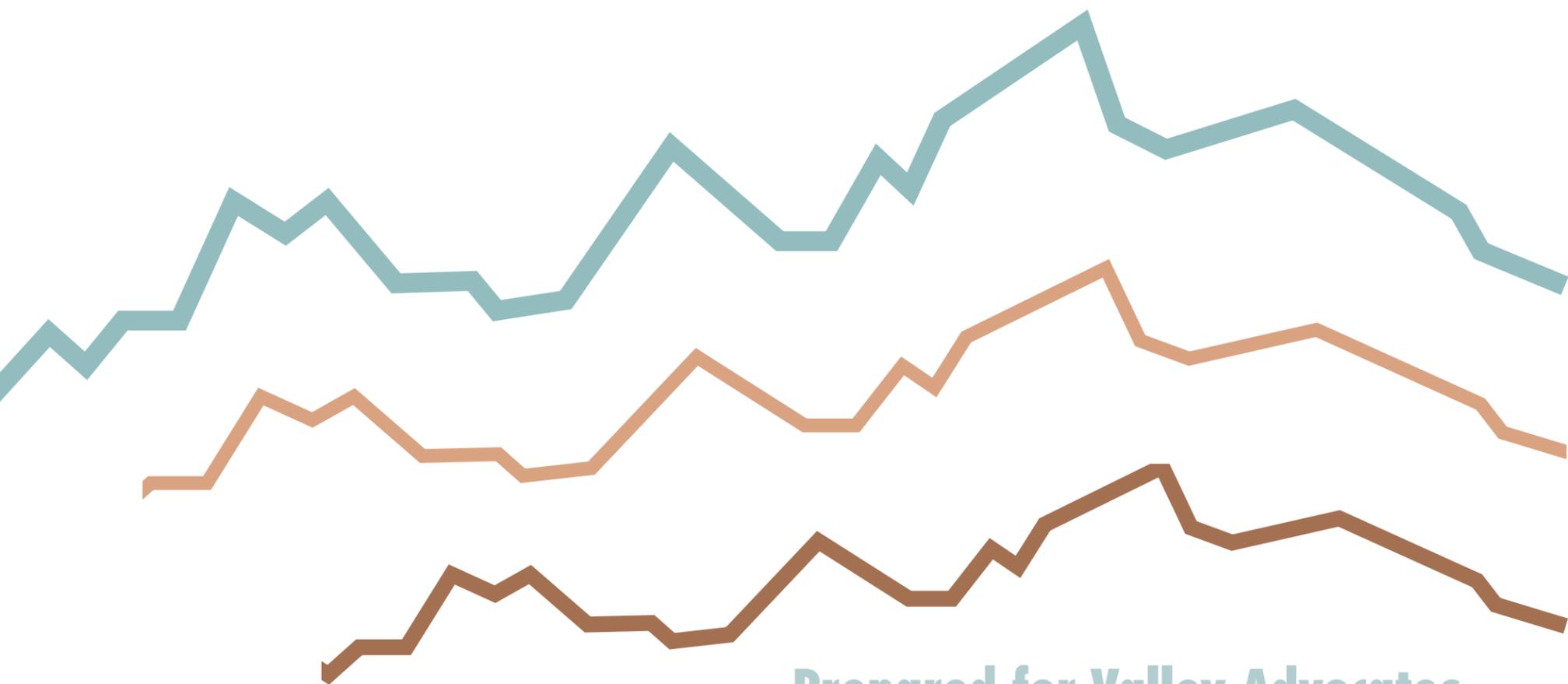


# **GATEWAY COMMUNITIES: AFFORDABLE HOUSING ISSUES & PLANNING SOLUTIONS**

## **Executive Summary**



**Prepared for Valley Advocates  
for Responsible Development  
By Sarah Knoebl  
Spring 2022**



Master of Urban and Regional Planning

COLLEGE OF ARCHITECTURE AND PLANNING

UNIVERSITY OF COLORADO **DENVER**

# ISSUE

The Teton Valley is located on the western slope of the Teton Mountain Range, encompassing both Idaho and Wyoming’s Teton Counties. Teton Valley communities are gateways to the abundant natural and recreational opportunities within the Greater Yellowstone Ecosystem. Tourists and new residents alike flock to the Valley to experience the natural amenities Teton Valley has to offer. As more tourists and new residents come to enjoy the Valley, local residents are finding it increasingly difficult to find affordable housing options. A 2022 housing assessment found that households earning less than 120% of the regions average median income have found it very difficult to find housing in recent years. Additionally, a growing number of residents have been displaced due to property sales, rent-hikes, and short-term rentals. This project seeks to mitigate the impacts of short-term rentals and amenity migration on housing affordability and availability in Teton Valley by adopting new programs and policies.

# FINDINGS

In order to make informed policy recommendations for the Teton Valley, community context, existing regulations, and existing plans were thoroughly researched. After understanding the existing conditions academic research and case studies were consulted to identify key policies and program aspects that could be successfully implemented in the Teton Valley.

## Community Context: Housing

There is a blatant mismatch between housing price and household income in Teton Valley. In Teton County, Wyoming only 3% of the entire share of house sales are under \$500,000 and in Teton County, Idaho only 26% of the share of home sales are between \$300,000 and \$500,000. Locals are increasingly priced out of the housing market by wealthy newcomers, and often must rent units at astronomical prices.

### Per Month Housing Price Compared to Affordable Prices

	HOUSEHOLD MEDIAN INCOME	AFFORDABLE	REALITY
<b>TETON COUNTY, WYOMING</b>	\$115,600	\$2,890/month	\$3,469/month
<b>TETON COUNTY, IDAHO</b>	\$79,500	\$1,987/month	\$2,478/month

\*\*Affordable housing price based off 30% of annual household median income.

Not only are locals often overpaying for housing, they are also competing with the short-term rental market. Short-term rentals account for 13% and 10% of housing units in Teton County, Idaho and Wyoming respectively. When entire properties are used for short-term rentals, they effectively eliminate long-term housing options for locals.

## **Community Context: Regulations**

There is a large variation in short-term rental regulation across Teton Valley counties and municipalities. Teton County, Wyoming and Jackson, Wyoming have the most robust set of regulations while Teton and Victor, Idaho have no existing short-term rental regulations. In order to reduce negative impacts associated with short-term rentals, it is imperative to have enforceable regulations.

## **Research Overview:**

There are academic findings that significantly link housing unaffordability, amenity migration, and short-term rentals in gateway communities.

## **Amenity Migration Impacts:**

- » Defined by the in-migration of wealthy urbanites
- » Occurance of rural gentrification
- » Changes in community values and perceived local control
- » Increases in real estate & property taxes

## **Short-Term Rental:**

- » Short-term rentals eliminate long-term housing
- » High densities of short-term rentals have been found to increase long-term rental prices by up to 7%
- » Short-term rentals cause nuisance and higher traffic volumes in residential areas
- » Negative short-term rental impacts can be effectively managed through regulations

# **OPTIONS**

The following program and policy options were identified in case study research on other U.S. gateway and resort communities that are dealing with similar affordable housing struggles.

**DEED  
RESTRICTIONS**

**ADU  
RESTRICTIONS**

**SHORT-TERM  
RENTAL OVERLAY  
ZONES**

**DOWNPAYMENT  
ASSISTANCE  
PROGRAMS**

**SHORT-TERM  
RENTAL  
CONVERSIONS**

# RECOMMENDATIONS

The following recommendations are based off existing conditions including housing data, short-term rental numbers, existing policies, and community capacity. Case studies and academic research informed current best practices and successful programs and policies implemented from other gateway and resort communities. These recommendations are intended to build off of existing policies and programs already in place in Teton Valley communities. Capacity and funding were carefully considered in the creation of these recommendation. The creation of a cross-boundary affordable housing task force is highly recommended to create strong and cohesive leadership along with creative problem solving. With the approval of both local governments and residents, it is anticipated that these recommendations will aid in alleviating affordable housing challenges in Teton Valley.

	Added STR Regulations	Deed Restrictions	STR Conversions	ADU Restrictions	Overlay Districts	Down Payment Assistance
<b>Teton County, WY</b>				<b>X</b>		
<b>Jackson</b>			<b>X</b>			
<b>Teton County, ID</b>	<b>X</b>	<b>X</b>			<b>X</b>	<b>X</b>
<b>Tetonia</b>	<b>X</b>				<b>X</b>	
<b>Driggs</b>				<b>X</b>	<b>X</b>	
<b>Victor</b>	<b>X</b>				<b>X</b>	