



TOWN COUNCIL WORKSHOP AGENDA DOCUMENTATION

PREPARATION DATE: April 14, 2016

WORKSHOP DATE: April 18, 2016

SUBMITTING DEPARTMENT: Long-Range Planning

DEPARTMENT DIRECTOR: Tyler Sinclair

PRESENTER: Tyler B. Sinclair, Regan Kohlhardt

SUBJECT: Accessory Residential Unit Land Development Regulation Amendment

PURPOSE

Council has identified allowing accessory residential units (ARUs) in all Town zones as a low-hanging-fruit opportunity for providing workforce housing in our community. Consequently, Staff has been directed to pursue an Amendment to the Land Development Regulations addressing ARUs in Town residential zones that do not currently allow these kinds of units. The purpose of this workshop is for Council to provide Staff with specific direction on the following four topics:

- 1) **Goals.** What are the goals of this Amendment? Do the goals of Council align with Staff's understanding?
- 2) **Location.** Which additional zones should permit ARUs?
- 3) **Process.** What should be the timing and level of public engagement for the drafting and adoption of this Amendment?
- 4) **Criteria, Standards, & Incentives.** What, if any, additional criteria, standards, or incentives should be pursued to define the development and use of ARUs?

BACKGROUND

Accessory Residential Units are defined in the Sect. 6.1.11.B of the LDRs as a "dwelling unit that is secondary to a principal use of the property." The LDRs further specify that the intent of ARUs as an Accessory Use is to provide workforce housing. ARUs include employee apartments, caretaker's quarters, mother-in-law suites, and guesthouses. They differ from apartments in that they must be *secondary* to a principal use on the property. Apartments, on the other hand, can be the principal use on the property.

The Town of Jackson currently allows Accessory Residential Units in 12 of its 19 zones. For nine of these zones, ARUs are permitted by right, meaning only a staff level basic use permit and building permit is required to build an ARU. For three of these zones (Office Professional, Office Professional-2, and Public/Semi-Public), ARUs are permitted with a Town Council level conditional use permit. Of the zones where ARUs are permitted, only two, Auto Urban Residential (AR-ToJ) and Residential Business (RB) are residential zones. The other six residential zones – Urban Residential (UR), Mobile Home Park (MHP-

ToJ), Neighborhood Conservation (NC-ToJ), Neighborhood Conservation 2 (NC-2), Suburban (S), and Rural (R-ToJ), – currently prohibit ARU uses. The Public Park and Open Space Zone also prohibits ARUs. Table 1 below summarizes where ARUs are currently allowed and where they are not permitted.

Table 1: ARU Use Schedule

Town Legacy Zones																					
USE CATEGORY	Complete Neighborhood Zones													Rural Area Zones	Civic Zones	Def/ Stds					
Specific Use	TS	UC	UC-2	UR	AC-ToJ	AR-ToJ	OP-ToJ	OP-2	BP-R	BP-ToJ	BC-ToJ	RE	MHP-ToJ	NC-ToJ	NC-2	S-ToJ	R-ToJ	P/SP-ToJ	P-ToJ		
Accessory Uses																					6.1.11.
Accessory Residential Unit	B	B	B	--	B	B	C	B	C	C	B	B	--	--	--	--	--	B	--		6.1.11.B.

Historically, ARUs were not permitted in these residential zones because these zones were considered traditional, single-family neighborhoods (the exceptions being the UR and MHP-ToJ zones). ARUs were not viewed as a compatible use in these neighborhoods for a variety of reasons. For one, they would increase the intensity of use on individual sites, potentially disrupting neighborhood character. For another, the idea of having ARUs in traditional family neighborhoods has had a tendency to conjure up images of problems associated with the ARU including transient renters who rarely give back to the neighborhood, a lack of adequate parking space, and storage capacity difficulties.

More recently, there has been a shift away from this notion that ARUs are not compatible with traditional, single-family neighborhoods. Various large-scale, sociological trends have contributed to this change of heart. Baby Boomers are growing older and desire to ‘age in place.’ Aging in place requires bringing family members or caretakers onto the property to provide both property maintenance and health care services. Housing has become increasingly unaffordable at a national level, and property owners have used ARUs as a way to assist with the costs of owning property. Those who cannot afford to own property find ARUs to be a desirable renting situation. Because of affordability challenges, the millennial generation has been returning home, often to live in the ARUs constructed on their parents’ properties. Finally, the diversification of neighborhoods - whether mixing local workforce with second homeowners, having a variety of different age-groups, or incorporating different socioeconomic groups - has become desirable as a way of augmenting neighborhood character and vitality.

These large-scale national trends have had an impact here in Teton County, and this shift in acceptance of ARUs in single family neighborhoods has been demonstrated. Residents have shown a demand for ARUs first by building them illegally, and secondly by seeking to have them legalized in the County in 2001. The County now allows ARUs in 12 out of 14 zones. Several of those zones are predominantly made up of traditional, single-family neighborhoods, the very neighborhoods that historically would have elected not to have ARUs.

At the local level, a particularly important reason for this shift towards more acceptance of ARUs is the need to provide workforce housing in the community. The Comprehensive Plan outlines a goal of housing 65% of the local workforce within Teton County. As evidenced by this year’s Indicator Report and past Indicator Reports, the County and the Town of Jackson are not meeting this goal, and the trend indicates that the proportion of the workforce living in the County will continue to decline. Thus, ARUs have been looked to as one way to provide additional workforce housing. Indeed, when the County pursued its Amendment in 2001, housing the local workforce was the primary motivation.

KEY TOPICS AND DISCUSSION

1. What are the goals of this Amendment?

Staff understands that the goal of this Amendment is to take advantage of a low-hanging-fruit opportunity to provide workforce housing in the Town of Jackson. In fact, the Housing Action Plan (section 5.A) identifies considering allowing ARUs in *all* Town and County zones as an important action that will work towards achieving community housing goals. It is Staff's understanding that the Amendment should be approved in the summer of 2016. Staff understands this Amendment to be a quick revision to permissible uses in specific Town zones that does not have large-scale rezoning implications.

Is Staff's interpretation of the Amendment goals correct? Are there additional goals of this Amendment as identified by Council?

2. Which areas should be included in this ARU Update Amendment Discussion?

Deciding which areas to include in this ARU LDR Amendment discussion will be one of the most important outcomes of the workshop. Throughout this amendment update process, staff will evaluate the appropriateness of allowing ARUs in specific locations according to two criteria; 1) The first is the suitability of having ARUs in that area according to the illustration and future vision of District character as described in the Comprehensive Plan (further discussed below); 2) The second is by researching and establishing criteria, standards, and incentives that will ensure the development of ARUs in certain areas is in keeping with local character.

Selecting areas to include in this ARU discussion does not necessarily mean that ARUs will ultimately be allowed in these areas. Instead, the selection of these areas is a scoping exercise that will limit Staff's research and analysis for ARU allowances. Further refinement of appropriate locations will be achieved through Staff research, public outreach, and PC and TC Public Hearings.

The suitability of the various Comprehensive Plan Districts for being included in this discussion are outlined in the paragraphs below. Please refer to the Illustration of our Vision chapter of the Comprehensive Plan to review the details of the community vision for each character district.

Commercial Areas

Council has directed Staff not to consider zones in Town that are zoned for commercial uses, all of which already permit ARUs. Thus, these zones have been eliminated from the scope of this Amendment.

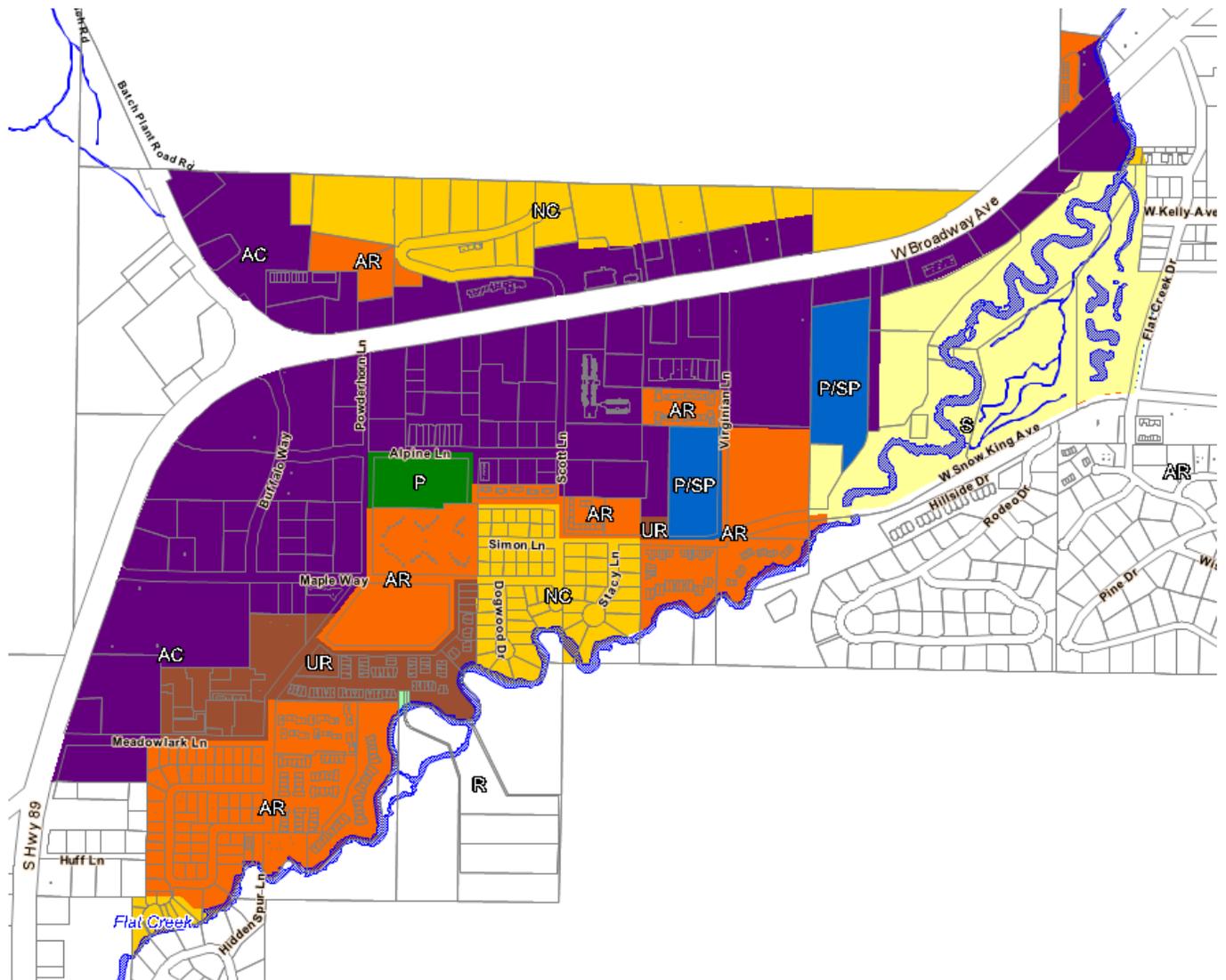
Residential Business and Auto-Urban Residential Zones

The Residential Business Zone and the Auto-Urban Residential Zone are the only residential zones where ARUs are currently allowed. Staff recommends eliminating further analysis of the RB Zone because there are very few properties that actually have this zoning.

For AR-ToJ properties, there exists some anecdotal evidence that would indicate the allowance of ARUs in this zone has not resulted in the construction of ARUs. Factually speaking, 70 ARUs have been built in the AR-ToJ zone since 2002. Regardless of whether or not the building of these 70 ARUs represents a success or not, discussion of what has worked and what has not worked in the AR-ToJ Zone is relevant for the drafting of this Amendment, and Staff will provide analysis on the success or lack of success of ARU development in the AR-ToJ Zone at the direction of Council. However, Staff recommends that any changes to the regulations in the AR-ToJ Zone be excluded from the scope of this amendment. Staff believes reopening the AR-ToJ discussion will be time-consuming and will not help achieve the Amendment goals.

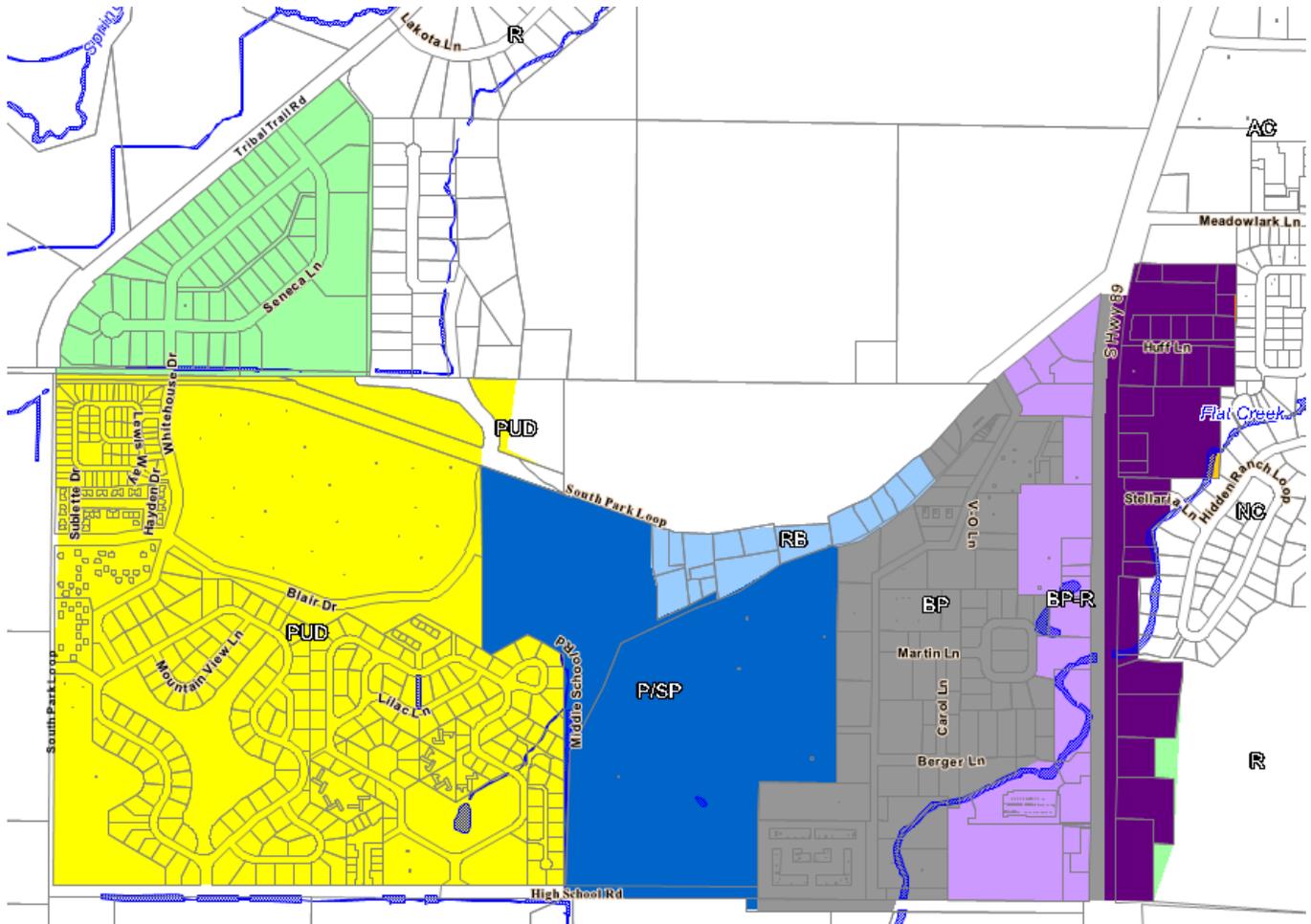
District 4 Midtown

Staff recommends the NC-ToJ zoned properties in District 4 be considered as part of this process. The majority of the properties in District 4 are zoned commercial or AR, already allowing for ARUs.



District 5 West Jackson

Staff recommends that the subdivisions of Cottonwood Park and Indian Trails possibly be considered as part of this process. Cottonwood is a Planned Unit Development, and thus the physical development on these properties is governed first by the Cottonwood PUD Covenants, Conditions, and Restrictions. Indian Trails is a unique subdivision that has PUD-like Covenants, Conditions, and Restrictions that supersede the standards in the LDRs. Council may choose to consider including these neighborhoods in the ARU discussion. However, the respective Home Owners' Associations must be consulted and given the option to adopt ARU regulations into their own Covenants, Conditions, and Restrictions. If Council believes these neighborhoods to be appropriate locations for ARUs, Staff will work with the HOAs to outline the possibilities available.



District 6 Town Periphery

Staff is seeking Council direction as to whether this largely low density single family district should be included the ARU Update Amendment discussion.

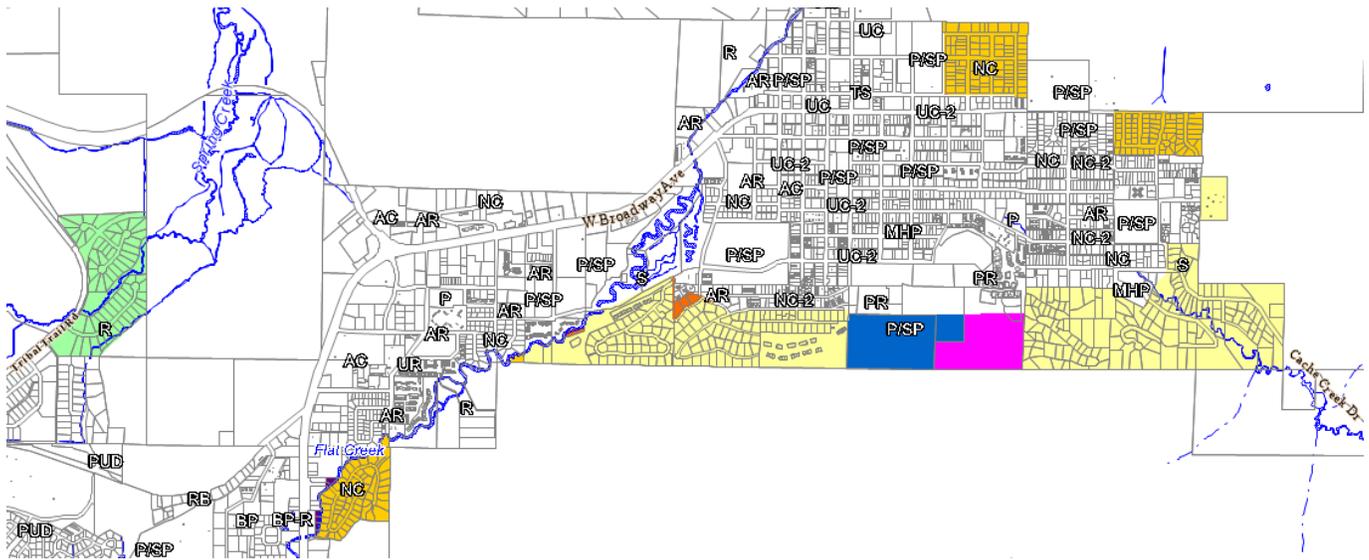
On the one hand, District 6 represents an opportunity for allowing ARUs because:

- 1) The County properties adjacent to District 6 are allowed ARUs and granting the same allowances on Town properties would be in line with neighborhood character.
- 2) District 6 consists of larger lots, which means these properties could accommodate ARUs and the parking necessary for ARUs.
- 3) District 6 has existing infrastructure which could accommodate ARUs.
- 4) The community has already demonstrated a shift towards accepting ARUs in these kinds of single family neighborhoods.
- 5) The community has identified workforce housing as a priority, and allowance of ARUs in this District would assist with achieving this goal.

On the other hand, District 6 is a less suitable area for ARUs for the following reasons:

- 1) The District highlights wildlife values and natural resources (slopes and creeks) as a priority.
- 2) The District is identified as having a low density character.
- 3) District streets are intended to have low traffic volumes.

In short, a balance needs to be struck primarily between the opportunities that District 6 could provide for accommodating ARUs and the Comprehensive Plan's prioritization of natural resources in the area.



3. Public Process

Staff proposes the following timeline and public process for the drafting and adoption of this Amendment:

- April 18th - Town Council Workshop
- May - Background information and analysis
- End of May – 2-3 Public Workshops held in different locations to capture public input
- June 17th – Amendment Drafted
- July 6th – PC Hearing
- July 18th Town Council Hearing
- July 18th through July 29th – Redrafting if necessary
- Aug 1st – Town Council First Reading
- Aug 15th – Town Council Second Reading
- Sept 6th – Town Council Adoption

The Public Workshops scheduled for the end of May will provide opportunities for the public to provide their feedback on this Amendment. Staff proposes to present the public with the zones selected by Council and ask the public to further refine appropriate locations for ARUs. Further, Staff intends to present the public with a variety of different criteria, standards, and incentives that will determine more specifically where and how ARUs will be built (see Criteria, Standards, and Incentives in the following section). The public will have an opportunity to provide feedback on the Criteria, Standards, and Incentives under consideration.

As with all processes, it is important to understand that this timeline may need to be altered in the future to reflect changes in understanding of the various inputs needed for this Amendment, including the need for additional public engagement, further research, etc.

Questions for Council regarding the Public Process include: Is this timeframe acceptable? Would Council prefer a more extensive or less extensive public engagement effort?

4. ARU Criteria, Standards, and Incentives

Criteria, standards, and incentives for ARU allowances will be used to ensure neighborhood character is not compromised by the building of ARUs. Staff plans to explore the following criteria, standards, and incentives including.

Criteria	Standards	Incentives
<ul style="list-style-type: none">• Minimum Lot Size• Double Street Frontage• Alleyway abutment• Natural resources (slopes, creeks)	<ul style="list-style-type: none">• FAR• LSR• Lot Coverage• Setbacks• Maximum number of units on property	<ul style="list-style-type: none">• Fee Waivers• Bonus FAR• Setbacks

Staff requests that Council suggest additional or different ARU criteria, standards, and incentives that should also be explored.

Part of exploring different kinds of criteria, standards, and incentives includes background research. Staff plans on carrying out research that includes best practices for ARU regulation, case studies of other communities, and analysis of our community's own successes and challenges.

ATTACHMENTS

Not applicable.

RECOMMENDATION

As the purpose of this Workshop is for Council to provide Staff with direction and feedback in terms of pursuing this ARU Amendment, Staff has incorporated recommendations throughout this report.

SUGGESTED MOTIONS

I move to direct staff to proceed with an Accessory Residential Update Amendment as presented and as directed at this meeting including the following areas:

- 1) District 3
- 2) District 4
- 3) District 5
- 4) District 6