BOUNCE FORWARD
BUILDING THRIVING, HEALTHY, & EQUITABLE COMMUNITIES
MARCH
4 & 5, 12, 19, 25 & 26
Whose Home On The Range?

Rural Housing Challenges and Strategies
Thanks to our sponsor for this session

OTTEN JOHNSON
ROBINSON NEFF + RAGONETTI PC
WHOSE HOME ON THE RANGE? RURAL HOUSING CHALLENGES AND STRATEGIES

Kurt Hibbert, M.P.A.
Community and Economic Development Director
City of Blackfoot | Blackfoot, ID

Megan McRae
Assistant to the City Manager
City Manager’s Office
Sedona, AZ

Andrew Mentzer, M.P.A.
Executive Director
West Central Mountains Economic Development Council | McCall, ID

Erik Kingston, P.C.E.D
Housing Resources Coordinator
Idaho Housing and Finance Association
Idaho Rural Partnership, Board Member
RURAL HOUSING CHALLENGES AND STRATEGIES
1. Common challenges

2. Valley co, ID  
   pop. 10,709

3. Blackfoot, ID  
   pop. 11,907

4. Sedona, AZ  
   pop. 10,322

5. Q&A
COMMON CHALLENGES

• Climate, culture impacts
• COVID-19 effects: remote vs. essential workers
• Private equity: shifting ownership & influence
• Rural is different
• Housing as social determinant of health
• Foregone spending, the multiplier effect
• All the crises: wages, housing, transit, health...
WHO ARE CITIES FOR?

A resort community without housing for essential workers is just a resort.
—Jim Lewis, former Blaine County, ID Superintendent

I’m an excellent renter and have never been in any trouble. I’m a caregiver in my mid 40s with one cat. I was forced to move from my home of 12 years in 2017 because people out of state bought the unit and wanted to cash in on the growth around here. —Michelle
REMOTE/ESSENTIAL WORK

Newly untethered workers on the move

Newly recognized essential workers
• Build housing and communities
• Keep communities supplied, operational and livable
• Care for children and elders
• Displaced by outside wealth
CLIMATE/CULTURE IMPACTS

• Cost-of-living drivers
• Political drivers
• Natural disaster drivers
• Private equity opportunism
• Remote-control residential
• Loss of diversity
Good day! I am looking for Mercedes regarding the [redacted] property. This is Ryan, do I have the right number? txt STOP if uninterested

Who do you represent?

This is Ryan and I’m an investor. I’m looking for another property or fixer upper and I like the area. I’m reaching out to owners closeby to see if interested

Would you consider an offer for the property? I buy properties in the area

Absolutely not. Stop
RURAL IS DIFFERENT

- Comp plans, codes may discourage MF/density
- Costly to build and develop (labor, trades, materials)
- Narrow tax base limits local match, infrastructure
- Traditional lenders are more cautious with rural
- ‘Affordable’ stigma, NIMBY
- Demographics, definitions (outdated federal lens)
- Homeless service barriers (isolation, information)
Community Priorities

Top Six Significant Community Priorities

1. Affordable, safe housing, and homelessness
2. Wages and job availability
3. Cost of living: e.g., housing, transportation, child care, etc.
4. Mental health and well-being and substance use
5. Access to affordable healthcare, including behavioral and dental health
6. Education, including high-quality early childhood education

The prioritized key themes are presented in rank order.

Source: United Way of Treasure Valley 2020 Community Assessment
Wages vs Housing

Priced out of the Treasure Valley: Housing prices skyrocket while wages remain stagnant

Home prices are up about 73% in Idaho over the last 5 years while wages have grown just 14% in that same time period, according to the Idaho Department of Labor.
Re-thinking subsidy

Case Study
1. Single parent commuting from Twin Falls to Ketchum daily to work as a barista.
2. Budget: 1 pre-K, 1 K-12 child
   - F/T @ $7.25/hr $1,160
   - 2bdrm rent (2/19) $1,016
   - Child care $550
   - Subtotal $1,666
   - Monthly deficit -$406

Displaced workers provide a subsidy to employers and customers by commuting long distances, compromising health and safety in order to provide service...at a price we consider affordable. — ‘Planning Behind’ thebluereview.org
Andrew Mentzer | Executive Director
wcmedc.org | 208.703.0161
Valley County, Idaho

Valley County 2019 Housing Stock

- Home Owner's Exemption/Primary Residence: 2000
- Second Home/Non-Exempt: 14000

Housing Type

# Units
SAME OLD SONG & DANCE

- Short building season
- Supply/market imbalances
- Exorbitant land costs
- Limited supply of skilled labor
- NIMBY
THE SURVEY SAYS...

• Most people are paying $1000-$1500/month in rent or a mortgage
• Most people can afford $500-$1500/month
• 64% of respondents own their homes
• Most respondents commute less than 5 miles to work
• People put a high level of importance (7.4/10) on how close their home is to their work
The Survey says...

How long do you plan to live and work in the West Central Mountains region?

Answered: 591  Skipped: 3

- Seasonally/part time
- 0-1 year, full time
- 2-5 years, full time
- 5+ years, full time
The Survey says...

Of the following, what is your housing type preference?

Answered: 589   Skipped: 5

- Single family dwelling...
- Townhouse
- Condo/Apartment
- Other (please specify)
The Survey says...

Do you feel secure in your housing situation, now and in the future?

Answered: 590    Skipped: 4

<table>
<thead>
<tr>
<th>ANSWER CHOICES</th>
<th>RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>64.07%</td>
</tr>
<tr>
<td>No</td>
<td>35.93%</td>
</tr>
</tbody>
</table>

TOTAL: 590
Solution: YIMBY

Participation VS Capacity

- **Industry Responsibility**
  - Participation: 100
  - Capacity: 100

- **Government Responsibility**
  - Participation: 50
  - Capacity: 100

- **Community Responsibility (NIMBY VS YIMBY)**
  - Participation: -50
  - Capacity: 100
SOLUTION: HOUSING CONVERSION

Property tax exemption
Public private partnerships
• Airbnb
• Vacasa
• Local property managers
• Hotels
Solution: Land Banking
Kurt Hibbert, M.P.A. | Community and Economic Development Director

Population in 2019: 12,034
Population change* since 2000: +15.5%
*www.city-data.com/city/Blackfoot-Idaho.html#b
THE WAKE-UP CALL

• Rampant Year-Round RV Living
• Degradation of Low- and Very Low-Cost Units
• Loss of Employee Base
• Outcry from Major Employers
• Broken Window Effect-Impacts
• Only 11 houses on the market/No rental availability
• THERE IS NO PLACE TO LIVE IN TOWN!
THE ONGOING CALLS

• Out-of-state retirees
• Remote workers
• Investors
• Developers and builders
THE RESPONSE...

Asked “Why is this happening in our town?”

Zoning Ordinance Audit

• Accessory Dwelling Units were “Zoned Out” (-)
• There was a “Trailer Park” provision (+)
• There was an “RV Park” provision (+)
• High density zoning was not well defined and therefore not programmed (-)
• Nothing in the ordinance encouraged High Density or gave incentives for infill projects (-)
ACTION STEPS

• Idaho’s 1st Tiny Home Ordinance (THO) (tinyurl.com/yamoeb6t)
• Legitimize Accessory Dwelling Units (ADUs)
• Rezone blighted and distressed areas to stimulate high-density housing investment
• Create new housing-friendly language in ALL zones
• Initiate long-overdue annexations
BACK TO THE FUTURE

- Tiny Homes are a part of our western history
- The shift came when Zoning Laws began requiring large homes on large lots
- Tiny Home subdivisions older developed neighb
T.H.O. GOALS

- Lower development infrastructure costs
- Help infill odd parcels not yet developed
- Create a park-like community with a close neighborhood feel
- “YES” to higher density
- Communicate expectation up front
- Education: NIMBY equates to HIGHER TAXES!
A. General: ....This section intends that tiny home subdivisions create a highly vegetated, park-like environment, where the emphasis is placed on minimalist living. This section only allows for tiny homes on permanent foundations and does not allow tiny homes on wheels (THOWs).
DESIRED T.H.O. BENEFITS

• Increase housing stock, affordability, tax revenue
• Facilitate intergenerational living, lifestyle freedom
• Attract new residents
• Support vulnerable populations
• Efficient use of underdeveloped single-family areas
Model: Sunset bay, OR
Greenspace/seclusion
SUBDIVISION BENEFITS

- Paved streets, sidewalks optional
- Non-traditional wastewater systems
- Infill properties acquired at less cost
- Engineered Road and Pathway System
- Allows a lower price point on homes
- Smaller Lots=higher density
- Potential for many homes quickly!
YES! IN MY BACKYARD

- A Home for the Hound: My Dog Rawley
- Things rarely turn out like we would like, but we can hope and keep trying!
- Blackfoot’s Tiny House Ordinance should eventually make a huge difference
ARIZONA: THE NEXT IDAHO?

• Population 10,000 +
• Three million annual visitors
• 19 square miles land area in city limits
• 11% of housing units are short-term rentals (STRs)
• 22% of housing units are vacant / second homes
SEDONA CHALLENGES

- Land scarcity with low density limits
- Real estate supply and pricing
- Short-term rentals (STRs)
- Advocates for view preservation and small town character
September 2016:

Short term rental evictions begin
May 2018:
School Closure

Sedona-Oak Creek School District to close Big Park Community School

After years of uncertainty and budget cuts, the SedonaOak Creek School District Governing Board voted to close Big Park Community School during its meeting Tuesday, May 1.

The decision came after months of deliberation in the face of a nearly $1.5 million budget deficit for the 2018-19 school year. The board has been discussing three options: A, to keep all three schools open; B, to close Big Park; and C, to close West Sedona School.

While option A left no cushion in the budget for unexpected expenses, district administration projected that options B and C both would create about $300,000 in savings.

Source: Sedona Red Rock News
Households with Children under 18

Source: American Community Survey, data.census.gov
December 2020:

Alarm on Overcampaing

Locals raise alarm on 525 overcamping
By Scott Shumaker - December 30, 2020

525 Overrun: Since the start of the COVID-19 pandemic, the federal land west of Sedona that includes the western foothills, Forest Road 525 and Bill Grey Road has seen a dramatic increase in camping and public use. This is the first in a series of stories

It’s red rock county, but without the city.

Source: Sedona Red Rock News
Sedona City Council presented 5-year plan to address affordable housing

By Ron Eland - December 22, 2020

Source: Sedona Red Rock News
Study Findings

30% increase in rent in Yavapai County from 2017 to 2019.

- 2018
  - 42.5% of Sedona households were cost-burdened for housing.
  - 22.7% of Sedona residents are spending more than 50% of their income on housing.

- 2019
  - Average housing price in Sedona: $636,444
  - Arizona average: $303,000

Units needed to meet demand > 1200 units.

Projected >1500 units in 5 years.

STR PROGRAM MANAGEMENT

- City of Sedona prohibits STRs (1995 – 2016)
- SB1350 becomes law (effective Jan 2017)
- Challenge to Sedona business license requirement
- SB1382 becomes law
- HB2672 becomes law
HB 2672 Implementation

- Passage of HB 2672
- Engagement of LODGINGRevs
- LODGINGRevs completes discovery of STRs
- Issuance of first notice of ECR requirements
- Issuance of second notice of ECR requirements
- LODGINGRevs STR hotline launch
- Issuance of third notice of ECR requirements
- Issuance of first citations for non-compliance with ECR requirements

- October 2019
- December 2019
- February 2020
- March 2020
- August 2020
- September 2020
- December 2020
- February 2021
OVER 730 STR PROPERTIES

• Over 11% of the total residential units
• Over 62% are entire single-family homes

Ownership by county GIS mailing address

- Sedona: 48%
- Arizona, not Sedona: 18%
- Out of State: 34%
CAMPING GEAR

Our Camping Gear, Your Dream Location in Sedona!

Sedona

- Tent
  - 6 guests  3 beds  0 baths

Bobbie is a Superhost
Superhosts are experienced, highly rated hosts who are committed to providing great stays for guests.

We have several tents and gear all by REI and Big Agnes, and Coleman. All of our tents are clean, well-maintained, and ready for your adventure.

$35 per night

Dates
- Check in → Checkout

Guests
- 1 guest

Book

You won't be charged yet.
TIKI HUT: Vintage RV in the heart of it all!

Sedona

- Camper/RV
  2 guests  1 bedroom  1 bed  1 bath

- Great location
  100% of recent guests gave the location a 5-star rating.

- Self check-in
  Check yourself in with the keypad.

- Eric is a Superhost
  Superhosts are experienced, highly rated hosts who are committed
TENT IN UFO ZONE

Rent a Tent - Search for UFOs in UFO sighting zone!

- Private room in tent
  - 6 guests
  - 1 bedroom
  - 1 bed
  - 0 baths

- Great location
  - 100% of recent guests gave the location a 5-star rating.

- Tara is a Superhost
  - Superhosts are experienced, highly rated hosts who are committed to providing great stays for guests.

- Great check-in experience

$32 per night

**5/5 rating**

Dates

Check-in → Checkout

Guests

1 guest

Book
SKY BUBBLE

SEDONA STARGAZING CAPSULE
WiFi  Power  Bathroom

You and the Sky in a Bubble!
Sedona

- Private room in tent
  2 guests  1 bedroom  1 bed  1 shared bath
- Great check-in experience
  95% of recent guests gave the check-in process a 5-star rating.
- Self check-in
  You can check in with the doorman.

$99 per night

Dates:
Check-in —> Checkout

Guests:
1 guest

Book
ANCIENT CLIFF DWELLING
ON THE EDGE

On The Edge, Eagle Eye, Panoramic View

- Private room in tiny house
- 3 guests, 1 bedroom, 1 bed, 1 shared bath
- Sparkling clean
  - 11 recent guests said this place was sparkling clean.
- Great check-in experience
  - 100% of recent guests gave the check-in process a 5-star rating.
- Great location

$115 per night

Book
MAKESHIFT RV PARK
NEXT STEPS IN SEDONA

• Transit Administrator hired February 2021
• Hire Housing Manager
• Explore partnership with Northern AZ Housing Solutions (NAHS)
• Proposed short-term rental legislation progress
questions?