



## LOCAL HOUSING COMMITTEE PACKET

# LOCAL HOUSING COMMITTEE MEETING 5 STRATEGY SUMMARY

APRIL 21, 2022

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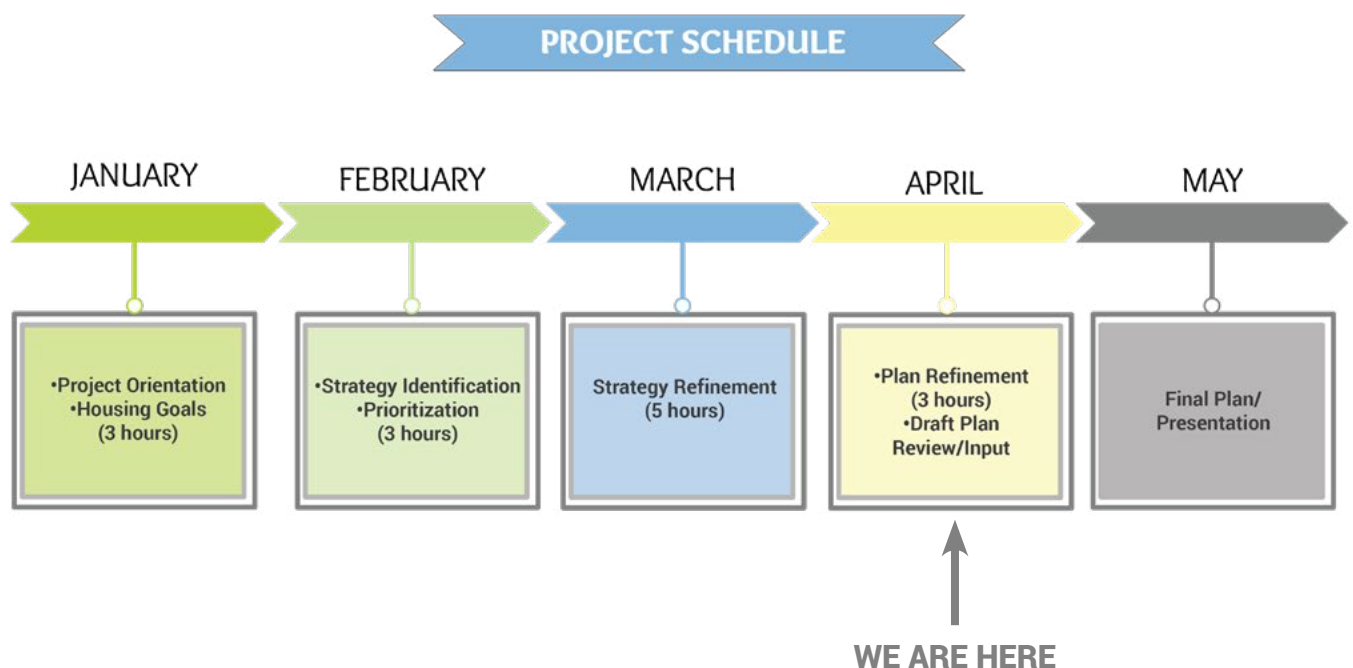
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# OVERVIEW OF PUBLIC + WORKING GROUP PROCESS TO-DATE

## Local Housing Committee Process

In January, February and March the Committee focused on:

- **Objectives/Goals:** to help set the framework for the Plan and monitor progress;
- **Tools:** that could be implemented to help address the housing needs in the community, and prioritized tools they felt were most appropriate for the community;
- **Strategies:** with specific actions that the community could take to implement each of the preferred tools.



## HOW TO USE THIS PACKET – INSTRUCTIONS FOR APRIL SESSION

**PLEASE REVIEW THIS PACKET PRIOR TO THE APRIL 21ST SESSION**

This Packet contains information on the draft Action Plan to-date. We will be working through each component to:

- 1 Review the top strategies for refinements
- 2 Identify partners that will take lead and supporting roles for identified strategies
- 3 Create a 5-year timeline with detailed strategies identified and longer term implementation needs
- 4 Revisit the Draft Plan Objectives in light of comments and refined strategies
- 5 Identify a schedule for tracking progress

*On April 21st we will review this packet, show you what a finalized action plan will look like and how it will operate, and lead you through the steps to get this one to the finish line!*

# LOCAL HOUSING ACTION PLAN DRAFT OBJECTIVE

## Draft Objective

The following Plan Objective (highlighted in the grey box) was drafted from the Housing Committee discussion in January (our first meeting). We will be field testing the draft statement at our meeting and further refining based on your input.

The strategies, partnerships, and actions identified in the McCall Area Local Housing Action Plan are oriented to help carry forward the community vision established in the Comprehensive Plan, which is:

*McCall is a diverse, small town united to maintain a safe, clean, healthy, and attractive environment. It is a friendly, progressive community that is affordable and sustainable.*

The overall objective of the Plan is to ensure that McCall remains a **diverse resident community** by **working together** to provide a **variety of quality housing types** that are **affordable for local residents and employees**, through a **range of strategies and programs**, while recognizing **local and regional** impacts and opportunities.

Key/repeated sentiments from the January discussion:



*Regional (looking beyond the city for holistic solutions)*



*Complete City (all types of housing that are near jobs)*



*Complete Community, (not a "ghost" town/ second homeowner town)*



*Mix of housing types/incomes*

# LOCAL HOUSING ACTION PLAN DRAFT GOALS

## Draft Goals

The following goals were drafted from the Housing Committee discussion in January (our first meeting). We will be field testing the goal statements at our meeting and further refining based on your input.

### 1 Number of Units



Provide an average of at least 50 local housing units per year over the next five (5) years (through 2027) in the McCall area, and more in the region, through a combination of new development, redevelopment, and improving the condition and use of existing homes.

Data:

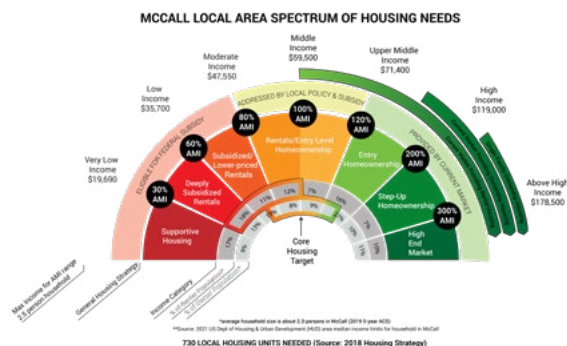
- » Just under 100 residences/year have been constructed in the McCall area since 2010;
- » A total of 130 units in McCall have income/deed restrictions maintaining local affordability (3.5% of units).

### 2 Income Targeting and Pricing



Facilitate Local Housing for the full range of incomes in need and for various life stages to maintain a complete and diverse community. In McCall, this currently means:

- » Rentals for households earning from \$15 per hour up to \$60,000 per year (under 100% AMI); and
- » Ownership housing for households earning from 80% AMI to 150% AMI (between \$50,000 to \$100,000 per year).



### 3 Build Out/Sewer Considerations – changed to “Local Occupancy”



Strengthen our local resident base by increasing the percentage of housing stock in the McCall area that is occupied by local employees and year round residents from 27% to 40%.

Data:

- » 40% of homes in the McCall area were occupied by full time residents in 2010;
- » 27% of homes in the McCall area are occupied by full time residents in 2020.

# HOUSING COMPONENTS SUMMARIES

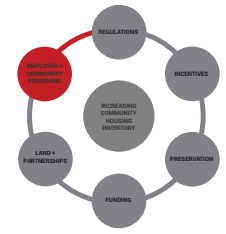


# CITY/SEWER DISTRICT LOCAL HOUSING COORDINATION



TOOL	DEFINITION	PROPOSED ACTION
Sewer District Coordination	Aligning sewer district capacity and priorities with Local Housing needs and City Local Housing initiatives.	<ol style="list-style-type: none"> <li>1. <b>Continue facilitated discussions between City and Sewer District.</b></li> <hr/> <li>2. <b>Form committee to explore city and sewer district code inconsistencies and disconnects. Concerns raised:</b> <ul style="list-style-type: none"> <li>» When a hookup is required: City and Sewer District definitions differ.</li> <li>» Evaluate metering policies to allow shared metering for apartments, multi-plexes (i.e., units that will not be sold individually). See also Condominium Conversion strategy.</li> <li>» Coordinate sewer modeling/capacities with zoning, density bonus incentives, ADU policy, Local Housing needs.</li> </ul> </li> <hr/> <li>3. <b>Coordinate to raise funds for sewer improvements (DEQ, ARPA, tax, bond, etc.)</b></li> <hr/> <li>4. <b>Coordinate sewer Master Plan with city Comprehensive Plan for consistency.</b></li> <hr/> <li>5. <b>Prioritize Local Housing:</b> <ul style="list-style-type: none"> <li>» Gather data to inform policy: overlay sewer basin capacities with Local Housing development opportunities and expected rate of development.</li> <li>» Incorporate Local Housing and Local Housing incentive programs (e.g. density bonus, ADU, etc) in sewer district capacity/modeling.</li> <li>» Explore changes to sewer policy and provide direction from city to prioritize Local Housing.</li> </ul> </li> <hr/> <li>6. <b>Scale sewer hookup fees to incentivize smaller units – per square foot or per bedroom fees rather than per unit. Work with City on fee reimbursement or reduction program for Local Housing (see Fee Waiver/Deferral strategy).</b></li> </ol>

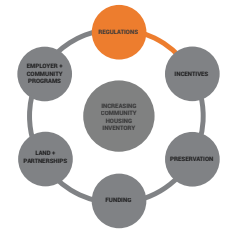




# PROGRAMS STRATEGIES SUMMARY

TOOL	DEFINITION	PROPOSED ACTION
<b>Homebuyer Assistance*</b>	Down payment assistance of grants or second mortgages for qualified buyers. Can be used for restricted or market units.	<ol style="list-style-type: none"> <li>1. <b>Research Idaho Housing and Finance Association (IHFA) down payment program.</b> <ul style="list-style-type: none"> <li>» IHFA house price cap and income limits likely too low for housing stock in the McCall area.</li> </ul> </li> <li>2. <b>Establish a down payment assistance program unique to McCall using the Big Sky, MT, and Truckee, CA, programs for guidance. Program specifics:</b> <ul style="list-style-type: none"> <li>» Seek local funding for this program to serve households up to 150% AMI, such as Community Reinvestment Act funds through local banks, local option tax, State Housing Trust Fund, and philanthropy.</li> <li>» Define program: loan or grant, amount, income caps, loan or grant amount, repayment terms, etc.</li> <li>» Consider combining with other incentive tools to increase inventory.</li> <li>» Work with employers to assist employees. Technical assistance, loan/grant options, administration, etc.</li> </ul> </li> <li>3. <b>City can manage until housing organization is in place.</b></li> <li>4. <b>Outreach! Market program and availability - lenders, real estate agents, employers/employees, property managers, community.</b></li> </ol>

\* Indicates that McCall has implemented at least part of the tool listed; alterations may be available to better meet Local Housing needs.



# REGULATIONS STRATEGIES SUMMARY

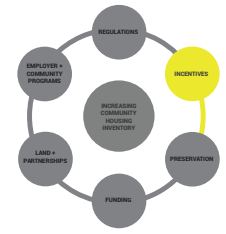
TOOL	DEFINITION	PROPOSED ACTION
<b>Annexation Policy</b>	<p>Negotiating restricted community housing as part of annexation agreements. Policy based.</p> <p>Annexations of land upon request by the property owner(s) for residential development offer the greatest opportunity to ensure that new development includes local housing.</p>	<ol style="list-style-type: none"> <li>1. <b>Develop and adopt annexation policy requiring at least 30% of homes developed on annexed property be deed restricted Local Housing.</b></li> <li>2. <b>Considerations:</b> <ul style="list-style-type: none"> <li>» Include affordability requirements in deed restriction to ensure Local Housing is affordable for intended occupants</li> <li>» Produce Local Housing for ownership, not just rentals</li> <li>» Balance the Local Housing percentage policy (e.g., 30% or more) with state regulatory concerns/conservative legislature</li> </ul> </li> </ol>
<b>Short-Term Rental Management Policies</b>	<p>The ability to regulate/prohibit short term rentals is limited in Idaho (see Id. St. Code § 67-6539). Regulations typically seek to preserve local neighborhoods and resident housing opportunities, reduce transient occupant impacts, and address lodging/hotel business concerns.</p>	<ol style="list-style-type: none"> <li>1. <b>Short-term rental permit changes are in process.</b></li> <li>2. <b>Adopt additional changes:</b> <ul style="list-style-type: none"> <li>» Prohibit short term rentals in new developments and annexations</li> <li>» Scale permit fees based on number of bedrooms and/or whether properties are rented by an owner-occupant or investor</li> <li>» Limit the number of investor-owned rentals (i.e., conduct legal review of Sandpoint, Idaho, requirements)</li> <li>» Prohibit short-term rental of Local Housing</li> </ul> </li> <li>3. <b>Work with Idaho Mountain Resort Lobby Group to support more flexibility for jurisdictions to regulate short-term rentals and discourage new restrictive legislation.</b></li> </ol>



# REGULATIONS STRATEGIES SUMMARY CONT.

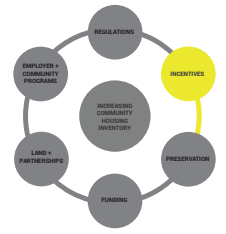
TOOL	DEFINITION	PROPOSED ACTION
<b>Short-term Rental Conversion Program</b>	Unlocking short term rentals and second homes for long term rental to local residents through outreach, education, and/or incentives.	<ol style="list-style-type: none"> <li><b>Learn from successful programs:</b> <ul style="list-style-type: none"> <li>» Landing Locals; technical assistance available</li> <li>» Big Sky Community Housing Trust, rent local program</li> </ul> </li> <li><b>Expand successes of existing property managers – scale up program to reach more potential properties</b></li> <li><b>Partnership opportunity among employers/chamber, local property managers, city: pre-screened tenants, employer rent guarantees to property owners, incentives (property tax break, paid subsidy)</b></li> <li><b>Evaluate Local Option Tax in relation to STR:</b> <ul style="list-style-type: none"> <li>» Potential source for financing STR-to-long term rental conversion incentive</li> <li>» Can LOT be increased on STR alone (legal review)</li> </ul> </li> </ol>
<b>Legislative Lobby Group</b>	Form a coalition to promote, oppose, or influence legislation supportive of community and local housing needs.	<ol style="list-style-type: none"> <li><b>Participate in the Idaho Mountain Resort Lobby Group.</b></li> <li><b>Support more flexibility for jurisdictions to facilitate Local Housing and discourage new restrictive legislation. Considerations: short term rentals, inclusionary zoning, funding options.</b></li> </ol>

*\* Indicates that McCall has implemented at least part of the tool listed; alterations may be available to better meet Local Housing needs.*



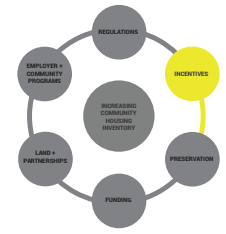
# INCENTIVES STRATEGIES SUMMARY

TOOL	DEFINITION	PROPOSED ACTION
<b>Fee Waivers/ Deferral*</b>	<p>Water/sewer, building permit or other fees waived in part or whole or deferred until occupancy/ sale to reduce upfront cost to build. General funds or other source need to cover cost if fees waived or reduced and/or for the deferral period.</p> <p>Current Local Housing Incentive reimburses up to \$10,000 in fees to deed restricted Local Housing units. Has been used, but can be improved</p>	<ol style="list-style-type: none"> <li>1. <b>Review for other fees that are suitable to reimburse/ defer:</b> <ul style="list-style-type: none"> <li>» If the city adopts other impact fees (schools, roads, etc.), include reduction/exemption for Local Housing.</li> <li>» Work with sewer district to allow reduced fees for Local Housing. Options: <ul style="list-style-type: none"> <li>» Defer/reduce sewer model fees for Local Housing</li> <li>» Fee still paid to sewer district, but from a source other than the developer (e.g., city reimbursement)</li> </ul> </li> </ul> </li> <li>2. <b>Identify and secure a funding source to replace waived/ reduced fees: see Funding strategies (taxes, etc.)</b></li> <li>3. <b>Set qualifications to receive reimbursement. Ensure homes that get reduced/reimbursed fees benefit the community (affordable Local Housing, LIHTC, etc.)</b></li> <li>4. <b>Consider best practice fee modifications to incentivize desired development (e.g., smaller, lower cost homes)</b> <ul style="list-style-type: none"> <li>» City planning fees are charged on a per square foot basis, which is a best practice to ensure smaller units pay lower fees – evaluate other fees accordingly, including sewer permit fees (e.g., per square foot or per bedroom).</li> <li>» Evaluate the ability to scale fees based on value/ type of development (e.g., higher fees for luxury homes, lower fees for Local Housing)</li> </ul> </li> </ol>
<b>Removal of Regulatory Barriers</b>	<p>Updating/modifying code provisions and procedures that impair housing development. For example, removing dual approval processes, ensuring codes are consistent, simplifying applications.</p>	<ol style="list-style-type: none"> <li>1. <b>Make process more predictable, transparent, useful and ensure codes produce what is wanted.</b></li> </ol>



# INCENTIVES STRATEGIES SUMMARY CONT.

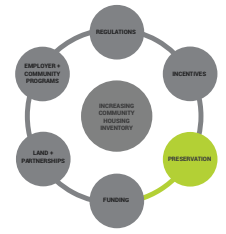
TOOL	DEFINITION	PROPOSED ACTION
Removal of Regulatory Barriers Cont.	Complete code review and rewrite might be required.	<ol style="list-style-type: none"> <li>2. <b>Form committee to explore code inconsistencies and disconnects.</b></li> <li>3. <b>Include all codes in review: City Building, Zoning, Subdivision, etc. and Sewer District</b></li> <li>4. <b>Concerns raised:</b> <ul style="list-style-type: none"> <li>» Public process and scheduling (City). Ombudsman approach to navigating entitlements can help.</li> <li>» Streamlining public approval processes. May include ministerial/administrative approval of Local Housing density bonus and objective design standards (i.e., reducing components that require public input/review).</li> <li>» Disconnect between City and Sewer District definitions, requirements, policies. See Sewer District Coordination strategy.</li> </ul> </li> </ol>
Density Bonus*	<p>Providing additional density in exchange for Local Housing. Must be large enough to entice development yet small enough for livability and compatibility. Not effective if existing zoned densities are high (e.g. when zoned at a level where developers have trouble building to existing densities).</p> <p>Existing City policy allows up to double density for Local Housing.</p>	<ol style="list-style-type: none"> <li>1. <b>City policy is effectively attracting Local Housing projects. Primary barriers:</b> <ul style="list-style-type: none"> <li>» Sewer District does not recognize added density. See Sewer District Coordination strategy.</li> <li>» Neighbor push back on added density/Local Housing.</li> </ul> </li> <li>2. <b>Remove density as a public discretion issue.</b> <ul style="list-style-type: none"> <li>» Institute ministerial/administrative approval of additional Local Housing density based on objective standards.</li> <li>» Consider form-based codes/floor-area-ratio (FAR) standards (focus on form/scale rather than density)</li> </ul> </li> <li>3. <b>Proactively address concerns:</b> <ul style="list-style-type: none"> <li>» Community education. Community support group.</li> <li>» Elected official education. Site visits, graphic representations of density.</li> </ul> </li> </ol>



# INCENTIVES STRATEGIES SUMMARY CONT.

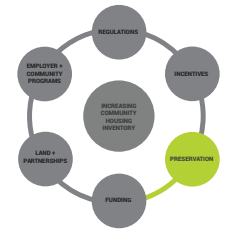
TOOL	DEFINITION	PROPOSED ACTION
<b>Accessory Dwelling Units</b>	<p>An ADU is a second smaller home sharing a lot with a single-family or townhome residence. Some examples of ADUs include an apartment over a garage, a tiny house in the backyard, or a basement apartment.</p> <p>Unless ADUs are deed restricted to require that they be used for Local Housing, their impact on creating more homes for residents is low. Accessory dwellings that are deed restricted for use by residents and employees are appropriate in many neighborhoods, yet compliance monitoring is needed.</p>	<ol style="list-style-type: none"> <li><b>Increasing the number of lots on which ADUs are permitted encounters the same sewer district barriers as the density bonus policy. Density bonus will have more impact; move ADU to lower tier if it is necessary to pick one. See Sewer District Coordination strategy.</b></li> <li><b>Best practices for an effective Local Housing ADU program include:</b> <ul style="list-style-type: none"> <li>» Deed restrict units that receive an incentive/public break to build to ensure community benefit.</li> <li>» Decrease the cost of ADUs (i.e. permitting, fees, parking regulations, hookups).</li> <li>» Make pre-engineered ADU designs available for free.</li> <li>» Review building codes to allow tiny homes as ADUs</li> <li>» Allow administrative approval; only building permit required.</li> <li>» Most mountain communities restrict ADU size to no more than 800 to 1,200 square feet to minimize their impact on neighborhoods. May allow larger ADUs if deed restricted Local Housing.</li> </ul> </li> </ol>
<b>Public Infrastructure Planning/ Investment</b>	<p>A capital improvements plan (CIP) is a plan for the repair and/or extension of city services such as streets, sidewalks and drainage improvements; gas and electric/ etc., where appropriate.</p> <p>Would include coordinating with the Sewer District for water/sewer needs.</p>	<ol style="list-style-type: none"> <li><b>Develop a capital improvements plan to address infrastructure in priority areas for Local Housing development. This can pair well with the work undertaken through the Sewer District Coordination strategy.</b></li> <li><b>Alternative: identify/set aside funds to assist Local Housing developments with infrastructure needs/ improvements.</b></li> <li><b>Consider planning for a public parking structure to open up parking lots for housing; provide potential Local Housing shared parking opportunity (e.g., Winter Park, CO, Hideaway Place Apts utilized this strategy).</b></li> </ol>

\* Indicates that McCall has implemented at least part of the tool listed; alterations may be available to better meet Local Housing needs.



# PRESERVATION STRATEGIES SUMMARY

TOOL	DEFINITION	PROPOSED ACTION
<b>Deed Restricted Housing (Permanent)</b>	<p>Dwelling units permanently restricted to protect the purpose of the investment used to create the unit. Restrictions vary based on policy intent. In rising and high-cost housing markets, deed restrictions often include limitations on occupancy (local employee/resident), income level, and rent/resale prices to retain affordability.</p>	<ol style="list-style-type: none"> <li>1. <b>Modify existing deed restrictions to make more user friendly, improve clarity of terms, increase transparency to developers and owners, and provide ability to manage the desired occupancy, use, and resale of units.</b></li> <hr/> <li>2. <b>Establish a methodology to set initial rental rates and sales prices to ensure initial affordability and set expectations for developers seeking incentives to produce Local Housing.</b></li> <hr/> <li>3. <b>Utilize a unique deed restriction for ownership and rental product to eliminate most of the current management challenges. Maintain a permanent restriction on ownership and consider a term-limit on rental apartments.</b></li> <hr/> <li>4. <b>Align deed restrictions with other policies (e.g., ADU, fee waiver and density bonus incentives).</b></li> <hr/> <li>5. <b>Maintain the general occupancy criteria, minimum hours worked for a McCall business, prohibition from short-term or vacation renting, and caps on rental rates and sales price appreciation.</b></li> <hr/> <li>6. <b>Increase management capacity by establishing a housing organization (see Housing Organization strategy).</b></li> <hr/> <li>7. <b>Emphasize customer service, such as one point of contact.</b></li> </ol>



# PRESERVATION STRATEGIES SUMMARY CONT.

TOOL	DEFINITION	PROPOSED ACTION
<p><b>Housing Organization</b></p>	<p>An organization dedicated to addressing a community’s housing needs and managing housing units created. Responsibilities may include action plan administration, portfolio development, stewardship of units created, fundraising, and community outreach. Organizational structure can be a governmental department, Housing Authority, or non-profit organization (e.g., Community Land Trust).</p> <p>Valley Adams Regional Housing Authority (VARHA) formed in the early 2000’s with the intention of administering deed restrictions on units created through Inclusionary Zoning.</p> <p>City County and Housing Advisory Committee explored the idea of creating a Housing Authority in Sept 2021 with action put on hold until recommendations from Housing Action Plan completed.</p>	<ol style="list-style-type: none"> <li>1. <b>Establish a McCall Area Housing Authority to provide geographically targeted services and avoid any history associated with the former regional efforts.</b> <ul style="list-style-type: none"> <li>» City resolution declaring the need for a Housing Authority, including full spectrum of need (example: Blaine County Housing Authority)</li> <li>» City Council appoints commissioners</li> </ul> </li> <li>2. <b>Determine clear roles and responsibilities of the Housing Authority</b> <ul style="list-style-type: none"> <li>» Manage/steward Local Housing units?</li> <li>» Develop Local Housing/acquire land?</li> <li>» Raise funds/issue bonds?</li> <li>» Education and outreach?</li> <li>» Action plan administration?</li> <li>» Specific strategy implementation?</li> </ul> </li> <li>3. <b>City and Housing Authority enter into an intergovernmental agreement defining roles and responsibilities of each party</b> <ul style="list-style-type: none"> <li>» City may provide funding, use of City Attorney for legal counsel, etc.</li> </ul> </li> <li>4. <b>Secure funding and hire a full-time Executive Director providing dedicated staff to implement defined roles and responsibilities.</b></li> </ol>

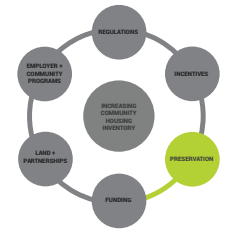




# PRESERVATION STRATEGIES SUMMARY CONT.

TOOL	DEFINITION	PROPOSED ACTION
<b>Acquisition/ Deed Restriction of Market Units</b>	Usually involves investing public funds to purchase deed restrictions on market rate properties. Inability to obtain condo mortgages can result in units being rented. Public sector purchases can drive up prices for low-end market units.	<ol style="list-style-type: none"> <li>1. <b>Explore acquiring market units to preserve occupancy of existing housing stock for Local Housing.</b></li> <hr/> <li>2. <b>Target middle-income households with this tool and consider combining with down payment assistance.</b></li> <hr/> <li>3. <b>Use to preserve both ownership and rental options, as well as long-term affordability.</b></li> <hr/> <li>4. <b>Seek local funding to serve households up to 150% AMI, such as local option tax and philanthropy.</b></li> <hr/> <li>5. <b>Considerations:</b> <ul style="list-style-type: none"> <li>» Competition for a limited supply of inventory is a challenge.</li> <li>» Example programs: Vail InDeed, Vail, CO; Big Sky Good Deeds, Big Sky, MT</li> </ul> </li> </ol>

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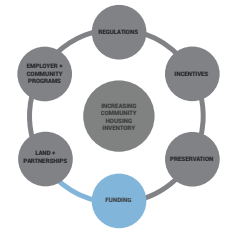
# PRESERVATION STRATEGIES SUMMARY CONT.

TOOL	DEFINITION	PROPOSED ACTION
<b>Rehabilitation/ Weatherization</b>  (move to lower priority)	Repairing, updating, enlarging, improving energy efficiency, and providing handicapped accessibility in existing homes. Federal or State grants are typically used. Staff/time intensive.	<ol style="list-style-type: none"> <li>1. Program has demonstrated value in improving weatherization and assisting seniors living in older homes, but not many homes exist in need of improvement in McCall or that are occupied by low-income seniors.</li> <li>2. Availability of resources or partners is largely unknown. Explore whether there is a potential partner, such as a senior organization, that could implement</li> <li>3. Federal funding could be accessed.</li> </ol>
<b>Condominium Conversion Policy</b>	Limiting or prohibiting conversion of apartments to condominiums to retain rental housing. May require some portion of converted units to be restricted community housing or provide first right of refusal of sales to apartment occupants, among other conditions. Some impose a conversion fee that goes into a housing fund.	<ol style="list-style-type: none"> <li>1. There are only two apartment complexes in McCall and both are federal programs that are not at risk of losing their restrictions until the late 2030's.</li> <li>2. Tie a condo conversion policy to Local Housing incentive programs to prohibit the conversion of multi-family rental to ownership.               <ul style="list-style-type: none"> <li>» Can be linked with opportunity for shared sewer hookups rather than requiring individual metering (see Sewer District Coordination strategy).</li> </ul> </li> </ol>
<b>Mobile Home Park Affordability</b>	Preserve long term mobile home affordability, quality, and stability for mobile home park residents.	<ol style="list-style-type: none"> <li>1. Several mobile home parks exist in the McCall area providing 'naturally occurring' Local Housing and are at risk of redevelopment into vacation or part-time occupancy.</li> <li>2. Research options such as tenant empowerment and opportunity for resident or public ownership. Seek Resident Owned Communities (ROC) information/technical assistance; LEAP charities began a ROC affiliate in Boise, ID.</li> <li>3. Consider condition of mobile homes and infrastructure.</li> </ol>



# FUNDING STRATEGIES SUMMARY

TOOL	DEFINITION	PROPOSED ACTION
<b>State ARPA Funds</b>	<p>State Bill allocating American Rescue Plan Act funds for a \$50MM Workforce Housing Fund was recently signed into law in Idaho. The Fund is intended to be administered by IHFA.</p> <p>Expires End of 2026. Preference is given to projects that need gap financing, but that also bring local matching funds.</p>	<ol style="list-style-type: none"> <li><b>1. Research and advocate for ARPA and Infrastructure Funds for McCall. This is a short-lived program and funds are now available.</b></li> <li><b>2. Explore ability to tie funds for sewer needs along with Local Housing.</b></li> <li><b>3. Reach out to IHFA to learn the rules of ARPA and how it may relate to local housing projects, including those that may be stalled due to high costs.</b></li> <li><b>4. Identify sites and projects in McCall or Valley County that could utilize ARPA funds. This includes working with the School District to determine if their parcel at Stibnite St. would be a good fit to apply for these funds.</b></li> <li><b>5. Identify a source of matching funds to improve competitiveness (LOT, general fund, etc).</b></li> </ol>
<b>Taxes Dedicated to Local Housing</b>	<p>A dedicated local funding source for Local Housing. May include local option tax, sales tax, property tax, short-term rental tax, real estate transfer, excise tax, vacancy tax, unit demolition or conversion fees. Voter approval required in most states. Approval requires extensive public education.</p>	<ol style="list-style-type: none"> <li><b>1. When the LOT is up for a vote, consider an increase LOT with the increased portion going specifically toward local housing. Evaluate whether LOT can be increased on short-term rentals alone (legal review).</b></li> <li><b>2. Explore other opportunities to create consistent local source of funds – for example sales tax, property tax, real estate transfer tax, etc.</b></li> <li><b>3. Coordinate vote with a comprehensive education campaign; start early!</b></li> <li><b>4. In the interim, allocate a standardized percentage of the annual LOT allocation towards housing for the life of the LOT (through 2028). This would create more funding certainty.</b></li> </ol>



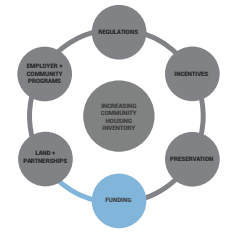
# FUNDING STRATEGIES SUMMARY CONT.

TOOL	DEFINITION	PROPOSED ACTION
<p><b>Taxes Dedicated to Housing cont.</b></p>	<p>LOT approved in 2019 on lodging that can be used for housing in McCall. Use for housing is discretionary, approximately \$360,000 of the \$2.35 million received was spent on Local Housing initiatives.</p>	<ol style="list-style-type: none"> <li><b>5. Create a transparent process for LOT housing fund application and distribution.</b> <ul style="list-style-type: none"> <li>» Educate LOT Allocating Board on locals housing and its importance to McCall.</li> <li>» Ensure a member of the Housing Committee is appointed to the LOT Allocation Board.</li> <li>» Establish allocation criteria that considers: scoring system, leverages funds, requires Local Housing deed restriction.</li> <li>» When fixed amount of LOT for housing is established through administrative or voter approval, evaluate who should administer allocation of funds.</li> <li>» Create policy so that any excess (or unused) funds from the LOT go to housing, not back to the state (legal review).</li> </ul> </li> </ol>
<p><b>Federal and State Grants/ Loans – LIHTC, CDBG, HOME, National Housing Trust etc.*</b></p>	<p>Federal and state grants/ loans for affordable housing, generally for construction of units. These include CDBG, HOME, and USDA/Rural Development. Can typically only serve low-income households at or below 80% AMI.</p> <p>The funds are competitive and require complicated grant application and administration process. Sophisticated developer required.</p>	<ol style="list-style-type: none"> <li><b>1. “Prime the pump” by working with known developments or developers to confirm projects meet funding requirements.</b></li> <li><b>2. Educate developers to apply for and utilize these federal and state grants/ loans (ombudsman approach).</b></li> <li><b>3. Identify sites and projects in the McCall area, including those that may be underutilized or ripe for redevelopment. HOME and CDBG can be used for development, redevelopment.</b></li> <li><b>4. Create relationship with IHFA, to understand their programs and how to collaborate with them. This may include educational seminars or training with IHFA.</b></li> <li><b>5. Good role for city, county, and the housing organization when established.</b></li> </ol>



# FUNDING STRATEGIES SUMMARY CONT.

TOOL	DEFINITION	PROPOSED ACTION
<b>Tax Increment Financing*</b>	<p>Tax Increment Finance (TIF) is a finance tool that exists through the McCall Redevelopment Agency (MRA) and can be used to invest in public improvements and stimulate economic development. Typically, property taxes from a specific urban renewal area or district broadly defined as “blighted” are redirected for a defined period of time. MRA’s recently created Downtown West Urban Renewal Area includes housing in its plan.</p>	<ol style="list-style-type: none"> <li>1. <b>Plan for locals housing opportunities within Urban Renewal Area.</b></li> <li>2. <b>Create a transparent application process (e.g., participation guidelines) for developers seeking to utilize TIF that prioritizes locals housing.</b></li> <li>3. <b>Educate interested developers and landowners (within URA) so they understand the guidelines, when created.</b></li> <li>4. <b>Study additional URA areas, specific to whether other public agencies (USFS, School District, or state) have land they are going to sell and develop.</b></li> </ol>
<b>Private Donations/ Philanthropy*</b>  <b>(lower priority)</b>	<p>Tax deductible contributions to a non-profit organization/ foundation for the purpose of providing funds for housing. McCall and Valley County have examples of capital improvements that have been primarily funded in this way such as Kelly’s Whitewater Park or the Ice Rink.</p>	<ol style="list-style-type: none"> <li>1. <b>Do not have capacity to pursue.</b></li> <li>2. <b>Potential role for the housing organization when in place.</b></li> </ol>



# FUNDING STRATEGIES SUMMARY CONT.

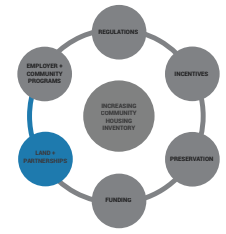
TOOL	DEFINITION	PROPOSED ACTION
<p><b>Opportunity Zones</b>  (lower priority)</p>	<p>The federal Opportunity Zones investment incentive was established in 2017 to encourage long-term private investments in low-income / distressed communities. The program expires in 2026 (less than 4-years).</p> <p>McCall has a large Opportunity Zone. The program is generally an added benefit to an investor or developer, but does not create/drive Local Housing in and of itself. The incentive is not great enough alone to create units.</p>	<ol style="list-style-type: none"> <li>1. <b>Program expires soon – 2026.</b></li> <li>2. <b>Pairing OZ investment with other Local Housing financing is cumbersome/challenging.</b></li> <li>3. <b>Consider if Local Housing is otherwise proposed within an Opportunity Zone area.</b></li> <li>4. <b>Potentially more useful to other MRA or Sewer District needs/initiatives.</b></li> </ol>

*\* Indicates that McCall has implemented at least part of the tool listed; alterations may be available to better meet Local Housing needs.*



# PARTNERSHIPS STRATEGIES SUMMARY

TOOL	DEFINITION	PROPOSED ACTION
<b>Public/Private/ Institutional Partnerships</b>	<p>Public/institutional organizations partnering with the private sector for development expertise to build Local Housing on publicly owned site. May be vacant or under-utilized land. May also include institutional properties.</p> <p>In Idaho, Cities and public agencies have limited flexibility when selling land. IHFA (Idaho Housing and Finance Association), a public housing authority, or a redevelopment agency have more flexibility to dispose of land at below market rates with restrictions to incentivize Local Housing development.</p>	<ol style="list-style-type: none"> <li>1. <b>Facilitate partnerships between public agencies/ institutions: School District, MRA, City; USFS; state; St. Luke's; IHFA; future housing organization.</b></li> <li>2. <b>Establish criteria to prioritize site(s) for Local Housing from all partners.</b></li> <li>3. <b>Understand partner and site constraints with respect to land disposition, acquisition, development for Local Housing.</b></li> <li>4. <b>Issue Request for Proposals with desired Local Housing outcomes. Do due diligence before issuing proposals; learn from Davis RFP process.</b></li> <li>5. <b>Through RFP, provide clear developer expectations, desired development/local housing requirements, and assistance/incentives that can or will be provided (e.g. City fee reimbursement, site improvements, tax reductions, etc.).</b></li> <li>6. <b>Keep prioritized list for future housing opportunities.</b></li> <li>7. <b>Considerations:</b> <ul style="list-style-type: none"> <li>» School District has identified lands for sale. Reevaluate for Local Housing potential, partnerships, feasibility. Selling land will not provide enough funds to buy/build Local Housing units elsewhere. Investigate long term ground lease at below market rate for Local Housing development/partnership with another agency.</li> <li>» USFS potential; typically long process, requires local champion to ensure success. Learn from other successful partnerships (e.g. Summit County, CO).</li> <li>» In regard to "The Toaster," confirm that it will not adversely impact the future developability of the city site on which it will be located.</li> </ul> </li> </ol>



# PARTNERSHIPS STRATEGIES SUMMARY

TOOL	DEFINITION	PROPOSED ACTION
<b>Land/Land Banking</b>	<p>Acquiring land for eventual community housing development. Acquisition may occur through purchase, trades, life estates, donation (non-profits), in-lieu requirements.</p> <p>Reference table on the following page (pg.25) for current identified lands.</p>	<ol style="list-style-type: none"> <li>1. Establish criteria to prioritize sites(s).</li> <li>2. Inventory potential opportunities.</li> <li>3. Understand constraints and costs of mitigation.</li> <li>4. Complete due diligence (land use, Environmental Phase I, title Review, etc.)</li> <li>5. Include vacant, underutilized, redevelopment.</li> <li>6. Keep prioritized list of sites for future housing opportunities.</li> <li>7. Create an acquisition plan for sites.</li> <li>8. Determine disposition plan for appropriate sites. Evaluate how to use proceeds/leverage funds to create local housing units before selling land. This applies to the Lenora property or others that may be disposed of.</li> </ol>
<b>Employer Assisted Housing</b>	<p><b>Employer Assisted Housing (EAH) means providing housing support to employees. Employers can provide land and partner in development of housing. EAH is often direct employee support, such as help with finding housing, down payment, rent/mortgage, relocation, or master leasing/providing rentals.</b></p>	<ol style="list-style-type: none"> <li>1. Designate a leader/convener to bring employers together, include smaller employers.</li> <li>2. Learn from and build upon existing partnerships and programs, such as Brundage, Shore Lodge – development, shared seasonal housing, housing staff/ coordinator.</li> <li>3. Educate/ message/ outreach to the community.</li> <li>4. Help smaller employers address housing issues: <ul style="list-style-type: none"> <li>» Technical assistance</li> <li>» Match with programs</li> <li>» Match employees with units (see STR Conversion)</li> </ul> </li> <li>5. Track/educate on progress, opportunities, and outcomes.</li> <li>6. Technical assistance to produce housing – City Ombudsman.</li> </ol>





# PARTNERSHIPS: PUBLIC LAND SUMMARY

Address	Size	# Of Units	Competing Uses	Restrictions & Constraints	Recommendations
508 LENORA ST	0.17	1	Housing, Park, Public Utility	Housing Advisory Committee recommended to sell.	Create specific plan to leverage funds from sale to develop locals housing.
TBD DAVIS AVE	TBD	unknown	Housing, Snow Storage, Open Space	Wetlands/Public Purpose Deed Restriction. Transferred from MRA. Odd shape, Desire to be incorporated with the adjacent parkland	If site works for Toaster, relocate the Toaster. If not, consider transferring land for Parks & Rec. Consider if other Parks and Rec land available for trade."
947 FLYNN LN	2.01	8	Housing	Desire for housing	Complete site due diligence and issue RFP for local housing. Specificity with flexibility is required.
1614 DAVIS AVE	0.83	7	Housing, Parking, Snow Storage	Deed Restriction, MRA deeded to city, 3.4 wetlands (mitigation of wetlands). Estimate 4-12 units Prior RFP was unsuccessful	Confirm cost of mitigation, find funds to mitigate and consider another RFP for development. There is a desire to move The Toaster to this site, this may create an underutilized site that is more costly to develop in the future so proceed with caution.
TBD Pine Street	TBD	Y	Mixed Use, Food Trucks, Open Space	Public Purpose Deed Restriction. Transferred from MRA. Access issues, lack of desire for housing.	No action until there is political interest.
E Stibnite Street	9.5 (2 parcels)	TBD	4.5 Portion for school a 5.5 portion to sell	School District owns, desire to lot line adjust and sell a portion and leverage funds for housing.	This site needs additional research, but should be considered for locals/ teacher housing.
104030 Hwy 55	20	TBD	Desire to sell a portion to leverage funds for housing	School District owns, not in City limits.	Although this land is not in city limits, consider its best use (local housing, other) and proceed accordingly.