wendy will update Dana when she gets back on Monday to have her visit with Homeword. Committee suggested the work be done by January 31st or February at the very latest. Have the results come back to the Steering Committee in February and then to Council for a worksession.
Another Committee member suggested the City enter into a contract with the WHA before July for development of the Snow Lot? Possible option – need to discuss further with Dana
Rebecca – how are we handling snow storage? The City is looking at three different options including a BNSF – temporary easement, at the City Shop or possibly a private lot

4. Update and Discussion on Other Current Projects:

FUNDING: Katie Williams provided the group an update on funding. Katie, Lori Collins and Marney McGeary met and will assemble a spreadsheet/checklist identifying all the different types of funds and what they can be used for (NeighborWorks, short-term loans, down payment/closing costs, CDBG, (RCAC) Rural Community Assistance – Rural Development, etc.)

Lori – will be bringing a list of grants, funds to show what the various funds are and who can qualify and for what; she further described the role of Whitefish Area Land Trust (WALT) and how it will change into a different type of nonprofit.

Whitefish Community Foundation: The WHA has a meeting next week with the WF Community Foundation to be a part of the Great Fish to get their name out there and get a Dedicated Fund. The Dedicated Fund will have five (5) different funds: down payment/closing costs assistance, land banking, housing development, snow lot, and Alpenglow, phase II. The WHA is developing a donating brochure. There was some discussion about the different administrative fees.
The group would like to discuss funding and sources at the February meeting. Everyone agreed to change the meeting time to 2:30PM on February 13th so Marney can attend the meeting, as she is an expert in the field.

Rebecca wondered if there is a financial goal for each of the funds. The WHA will be working on the dedication of funds. The funding of workforce housing is part of the purview of the Steering Committee – it’s in the Strategic Housing Plan and we want to make sure it is successful; but the details will be under the WHA and not the Steering Committee. Maybe it will be good to have some targeted goals, so the public knows the target – like an annual campaign.

**ACCESSORY DWELLING UNITS:** Review in February with information sent out in advance

**ANNEXATION POLICY:** No discussion

5. **Public comment:**

The Committee discussed the possibility to vary housing standards in the Administrative Procedures – such as minimum square footage for rental units. The Committee directed staff to put it on the list to consider in the future as part of the annual review. Staff requested the updated sales information from NMAR for 2019 in order to update the fee in lieu of housing.

Needs Assessment – is it time for an update? The Steering Committee ends 2020; therefore, it is time to start thinking about the Needs Assessment and Strategic Housing Plan and evaluate the role of the Committee. The Committee asked staff to add this to the agenda, as an ongoing item to visit about.

How can other people build apartments, but we can't figure it out? There are some higher costs in the estimate and others have deeper pockets along with groups of investors.

6. **Next Meeting:**

Next Meeting is February 13, 2020 from 2:30 to 4:30 p.m.

7. **Adjourn:**

The meeting adjourned at 7:32 p.m.
Termination Of Tax Increment Financing -- Exception

7-15-4292. Termination of tax increment financing -- exception. (1) The tax increment provision contained in an urban renewal plan or a targeted economic development district comprehensive development plan terminates upon the later of:

(a) the 15th year following its adoption; or

(b) the payment or provision for payment in full or discharge of all bonds for which the tax increment has been pledged and the interest on the bonds.

(2) (a) Except as provided in subsection (2)(b), any amounts remaining in the special fund or any reserve fund after termination of the tax increment provision must be distributed among the various taxing bodies in proportion to their property tax revenue from the area or district.

(b) Upon termination of the tax increment provision, a local government may retain and use in accordance with the provisions of the urban renewal plan:

(i) funds remaining in the special fund or a reserve fund related to a binding loan commitment, construction contract, or development agreement for an approved urban renewal project or targeted economic development district project that a local government entered into before the termination of a tax increment provision;

(ii) loan repayments received after the date of termination of the tax increment provision from loans made pursuant to a binding loan commitment; or

(iii) funds from loans previously made pursuant to a loan program established under an urban renewal plan or targeted economic development district comprehensive development plan.

(3) After termination of the tax increment provision, all taxes must be levied upon the actual taxable value of the taxable property in the urban renewal area or targeted economic development district and must be paid to each of the taxing bodies as provided by law.

(4) Bonds secured in whole or in part by a tax increment provision may not be issued after the 15th anniversary of tax increment provisions. However, if bonds secured by a tax increment provision are outstanding on the applicable anniversary, additional bonds secured by the tax increment provision may be issued if the final maturity date of the bonds is not later than the final maturity date of any bonds then outstanding and secured by the tax increment provision.

History: En. 11-3921 by Sec. 1, Ch. 287, L. 1974; amd. Sec. 1, Ch. 452, L. 1975; amd. Sec. 2, Ch. 532, L. 1977; amd. Sec. 31, Ch. 566, L. 1977; R.C.M. 1947, 11-3921(7); amd. Sec. 1, Ch. 251, L. 1985; amd. Sec. 11, Ch. 712, L. 1989; amd. Sec. 3, Ch. 441, L. 1991; amd. Sec. 3, Ch. 422, L. 1997; amd. Sec. 1, Ch. 545, L. 2005; amd. Sec. 9, Ch. 566, L. 2005; amd. Sec. 7, Ch. 394, L. 2009; amd. Sec. 15, Ch. 214, L. 2013.
An accessory apartment, also known as an accessory dwelling unit (ADU), is defined by the Whitefish City Code as: “A room or rooms attached to a dwelling unit or garage and may be occupied by persons who are not members of the family. An accessory apartment may contain cooking facilities. Only one accessory apartment or guesthouse is permitted on a lot.” (§11-9-2, WCC)

An accessory apartment/ADU can take many forms, but is generally smaller than the primary residence – whether integrated as part of the home with a separate entrance or detached:

![Diagram of different types of ADUs]

**Background:**

The City of Whitefish requires a Conditional Use Permit (CUP) for all accessory apartments. For an accessory apartment to be approved, it needs to go through the public hearing process (2-3-months) and meet all the development standards. Staff notices property owners within 300-feet of the project (recently...
expanded), posts a sign on the property (new requirement) and place a legal notice in the paper.

Current design standards include:
- The unit must be attached to a primary single-family home or attached to a garage located behind a primary single-family home
- Be located all on one level
- No greater than 600 square feet
- 1 parking space for the apartment (2 for the single-family home)
- Record a deed restriction or restrictive covenant prohibiting short-term rental and limiting long-term rental only if the owner maintains permanent residency in the primary dwelling
- No taller than 24-feet

As staff described at the December meeting, since Fall 2016, the City Council has permitted about 13 ADUs. This is not a large number of units and, as one the Planning Board members noted, we are not going to solve all of our affordable housing issues one ADU at a time. They are, of course, another form of housing to encourage for local workers. As described in the Strategic Housing Plan, currently, most accessory apartments are permitted to non-locals and are generally not part of the much-needed rental pool.

**2017 Whitefish Strategic Housing Plan:**

The 2017 Strategic Housing Plan identified Accessory Dwelling Units (ADUs) as one of the many strategies to look at in order to increase opportunities for additional affordable housing in our community (page 31, WSHP).

The Strategic Housing Plan offered the following recommendations:
- Allow ADUs by right in WR-1, WR-2, WR-3 and WR-4, if deed restricted for local residents
- Lift the ‘owner occupancy’ requirement
- Eliminate the single-level requirement
- Allow detached units
- Encourage new subdivisions to incorporate ADUs
- Reimburse impact fees, if a revenue source can be identified
- Consider options for property management to encourage property owners to rent their ADUs long-term
- Create a compliance monitoring & complaint resolution process

**Housing Steering Committee Questions:**

1. Do we want to follow the Strategic Housing Plan and encourage ADUs to be part of the affordable housing stock?
2. Do we want to allow ADUs ‘by right’ in WR-1, WR-2, WR-3 and WR-4, if deed restricted for local residents? As recommended by the Strategic Housing Plan, this would not place an income or rental cap on the apartment, but simply could be for local residents.

3. In High Density zoning districts where one can build a duplex (or more) without a public process, why are we requiring a CUP for a smaller unit?

4. In High Density zoning district where one can build a duplex and rent out both units, why do we limit occupancy of an ADU? What public problem are we trying to solve?

5. The City rarely receives comments on ADU permit requests – why do we even require a CUP?

6. Would the Committee be amenable to some ‘light’ design standards such as size, height, privacy, and other design standards to better integrated into neighborhoods? In addition, the Strategic Housing Plan suggested a couple of other changes including, allowing units on two levels (vs. only on one level) and allowing the units to be detached (vs. only connected to the home or garage).

**Next Steps:**

Staff will gather comments/ideas and bring back a draft regulation to the next available meeting.