

Teton County, ID

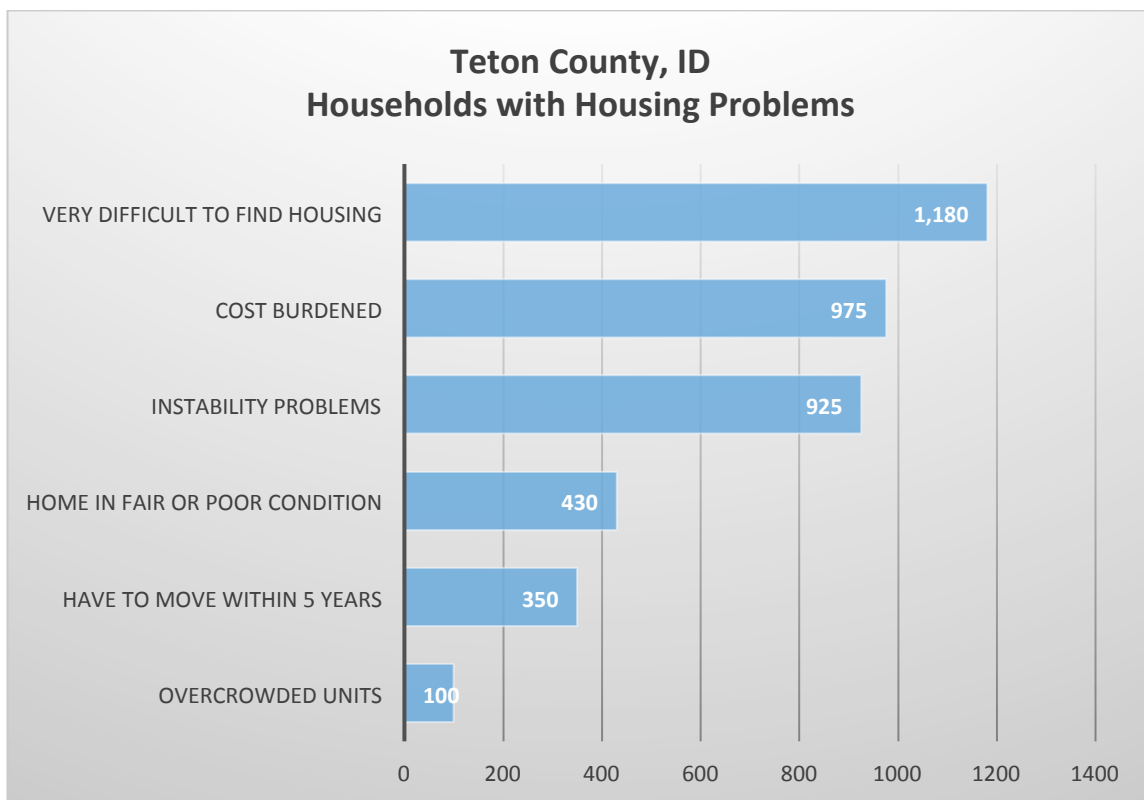
Key Findings

Housing for the workforce in Teton County, ID has recently decreased in supply, is too expensive for many households to afford, is increasing in price and has not been keeping up with growth in demand.

- Change has been the one constant in Teton County, ID during the past decade. The number of housing units doubled between 2000 and 2007 then construction almost ceased during the recession and has slowly started to pick up again. The rapid construction in the previous decade did not serve the broad spectrum of housing needs, but instead led to an increase in second home ownership.
- The rate of job growth in Teton County, ID between 2005 and 2008 was, by far, the highest in the region (nearly three times the regional average), but was also hardest hit by the recession, with a loss of about 660 jobs. Since 2010, Teton County, ID has again had the highest rate of job growth.
- Growth in housing has not kept pace with growth in jobs. Between 2010 and 2013, Teton County, ID added 503 jobs, which equates to an 11% increase. The number of housing units increased by only 53 units or 1%.
- Home prices have also been volatile, exploding upward in 2006, peaking in 2008, plummeting to a low in 2010 then slowly recovering to 2004/05 levels in 2013. Despite prices that are still much lower than peak levels, a household must earn twice the county's median income to afford a mid-priced home listed for sale.
- Vacancy rates are low – about 3%. Rents are starting to rise. No new apartment complexes have been built in the past 12 years and the rental supply is shrinking. Homes that were rented during the recession are now being sold, mostly to owner occupants, as the ownership market recovers.
- The ties between Teton County, ID and Teton County, WY are strong; 53% of employee households include an employee who works over the pass. Many of these households would rather live in Wyoming. Because of its proximity, Victor is most influenced by Teton County, WY. Home prices are \$199 per square foot compared with \$145 in Driggs. Wages paid in Teton County, WY are higher than in Teton County, ID. While this helps boost the local economy when Valley residents spend their Teton County, WY wages on goods and services and taxes near home, it also pushes rents and home prices above levels that are affordable for employees working in Teton County, ID.
- The housing boom and bust that occurred in Teton County, ID is counter to economic sustainability. Increasing the number of housing units did not result in long-term affordability since there was little diversity in the type and pricing of units built. Single family homes in rural subdivisions serve primarily middle and upper income households and second home buyers. Homes affordable for low through moderate income households have not been created through the development patterns of the last decade.

Currently, many of the county’s households have housing problems.

- Over 800 households are cost burdened by housing payments that exceed 30% of their income.
- About 925 have experienced instability – forced to move often, evictions or foreclosures, inability to cover necessities due to high housing costs.
- Approximately 1,180 found it very difficult to find housing that was affordable and met their needs when they last moved.
- Nearly 350 households indicate they plan to move because they have to within the next five years.
- Around 430 live in homes that are in fair or poor condition and in need of repair.
- About 100 households live in overcrowded conditions.



Source: 2014 Housing Survey

1. Households and Housing Units

Number of Units and Occupancies

Between 2000 and 2010, the number of housing units doubled in Teton County, ID; however, growth was not a constant during this period. There was rapid housing development in the early and middle part of the decade, but this growth was brought to a near standstill by the recession. Development is just starting to pick up again. Between 2010 and 2013, 58 new units were built, which equates to a growth rate over the three-year period of just over 1%.

Of the estimated 5,536 housing units in Teton County, ID, about two-thirds or 3,690 units are occupied by resident households, which includes owners and long-term renters. The remaining one-third are occupied for seasonal, occasional or recreation use (mostly as second homes, but some are used to house seasonal workers) or vacant. Since 2000, the relationship between primary homes and second/vacant homes has shifted more than 10 percentage points, with relatively fewer homes occupied by residents (67% resident-occupied in 2010 compared with 79% in 2000). The rapid rate of new construction before the recession disproportionately provided housing for second home owners over local residents.

**Teton County, Idaho
Housing Units by Occupancy, 1990 – 2013**

	2000	2010	2013
# of Housing Units	2,632	5,478	5,536
# Occupied Units	2,078	3,651	3,690
% Occupied	79%	67%	67%
Renter Occupied	550	1,062	1,082
Owner Occupied	1,528	2,589	2,608
Homeownership Rate	73.5%	71%	71%

Source: 2000 and 2010 Census; Census Bureau and Team estimates for 2013.

In contrast to the national trend, the homeownership rate also declined between 2000 and 2010. In 2000, nearly 74% of occupied units were owner occupied. By 2010, this rate decreased to just over 70%. This homeownership rate is still high for the region, second only to Fremont County. It is in line, however, with the level often found in “bedroom” communities where employees from a neighboring higher cost area are willing to commute to find housing they can afford to buy. This is known as the “drive until you qualify” situation. Renters tend to be less willing to commute.

Income

Housing affordability is a function both of the cost of housing and household income. When a single median income figure is referenced, it is typically income published by HUD for a family of four. The 2014 figure for Teton County, ID is \$59,400.

Median Family Income for Teton County, ID, 2014

Persons/Household	50% AMI	80% AMI	100% AMI	120% AMI
1	\$20,800	\$33,250	\$41,600	\$49,920
2	\$23,800	\$38,000	\$47,600	\$57,120
3	\$26,750	\$42,750	\$53,500	\$64,200
4	\$29,700	\$47,500	\$59,400	\$71,280
5	\$32,100	\$51,300	\$64,200	\$77,040
6	\$34,500	\$55,100	\$69,000	\$82,800

Source: US Department of Housing and Urban Development

The median income for *all households* in Teton County, ID is \$54,903, which includes both family and non-family households. This is about \$4,500 lower than the median income for a *family* of four.

Household Income Distribution, Teton County, ID

	OVERALL	Employee(s) in Households	No Employee(s) in Household
Under \$25,000	17%	14%	42%
\$25,000 - \$49,999	26%	27%	24%
\$50,000 - \$74,999	23%	25%	13%
\$75,000 - \$99,999	16%	17%	10%
\$100,000 - \$124,999	11%	11%	11%
\$125,000 - \$149,999	2%	2%	-
\$150,000 - \$174,999	3%	3%	-
\$175,000 - \$199,999	1%	1%	-
\$200,000 - \$224,999	0%	1%	-
\$1,000,000 or more	0%	0%	-
	100%	100%	100%
Average	\$62,175	\$64,726	\$40,834
Median	\$54,903	\$55,000	\$30,000

Source: 2014 Housing Survey. Note: Part time residents who are second home owners are not included in these figures

The median income of households without any employees is considerably lower than for households with employees.

When expressed as a percentage of the area median income (AMI), household size is considered in tandem with household income to determine the income category into which households fall. Overall, 16% of Teton County, ID's households have very low incomes (equal to or less than 50% AMI) and another 17% have incomes that are considered low (51% - 80% AMI).

There are clear distinctions between owners and renters in terms of income.

- Over 60% of renters have low or very low incomes.

- Only 18% of renters have incomes above 120% AMI, which makes construction of free market (unsubsidized) rental units difficult since most renters earn too little to afford rents that will cover the full cost of construction.
- About 22% of owner households have low or very low incomes.
- Over half of owners have incomes above 120% AMI.

AMI – Overall and by Own/Rent, Teton County, ID

	All Households	Owners	Renters
≤50%	16%	11%	31%
50.1% - 80%	17%	11%	31%
80.1% -120%	23%	23%	21%
>120%	44%	54%	18%
Total	100%	100%	100%

Source: 2014 Housing Survey; differences due to rounding

Another way to look at the incomes of owners and renters is to consider the mix in each AMI category. In total, 71% of households own and 29% rent; however, in the very low income category, 52% of households are owners and 48% are renters.

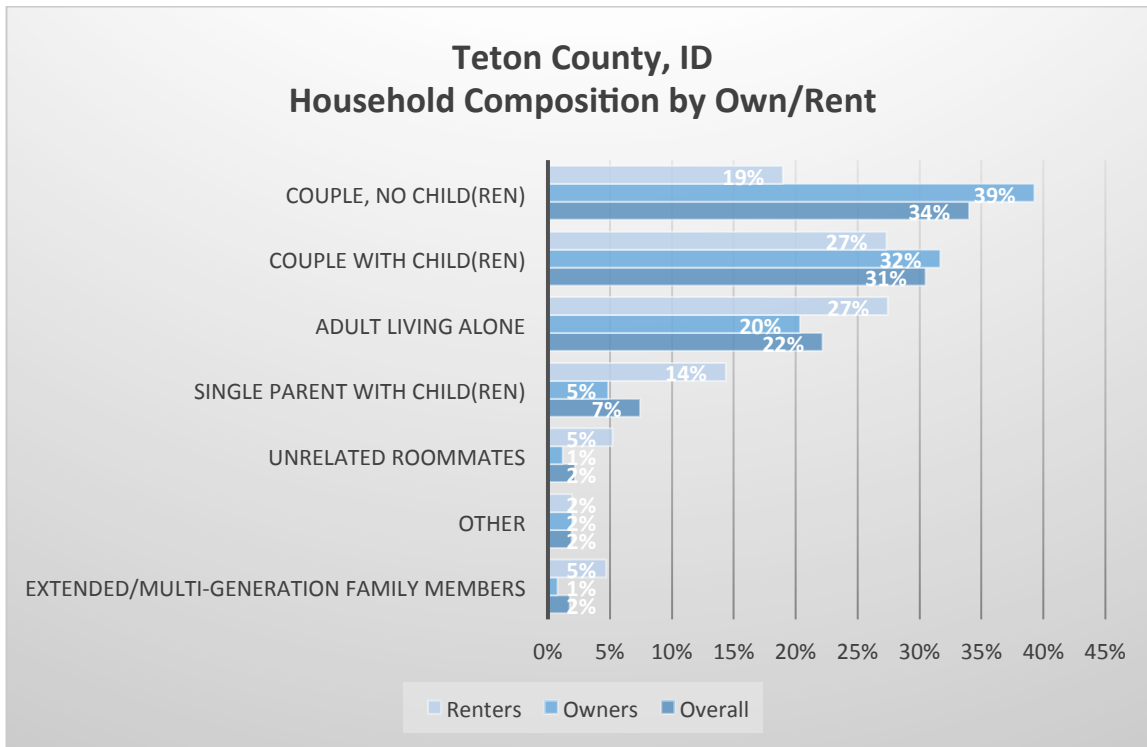
Owner and Renter Households by AMI, Teton County, ID

	All	Owners		Renters	
	Households	%	#	%	#
≤50%	623	52%	290	48%	333
50.1% - 80%	628	52%	298	48%	330
80.1% -120%	839	77%	612	23%	227
>120%	1,601	90%	1,409	10%	192
Total	3,690	71%	2,608	29%	1,082

Source: 2014 Housing Survey; differences due to rounding

Household Composition

Most of the households in Teton County, ID include couples, with or without children. Renters are more likely than owners to live alone, to be single parents living with a child(ren), to live with roommates or to be part of an extended/multi-generational family.



Source: 2014 Housing Survey Note: Caretakers are included with renters in all tabulations except those involving rent calculations.

Low income households are more likely than higher income households to have only one income, usually consisting of one person living alone or a single parent with children.

Low income households are also more likely to have at least one member age 65 or older and to have children in their home.

Household Composition by AMI, Teton County, ID

	AMI				
	Overall	≤50%	50.1% - 80%	80.1% -120%	>120%
Adult living alone	22%	26%	30%	17%	22%
Couple, no child(ren)	34%	14%	20%	36%	45%
Couple with child(ren)	31%	32%	30%	38%	27%
Single parent w/ child(ren)	7%	21%	9%	2%	2%
Unrelated roommates	2%		5%	1%	2%
Extended/multi-generation family	2%	4%	6%	1%	
Other	2%	2%		4%	2%
	100%	100%	100%	100%	100%
With Member under 18	39%	62%	48%	47%	31%
With Seniors	14%	24%	16%	8%	8%

Source: 2014 Housing Survey

Unit Type

Overall, 73% of all households and nearly half of all renters live in single-family homes or cabins. The lack of multi-family units for renters has implications for affordability since single family homes are generally the most expensive type of housing to build and maintain.

Type of Units Occupied by AMI, Teton County, ID

	Overall	Owners	Renters
Single-family house/Cabin	73%	83%	49%
Duplex or triplex	2%	1%	5%
Apartment, Townhouse or condominium	13%	3%	34%
Mobile home	9%	11%	5%
Motel	0%		1%
Tent/Camper/RV/Yurt/Truck/Van	1%	1%	1%
Other	3%	2%	4%
	100%	100%	100%

Source: 2014 Housing Survey

While nearly three-fourths of residents live in single family homes, the majority of low income households live in multi-family units or mobile homes.

Type of Units Occupied by AMI, Teton County, ID

	AMI			
	≤50%	50.1% - 80%	80.1% -120%	>120%
House/Cabin	35%	47%	78%	91%
Duplex or triplex	7%	6%		1%
Apartment/TH/Condo	31%	25%	13%	5%
Mobile home	27%	17%	4%	1%
Motel/Camping/Other*	1%	4%	5%	2%
	100%	100%	100%	91%

Source: 2014 Housing Survey

*Employee housing, basements and single rooms common among "other" responses.

Bedrooms

The majority of residents live in homes with three or more bedrooms. The majority of very low income households, however, live in smaller one- and two-bedroom units, despite having larger household sizes than higher income households.

Bedrooms Occupied by AMI, Teton County, ID

Bedrooms	Overall	AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
One	8%	8%	14%	6%	2%
Two	22%	47%	20%	21%	19%
Three	52%	39%	58%	55%	55%
Four	10%	7%	7%	6%	13%
Five+	8%		1%	13%	10%
		100%	100%	100%	91%
Average	2.9	2.5	2.6	3.0	3.1

Source: 2014 Housing Survey

Restricted/Subsidized Inventory

Teton County, ID has three income-restricted, subsidized apartment complexes, providing a combined total of 102 units. Most of the units (63) are restricted for very low income households (≤ 50% AMI) with 25 serving households with incomes up to 60% AMI. The remaining 14 are free market or on-site manager units. The 88 restricted units house 2.3% of the county's households. Affordability restrictions on 74 of the units will expire in 2040 and 2042.

Two of the properties, Fox Creek and Teton View, are family oriented. These properties offer only two and three bedroom units and are in very good condition. They were constructed in 2000 and 2002 utilizing Low Income Housing Tax Credits (LIHTC).

Teton Court is nearly 35 years old, has only one bedroom units located in a single building and was constructed with Rural Development financing. Residents pay 30% of their income for rent.

Teton County, ID Subsidized Housing Inventory

Project Name	Location	Total Units	Bedrooms			AMI			Subsidy Type
			1	2	3	≤50%	51 – 80%	Mkt.	
Fox Creek	Driggs	32		10	22	16	8	8	LIHTC
Fox Creek II	Driggs	24		20	4	12	7	5	LIHTC
Teton View Village	Victor	32		12	20	21	10	1	LIHTC
Teton Court Apts	Driggs	14	14			14			RD
Total		102	14	42	46	63	25	14	

Source: Idaho Housing and Finance Association; property manager interviews.

There are no owner-occupied housing units in Teton County, ID with restrictions that make them affordable for the workforce over time. There are no plans in the pipeline at this time for development of additional income restricted housing, either for sale or for rent.

A few free-market units are planned for construction that should be affordable for lower income households, including two or three accessory units and five mobile homes.

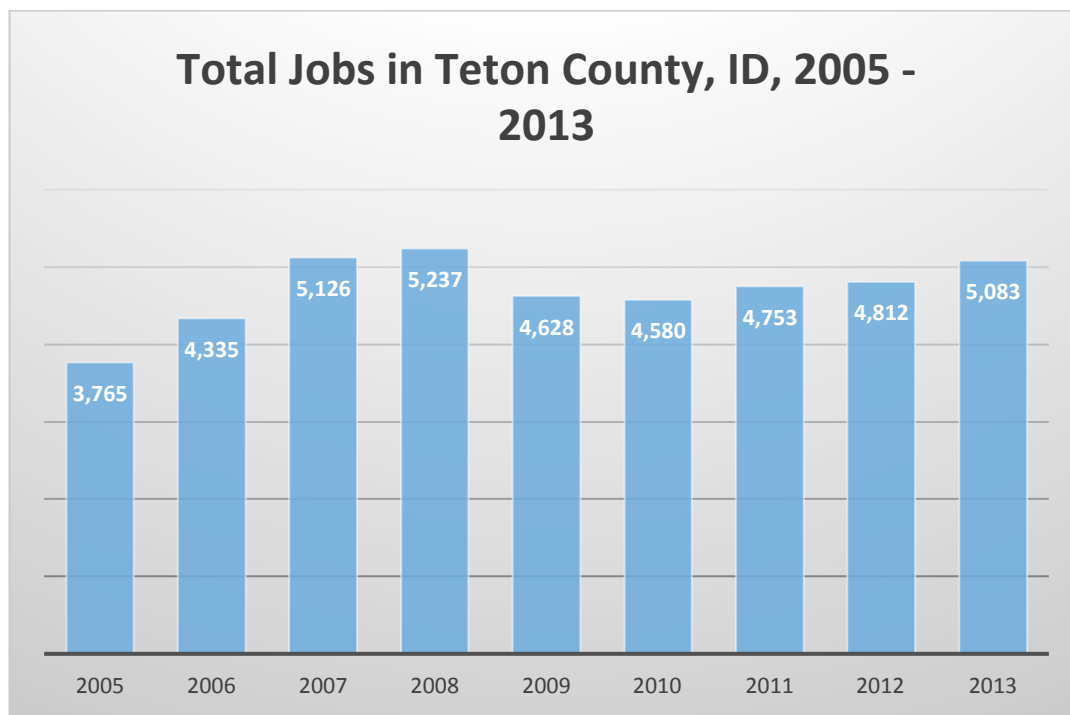
Employer Assisted Housing

Employers providing housing assistance is not widespread – only about 4% of employees surveyed receive free housing, a place to rent or down payment/mortgage assistance.

2. Economic Conditions and Trends

Number of Jobs and Rate of Growth

Approximately 5,100 full and part time jobs are now located in Teton County, ID. Employment growth was very strong from 2005 through 2008 when the number of jobs increased by over 1,470, which equated to a growth rate of nearly 40%. Over 12% of jobs (660 total) were lost between 2008 and 2010 during the recession. Since 2010, however, job growth has been steady. In the past three years, Teton County jobs have increased by 11%, the highest rate of growth in the region. Over 500 jobs have been added, returning the county's economy to nearly 2007 levels.



Source: Bureau of Economic Analysis

The county's five largest sectors produce just over 50% of the jobs in the county, which makes it somewhat diversified. No single sector dominates. While government is the largest employer, as is the case in Fremont and Madison counties, real estate development, sales and management has been a significant contributor to the economy.

Top Employment Sectors in Teton County, ID

Sector	Percent of Total Jobs	Avg. Hourly Wage
Government	13%	\$16.72
Real Estate	11%	\$11.80
Agriculture	9%	\$10.46
Construction	9%	\$17.50
Accommodations/Food Service	9%	\$6.89

Source: Bureau of Economic Analysis and Quarterly Census of Employment and Wages

Wages

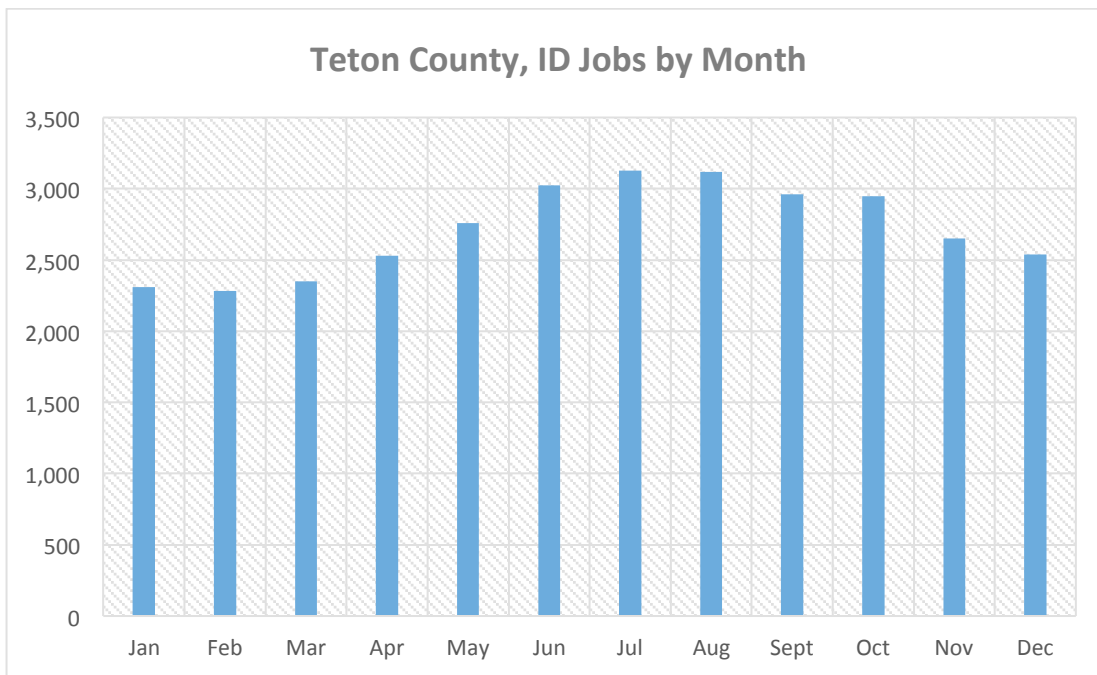
The average annual wage in 2013 in Teton County, ID was \$30,271, which equates to about \$15.14 per hour. One of Teton County, ID’s largest employment sectors, Accommodations and Food Service, pays the lowest wage (\$6.89 per hour).

Number of Jobs Held and Employees per Household

On average, there are 1.8 employees per household in Teton County, ID based on households with at least one employed member, and 1.6 employees per household for all households. Each employee, on average, holds 1.2 jobs part- and full-time combined. These figures are important when determining the impact that job-generating development has on housing demand.

Seasonality in Employment

While seasonality in employment is far less than in neighboring Teton County, WY, the number of jobs in Teton County, ID peaks during the summer months and is lowest during the winter, for about a 30% seasonal difference in jobs.

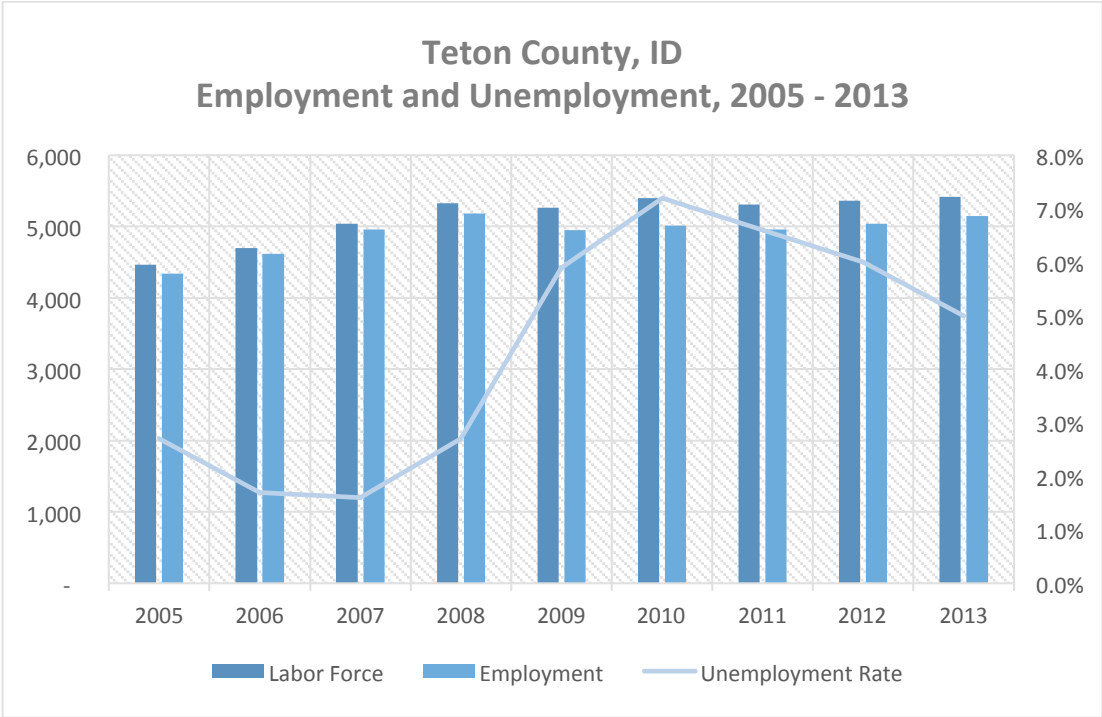


Source: Quarterly Census of Employment and Wages (QCEW); note: sole proprietors not included in this data.

Labor Force and Unemployment

Labor force is a measurement of persons who work or are seeking work based on where the employed person lives, not where their job is located. The number of Teton County, ID residents who worked increased steadily through 2008 and, though in migration was required to meet this increase, there were more than enough jobs to employ these incoming residents and the unemployment rate dropped.

When unemployment rose during the recession, from a low of 1.6% in 2007 to a high of 7.2% in 2010, the labor force did not shrink proportionately. While some residents moved away, data show that most remained in the area. Few new employees moved into the area, however. The size of labor force remained relatively constant from 2008 through 2013. Unemployment dropped with job growth, averaging 5% in 2013, which was well below the national average.

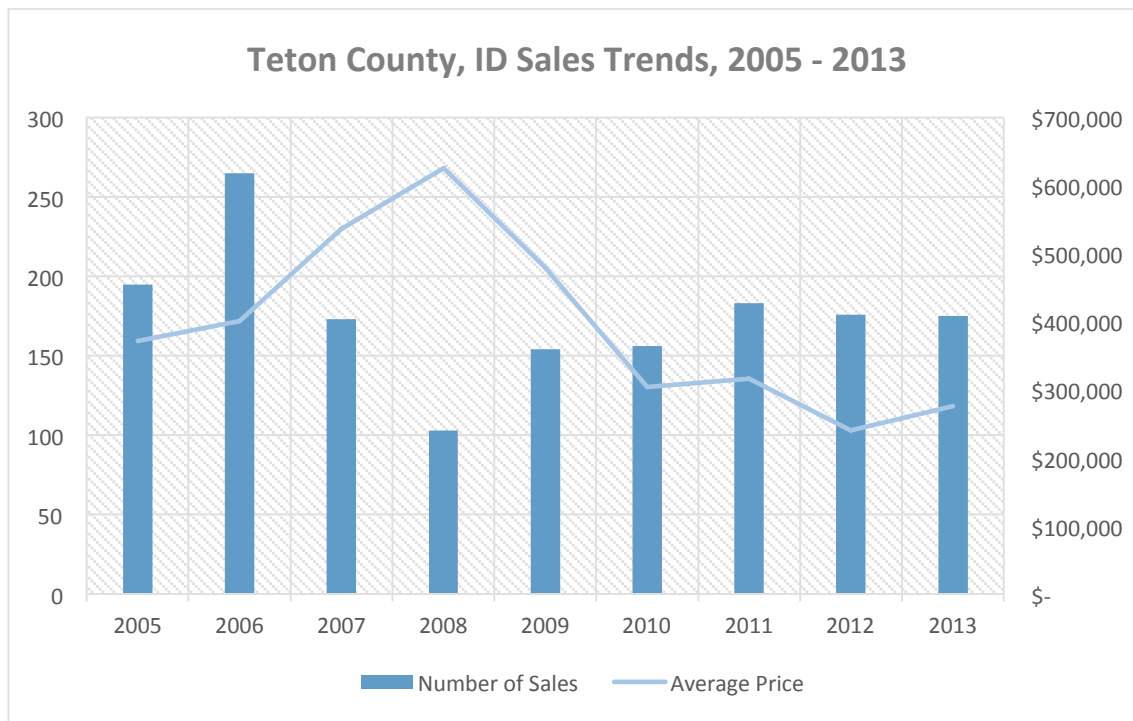


Source: LAUS, Idaho Department of Commerce

3. Ownership Market Analysis

Sales and Price Trends

The real estate market is recovering after a decline in price of around 40% to 45% during the recession, with prices for some condominiums dropping over 50%. Prices hit bottom in 2010, remained flat for a couple of years, then started to slowly rebound in 2012/mid 2013. Prices have since increased up to 20%, recovering about half of the value lost in the recession, and are now roughly comparable to prices in 2004 and 2005.



Source: Teton Board of Realtors MLS

Home prices escalated rapidly between 2006 and 2008 then dropped off sharply in 2008 through 2010. A graph of home prices in Teton County, ID illustrates the sharp rate of appreciation and decline in prices over the four-year period, looking much like the peaks of the Tetons.

The number of home sales peaked in 2006 then declined in 2007. The decrease was initially due to lack of inventory to sell rather than lack of demand. This shortage in homes available for purchase helped fuel the increase in home prices that continued through mid-2008. Demand for housing then dropped off sharply as the impacts of the world-wide recession hit Teton County, ID. As prices dropped in 2009 in response to lower demand and a rise in the number of homes listed for sale, sales increased and continued to hold relatively steady through 2013, when prices clearly reversed their trend and started upward.

Market Characteristics

Based on interviews of realtors in the area:

- First-time homebuyers were some of the first to enter the market post-recession, seeking bargains and taking advantage of the lowest prices in the area in years.
- Some buyers who had been foreclosed upon or had been involved in bank sales are beginning to re-enter the market at the expiration of FHA's three-year waiting period.
- The inventory of homes listed for sale grew during the recession as owners left the valley in search of employment or lost their homes to foreclosures. In the last year, however the number of homes listed for sale has dropped about 60%. Conditions have shifted from being a buyer's market with a large inventory of homes listed for sale to a balanced market overall with some price ranges undersupplied and some still having a sizeable number of listings.
- The supply of homes listed for sale at prices in the \$175,000 to \$200,000 range is very limited. At \$300,000, availability of homes starts to improve. Buyers who can afford \$500,000 have many choices. At the \$700,000 price point, the market is saturated and has not yet started to recover at the high end (\$1 million or more).
- The number of sales to local residents compared to second home owners is about equal, at roughly 45% each, with investors buying approximately 10% of homes sold as long-term investments. The distinction between investors and second home buyers is somewhat blurred. Buyers may rent out their units with plans to eventually occupy them part or full time. Local resident and second home owners are distinct market segments, with locals more interested in single family homes in the lower to middle price ranges that are convenient to town and commuting to Teton County, WY. Second home buyers are more interested in condominiums and townhomes convenient to recreation.
- About half of the local residents who buy have children living at home. Some are new to the area, but most have lived in Teton County, ID or a neighboring county for five or more years.
- Demand varies within Teton County. Since the majority (roughly 75%) of households now buying homes in the valley include at least one member who commutes to Jackson, many buyers will not consider properties located north of Driggs.
- When looking for a home, buyers tend to be interested in heating/energy efficiency, a garage, schools, low or no HOA dues and ability to resell or rent long term. They tend to care less about the ability to rent short term, access to public transit and living near neighbors who are also local residents. They tend to be more flexible on unit size, but firm on location and price.
- The prices of existing homes per-square-foot are generally lower than the cost of residential construction; therefore, even though there are approximately 7,000 platted vacant residential lots in the unincorporated areas and 1,600 vacant platted lots within the cities, little new construction of homes is occurring. The availability of so many lots is not addressing the need for workforce housing at most income levels.

Current Availability

A total of 192 residential units were listed for sale in early July. Of these 192 listings:

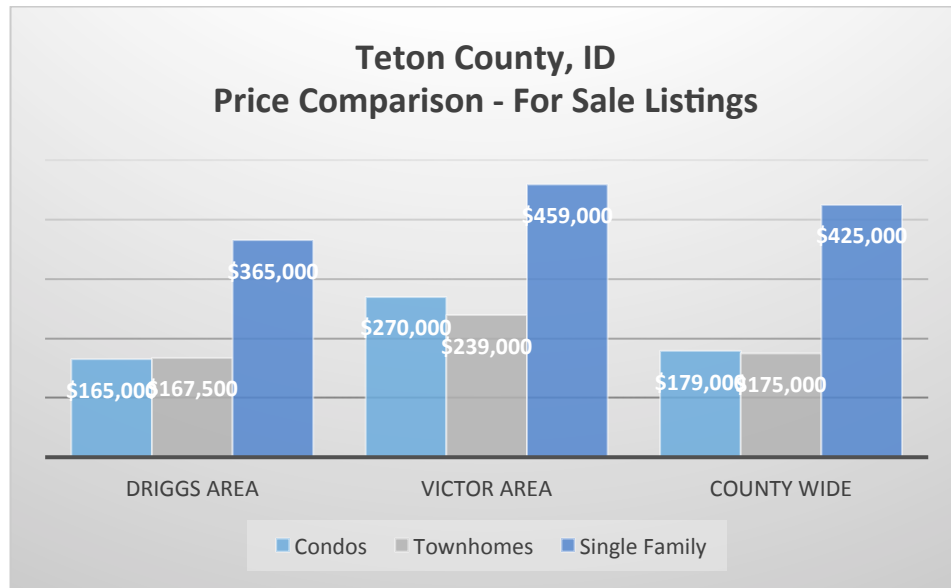
- 88% were for single family homes;
- 45% were in the Victor area;
- 25 were priced for over \$1 million;
- The overall median price was \$395,000 or \$189 per square foot.

MLS Listings by Location, Price and Unit Type, July 8, 2014, Teton County, ID

# of Listings	Driggs Area	Victor Area	Balance of County	Total Teton County
Condos	5	8		13
Townhomes	8	3		11
Single Family	45	75	48	168
Total	58	86	48	192
Median Price				
Condos	\$165,000	\$270,000		\$179,000
Townhomes	\$167,500	\$239,000		\$175,000
Single Family	\$365,000	\$459,000	\$429,500	\$425,000
Overall	\$291,750	\$427,500	\$429,500	\$395,000
Median Price/SF				
Condos	\$140	\$244		\$226
Townhomes	\$110	\$113		\$112
Single Family	\$142	\$186	\$171	\$181
Overall	\$145	\$199	\$171	\$189

Source: Teton Board of Realtors MLS; fractional ownership excluded. Note: Units listed under each community are in that general area; the MLS does not have separate area designations for within municipal limits.

The Victor area has the highest prices overall, both on a per-unit and per-square-foot basis, due primarily to its proximity to Teton County, WY. Prices in the Driggs area are approximately 40% lower than in the Victor area. The balance of county has both the lowest and highest priced homes, ranging from an 884 square foot home in the Tetonia area for \$84,900 to a 7,900 square foot home on over 8 acres in the same area for \$2.6 million.



Source: Teton Board of Realtors MLS

Affordability of Available Homes

Low income households have very few opportunities to buy a home in Teton County, ID. Only nine homes were listed for sale at prices they could afford, averaging about 1,200 square feet in size. Choice is somewhat better for moderate income households with 37 units priced in the range they could likely afford (between \$158,700 and \$238,700). Over three-fourths of the for-sale listings are listed at prices affordable for households with incomes greater than 120% AMI.

MLS Listings by AMI, Teton County, ID

	Total	AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
Maximum Price*		\$99,400	\$158,700	\$238,700	>\$238,700
Listings					
Condos	13		3	4	6
Townhomes	11		1	8	2
Single Family	168	2	3	25	138
Total	192	2	7	37	146
Percent of Total	100%	1%	4%	19%	76%

Source: Teton Board of Realtors MLS *Based on a 30 year fixed rate mortgage at 5.5% with 5% down and 20% of the monthly payment covering taxes, insurance and HOA fees.

Mortgage Financing

Most local residents obtain either FHA (3.5% down) or conventional Freddie Mac/Fannie Mae mortgages (20% down). When it remains difficult to obtain mortgage financing for condominiums, most local residents are buying single family homes. The Idaho Housing and Finance Association offers down payment programs that are occasionally utilized by buyers.

4. Rental Market Analysis

The rental market in Teton County, ID has recently rebounded after a sharp decline at the end of 2008. In the years leading up to the recession, occupancy levels were high – usually 97% to 99%. During the recession, many renters moved in with family/friends/roommates or left the region due to job losses causing vacancies to soar and occupancies to drop to a low of about 80%. Market rents declined between 10% and 30%.

Estimates indicate 1,082 housing units were renter occupied in 2013. Most of these renters occupy single family homes. No new apartment complexes have been built in the past 12 years.

In 2014 occupancy levels and rents largely returned to their pre-recession levels. The availability of long term rentals is again limited.

- Rental housing is most in demand in the southern part of the Valley. Proximity to Teton County, WY is the single most significant factor in how easy or hard is it to rent units; units north of Driggs are the most difficult to lease. Nearly half of renter households living in Teton County, ID include at least one member who works in Teton County, WY.
- Monthly rentals serve as vacation accommodations; seasonal employees (primarily fishing guides) rent units with six-month leases.
- Units renting between \$850 to \$1,000 with three bedrooms and a garage are the most sought after.
- Conversion of long term rentals into short term rentals aided by on-line vacation listings like VRBO and AIRbnb is not occurring to a measurable degree in Teton County, ID.
- The long term rental supply is being reduced, however, by the recovery of the for-sale market. Units that were investor owned are now being sold to local residents for owner occupancy. As rents rise and the ownership market continues its recovery, this trend will likely continue.

Rents

The median rent in Teton County, ID is \$675 per month and ranges from \$550 for one-bedroom units to over \$900 for four bedrooms. Households tend to pay rents that correlate to their income levels. Very low income households pay a median of \$550 while households with incomes greater than 120% AMI pay a median of \$809 per month. Maximum allowable rents are charged for all of the 102 restricted/subsidized rental units in the county.

Overall Rents, Teton County, ID

	Per Month
Overall Median Rent	\$675
Overall Average Rent	\$763
Med. Restricted Rents	\$553
Med. Mkt Rents	\$700

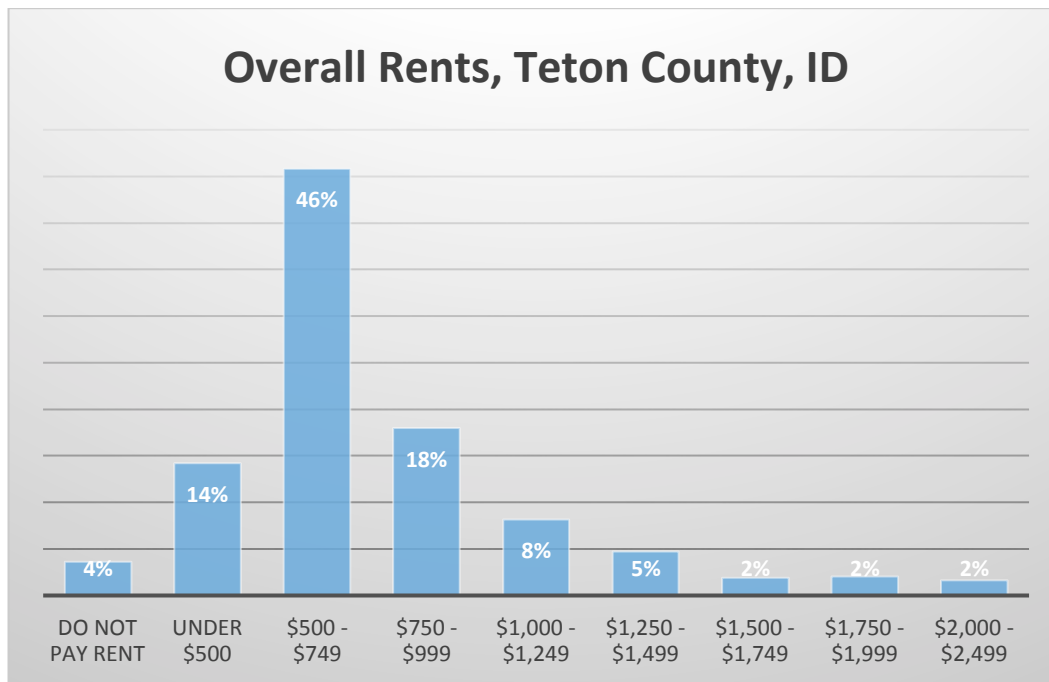
Source: 2014 Housing Survey. *Utilities not included.

Rents by Bedrooms and by AMI, Teton County, ID

Med. Rents by Bedrooms		Med. Rents by AMI	
1 BR	\$550	≤50% AMI	\$550
2 BR	\$580	51% - 80% AMI	\$767
3 BR	\$700	81%-120% AMI	\$701
4 BR	\$971	>120% AMI	\$809

Source: 2014 Housing Survey

Variety in rents is limited. Nearly half of the rental units in the valley rent for \$500 to \$750 per month.



Source: 2014 Housing Survey

Current Availability

A total of 18 units were identified as being available for rent in July through multiple sources, including:

- the two largest property management companies in the county that, combined, manage 210 long term rental units;
- managers of four apartment complexes; and
- Craigslist and newspaper classified ads.

In total, these units represent a vacancy rate of 1.7%, although it should be noted that research methods did not capture all available units (such as those posted with an on-site sign). Of these units, three were in restricted apartment projects, for a vacancy rate of 2.9% among restricted units. Seven of

the 210 units leased through property managers were vacant, for a vacancy rate of 3.3%. This indicates the overall vacancy rate is about 3%.

The median rent for units listed are about 40% higher than the rent paid for occupied units. This confirms what property managers indicated – rents are rising and higher priced units are harder to lease than lower priced units.

Rental Rates Compared - Available and Occupied Units, Teton County, ID

	# Listed For Rent	For Rent Median Mkt. Rents	Occupied Median Rents
1 BR	4	\$625	\$550
2 BR	5	\$725	\$580
3+ BR	9	\$975	\$700
Total/Median	18	\$950	\$675

Sources: 2014 Housing Survey, interviews, on-line research

The median rent for occupied units is affordable for households earning 50% AMI. To afford the median rent for units listed for rent would require 70% AMI.

5. Housing Problems

While housing costs much less in Teton County, ID than in Teton County, WY, it is unaffordable for more than 20% of the county's households, and many residents are experiencing other housing problems ranging from difficulty finding housing to a variety of physical deficiencies. Renters are more likely than owners to have housing problems.

Threats to Quality of Life

- The affordability of housing for the workforce is considered to be one of the biggest threats to the quality of life in the region with 30% considering it to be a moderate threat and 38% indicating it is a serious threat.
- The availability of housing for seniors and persons with special needs is also considered a threat by the majority of residents though to a lesser degree than housing for the workforce – 38% feel it is a moderate threat; 13% a serious threat.

Affordability

Approximately 975 households are cost burdened by housing payments that exceed 30% of the gross income of household members combined. When payments exceed 30% households have insufficient residual income to afford other necessities like food, transportation and health care. Very low income households ($\leq 50\%$ AMI) are particularly hard hit by the cost of housing in Teton County, ID – 78% are cost burdened.

Percentage of Income Spent on Housing Payment by AMI, Teton County, ID
Shading Denotes Cost Burden

% Income=Housing Pmt.	Overall	AMI			
		$\leq 50\%$	50.1% - 80%	80.1% -120%	>120%
$\leq 30\%$	74%	23%	70%	73%	94%
31% - 40%	14%	44%	10%	18%	6%
41% - 50%	6%	23%	7%	4%	
>50%	6%	11%	14%	5%	
	100%	100%	100%	100%	100%
Total Cost Burdened	26%	78%	31%	27%	6%

Source: 2014 Housing Survey

Renters are more likely than owners to pay more than 30% of their income on housing (37% compared with 21%).

Percentage of Income Spent on Housing Payment by Own/Rent, Teton County, ID
Shading Denotes Cost Burden

% Income=Housing Pmt.	Owners	Renters
30% and under	78%	63%
30.1-40%	14%	14%
40.1-50%	3%	12%
Over 50%	4%	11%
	100%	100%
Total Cost Burdened	21%	37%

Source: 2014 Housing Survey

Heat and Utilities

While lack of heat may make it impossible to live year round in some residential units in Teton County, ID, only one survey respondent indicated they do not have heat. This indicates that fewer than 10 households have no source of heat. Many use more than one type of heat. Electricity is used by about 67% of the county's households, followed by propane (54%) and wood (35%). Natural gas, which is generally one of the more affordable options for heating, is not available in the Valley. Solar is rarely used for domestic heat in the county.

With the cold climate and limited options for heat, the average cost of utilities in Teton County, ID is \$222 per month. The average varies little according to income; low income households have to spend as much as middle income residents for utilities. Renters pay only slightly less than owners on average (\$201 compared with \$226).

When the cost of utilities is added to the base rent or mortgage payment, as is often done under Federal housing programs, the percentage who are cost burdened increases to 32% of owners and 46% of renters.

Percentage of Income Spent on Housing Payment Plus Utilities by Own/Rent, Teton County, ID
Shading Denotes Cost Burden

% Income=Housing Pmt. Plus Utilities	Owners	Renters
30% and under	68%	54%
30.1-40%	15%	11%
40.1-50%	7%	6%
Over 50%	10%	29%
	100%	100%
Total Cost Burdened	32%	46%

Source: 2014 Housing Survey

Difficulty Finding Housing

Nearly one-third of residents (1,180 households) indicated that finding housing that was affordable and met their needs was very difficult when they last moved. Another 36% has a moderately difficult time finding housing. All income bands have found it difficult to find housing to roughly the same degrees. Renters, however, were more likely to find it very difficult to find housing than owners (48% compared with 27% of owners).

Difficulty Finding Housing Last Time Moved, Teton County, ID

	Overall	AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
Not Difficult	33%	49%	14%	29%	35%
Moderately Difficult	36%	19%	53%	40%	35%
Very Difficult	32%	31%	33%	32%	29%
	100%	100%	100%	100%	100%

Source: 2014 Housing Survey

Difficulty finding housing has increased over time. Very few households (16%) found it very difficult if they moved more than 10 years ago; however, of the households that have lived in their current home less than one year, 53% found it very difficult and another 39% found it moderately difficult.

Difficulty Finding Housing by Years Lived in Current Home, Teton County, ID

	Overall	Years Lived in Current Home			
		<1 year	1 to 5 years	6 to 10 years	>10 years
Not difficult	33%	8%	28%	25%	51%
Moderately difficult	36%	39%	38%	41%	32%
Very difficult	32%	53%	33%	34%	16%
	100%	100%	100%	100%	100%

Source: 2014 Housing Survey

Unable to Live Where Desired

About half of the 3,690 households now living in Teton County, ID want to live there while the other half would rather live elsewhere, primarily over the pass in Teton County, WY. There does not appear to be a relationship between income and location preferences. Location preferences do slightly vary by own/rent, however, with 47% of renters wanting to live in Teton County, ID compared with 53% of owners. This confirms a trend in areas within commuting distance of a high-cost resort community – employees are more willing to commute in order to own than to rent.

Where Residents Live Compared with Where Want to Live, Teton County, ID

Want to Live in:	Overall	AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
Teton County, ID	50%	65%	49%	55%	48%
Teton County, WY	44%	35%	19%	39%	50%
Elsewhere	6%	0%	30%	6%	2%
	100%	100%	100%	100%	100%

Source: 2014 Housing Survey

Commuting

Commuting out of the county for work is very common with 2,150 households (64% of 3,358 employee households) including at least one employee who works in another county. Of these, 1,780 households include an employee(s) who works in Teton County, WY. Commuting to the west is uncommon but does occur with approximately 135 households including a member who works in Fremont or Madison counties. Low income residents are less likely to commute, as is typically the case since low paying jobs are available where they live and they cannot afford the cost to commute.

The cost of commuting averages \$1,017 per month for Teton County, ID households with an out-of-county commuter. It exceeds the average monthly expense for housing alone. The impact is particularly acute for very low income households where the increase in the monthly payment for housing and commuting costs combined is almost three times the cost of housing alone. For higher income households, the relative increase in cost is much lower. This shows the importance of providing housing near jobs, especially for low wage employees.

The Cost of Commuting for Teton County, ID Households

Households with Employees Working in:	Overall	AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
Teton County, WY	53%	30%	22%	46%	63%
Madison County	2%	5%		2%	3%
Teton County, ID	70%	87%	89%	80%	60%
Fremont County	2%			2%	2%
Other county	7%		2%	11%	7%
Total	132%	121%	113%	140%	136%
Commute Out of County	64%	35%	24%	61%	75%
Average Commute Miles	43.6	43.6	43.6	43.6	43.6
Monthly Commute Cost	\$1,017	\$1,017	\$1,017	\$1,017	\$1,017
Monthly Rent/Mortgage Pmt.	\$1,006	\$524	\$828	\$1,031	\$1,239
Increase in Payment	101%	194%	123%	99%	82%

Source: 2014 Housing Survey. Note: Multiple response question; totals exceed 100% (households include employees who work in different counties).

Overcrowding

Approximately 100 households are overcrowded in Teton County, ID based on the standard of more than two persons per bedroom. Overcrowding is more common among very low and low income households. In the over 120% AMI category, 84% of households have less than one person per bedroom. Renter households are more likely to live in overcrowded housing than are owners (5% compared with 1%).

Overcrowding – More than Two Persons per Bedroom, Teton County, ID

Persons per Bedroom		AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
≤1-person	70%	45%	59%	75%	84%
>1 to 1.5	13%	21%	13%	15%	11%
>1.5 to 2	14%	27%	24%	9%	5%
> 2 persons	3%	7%	4%	1%	
	100%	100%	100%	100%	100%

Source: 2014 Housing Survey

Most households indicated they need fewer bedrooms than they now have. This is not the situation for low income households, however. The majority of very low income household live in one or two bedroom units, whereas most indicate they need three or more bedrooms they have larger households. The reverse is true for households with incomes greater than 120% AMI – 78% have three or more bedrooms, while only half indicate they need that many. This finding could be used to encourage free market developers to build smaller units and to allocate public subsidies to housing for larger families.

Bedrooms Now Have Compared to Needed, Teton County, ID

Bedrooms		AMI			
		Overall	≤50%	50.1% - 80%	80.1% -120%
Have					
1	8%	8%	14%	6%	2%
2	22%	47%	20%	21%	19%
3	52%	39%	58%	55%	55%
4+	18%	7%	8%	19%	23%
Average	2.9	2.5	2.6	3.0	3.1
Need					
1	17%	11%	14%	15%	21%
2	33%	36%	26%	37%	28%
3	31%	29%	41%	32%	37%
4+	19%	24%	19%	15%	14%
Average	2.6	2.7	2.7	2.5	2.5

Source: 2014 Housing Survey

Physical Deficiencies

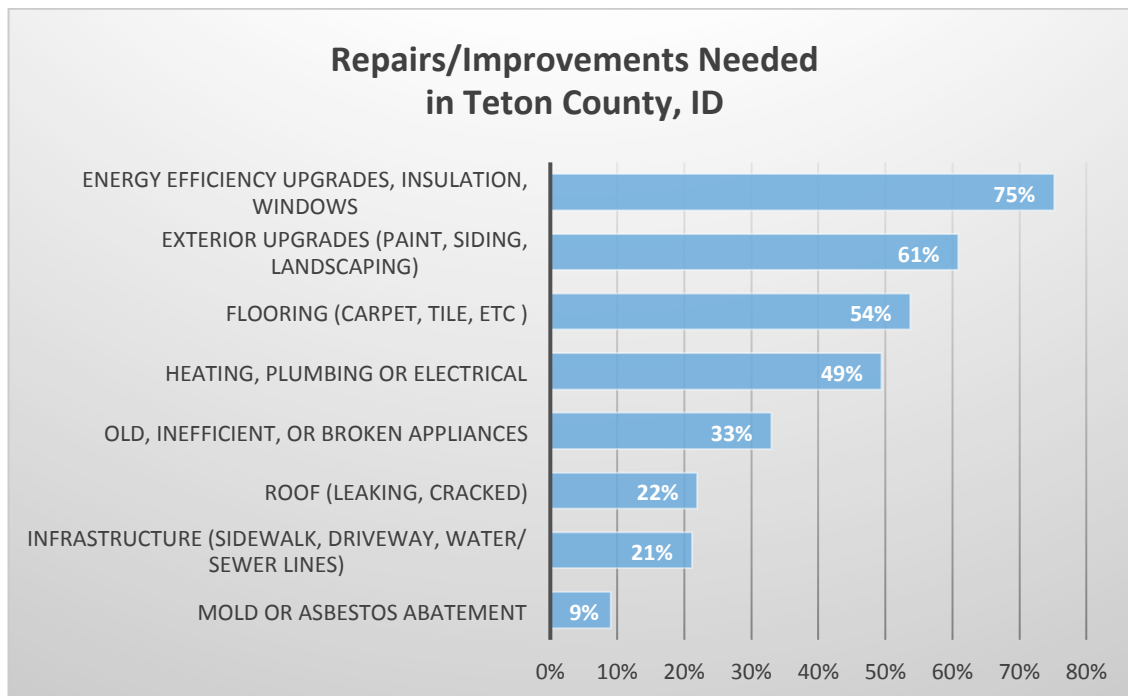
About 430 households live in homes that they consider to be in fair or poor condition. Both very low income households and households with incomes over 120% AMI are more likely to rate the condition of their housing as excellent or good. Renters are nearly three times as likely as owners to indicate their housing is in fair or poor condition (23% compared with 8%). About 25 households in Teton County, ID do not have adequate/safe running water.

General Condition of Homes, Teton County, ID

Persons per Bedroom	Overall	AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
1=Excellent	44%	41%	22%	37%	56%
2=Good	44%	53%	63%	49%	40%
3=Fair	10%	4%	15%	11%	4%
4=Poor	1%	2%		3%	
	100%	100%	100%	100%	100%

Source: 2014 Housing Survey

Many households that feel their housing is in fair or poor condition indicated that multiple types of repairs or improvements are needed. The need for energy efficiency upgrades was cited by 75% of the households with housing in fair or poor condition. Renters are less concerned about energy efficiency improvements than are owners but are more likely to need replacement of old, inefficient or broken appliances.



Source: 2014 Housing Survey. Note: Multiple response question; total exceed 100%.

Housing Instability

Overall, 25% of the county's households (approximately 810 households) have experienced a problem while living in the region that causes instability in housing. In most cases, low income households have been disproportionately impacted by these problems; however, being forced to move often has been a greater problem for households with incomes above 80% AMI. Overall, 9% or about 300 households have been evicted or gone through foreclosure, yet less than 75 households indicated they are currently late on their housing payments and facing eviction or foreclosure.

Instability Indicators Including Evictions/Foreclosures, Teton County, ID

	AMI				
	Overall	≤50%	50.1% - 80%	80.1% -120%	>120%
Experienced 1+ Problems	25%	34%	38%	27%	19%
Unable to Pay Bills	74%	76%	86%	78%	68%
Unable to Rent/Buy due to Poor Credit	23%	24%	36%	22%	10%
Forced to Move Often	18%	5%	16%	25%	25%
Eviction/Foreclosure					
Have Experienced	9%	15%	13%	7%	2%
Currently Facing	2%	3%	2%	4%	
	100%	100%	100%	100%	100%

Source: 2014 Housing Survey

Renters have more often experienced housing instability problems than owners (38% of renters compared with 20% of owners). Renters have been particularly impacted by an inability to obtain housing due to poor credit.

Forced to Move

About 1,350 households plan to move within the next five years, with 385 planning to leave the region. Most want to move but about 26% or 350 households indicated they anticipate having to move. Being forced to move is more frequently a problem for low income households. Household with incomes greater than 120% are more likely to stay in their current residences. The majority of renters indicate they plan to move within the next five years (23%) and are more than twice as likely as owners to indicate they will move because they have to.

Plans to Move, Teton County, ID

Within next 5 years...	Overall	AMI			
		≤50%	50.1% - 80%	80.1% -120%	>120%
Stay in your current residence	63%	69%	52%	53%	73%
Move into a different home within the region	26%	27%	32%	32%	20%
Leave the region	10%	4%	16%	15%	7%
Reason					
Want to	74%	75%	63%	82%	84%
Have to	26%	25%	37%	18%	16%
	100%	100%	100%	100%	100%

Source: 2014 Housing Survey

6. Housing Units Needed

This section of the report provides estimates of the demand for both rental and ownership housing.

Affordable Housing Costs

The following table provides the incomes for each AMI category with the corresponding affordable housing costs. These costs are the *maximums* for each range. Affordable purchase prices were calculated based on an interest rate of 5.5%, which is about one point higher than prevailing rates for 30-year fixed rate mortgages. Interest rates are rising however and will have a profound impact on housing affordability. A one point increase in the rate, as occurred in 2013, would drop the affordable purchase price for a household with an income of around 80% AMI by \$20,000 to \$25,000.

Maximum Affordable Rents and Maximum Purchase Prices by Income, Teton County, ID

	AMI			
	≤50%	50.1% - 80%	80.1% -120%	>120%
Max. Income*	\$26,750	\$42,750	\$64,200	>\$64,200
Max. Affordable Rent	\$670	\$1,070	\$1,610	>\$1,610
Max. Affordable Purchase Price**	\$99,400	\$158,700	\$238,700	>\$238,700

Source: HUD; Team calculations *Varies by household size; incomes for three-person households used based on average household size of 2.78 persons. The number of households at each AMI category is based on the actual size of those households and the corresponding income range.

**Assumes 30-year fixed rate mortgage at 5.5% interest with 20% of payment covering taxes, insurance and HOA fees and 5% down.

Rental Units Needed

According to an industry rule of thumb, a rental market is considered to be in balance when the vacancy rate is 6%. If the rate is 6% and trending downward, it is generally a signal that conditions are appropriate for the development of additional units. There is a significant shortage of rental units in Teton County, ID based on this standard.

To return to a balanced rental market where rents would stabilize and a sufficient number of units for movement within the market such that lower income households could potentially move into lower priced units, approximately 35 additional units are needed.

The following table shows the income targeting for the additional units now needed based on the income distribution of renter households. While the market will satisfy at least part of the demand for 13 units priced to be affordable for households with incomes over 80% AMI, public and non-profit initiatives will likely be required to provide the remaining 22 units now needed.

Rental Units Needed by AMI, Teton County, ID

	AMI			
	≤50%	50.1% - 80%	80.1% -120%	>120%
Max. Income*	\$26,750	\$42,750	\$64,200	>\$64,200
Max. Affordable Rent	\$670	\$1,070	\$1,610	>\$1,610
Renter Income Distribution	31%	31%	21%	18%
Rental Units Needed by AMI	11	11	7	6

Source: 2014 Housing Survey; Team calculations

When addressing rental demand, plans for development of ownership housing into which renters could move should be considered.

Ownership Units Needed

The majority of renters (76%) want to move within the next five years and most of them (74%) would like to move into ownership. Most owners plan to remain in the homes in which they now reside yet 18% would like to buy a different home within the region. Combined these households generate demand for 842 housing units.

Desire to Move into Owned Units, Teton County, ID

	Percent	Number
Resident Households	100%	3,690
Plan to Move within 5 years	37%	1,350
Plan to Move within the Region	26%	967
Want to Own	87%	842

Source: 2014 Housing Survey

Comparing the incomes of households that want to move to homes listed for sale shows that net demand is largest in the 81% to 120% AMI range. This is the category that most entry-level ownership housing efforts usually target. There are also gaps in the low income ranges, which usually require subsidies of some type to fill.

Ownership Housing Needed by AMI, Teton County, ID

	AMI			
	≤50%	50.1% - 80%	80.1% -120%	>120%
Max. Income*	\$38,750	\$51,150	\$93,000	>\$93,000
Max. Affordable Purchase Price**	\$99,400	\$158,700	\$238,700	>\$238,700
Income Distribution – Households Plan to Move & Own	5.6%	17.8%	36.7%	40.0%
Ownership Units Needed by AMI	47	150	309	337
For Sale Listings	2	7	37	146
Net Units Needed	45	143	272	191

Source: 2014 Housing Survey, Teton Board of Realtors MLS

There also appears to be a gap in the 120%+ income category for homes priced above \$238,700. Realtor interviews and analysis of for-sale listings suggest this gap within Teton County, ID is primarily for homes priced under \$350,000. Above this level, the market is providing a sufficient number of units

There are impediments to ownership beyond cost such as inability to qualify for mortgages, lack of down payment and inability to sell homes now owned. Also, for sale units that are affordable may not be suitable/desirable due to a variety of factors including the condition and location of the units. Finally, plans to provide homeownership housing in Teton County, WY should be monitored since 50% of households living in Teton County, ID with incomes above 120% want to live in Teton County, WY.

Unit Type Desired

Among households that plan to move within the next five years, over 90% prefer to move into a single family home. Their second choice in terms of unit type, however, shows that duplexes/townhomes are much preferred over condominiums. No respondent selected mobile homes as their first choice and these homes were selected by the lowest percentage of respondents for their second choice home.

Type of Home Desired by Households that Plan to Move, Teton County, ID

	1st Choice	2nd Choice
Single-family home	91%	24%
Apartment	3%	13%
Duplex/townhome	4%	48%
Condominium	-	10%
Other	2%	2%
Mobile home	-	4%
	100%	100%

Source: 2014 Housing Survey

7. Community Comparison

Households and Housing Units

- The cities of Driggs and Victor combined are home to just over one-third of Teton County, ID households.
- The towns have about an equal number of housing units, though Victor has about 100 more households than Driggs. This is because Driggs has relatively fewer units occupied by local residents and more vacant/second homes.
- Driggs has more senior households, similar to the county wide average, while Victor houses more employee households with members that commute to Teton County, WY. The towns have about the same percentage of households with children, slightly higher than in the rest of the county.
- Household incomes are higher in Victor than Driggs and the county as a whole, due to higher wages paid in Teton County, WY.
- Driggs has a considerably lower homeownership rate than Victor or Teton County, ID overall, in part due to the apartment complexes in the community.

Households and Housing Units, Teton County, ID and Towns

	Teton County Total	Driggs	Victor
Housing Units	5,536	875	857
Occupied Units/Households	3,690	588	686
Percent Occupied/Primary Residences	67%	67%	80%
Owner Households	2,608	302	450
Renter Households	1,082	286	236
Homeownership Rate	71%	51%	66%
Households with Member under 18	39%	41%	46%
Households with Seniors	14%	13%	8%
Average Annual Income	\$62,175	\$56,541	\$65,535
Median Annual Income	\$54,903	\$49,844	\$60,000
Households by AMI			
Very Low Income ≤50% AMI	16%	20%	15%
Low Income 51%-80% AMI	17%	22%	12%
Moderate/Middle Income 81%-120% AMI	23%	22%	22%
Middle/Upper Income >120%	44%	36%	51%
Total Low Income	33%	42%	27%

Source: 2013 Census Bureau estimates for counties; 2014 Housing Survey

Housing Costs

- Housing costs, current housing payments, rents for available units and prices for homes listed for sale are lower in Driggs than in Victor.
- To afford the median priced home, an income equal to 147% AMI would be required in Driggs compared with 215% AMI in Victor.

Housing Costs, Teton County, ID and Towns

	Teton County Total	Driggs	Victor
Average Monthly Housing Payment	\$900	\$775	\$1,100
Median Rent – Occupied Units	\$675	\$650	\$700
Median Rent – Units for Rent	\$950	\$700	\$950
AMI Required to Afford Med. For Rent	70%	52%	70%
Median List Price – Homes for Sale	\$395,000	\$291,750	\$427,500
AMI Required to Afford Med. Price	200%	147%	215%

Source: 2014 Housing Survey; Teton Board of Realtors MLS

Housing Problems

As compared to Victor and Teton County, ID as a whole, in Driggs:

- More households are cost burdened by their housing payment due in part to lower incomes.
- Overcrowding is more prevalent but only a problem in about 25 households.
- More homes are in fair or poor condition (approximately 70 homes).
- The vast majority of households (93%) include at least one member who works in Teton County, ID and only one-third have a member who commutes out of county.
- Most households would rather live in Driggs than elsewhere, though about 70 households anticipate having to move within the next five years.
- Nearly one-third of households have experienced one or more problems that lead to housing instability, the most frequent being inability to pay bills for food, utilities and medical expenses.

In Victor:

- More households (72% of employee households) have a member who commutes to Teton County, WY where wages are higher.

- It has been more difficult to find housing that meets needs and is affordable, however, due at least in part to its proximity to Teton County, WY. Residents have more frequently been forced to move often than residents of Driggs.
- The majority of households (56% or about 385 households) would rather live elsewhere, most in Jackson or Wilson.
- About 170 households spend more than 30% of their income on housing, 55 households live in homes they consider to be in fair or poor condition, and 50 plan on having to move within the next five years.

Housing Problems in Teton County, ID and Towns

	Teton County Total	Driggs	Victor
Cost Burdened Households	26%	28%	25%
Very Difficult to Find Housing	32%	24%	34%
Home Overcrowded	3%	4%	1%
Home in Fair or Poor Condition	12%	12%	8%
Want to Live in Other County	50%	41%	56%
Commuting to:			
Teton County, WY	53%	24%	72%
Madison County	2%	3%	0%
Teton County, ID	70%	93%	55%
Fremont County	2%	1%	2%
Other county	7%	5%	7%
Total Households w/ Out-of-County Employee(s)	63%	33%	82%
Will Have to Move	9%	12%	8%
Instability Problems	25%	32%	22%
Eviction/forced removal from housing	9%	12%	8%
Unable to pay bills - food, utilities, medical	74%	80%	67%
Unable to rent or buy due to poor credit	23%	27%	22%
Forced to move often	18%	13%	23%

Source: 2014 Housing Survey

8. Strategy Recommendations

In Place

Driggs

The city has two incentives for housing that targets households with incomes ranging from 80% AMI to 120% AMI:

- A 15% density bonus for affordable housing in new residential subdivisions. There is no known use of this tool by any existing residential developments in the city. The existing bonus provision contemplates that such an agreement will be negotiated by a housing authority; however, no authority is currently in place.
- Relaxation of the 75% lot coverage standards for affordable housing (among other things) in the Mixed-Use Employment (MUE) zone “at the discretion of the reviewing authority.”

Victor

The city’s Traditional Neighborhood Development (TND) Overlay permits a 20% density bonus in exchange for deed-restricted housing attainable to those at or below 120% AMI. These units are to be included in an affordable housing plan for any Planned Unit Development application that requests this bonus. Units can be ownership or rental, and mortgage/rental rates are established in the TND regulations. Affordable units are intended to be administered by a local housing authority or 501(C)(3) organization.

Teton County

A housing authority was formed in 2007 or 2008 with a board appointed by the county commissioners. A part-time employee was also hired to develop and implement a shared equity program for affordable homeownership. A \$13,000 grant from the Idaho Housing and Finance Association (IHFA) was used to initiate the program. IHFA also purchased 20 condominium units with the intent to sell them when the market sufficiently recovers with the profit to be directed toward the shared equity program. With the recession, no applications were received. The board was subsequently disbanded in 2009 or 2010.

Grand Targhee Resort

As part of its Resort Master Plan, Grand Targhee has agreed to provide affordable and employee housing in accordance with affordable and employee housing standards imposed by Teton County, Wyoming. The majority of this housing is proposed to be located in the Driggs area, with a limited number of units in Alta and the resort core in Wyoming. These units will be built commensurately with the development of the Resort Master Plan, which has yet to begin. Grand Targhee Resort will also impose a real estate transfer assessment (RETA) on residential units that have been approved but not yet built. A portion of the proceeds from this RETA were intended to support workforce housing in Teton County, ID as part of their housing mitigation plan.

Recommended

The following strategies are recommended to ensure that workforce housing is developed as a complement to community policies and aspirational values and is consistent with economic development, community character, environmental and quality of life goals.

9. *Re-Establish a Housing Authority* – An organization is needed to take the lead on housing projects and programs by providing the time and expertise needed to plan, design and implement the strategies listed below. Responsibilities could include:
 - Assisting the three towns and Teton County to enact code changes for affordable housing and to implement existing code provisions with modifications as necessary, including timing requirements for the provision of affordable units;
 - Working with economic development groups so that adequate housing is available for the workforce;
 - Serving as a resource for entry-level ownership by providing homebuyer and credit counseling and information on down payment assistance and mortgage alternatives;
 - Creating public/private partnerships for development of housing; and
 - Coordinating with other housing initiatives in the region.

10. *Encourage Accessory Units* – Provide incentives such as tap and impact fee waivers/reductions for accessory dwelling units that are deed restricted as long-term rental units. The incentives could be limited to units within towns or within a specified number of miles from one of the towns.

11. *Enact Fee Waivers or Reduction for Affordable Housing units* – Sewer and water hookup fees in Driggs and Victor represent a combined cost of nearly \$10,000, which significantly affects the costs to develop workforce housing. The elimination and/or reduction of these fees could be an effective incentive for private, non-profit and public sector developers to produce workforce housing. A deed restriction or other title instrument could be used to ensure long-term affordability in exchange for waived/reduced fees.

12. *Develop Entry Level Homeownership Opportunities* – The market is only providing a limited number of homes for sale at prices affordable for low through middle income households. Financial resources possibility including Grand Targee RETA revenues and Idaho Housing and Finance Assistance should be focused on development of units priced below \$250,000 rather than shared equity/down payment assistance since there are too few units now available at this price. Fueling demand by making more buyers potentially eligible when there is insufficient supply would result in further price escalation among lower-priced homes.

13. *Work with Habitat for Humanity* – The Idaho Falls affiliate of Habitat for Humanity received a \$1.4 million gift from the estate of an Ashton-area farm family for use in the region. While Teton County is the lowest of the four-county priorities specified by the donor, within a few years the agency should be active in the area. Habitat’s work in Teton County could potentially be expedited by efforts to engage the community and organize contributions of volunteer labor.

14. *Pursue Self Help Housing* – Funding from USDA’s Office of Rural Development should be pursued for a sweat equity approach to affordable ownership where families and their friends are responsible for much of the construction of their homes.
15. *Develop Apartments* – Rental occupancy levels and rents in combination with the needs analysis indicate additional rental units should now be developed for low income households. Low Income Housing Tax Credits are likely the best source of financing for private developers, public agencies or public/private partnerships. The project should be sized to take into consideration future job growth in addition to the number of rental units now needed.
16. *Adopt Model Development Code* – A code being developed for Teton County, ID through funding provided by the Western Greater Yellowstone Consortium could encourage more affordable housing through smaller lot sizes, greater flexibility for mixed uses, zones for live/work, and accessory units in light industrial areas.
17. *Create a Housing Rehabilitation/Weatherization Program* -- Efforts are needed to improve the condition of older, existing homes and to increase housing affordability by reducing utility costs. Federal funding is available for low income households. Working with utility companies, helping households obtain credits for solar and wind power, and providing technical assistance for home improvements (cost vs value received, pay back analysis, etc.) could help all income levels.
18. *Concentrate Affordable Housing in Appropriate, Sustainable Areas* – Through a combination of tools, residential development should be shifted to higher density areas within the towns to make construction and livability more affordable. Approaches include:
 - Create Transferable Development Rights (TDR’s) so that units could be shifted from rural platted but undeveloped subdivisions into developing in or near town subdivisions, a tool that probably has limited applicability;
 - *Promote Walkability* – Ability to access employment, shopping, and services through walking and biking will require less income to be directed toward transportation costs. Future workforce housing should be located in walkable areas with pedestrian friendly design of developments.
 - *Provide Access to Transit Service* – Commuting and location preference data indicate that a significant share of the population will continue to commute to Teton County, WY for work. Locating development near transit stops and increasing transit frequency/ duration will provide commute options for residents and help reduce the impact that commute costs have on housing affordability in Teton County, ID.