



**JACKSON HOLE**  
CHAMBER OF COMMERCE

5/11/2018

Members of the Town Council, County Commission and Town/County Planning Commissions,

Re: Engage 2018 Housing Mitigation

Thank you for taking the time to share details of the new Housing Mitigation proposal. We appreciated the presentation to our Board of Directors and time spent with staff and Council. During these conversations we agree a one fit solution is probably optimistic at best and could be devastating at worst. We are grateful for this opportunity to share the feedback from our board and a variety of members, including small businesses looking to succeed in a strong, year-round economy.

To achieve increased and successful workforce housing that meets the Comprehensive Plan goals the Jackson Hole Chamber of Commerce would support a market solution instead of a government policy approach. The market needs incentives rather than penalties for successful future development. We believe businesses have been unfairly targeted as the driver of job growth and related housing/ transit stresses and to target this one sector for a solution, while ignoring other impactful factors such as job growth in government and institution (40% of new jobs in past 10 years), seasonal employment and free market house price increases will not result in the desired outcome of more workforce housing.

We believe this type of proposed mitigation policy will slow or eliminate new development and re-development causing huge burden on business lease/renters. (see Wall Street Journal Op Ed). Due to the increasing competition for rentals, rates will go up and become cost prohibitive to small business, start up and sole proprietor, the essence of our small-town economics. We are concerned that this will not only *NOT* build housing but bring smart commerce and redevelopment to a screeching halt.

We believe more smart development or redevelopment will occur if there is a reduction in mitigation rules, business owners will find a way to house their employees or else they cannot run their business. A high mitigation rate results in less restricted housing and development goes down, which is even backed up by the graphs shared by staff.

Given these concerns we request the Town Council reconsider this approach and meet with a mixed group of land owners and developers to listen to their solutions for the real-world situations they face. Our town is not beyond taking this personal level approach for wise and thoughtful solutions. Here are some ideas that have surfaced via the chamber channels:

*The Planned Mixed-Use Development Plan has been successful at numerous sites downtown (Pearl and Willow, Pearl and Jackson, Lockhart Building) and could be a tool that is still useful in a mixed tool bag approach, rather than a blanket solution of new mitigation rules.*

*Allow business to provide housing and substantial transportation mitigation using bedroom communities in this process to encourage a mix of alternatives for new developers. Working with our state representatives we have been actively encouraged to think regionally to find solutions. We have a shortage of housing, a mass transit funding problem and a workforce that is largely commuting due to a variety of factors. Let's recognize that and allow a balance of housing alternatives that reflect the real world and provide a source of funding for mass transit solutions that would be effective.*

*While new manufacturing and development is happening south of town, some employees may prefer affordable living in Alpine or further south using the improved road network connecting us. Real funding to significantly improve regional mass transit solutions would help our infrastructure challenges. Why would we force these employees to live in town and commute on already busy roads south to work?*

*We should encourage reuse of resources, there is an unfairly short period of time and consequence on the owner to find new lease options for vacant buildings. This is an extremely hard community to encourage new business, develop new interiors, get funding and be ready to open. In addition, there should be rewards/incentives for protecting historical buildings. Either extend or remove the loss of grandfathered mitigation rights after 12 months.*

*Successful small businesses that rent are very concerned that they could face costs beyond their reach due to future land sales and or redevelopment projects that require them to lose their current locations. Through no fault of their own, moving popular small business in the commercial core will become cost-prohibitive if rents increase and they face potential housing costs. These businesses would not be creating new jobs and would be unfairly subject to building workforce housing depending on where they move to. We believe there should be incentives to encourage small business to expand and succeed, as many of these are critical economic drivers and create the community character our residents value.*

*Long time Land owners fear that plans they had to redevelop tired buildings will no longer pencil. They believe that until rental rates climb significantly, there will be no way to make a new project work under the proposed rules. They believe that eventually rental rates will climb enough as demand should continue to increase. As increasing demand for existing rental properties continue, rental rates will rise until a new redevelopment project will finally make economic sense. They believe this will cause a change in the mix of their renters from local small businesses to more corporate style retailers etc. that can afford the higher rent the increased demand without increased supply will create.*

*Thank you for approaching this new policy with an open mind at this stage of the process. It is such a great opportunity for us to work together. At the Chamber we have only just been able to review the proposals and understand the implications of what staff is suggesting. As you know, staff are trying to "fix" a situation that has been ineffective for 20 years, the task*

they were set was “herculean” and for that they should be applauded. Let’s not race into a result because everybody is so fixated on “finding the solution”. Let’s slow down, truly test this theory with real world examples and really make it effective for our community and business environment.

Yours sincerely,

A handwritten signature in cursive script that reads "Anna Olson". The ink is light grey and the signature is positioned below the "Yours sincerely," text.

Anna Olson  
President/CEO Jackson Hole Chamber of Commerce