



4/22/2019

Dear Town Council,

On behalf of the Chamber, I would like to add our support to the Sagebrush Apartments applicant to get this project across the finish line, so they can start construction this summer and build 90 rental housing units for local workers.

Sagebrush is a market-based solution with no public funding. The applicant has utilized LDR tools (25% density bonus, 4<sup>th</sup> story and reduced parking) created by the Town Council, and will be making one third of the units deed restricted for local workers. The project prohibits any short term rentals and will be the model going forward for long term local worker rental housing. Congratulations to all parties!

In this final stage we request you address the two issues that the developer needs resolved to access HUD insured financing. It is our understanding the two parties have worked closely to resolve earlier issues and the same mutually beneficial resolution has been presented for these, to adequately protect the Town's interests.

1. Accept a HUD Rider or subordination agreement. This makes the deed restriction subordinate to the mortgage in the event of foreclosure and is a common element associated with deed restrictions to enable financing. Sagebrush and the lender have agreed to give notice of any delinquency or default, give the Town of Jackson the option to cure any default and provide additional time for the Town to cure or become a qualified borrower to assume the mortgage (should they choose to).
2. Accept a portion of the Sagebrush land that contains the floodway. The Sagebrush parcel has a remnant irrigation ditch that is considered floodplain. This floodplain is approved to be filled to allow the parking lot to be constructed. However, HUD guidelines do not allow floodplain to be filled if a floodway exists on the property. In this case, Flat Creek is the floodway and Town is being asked to accept a donation of land that contains Flat Creek and is adjacent to Karns Meadow. Sagebrush would indemnify the Town should future flooding occur.

Yours sincerely,

Anna Olson  
President/CEO Jackson Hole Chamber of Commerce

CC Housing Director: April Norton