

**MINUTES OF THE JOINT WORKSHOP FOR THE PLANNING AND ZONING COMMISSIONS OF
CITY OF COEUR D'ALENE, CITY OF HAYDEN, CITY OF POST FALLS, CITY OF RATHDRUM, CITY OF ATHOL,
AND KOOTENAI COUNTY
KOOTENAI COUNTY ADMINISTRATION BUILDING, 451 N. GOVERNMENT WAY, ROOMS 1A AND 1B
December 13, 2023
5:30 PM**

The Planning & Zoning Commissions of Coeur d'Alene, Hayden, Post Falls, and Rathdrum convened for a multijurisdictional workshop to learn about the Regional Housing & Growth Issues Partnership (RHGIP) efforts, explore possible tool kit solutions, and have an open dialogue.

The following P&Z Commission Members were in attendance:

Coeur d'Alene

Tom Messina, Chair
Jon Ingalls, Vice-Chair
Lynn Fleming
Peter Luttrupp
Sarah McCracken
Phil Ward
Mark Coppess

Hayden

Mary Howard

Post Falls

Ray Kimball
James Steffensen
Nancy Hampe
Vicky Jo Carey

Other Community Leaders Present:

Ed DePriest, Hayden Councilperson
Alan Davis, Hayden Mayor Elect
Samatha Steigleder, Post Falls City Council
Kiki Miller, Coeur d'Alene City Council
Daniel Finley, Hauser City Council
Kathy LaFortune, Latah County Commissioner, District 1

Greta Gissel, Executive Director Connect Kootenai
James Casper, Habitat for Humanity
Maggie Lyons, Panhandle Area Housing Alliance (PAHA)
Tess Reasor, HomeShare Kootenai County
Victoria O'Banion, Manufactured Home Park Task Force
Gynni Gilliam, President, CDAEDC
David Callahan, Kootenai County Community Development Director
Field Herrington, Post Falls City Attorney
Chris Gabbert, Post Falls Deputy City Attorney
Shelly Enderud, Post Falls City Administrator
Bob Seale, Post Falls Community Development Director
Jon Manley, Post Falls Planning Manager
Anna Stahl, Post Falls Planner
Troy Tymesen, Coeur d'Alene City Administrator
Randy Adams, Coeur d'Alene City Attorney
Hilary Patterson, Coeur d'Alene Planning Director
Virginia Loustalot, Coeur d'Alene Planning Technician
Donna Phillips, Hayden Community Development Director

Cendra Graham, Hayden Planner
Rory Crockett, Rathdrum Associate Planner/Code Enforcement
Dawn Eaton, Spirit Lake Deputy Clerk
Joseph Johns, Post Falls URA
Tony Berns, Ignite cda
Scott Krajack, NIBCA and Ryn Built Homes
Christina Petit, Post Falls Chamber of Commerce
Cody Riddle, Moscow Deputy City Supervisor
Jake Garringer, North Idaho Field Director, Governor Little's Office
Melissa Cleveland, Welch Comer Engineers

Citizens Present

Richard Rolland
Jan Scharnweber

WORKSHOP:

Opening Remarks/Workshop Goals: Greta Gissel from Connect Kootenai gave opening remarks to welcome the group. Introductions of all in attendance.

Chairman Messina opened the meeting for Coeur d'Alene Planning Commission.

Ms. Gissel then highlighted the goals the workshop, including:

- To provide a summary of work-to-date
- Hear presentations on specific Solutions Toolkit items,
- Learn about housing solutions currently being utilized and next steps
- Ask questions
- Have the ability to engage in dialogue with one another

Ms. Gissel explained that there are many organizations working on housing issues. Today the 100% AMI is \$93,900. Workforces housing is focused on 80% to 120% of AMI. Other programs work for lower income households.

2023 Update University of Idaho Report for Kootenai County Housing

Maggie Lyons from Panhandle Area Housing Alliance described that growth is here and will continue. All we can do is appropriately respond to the issues, which includes ensuring people can afford to live where they work. Restricting the number of houses constructed will not reduce demand and stop growth. We need to manage the change that is inevitable. There will be multiple solutions to the issues.

There is now a 2023 updated housing report completed by the University of Idaho. Ms. Lyons went over the key takeaways of the report, which included: Average home price in 2016 was \$256,000 and is \$665,000 in 2023. Only 20% of households can afford to buy a home today as compared to 75% in 2016. 44% of Kootenai County residents cannot afford average current rent of \$1,580.

Gynni Gilliam of CDAEDC explained the economic impact of lack of housing affordability which has led to 5,340 unfilled jobs which has a total economic loss of \$1.8 million.

Ms. Lyons explained that the increase of income needed to purchase a home is staggering. Need increased supply, not decrease. Building permits in the community have decreased in the past three years. She said it's absolutely possible to build homes that our community can afford.

Tool Kit Items

Panhandle Affordable Housing Alliance (PAHA) – Home Ownership Solutions for Lower to Middle Income Households

Ms. Lyons described one option is shared-equity homes, which ensure a home stays affordable every time it sells. In Community Land Trusts, only the home is sold and the land is owned by a land trust. Fee simple is where land and home are sold, but there are deed restrictions that restrict the future sale of the home. 70% of shared-equity home buyers are first time home buyers. PAHA has purchased 28 lots in Post Falls, and they hope to have 50% shared-equity homes. Ms. Lyons expressed that Councils and P&Z's will have to help because affordable housing needs density and zoning exceptions and reductions in impact fees.

Habitat for Humanity – Financing/Townhomes

James Casper explained that raw land has seen up to a 300% increase since 2019, which has forced development towards townhomes or other configurations instead of large single-family homes if affordability is a priority. People cannot afford single-family homes right now but could potentially afford a less expensive townhome.

ROC Northwest – Residential-Owned Communities & Legislative Updates

Victoria O'Banion of ROC Northwest which is a national program for "resident owned communities" which helps residents in manufactured house communities form a cooperative to purchase the land within the community. Manufactured home parks need to be preserved because the residents cannot afford anything else. Ms. O'Banion has been working on legislation that would require landowner to notify the residents of an intent to sell. This would still require the residents to form a cooperation and notify the landowner with the intent to purchase annually. Without housing for local workers, the community will die. This is a win for landowners, Idaho residents, and municipalities.

Accessory Dwelling Units – Plans for the Future

Ms. Gissel explained that accessory dwelling units are one solution for local worker housing. Now more than 25 ADU plans have been provided to Connect Kootenai for free. Past presidents of NIBCA will evaluate the plan options and select four. Ms. Gissel will work with the local municipalities to approve the plans in advance so that when people want to build an ADU there will be less of a barrier to do so. The ADU plans selected will be creative, practical, efficient, and aesthetically pleasing. ADUs can provide housing to local workers and seniors. Pathways to housing should be fair and equitable to everyone.

Efforts for Flexibility in Housing/Building Types

Jon Manley, Planning Manager for City of Post Falls explained tiny homes and Post Falls' cottage code are an alternative to traditional multifamily. Miracle at Britton (PAHA's development mentioned previously) was completed under mixed residential zoning. Post Falls has removed the minimum house size and reduced lot size. Post Falls created guiding design standards for cottage homes that include private yard requirements, green infrastructure incentives, centralized open space, rear and side loaded product, and product that fronts green spaces. Additionally, they can be placed on lots as small as 2,400 square feet. Post Falls wants to preserve the financial long-term viability of these types of developments. Post Falls currently allows for cottage homes (800-1400 square feet), but still working on

tiny homes (less than 800 square feet). Also, allows for cottage homes and ADUs. Typically, densities are 9 to 14 dwelling units per acre.

Hilary Patterson, Planning Director for City of Coeur d'Alene, explained that the City is looking into allowing twin homes in the code. This is similar to duplexes, except that each side is on its own lot with zero lot line construction. R-17 already allows for townhome/twin homes, but the other residential zones (R-8 and R-12) do not. There would need to be considerations for stormwater, roof pitches, alley-loaded lots, cul-de-sac lots and historic neighborhoods.

Homeshare Kootenai County

Tess Reazor, Executive Director of HomeShare Kootenai County, explained that HomeShare is a federally-recognized 501(c)3 and was the first in Idaho. Boise just started one, as well. This program is about helping people. This enables two or more unrelated people to share housing for their mutual benefit. Every home sharing arrangement is unique. In one year, HomeShare has assisted over 17 people with housing, while most programs of its kind take three years before their first match. Average rent is \$850 per month and includes utilities. There are currently 22 available home providers and 42 participants seeking. This program helps both the homeowner than cannot afford their mortgage and also people seeking housing that are struggling to pay rent. A lot of participants are on the verge of leaving the area if they cannot find housing.

Developer Incentives, Update from NIBCA & Shuttered Projects

Scott Krajack of Ryn Built Homes gave an update on ideas for incentives to allow for lower cost homes. He met with Kootenai County, Coeur d'Alene, Hayden, Post Falls and Rathdrum to discuss possible developer incentives. The list of available incentives for each of the jurisdictions are on the Connect Kootenai website.

Now, NIBCA is planning to develop a "shuttered projects" list. These are projects that were turned down and evaluating the project and help re-look at the project and vet if the communities would potentially allow the project to move forward if affordable housing elements were added.

Developer Driven Programs to get Local Workers into Homeownership

Kiki Miller, City of Coeur d'Alene Councilperson, explained that there are 20 different items on the toolkit page. She described next steps to include: database of approvals/denials/end results, building the support networks for prequalified buyers (mortgage lenders team), further the clearinghouse of developer programs, funding options and assistance, and housing options currently available. She explained that Coeur d'Alene Realtors Association is planning fundraising in 2024 to be able to provide \$100,000 for "silent second" mortgages to help people get into housing. This could be a game changing funding option.

Discussion and Q&A

Discussion on code changes that need to occur to be able to support local working housing. For instance, short term rental housing is an issue in Coeur d'Alene. Potentially allowing duplexes and twin homes to be allowed anywhere single-family housing is allowed.

Ms. Miller said potentially aligning codes to allow for multigenerational housing is an option to consider.

Mr. Ed DePriest, Hayden Councilperson, explained that this is a complex issue. He said a lot of people have moved here in the last few years and it has pushed long-term locals into rentals because the housing market increased so much. He said it has to be more than just facilitating more density.

Ms. Miller explained that there are toolkit options for all different types of solutions.

Mary Howard, Hayden Planning Commissioner, asked if there are options that don't open the door for investment properties, but do help the local workers. Ms. Lyon described that Miracle on Britton type developments have requirements run with the home forever, which limits investment properties.

Ms. Miller explained that a development agreement is a tool that can allow for housing to be 80% to 120% of AMI. Mr. DePriest said that he has not seen affordable housing presented at all in Hayden. Ms. Lyons indicated that Miracle on Britton is intended to be an example of how it can work and if developers could set aside some of the housing as attainable/local worker housing it could be one solution.

Ms. Lyons indicated that we need to build 18,000 homes in the next 10 years to address the housing shortage. 70% of the 18,000 need to be worker housing homes. Need roughly 1,300 local worker houses constructed per year.

Mr. Casper said that the market is currently failing at providing a home in the range people can afford. That is why there needs to be other options to bring the costs down such as deed restricted housing. The problem is much bigger. The point is, how long are we willing to allow this issue to go on before we come up with solutions?

Mr. Manley explained that part of the problem in Post Falls is that the housing stock in Post Falls is relatively new. Many people who work in Post Falls live in Spokane because the housing stock is older and costs can be lower.

Sarah McCracken, Coeur d'Alene Planning Commissioner, discussed allowing twin homes on single family home lots is a low hanging fruit that could have a real impact. Twin homes would allow for individual home ownerships rather than duplexes that are oftentimes owned by investors.

Mr. Kimball described an option that allows for a homestyle/development that would be in the market range people could afford. He described bungalow/cottage style homes on smaller lots.

Mr. Casper said that investors will be less interested in smaller homes so one way to attract the home buyer rather than the investor is to build smaller homes. Ms. O'Banion agreed and said she has a podcast that discusses that topic that she can send to anyone who wants it.

Coeur d'Alene Commissioner Peter Luttrupp motioned to adjourn the meeting and Coeur d'Alene Commissioner Lynn Fleming seconded. Chairman Messina adjourned the meeting at 7:28 PM.