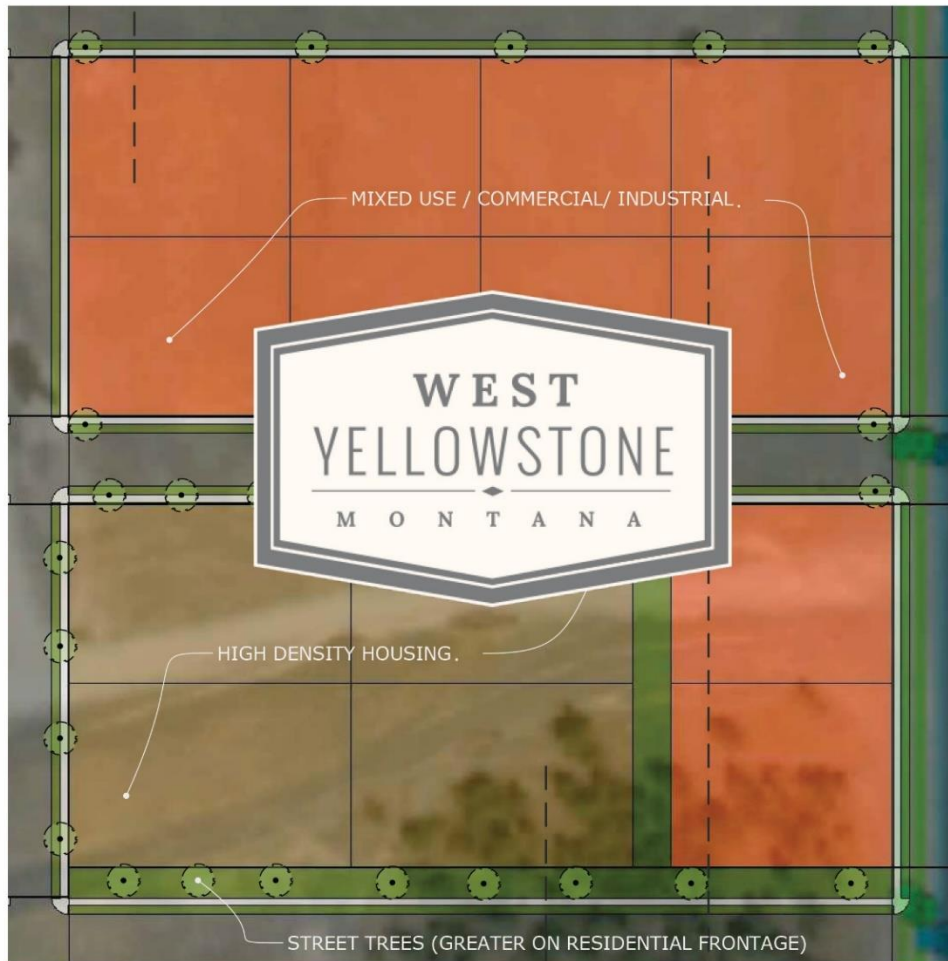




THINKTANK
DESIGN GROUP inc.

80 ACRE EXPANSION PLANNING REPORT **"Creating A Place for All"**

Prepared for the Town of West Yellowstone



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BASIS OF REPORT

This report provides an outline of the development potential of 80 acres located on the western boundary of The Town of West Yellowstone (Town). The intent of the analysis is to ensure the property reaches its greatest social, economic, and environmental potential to facilitate a high quality of life for residents and contribute to a growing economy. The guiding principles for the 80 acres study are a high priority for residential use, providing opportunities to strengthen the local economy, and the planning for the future needs to the Town.

The site plan study and use matrix included in the report illustrate high level property divisions and relationships. Development strategies include proposed zoning for housing and small scale, light manufacturing; entryway corridor beautification; relocation of City Shops; redevelopment potential along Yellowstone Avenue; and diversification of commercial development for economic expansion.

EXISTING CONDITIONS & CHALLENGES

Although the Town of West Yellowstone is a primary tourism partner with the State of Montana, the Town's boundaries were established decades ago and are constrained by the surrounding public lands of both Yellowstone National Park and the Custer-Gallatin National Forest. With these fixed boundaries, the Town is completely land locked. While most towns can annex additional land to meet expanding housing, business, and destination visitor needs, this opportunity does not exist in West Yellowstone. This affects the Town in the following adverse ways:

- Commercial growth is limited to existing structures or the demolition and construction of new buildings.
- The Town's manufacturing sector is almost non-existent due to unavailable lands, and the shipping and transportation costs of raw materials and finished products.
- Because of the limited supply of affordable buildable property, land and housing costs are high, especially when considering household incomes. As of 2015, the median household income in West Yellowstone was 20% lower than in Montana and 39% lower than in Gallatin County.
- The lack of available affordable housing is a significant issue for West Yellowstone's seasonal summer workforce. Businesses are heavily reliant on a seasonal workforce, yet potential employees coming to work during the summer season are challenged to find rental housing. In some instances, employees are forced to live in campgrounds or camp illegally in nearby national forest land. (NRMEDD WY report, 2017)

MAXIMIZING DEVELOPMENT POTENTIAL: HIGHEST & BEST USE

In determining the highest and best use of the property, guiding principles were established from the Town's 2017 Growth Policy, as well as community input collected through a series of public meetings conducted by Land Solutions in 2016 / 2017 and a focus group discussion of business and community leaders conducted by Northern Rocky Mountain Economic Development District in December 2016. The

community driven goals which will support a high quality of life for residents are distilled into prioritizing residential use on the 80 acres, providing opportunities for strengthening a local, year-round economy, beautification, and planning for the future needs of the Town.



Prioritize Residential Use on 80 Acres

High Density Housing R-3: A solution to meet affordability demands, promote a range of housing choices, and preserve neighborhood livability.

In the R3 High Density Residential zone, multi-family residential units are appropriate and encouraged to create a denser urban form than the other residential zones. The zone also allows other housing options, such as multiple dwelling houses and single dwelling houses, and is generally applied to land surrounding centers where residents can readily access services.

Medium Density Housing R-4: A second strategy for providing workforce housing & market rate options.

The residential uses allowed in this district are very supportive of the goals of creating more affordable housing options. These range from town house style homes, manufactured homes (on permanent foundations), inclusion of accessory dwelling units and apartments all of which often can be more affordable options for the community. The limited supportive commercial uses listed as permitted for this district include Day cares and home-based businesses with less than 2 employees. The district also provides for some unique conditional commercial uses such as grocery stores, medical / dental offices, and restaurants.

Open Space / Green Space: Creating recreational opportunities near medium and high-density housing.

Open space provides recreational areas for residents and helps to enhance the beauty and environmental quality of neighborhoods. The development scenarios provided in this report include street trees on all frontages with greater tree density on residential streets. A neighborhood public park within the 80-acre development will provide open space near the medium and high-density housing. In addition to the 80 acres development, boulevard trees and landscaping along the Town's entrance on Highway 80 will add to the urban forest inventory.



Provide Opportunities for Strengthening the Local Economy

Mixed Use Industrial on 80 acres allows for light, low impact industrial that can accommodate housing on second and subsequent floors.

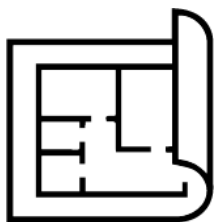
Zoning land for mixed use commercial / residential projects can provide a cluster of commercial uses and create a "town center" atmosphere for both new and old residents. Small-scale light manufacturing businesses that export



products and services on a regional and national level will bring more money into the community and state of Montana. This business diversification strategy can stabilize the economy during times of recession. The zoning recommended within this report (page 17) will provide for these opportunities in a targeted live / work area located on the northern end of the 80-acre expansion, along highway 80. To ensure the success of the new commercial development zone, we recommended that The Town of West Yellowstone, Northern Rocky Mountain Economic Development District, or other economic development partner employ a targeted businesses recruitment strategy to attract new businesses providing niche produces and specialized services concurrent with phased development.

Entryway Commercial That Highlights Town Sprit & Character.

The Town of West Yellowstone plays host to nearly two million destination visitors a year as a major gateway to Yellowstone National Park. This is a both a unique responsibility and an opportunity. By strategically developing an Entryway Corridor on the 80 acres bordering Highway 20, The Town can establish itself as both a world class adventure destination and a strong community with schools, parks, local citizens, and a charm that is worth stopping for. Design guidelines should emphasize creating a of sense of place by highlight the spirit and character with archways announcing arrival, way-finding signage, landscaping with boulevard trees, and public art. Commercial activity along the Town’s gateway should focus on beautification, cohesive architectural design, and public gathering spaces for locals and visitors.



Plan for the Future Needs of the Town of West Yellowstone

A portion of the 80 acres can be held by the Town to address future needs including public lands and institutions, city services, other municipal infrastructure, and open space / parks. Interviews with the West Yellowstone School Superintendent identified a potential need for a K5 school expansion which would require approximately 2 acres of property. Relocation of City Shops to the 80 acres is also consideration to open prime Yellowstone Avenue real estate for redevelopment.

SITE PLAN STUDY AND USE MATRIX: ADDRESSING COMMUNITY GOALS

To adequately address the communities’ stated goals, the following high-level Site Plans prioritize residential development with a cohesive mix of densities ranging from low to high. Mixed-use zoning allows for the development a year-round, light manufacturing industry while also increasing housing options. Tree lined streets seamlessly connect the 80 acres to the existing town street grid and residents



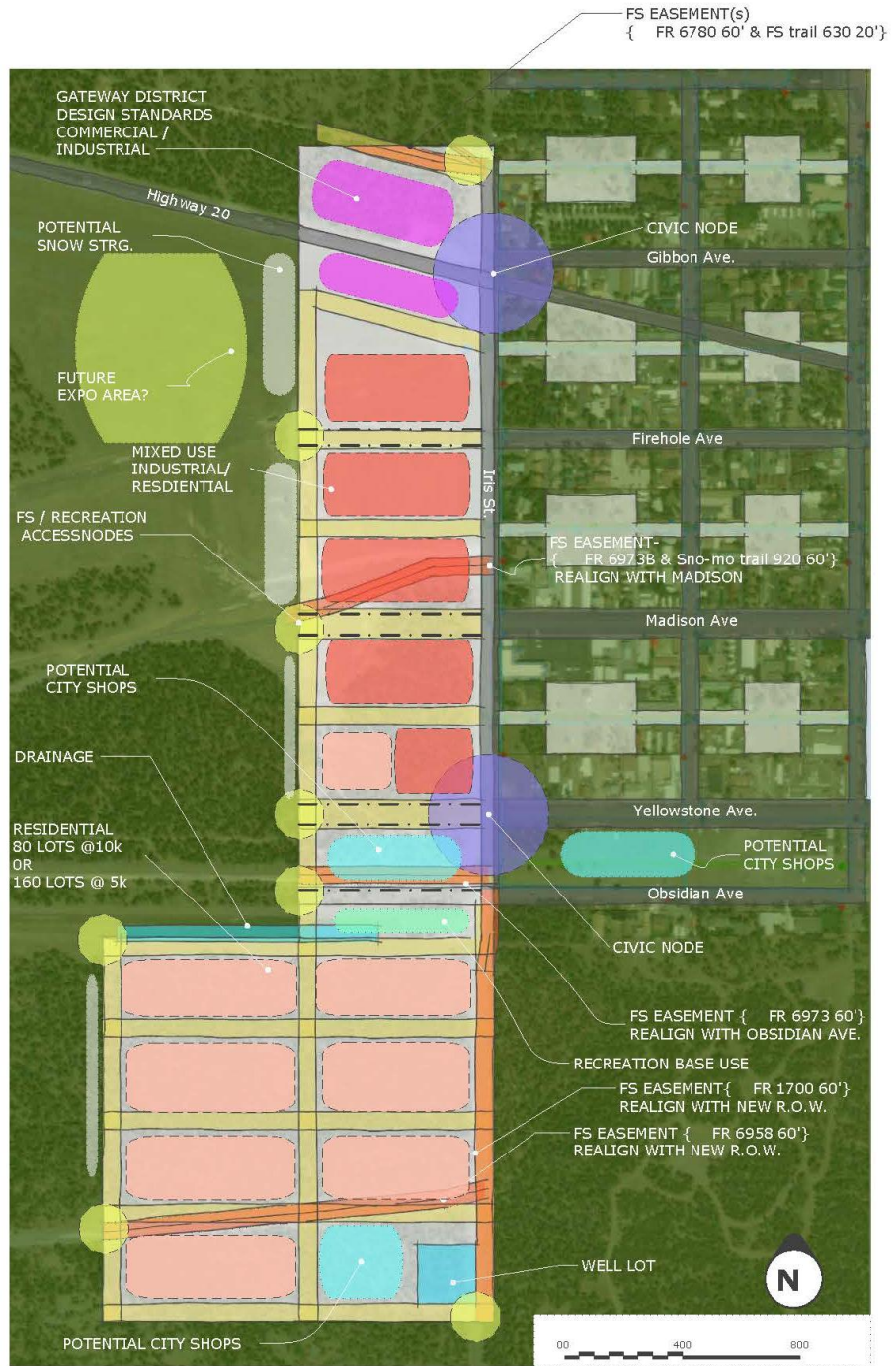
share access to a centrally located community park. Lastly, a few designated areas have been set aside for the Town’s future needs and entryway parking.

Initial Site Analysis Study (July 2018)

To the right is the initial study for evaluating needs; roads, parking, and open space planning; civic nodes with key intersections and entryways that connect back to existing community; a first look of zoning; and initial sites for relocation of the City Shops.

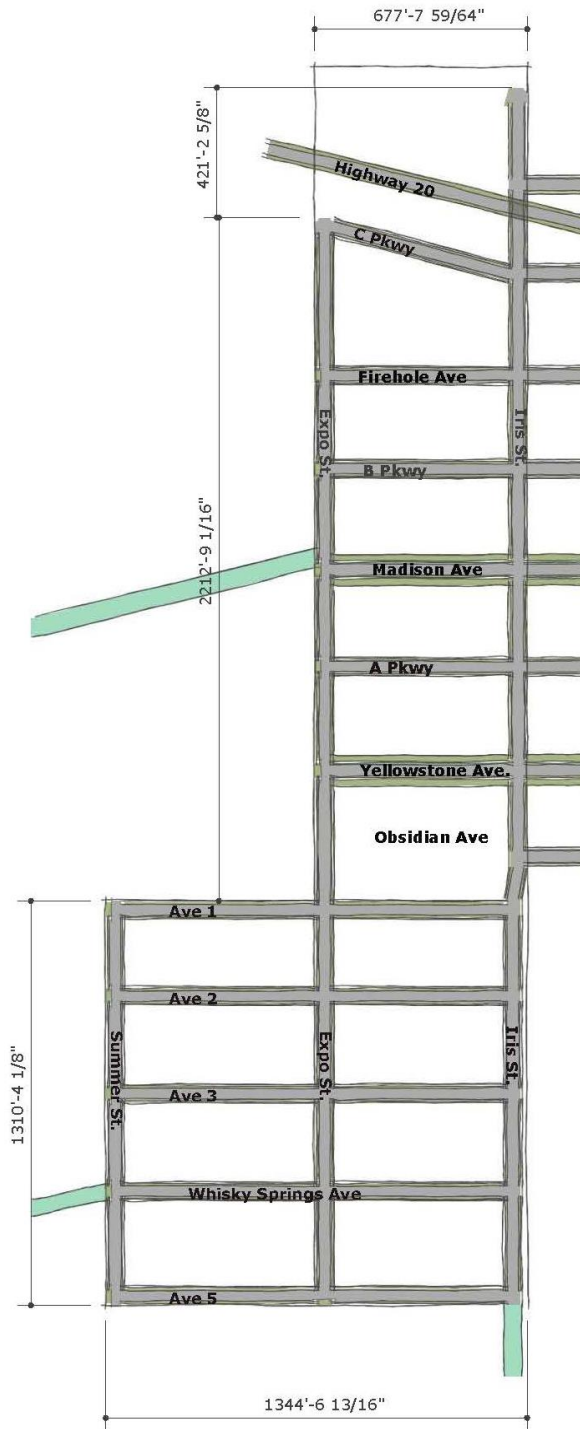
Existing Forest Service easements and areas to work with the Forest Service on relocating easements and providing access have been identified on this initial site plan.

Gestures toward drainage and snow removal are included in the initial site plan, however, a full engineering analysis is needed to assess the size, scale, and function of snow removal and drainage ways, which is beyond the scope of this report.



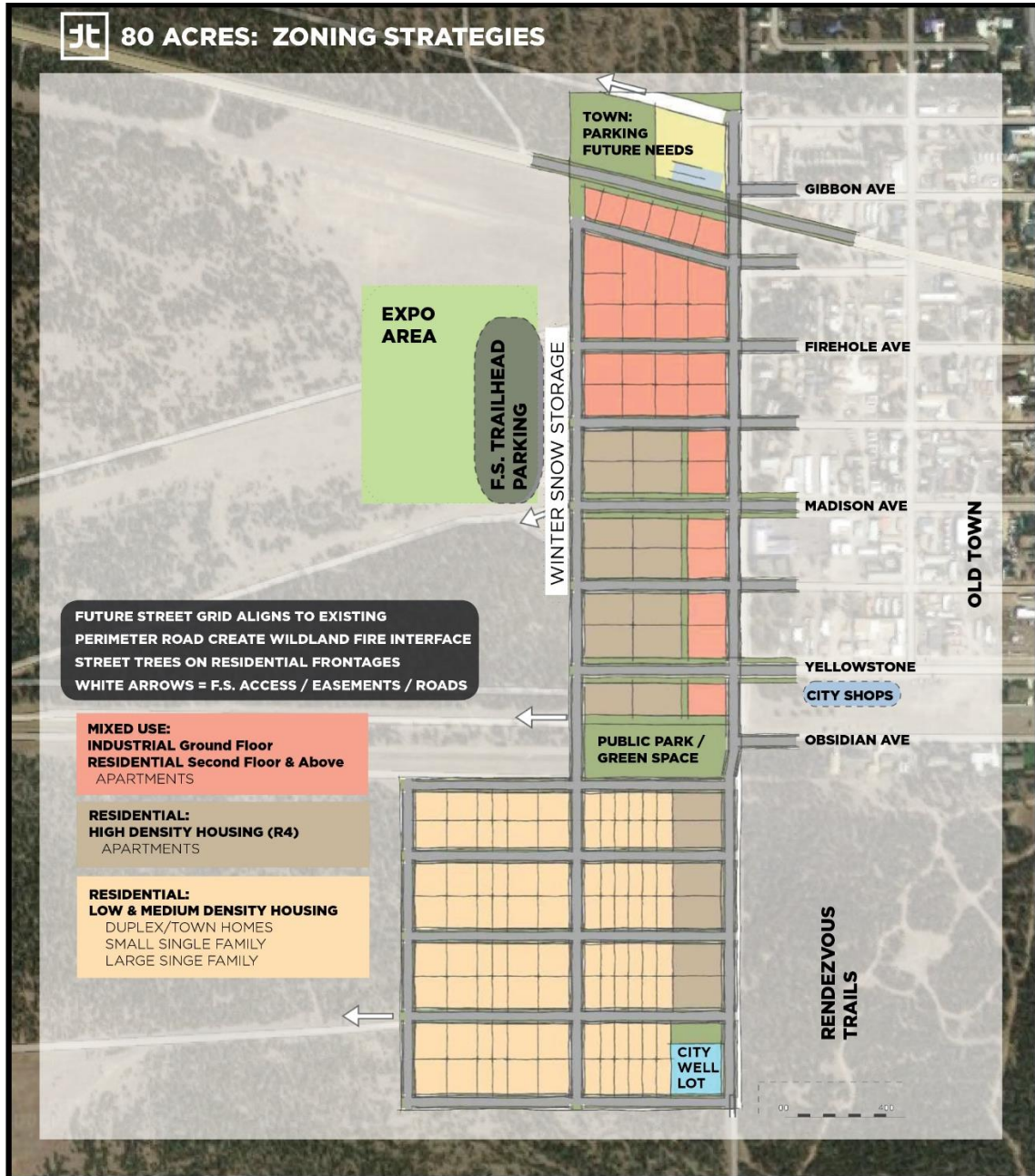


Initial Site Analysis Study: Street Connectivity (July 2018)



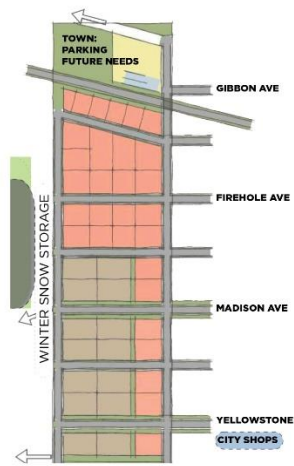


Early Site Plan (October 2018): The following site plan depicting zoning types was presented to the Town Council and Community for feedback in October 2018.





Early Site Plan – North-End Detail (October 2018): The following images further illustrate the proposed site plan zoning types; town entrance / entryway corridor potential; live/work benefits of mixed use commercial / light Industrial with housing above. An emphasis for creating and strengthening a distinctive identity of the Town as year-round community is recommended. These concepts were presented to the Town Council and Community for feedback in October 2018.



MIXED USE:
INDUSTRIAL Ground Floor
RESIDENTIAL Second Floor & Above
APARTMENTS

RESIDENTIAL:
HIGH DENSITY HOUSING (R4)
APARTMENTS

TOWN ENTRYWAY CORRIDOR
CREATING A SENSE OF PLACE:

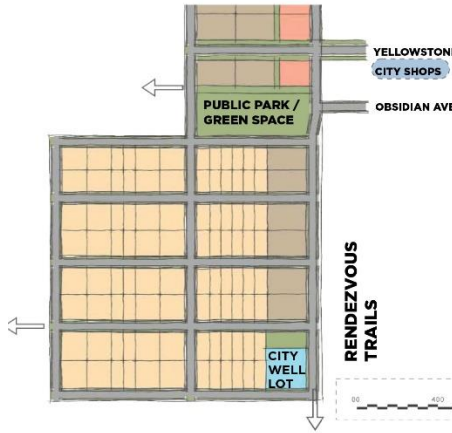
- TOWN AS COMMUNITY, NOT JUST A GATEWAY
- ARCHWAYS
- WAY-FINDING
- LANDSCAPING

COMMERCIAL/INDUSTRIAL
HIGH DENSITY RESIDENTIAL
LIVE / WORK
FRONTAGE STREET TREES





Early Site Plan – South-End Detail (October 2018). The following images further illustrate the proposed site plan zoning types with a broad mix of housing types, and open space / green space areas. These concepts were presented to the Town Council and Community for feedback in October 2018.



RESIDENTIAL: HIGH DENSITY HOUSING (R4)
APARTMENTS

RESIDENTIAL: LOW & MEDIUM DENSITY HOUSING
DUPLEX/TOWN HOMES
SMALL SINGLE FAMILY
LARGE SINGLE FAMILY

- HIGH DENSITY:
- APARTMENTS
- LOW DENSITY:
- DUPLEX/TOWN HOMES
- SMALL SINGLE FAMILY
- LARGE SINGLE FAMILY
- FRONTAGE STREET TREES
- OPEN SPACE / GREEN SPACE



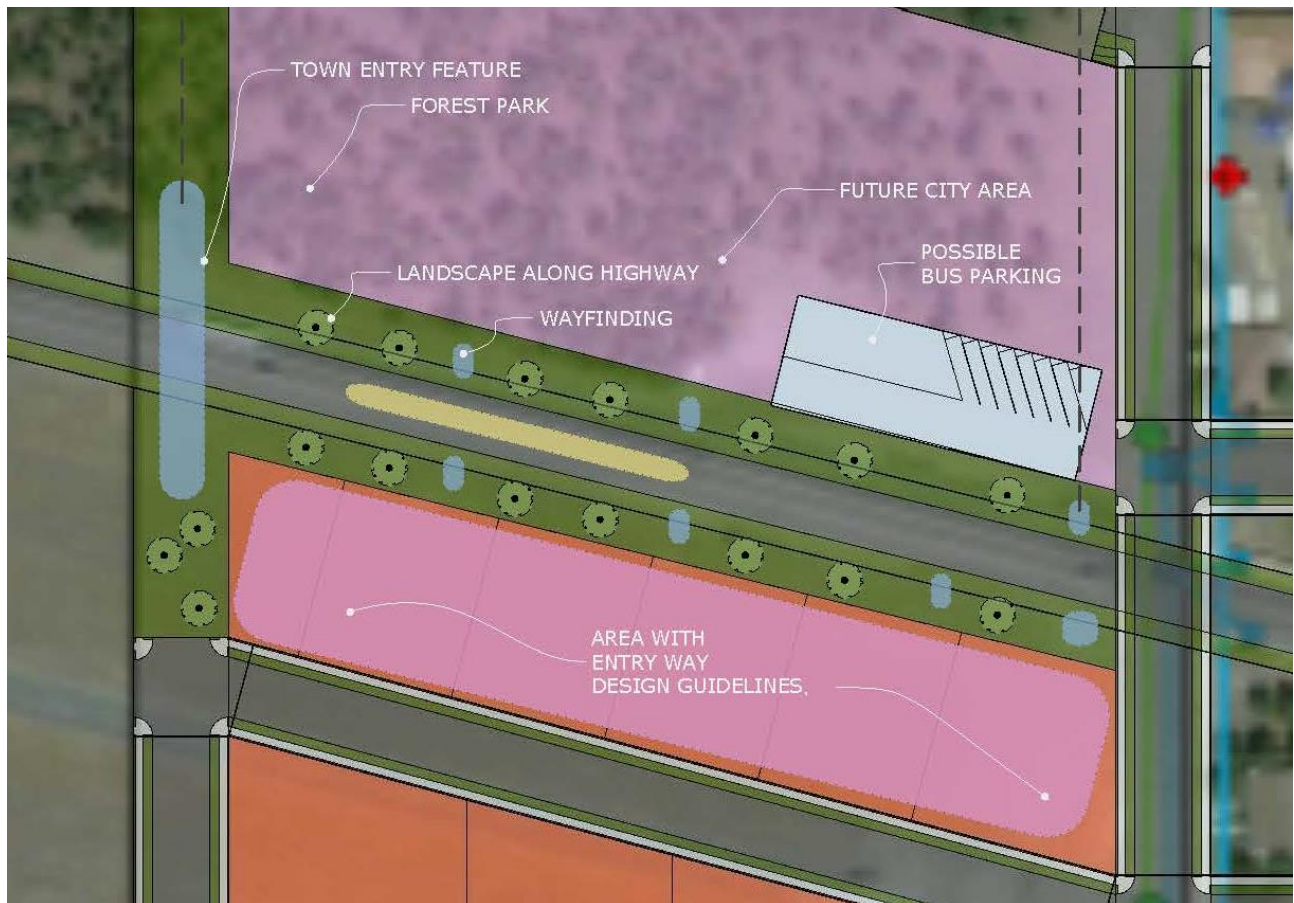


Final Site Plan - Overview (January 2019): The following site plan incorporates Town Council and community input to early site plans and illustrates the final zoning strategies recommend to address community goals. Three areas have been set aside for Town ownership to address parking and future needs (reference Block 1, 8, & 17 highlighted in purple). Three potential City Shops sites have been identified within the 80 acres and one has been identified on the western end of Yellowstone Avenue. The area dedicated to mixed-use commercial / residential has been reduced from prior site plan by one block.



Final Site Analysis Study – Entryway Corridor (January 2019):

The development of an Entryway Corridor on the 80 acres bordering Highway 20 provides an opportunity for the Town to establish itself as a strong community possessing a charm that people want to explore. Design guidelines should emphasize creating a sense of place by highlighting the spirit and character with a Town entryway feature announcing arrival, landscaping with boulevard trees, way-finding signage, public art, and large vehicle parking. Commercial activity along the Town’s gateway should focus on beautification, cohesive architectural design, and public gathering spaces for locals and visitors to enjoy.





SITE DEVELOPMENT STRATEGIES

5 LOT MINOR SUBDIVISION

The creation of a simple 5 lot minor subdivision of the land requires minimal infrastructure improvements per state law and Town regulations. This strategy allows for the easy transfer of land if needed and provides the flexibility to proceed with phased development. Phasing the development also phases the cost, thereby reducing financial risk and increasing the feasibility of the project. By creating a 5 Lot Minor Subdivision, the Town will also be in a position respond to future conditions not known at this time. This strategy allows for the following:

Partnerships: Public and Private. The 5 lot minor approach will allow for public / private partnerships to be more readily negotiated and smaller parcels can be offered for development. The private sector will have an advantage in developing the property and marketing it in its final form. The Town will need to engage with any entity, public or private, to further the goals increasing housing and economic vitality for the community. Some of the options as mentioned are outlined below:

- Sale / Trade of portions of the 5 Lot minor
- Sale / Trade of Subdivided lots
- Predevelopment of sites

Restrictions Intact. The Town can place any and all necessary restrictions on the land or negotiate terms that will continue to achieve the community goals set forth for this land.

Sale / Retainage of Land. By offering a portion of the land for private development, future costs to develop the retained land can be reduced because the initial development burden will be covered in the first phases.



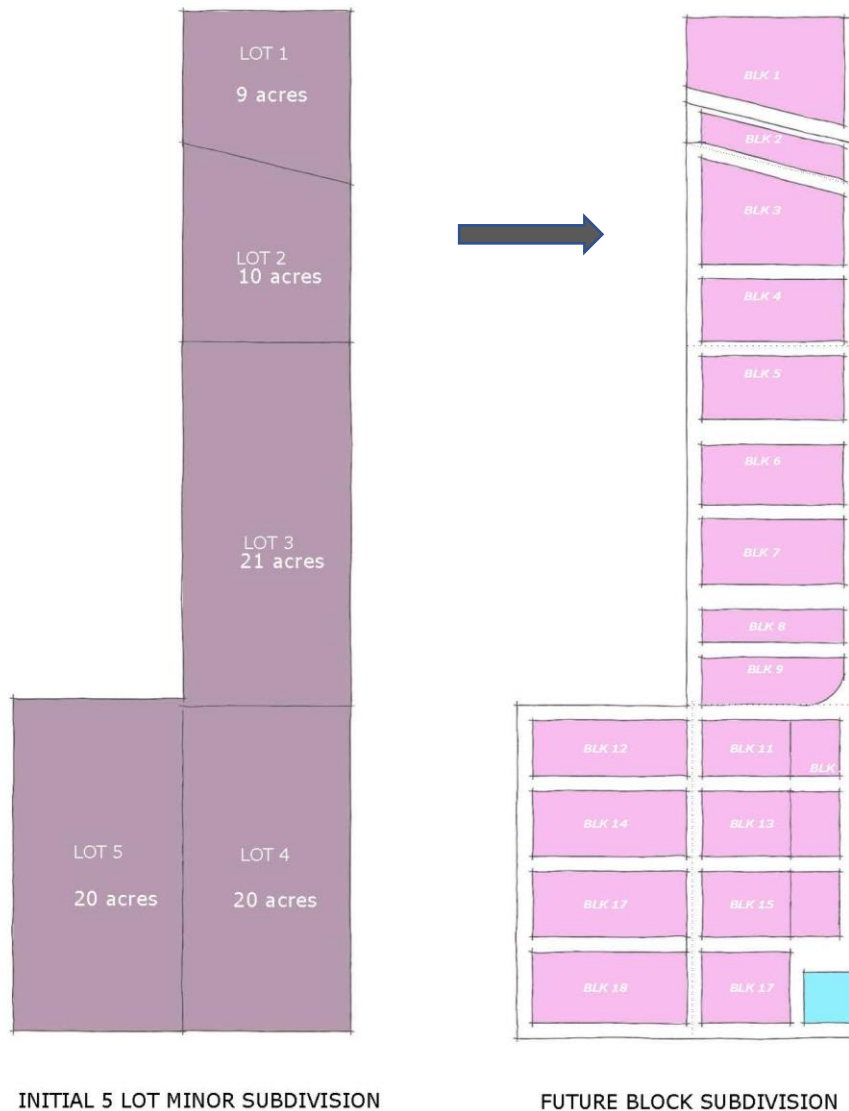
INITIAL 5 LOT MINOR SUBDIVISION



FUTURE BLOCK SUBDIVISION on all or portions of the 5 Lot Minor Subdivision

The Town of West Yellowstone can at any time elect to further subdivide any or all portions of the 5 lots into block subdivisions. By transferring the land as block subdivisions, the Town will have the ability to transfer smaller parcels giving it more control on the outcome. Smaller parcels may also be favorable to housing authorities looking to develop affordable, workforce housing.

Illustration of 5 Lot Minor Subdivision conversion to Future Block Subdivision.



OTHER ENTITLEMENT ACTIONS OF BENEFIT

Creation of a TEDD (Targeted Economic Development District)

The creation of a TEDD (Targeted Economic Development District) is a powerful way to leverage future tax value by using tax increment financing for present day development needs. As an example, this may include the creation of roads or other infrastructure in exchange for the creation of secondary value-added industries located within a TEDD established on commercial portions of the 80 acres. These costs would be covered through the increased increment of future taxes.



Exhibit 1. TIF Assessed Value (AV) Over Project Life

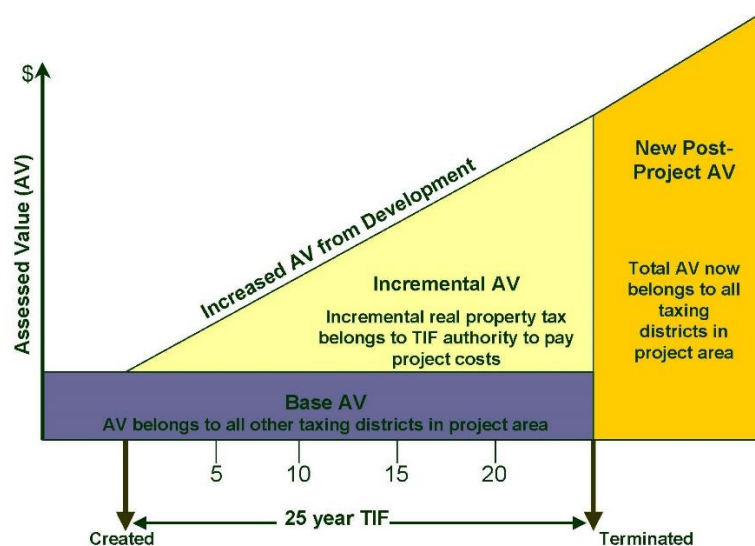


Image Source: https://munkschool.utoronto.ca/imfg/uploads/330/imfgevent_nov25_murtaza_talk.pdf

There are many more benefits in pursuing the TEDD for all or portions of the 80 acres. For full details on Montana State Targeted Economic Development District laws please reference Montana Code Annotated 7-15-4279 via: https://leg.mt.gov/bills/mca/title_0070/chapter_0150/part_0420/section_0790/0070-0150-0420-0790.html.

Create a Request for Proposals (RFP) for Affordable Housing Developments

The Town should seek proposals from developers, non-profits, and housing authorities such as Habitat for Humanity or H.R.D.C to provide a broad range of affordable housing. Input from these entities early in the pre-planning stage can help to guide planning. Zoning alone is not enough to successfully tackle this complex issue so the Town should plan for active engagement with affordable housing partners.

Entryway guidelines

Several communities throughout the country use planning and zoning entryway guidelines. The expansion of the 80 acres extends the current entryway corridor into the Town so consideration of this



areas impact is very important. Residents and visitors alike take visual cues from what they see as they enter a town; these cues begin to tell the story of who the town is. In general, developing guidelines begin with questions like “What does the town want to see?”, “What does the community look like?” The guidelines are offered to develop a unified answer, a consensus of community leaders and constituents. They do not presume to dictate design solution but encourage the design process which has the potential to improve perception of an area.

Special Improvement District (SID).

A Special Improvement District is a common municipal tool used to include property owners in the funding of capital improvements. By sharing infrastructure costs over a broader base, costs incurred by developers can be reduced. Reduced costs can increase the financial feasibility of development, thereby making investment more attractive. Please see page 25 Special Improvement Districts for more details.

ZONING: RECOMMENDED

Title 17 zoning regulations for the Town offer several types of zoning that address the goals for the 80 acres. This report recommends pursuing the following:

R4 Zoning: Residential Mixed-Use High-Density District

The current draft of the zoning update describes the intent R-4 zone type as follows:

The intent of the R-4 Residential Mixed-Use High-Density District is to provide for high density residential development through a variety of housing types and limited supportive commercial uses to serve the varying needs of residents.

The residential uses allowed in this district are very supportive of the goals of creating more affordable housing options. These range from town house style homes, manufactured homes (on permanent foundations), inclusion of accessory dwelling units, and apartments, all of which can be more affordable options for the community.

The limited supportive commercial uses listed as permitted for this district include day cares and home-based businesses with less than 2 employees. The district also provides for some unique conditional uses, which require approval by the Town Council on a case by case basis. The uses include banks, restaurants, small scale retail, general commercial uses (max of 10,000 SF), pharmacies, medical offices, and grocery stores. Again, all these uses would need to be approved by the council on an individual basis.

R3 Zoning: Residential High-Density District

The current draft of the zoning update describes the intent R-3 zone type as follows:



The intent of the R-3 Residential High-Density District is to provide for high density residential development, and related uses, through a variety of housing types to serve the housing needs of residents.

The main distinction between R-3 and R-4 is that R-3 does not provide for any commercial mixed uses in the zone type. Both the R-3 and R-4 provide for higher density housing options as well as lower densities such as single-family homes. Densities can be moderated through the various lot sizes ultimately platted in a subdivision.

M1 Zoning: Light Manufacturing District

The current draft of the zoning update describes the intent M-1 zone type as follows:

The intent of the M-1 Light Manufacturing District is to provide for the community's needs for wholesale trade, storage, warehousing, light manufacturing and similar activities.

This district is being contemplated for the commercial portions of the site as indicated on the site plans. The goal for this zoning is to provide opportunities for diversification of the West Yellowstone economy with businesses producing niche products or specialized services, especially for export outside of Montana. Additionally, the goal is to have residential included as a theme for this mixed-use area so that lack of available housing is not a limiting factor to commercial expansion.

This zone type allows for apartments and townhouse dwellings to exist only above commercial and light industrial establishments. Commercial uses permitted in this zone type includes breweries, distilleries, and wineries; food and beverage processing and packaging; light manufacturing, assembly, and fabrication; public buildings and facilities; boat sales; vehicle rental; and wholesale and warehousing facilities. This district does not provide for any retail of any kind, short term rentals, restaurants, motels / hotels, offices, medical facilities, or health and fitness establishments.

The M-1 zone type is within the Town's zoning regulations, however it is not currently utilized or applied to any land in the community. Designation of an M-1 area within the 80 acres expansion would create a unique opportunity for diversifying the economy with niche products and specialized services businesses.

Proposed Code Modification

M-1: The current zone types indicated on the map would include M-1 which provides for small scale light manufacturing. The way the M-1 zone type is currently written does allow for some degree of residential above shop spaces or other commercial actives. We recommend the following emphasis and modifications:

1. A high emphasis on residential uses in this zone as it provides the housing to support commercial recruitment efforts and growth.
2. M-1 zone type to include other residential compatible commercial opportunities as are found in the R-4 district, such as home-based businesses, banks, community centers, grocery stores, medical and dental, clinics, and pharmacies.
3. M-1 zone type conditional provision for retail if attached to processing. For example, a distillery that wants to sell to the public.

R-4: We recommend that R-4 zone type be modified to include a conditional provision for RV / trailer home spaces.

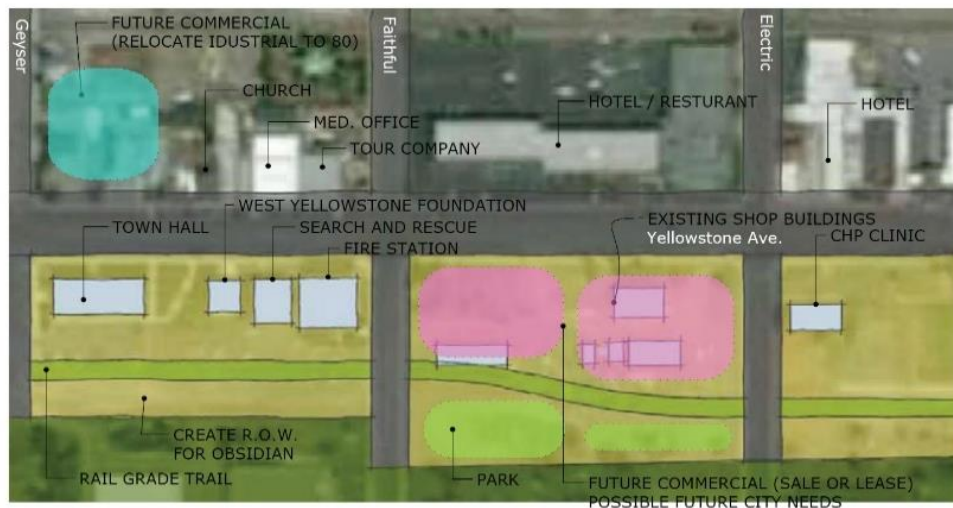
Summary of Zoning Recommendations

The goals for the 80-acre property are to create a broader base of housing for the community to include more apartments and smaller or attainable dwellings. Additionally, there is a need to provide opportunities to strengthen and diversify the economy with light manufacturing and specialized service commercial uses within this district. It is the recommendation of this report that classifying portions of the property as R-3, R-4, and M1 would yield the best outcome for the stated goals.

RELOCATION OF CITY SHOPS: A STRATEGY TO OPEN PRIME SITES FOR COMMERCIAL REDEVELOPEMENT

The Town Garage “City Shops” are currently located on Yellowstone Avenue in the heart of the Town’s commercial and historic center (See full inventory map, page 28). In order to open prime sites to commercial development, this report has identified four possible scenarios to consider for the relocation of the City Shops, each with potential benefits. In each case a final needs assessment from the Director of Public Works would need to be completed to evaluate the best location.

Current Yellowstone Avenue Inventory (partial map highlighting City Shops location)





Option 1: Relocating City Shops on the 80 acres central to the public park area. (Map block 8)

This option would allow for central and easy access for the shop vehicles. However, given it would be in a highly visible location it would need to be carefully designed to be harmonious with the surrounding character.

Option 2: Relocating City Shops on the 80 acres in South portion near well lot. (Map block 10)

This option takes the industrial facilities and places it in the more residential district of the property. This could create more conflict than where it is currently located.

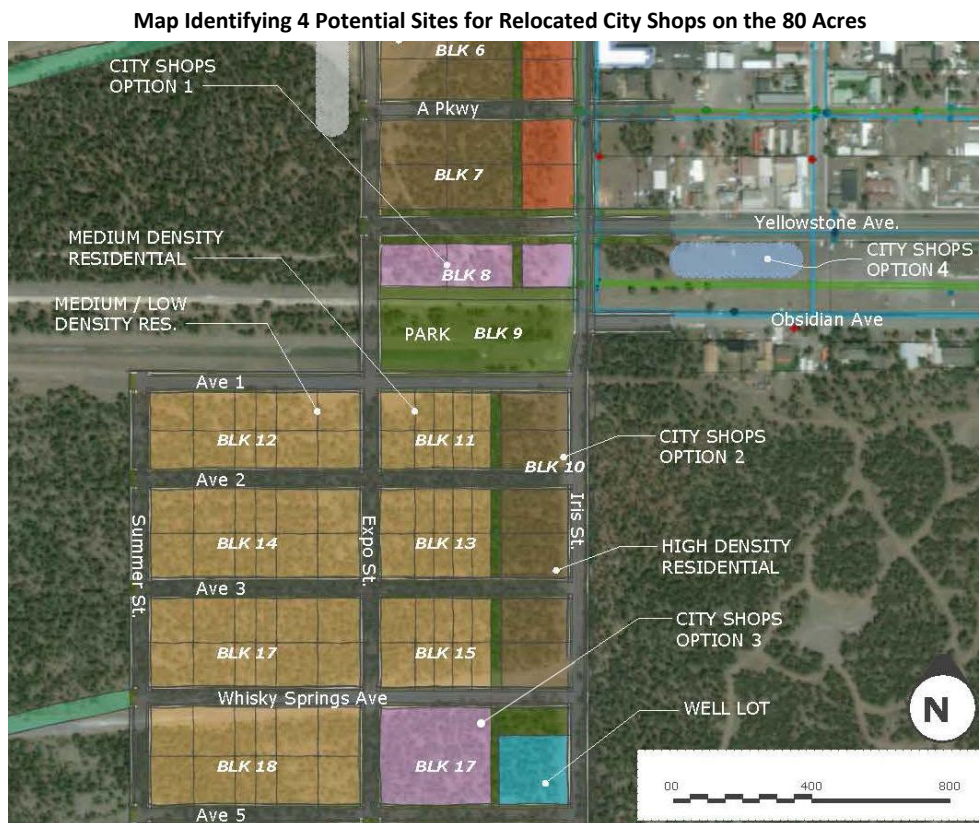
Option 3: Relocating City Shops on the 80 acres in South portion near well lot. (Map block 17)

Option 4: Relocating City Shops on west end of Yellowstone Avenue (between Iris & Hayden).

This option places the industrial City Shops facilities on Town owned storage property on the south side of Yellowstone Avenue, adjacent to the 80-acres expansion area. The north side of Yellowstone Avenue on this block contains industrial storage and excavating company.

Option 5: Keep the facility in its current location and make the needed improvements.

This option might be the best given the relocation might create further issues with surrounding properties. However, if the goal were to free up the valuable real estate along Yellowstone Avenue then relocation might be preferred.





12 STRATEGIES TO ENCOURAGE INFILL DEVELOPMENT

Infill development is the development of vacant lots or redevelopment of underutilized lots within the Town’s core areas. Infill development is an important goal for the Town of West Yellowstone because it has the potential to revitalize existing neighborhoods with services and amenities which create a cohesive and attractive sense of place for residents and destination visitors. Infill development can also be attractive to developers since existing infrastructure may be available to serve their projects. We recommend the following U.S. Office of Sustainable Communities Smart Growth Program strategies to encourage infill development within the Town of West Yellowstone.

The suggested twelve strategies below have been extracted, in part, from the 30 strategies outlined by the Smart Growth Program EPA 230-R-15-001 May 2015 report. For the full report visit www.epa.gov/smartgrowth/attracting-infill-development-distressed-communities.

1. Identify Priority Infill Development Areas

Concentrating investment in priority areas is more likely to produce the highest return on investment—either financially or in terms of visibility and catalyzing private investment. For example, one block with three new storefronts or nighttime establishments has a greater impact on perception compared to the same three new establishments spread among five blocks. These areas could have the best development potential, and targeted public and private investments could signal to the marketplace that something positive is happening. This, in turn, could strengthen market perceptions and foster further private investment. (EPA 230-R-15-00, 2015)

Key considerations include:

- To identify priority infill development areas, a community needs a vision for how it would like to grow and the change it would like to see.
- The type of development a community wants should be the easiest to permit. Developers should be able to build the desired infill products “by right,” without special exceptions or complex approval processes.
- Areas that are walkable, compact, and historically significant are often attractive and suitable for infill development.
- Publicly owned land can be used to reduce the cost of infill development and make it more financially feasible. The process of identifying priority infill areas should consider publicly owned land that might be used for this purpose.

2. Adopt Flexible Codes

In this report, “flexible codes” refers to building, zoning, and other development regulations that give developers more discretion to build a project that responds to current and changing economic conditions while still meeting local standards for safety and design. Some types of flexible codes include mixed-use zones, historic preservation and adaptive reuse districts, or expedited zoning review procedures for reuse of existing buildings. Codes that specify only exterior form and allow a broad range of uses can allow developers to respond to market demand for different uses. If demand increases for one use in the future, flexible zoning and building codes allow owners to change a building’s use with minimal permitting burdens. Rather



than trying to control every element of design, a local government can stipulate a few major objectives or design features it wants infill development to achieve and let the developer design a project that meets the objectives. This flexibility can be applied communitywide or to a specific area through an overlay zoning district. *(EPA 230-R-15-00, 2015)*

3. Adopt an Adaptive Reuse Ordinance

An adaptive reuse ordinance makes it easier to convert older, economically obsolete buildings to new uses, such as housing, by providing tailored zoning and code requirements that recognize the differences between reuse and new development. Local governments can apply an adaptive reuse ordinance in specific zones with concentrations of historic and underused buildings. By making it less costly to reuse an existing building, communities can increase jobs, housing options, and retail activity in existing and distressed neighborhoods.

As a first step, the local government can identify parking, density, design, and/or fire and safety standards that developers might have difficulty meeting when redeveloping a historic building and assess which of these standards might be relaxed for infill development. An adaptive reuse ordinance could, in certain zones, eliminate density restrictions, reduce the minimum housing unit size, waive parking requirements, and allow expedited development review. *(EPA 230-R-15-00, 2015)*

4. Offer Density Bonuses in Infill Locations

Density bonuses allow developers to build at a higher density than is allowed under the existing zoning code. This is typically allowed in exchange for a community benefit, such as a park or affordable housing.

A density bonus allows a developer to spread the cost of land and other predevelopment costs among more units or square feet. By adding square feet and/or housing units, the developer might be able to increase the return on investment from the project. Density bonuses are also important incentives for developers to provide community benefits, such as park space or other infrastructure that are often needed in infill areas. Therefore, density bonuses can bring both the benefits of more people living in the priority infill area and much needed community facilities and infrastructure to support existing residents and new development.

Density bonuses can be governed through the zoning code or applied during development review and approval. They can be effective in areas where the high cost of land is an obstacle to infill development. Local governments might want to assess the market conditions to determine if density bonuses will be appropriate and effective. In areas with weak demand for infill development, developers might not be able to price the finished product high enough to recoup the higher costs of building at higher densities. In these weaker infill markets, allowing greater density is not likely to be helpful. Once existing neighborhoods experience greater investment and development activity, density bonuses may become a more useful mechanism to encourage infill development and shape such development in a manner that helps meet the needs of new and existing neighborhood residents. *(EPA 230-R-15-00, 2015)*

5. Seek State and Regional Partners

Communities often lack the financial resources and staff to promote infill development. Partnerships with state and regional government agencies or institutions can help close these gaps.

State and regional partners often have resources that local governments can use to plan or prepare areas for infill. For example, the region's metropolitan planning organization can fund studies and infrastructure that set the stage for infill, and a state's housing agency might provide technical assistance or tax credits that help attract new development.

A local government can build relationships with state and regional partners by dedicating a staff person to infill development. Part of this person's responsibilities could include monitoring state and regional funding programs and policies while also developing relationships with key staff of agencies that can help the community get infill development. Local elected officials can also forge relationships with state staff and elected officials. These relationships help state government staff understand the local government's goals and vision. *(EPA 230-R-15-00, 2015)*

6. Explore Employer-Assisted Housing

Employer-assisted housing includes financial assistance or education offered by an employer to help its workers purchase homes. Housing finance company Fannie Mae describes employer-assisted housing as "an employee benefit that helps an employer achieve business goals while helping their employees with housing needs."

Employer-assisted housing supports an employer's interest in providing decent and affordable housing for its employees to attract and retain a skilled workforce. Employer-assisted housing programs can have the added benefit of stimulating weak-market areas by bringing new residents and new investment. In downtown areas, employer-assisted housing can help balance the number of jobs and homes.

A municipal government can establish its own employer-assisted housing program as a model for other employers in the area. The program could involve direct financial assistance to homebuyers or renters, or homebuyer counseling. With its newfound expertise, the local government can work with employers to establish their own programs, with a special emphasis on older neighborhoods and infill locations. Employers can often deduct the expense from their federal taxes. Additionally, in some states, employers receive a tax credit for their investment in employer-assisted housing. *(EPA 230-R-15-00, 2015)*

7. Create a Business Improvement District

A business improvement district (BID) is a defined area within which businesses pay an additional tax or special assessment to fund projects within the existing business area. Local governments can establish BIDs to raise additional property tax revenue and reinvest the funds into the district to improve the business climate. The additional revenue can go toward maintenance, marketing, cleaning, events, and moderate capital and streetscape improvements,

such as rebuilding sidewalks. These services go beyond the baseline services provided by the local government.

Private malls have advantages that public business districts lack. For instance, they provide shared parking, security, litter and graffiti cleanup, marketing, and capital improvements. The merchants share these expenses by paying their rent to the mall's owner. Business districts typically have fragmented land and building ownership, and, as a result, it is more difficult to pursue collective action that improves the entire district. BIDs can remedy this competitive disadvantage.

BIDs require state enabling legislation, and their organization and powers vary from state to state. BIDs are typically established through a vote by property owners in the defined district. In some states, the vote requires a supermajority of two-thirds or more before the BID is approved. Once approved, the property owners pay an additional increment on their property taxes that can be used only to benefit the district. BIDs are typically managed by an executive director and overseen by a board of property owners in the district. The board typically decides how to spend funds generated by the district.

BIDs can be used in any business district that includes several businesses and buildings under different ownership. However, they are especially useful for areas that are struggling to attract shops and investment due to poor collaboration among property owners or poor public perception. Often, communities establish them in downtowns. *(EPA 230-R-15-00, 2015)*

8. Initiate a Neighborhood Identity Campaign

A neighborhood identity campaign strengthens or establishes an area's identity by giving it a name and tying specific architecture, signage, public art, or public spaces to it.

Local governments can encourage development in older neighborhoods by promoting their distinctive characteristics. These strategies can improve residents' perceptions of an area, which can increase market demand for housing, commercial space, and offices.

Community identity can come from its historic or cultural roots; a specific facility or public place such as a park, cultural institution, or commercial district; or an architectural style or identity. Local governments, community groups, and residents can develop a community identity campaign to confirm a neighborhood's identity or rebrand it based on these attributes. Once the identity is established, the local government and community members can improve public awareness of distinctive neighborhoods through tools such as marketing materials, distinctive signs, a neighborhood website, or a neighborhood nickname. Neighborhoods can also undertake joint promotional activities with anchor institutions that have a stake in the neighborhood's health and perception. *(EPA 230-R-15-00, 2015)*

9. Enact a Property Tax Abatement Program for Infill Locations

Local governments use property tax abatement to waive property taxes on improvements such as a new or remodeled house for a fixed period of time.



Without a tax abatement policy, a property owner could receive a substantially higher tax bill after improving his or her property. Higher taxes resulting from property improvements are an economic disincentive to investment. Communities can attract investment in priority infill areas by reducing or eliminating property taxes on new investment. With a lower future tax obligation, the owner or developer can more easily afford to take on debt to make improvements or repurpose a property.

A popular tax abatement strategy is to hold the property taxes constant after an improvement, until reaching the time limit set by the local government. Cleveland and Philadelphia both manage tax abatement programs with 10- to 15-year abatement windows depending on the building type. The local government would need to establish rules for project eligibility, design, geographic coverage of the program, and transferring the abatement from one owner to another. Geographic coverage is an especially important consideration for local governments looking to attract development to a priority infill area. Cleveland and Philadelphia's programs cover their entire jurisdictions, while Portland, Oregon provides tax abatement in targeted development areas, such as around transit stations. Some cities also choose to attach design requirements. For example, under Cleveland's program, residential projects seeking tax abatement must meet the city's green building standards. However, applying too many conditions could defeat the purpose of helping the developer overcome the funding gap by increasing the costs. *(EPA 230-R-15-00, 2015)*

10. Implement a Land Value Tax

A land value tax is a type of property tax that imposes a higher rate on land than the improvements upon it. It can also refer to a property tax that applies only to the land.

A land value tax encourages development because the tax rate is based on the highest possible use of the property. Therefore, a land value tax makes it expensive to sit on land without developing it. It can also reduce the cost of development because property taxes will rise by only a nominal amount, or not at all, after the owner develops the property.

Most local governments will need state-enabling legislation to apply land value taxation. As of 2010, land value taxation was used widely only in Pennsylvania and authorized in two other states, Connecticut and Virginia. Local governments could study the experiences of other cities and towns, particularly in Pennsylvania, to understand what works, establish their own policies, and educate elected officials and the public about the policy. Land value taxation would most likely be applied throughout the taxing district and phased in over several years, with the rate for land increasing and the rate for improvements decreasing. Because land value taxation can make owning land more expensive, the Lincoln Institute of Land Policy recommends that communities with high land prices offer exemptions, credits, and varied rates to reduce the impact on land-rich but income-poor citizens. *(EPA 230-R-15-00, 2015)*

11. Create a Tax Increment Financing District



Tax increment financing (TIF) is similar to special assessment district financing (see below), but with an important distinction. Through TIF, local governments pay for infrastructure improvements with revenue that is generated by higher property values. Unlike special assessment districts, property owners in a TIF district do not pay a different property tax rate than the surrounding non-TIF areas. Rather, the local government pays the cost of infrastructure improvements upfront. The new infrastructure makes new development possible. The locality then uses the tax revenue generated by the new development to pay off the debt that it incurred to fund the infrastructure improvements in the first place.

TIF districts raise funds for infrastructure improvements from the property owners who are benefiting, reducing the upfront cost burden on the developer and local government. Local governments can use a TIF district to finance infrastructure in a distressed area that might not attract private investment without significant infrastructure improvements.

To establish a TIF district, the local government often must declare that an area is blighted or underdeveloped. The community then establishes the district boundary and dedicates any incremental tax revenues to economic development purposes, including construction of new infrastructure. The local government can issue bonds that are secured with the tax revenue growth. *(EPA 230-R-15-00, 2015)*

12. Create Special Assessment Districts

Local governments commonly use special tax assessments on a property to pay for infrastructure improvements that benefit the property. The special assessment is often applied to the properties in a district in proportion to their individual benefit from the improvements.

Infrastructure is expensive and a large burden to developers and local governments alike. Special assessments shift the infrastructure burden to the property owners who benefit from improvements. Developers are attracted to special assessment financing because the cost of infrastructure improvements is kept off the balance sheet for the overall development and thus does not hinder the developer's ability to obtain loans to finance the project.

While they are easy to establish for greenfield projects where the developer is often the only property owner, special assessment districts can be difficult to establish in infill areas with many property owners. Special assessment district financing can also be difficult to use in distressed communities with low property values. In these areas, borrowing against future property taxes might not yield enough funding to pay for infrastructure improvements. Because of these factors, distressed infill areas might first consider establishing a Tax Increment Financing District.

Financing tools such as special assessment districts are highly regulated by state governments, and the process for creating one will vary from state to state. It often requires several steps, including creating an infrastructure plan that lays out what the assessment revenue is buying and getting approval from the property owner or owners in the district. Often a supermajority of owners, such as two-thirds, must vote in favor of the special assessment. The infrastructure plan can be a useful marketing tool to generate support. Where multiple property owners are involved, the local government might want to find one property owner in the proposed district



to be a champion and help conduct outreach to build support. Once the local government approves the district, it can issue revenue bonds against the special assessment.

Local governments interested in special assessment financing might also analyze the borrowing capability of the proposed district relative to needed improvements. A key question to answer is whether the anticipated revenue will be sufficient. *(EPA 230-R-15-00, 2015)*

REDEVELOPMENT POTENTIAL OF PRIME COMMERCIAL SITES (YELLOWSTONE AVE)

Existing Conditions

Yellowstone Avenue is the primary access street for destination visitors to Yellowstone National Park and is host to several hospitality-oriented businesses. This commercial corridor is also home to most, if not all, the historic structures in the Town. On the east side, the historic Union Pacific Dining Lodge and YHC railroad museum attract and cater to both visitor and community member alike. Destination visitors seek places with authenticity and Yellowstone Avenue has a prime opportunity to define and provide this authenticity for the Town.

Yellowstone Avenue houses many of the Town's primary offices, providing important community facilities and services. Yellowstone Avenue will also align with the new 80-acre development and can serve as a strong connection to the new area of town. Given all these important features, the character and identity of Yellowstone Avenue is of the utmost importance to the Town and its identity. Strategic site redevelopment and in-fill development are encouraged to preserve and enhance this asset to the community.

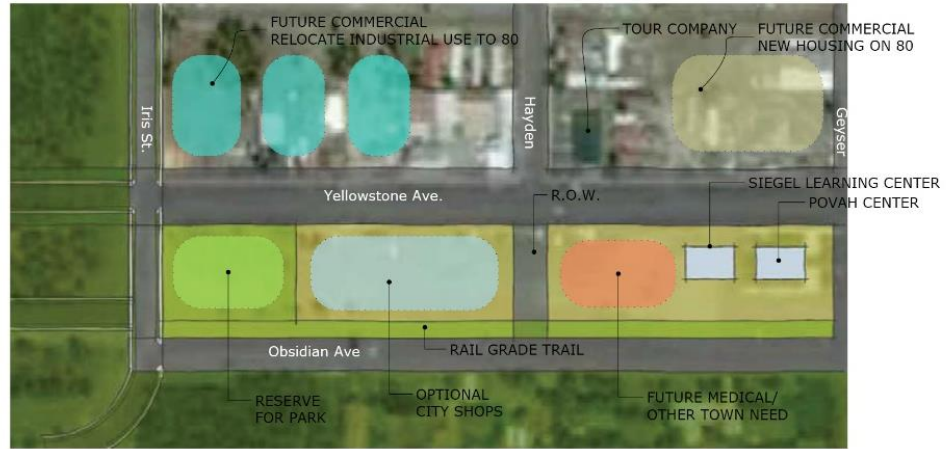
Land Supporting City Needs

The south side of Yellowstone Avenue currently contains the bulk of city services, however, several of these key commercial core sites could be used to invite development which would strengthen the identity for this historic area of town. The Town should strive to make efficient use of its current locations or consider relocating facilities so that more of the destination visitor focused amenities can locate to this stretch of Yellowstone Avenue. The map below highlights several areas where possible redevelopment can occur or be encouraged. Specifically, it would be advised, though not mandatory, to encourage more industrial uses to locate on the 80 acres, opening opportunity for more service-oriented businesses in the Town's commercial core.



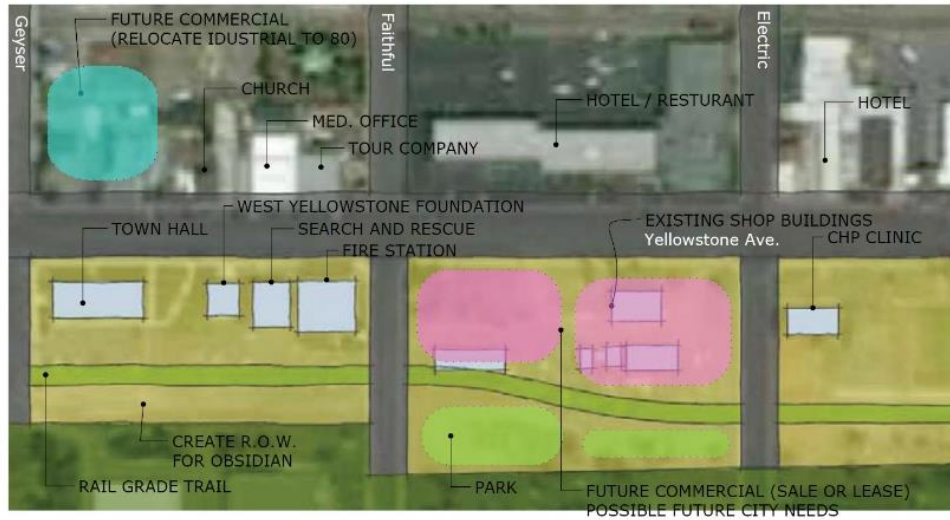
Yellowstone Avenue: Current Inventory and Redevelopment Options (West End)

A



Yellowstone Avenue: Current Inventory and Redevelopment Options (Central)

B

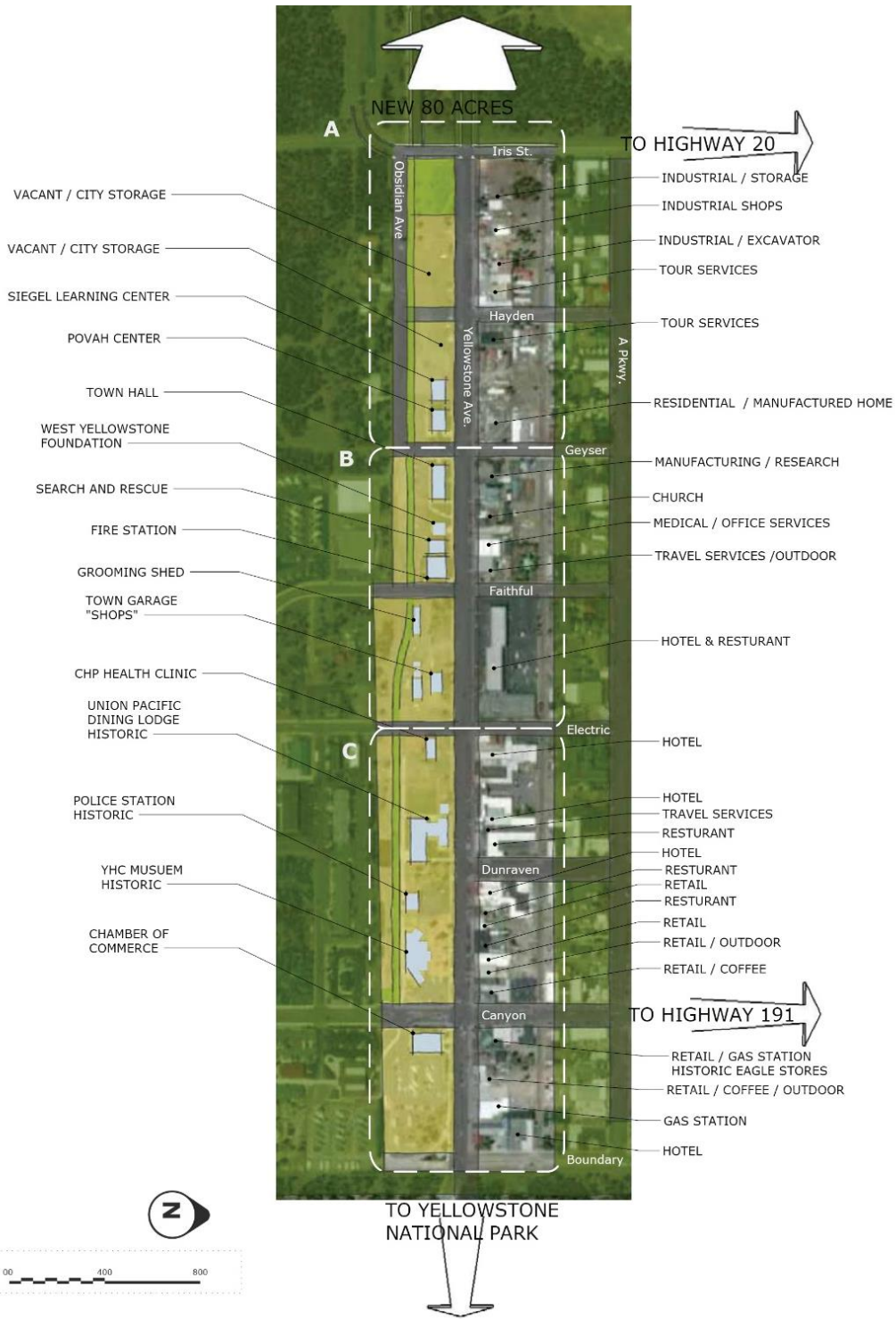


Yellowstone Avenue: Current Inventory and Redevelopment Options (East End)





Yellowstone Avenue: Current Inventory





SUMMARY FINDINGS

“Creating A Place for All”

The newly acquired 80 acres presents a great opportunity for the Town to set new goals and develop solutions to community challenges. This land sets the stage for the future but can benefit the community today as well.

The overarching goal for the 80-acre property is to create a broader base of housing for the community to include more apartments, and smaller or attainable / affordable dwellings. Additionally, there is a need to diversify and expand West Yellowstone’s economy with non-tourism related industries which a portion of the 80-acres can address with mixed use, live / work developments. To address these goals, the final site plan utilizes a zoning mix of R-3 Residential High Density, R-4 Residential Mixed-Use High Density, and M-1 Light Manufacturing District. The M-1 zone type is within the Town’s zoning regulations, however it is not currently utilized or applied to any land in the community. Designation of an M-1 area within the 80 acres expansion would create a unique opportunity for diversifying the economy with niche products and specialized services businesses. We have proposed modifications to M-1 and R-4 zoning to further support the stated goals. Lastly, three areas have been designed for Town ownership within the 80 acres to address future needs, and entryway guidelines are recommended to strengthen the Town’s identity and first impression.

In addition to development on the 80 acres, the Town would be well served directing redevelopment on existing committed lands. Infill development is a preferred alternative to expanding the Town for the sake of expansion. This report has identified both public and private land holdings along Yellowstone Avenue that can be redeveloped into higher and better use. New commercial infill development can occur not only along key corridors such as Yellowstone Ave but also in undeveloped pockets throughout town. A targeted approach to infill development will lift property values and perceptions surrounding each new development while expanding commercial opportunities and creating a stronger community.

The Town of West Yellowstone is rich in community engagement and the recommendations provided within this report have been shared and revised following multiple Town Council presentations, as well as direct outreach from the Town via web, social media, and printed announcements.



ADDENDUM A: SUMMARY OF PUBLIC COMMENTS TO PROPOSED 80 ACRE SITE PLANS

Presented by THINKTANK Design Group at Public Town of West Yellowstone Meeting (October 9, 2018) / Site Plans Shared Via Town Website, Facebook, Fliers, Newspaper and Email

OVERALL PLAN:

- Plan is on the right path and strides ahead of everything seen to this point.
- Design standards should create attractive, cohesive standards. Log and stone facades favored.
- Consider reducing # of roads to lower infrastructure / maintenance cost & increase community continuity.

COMMERCIAL DEVELOPMENT IN 80 ACRES:

For:

- In favor of “cottage industry” scheme.
- Affordable commercial development can encourage year-round manufacturing business growth.
- Limit only to neighborhood bodega / coffee house. No hotels, restaurants, souvenir shops.

Against:

- Housing should be the priority.
- Commercial property is available in original townsite for expansion / light manufacturing.
- May pull existing businesses and customers away from historic district.
- Commercial development will increase property values, thereby reducing residential affordability.
- Light manufacturing would be unattractive town entrance (i.e. equipment rental, gravel pit).
- Area along Hwy 20 should be used for truck / trailer / RV parking in lieu of some commercial lots.

HOUSING:

- Current plan is on the right track with lots of permanent housing (no RV or temporary).
- Encouraged by proposed plan since affordable / safe housing is key to persons health status.
- In favor of mixed uses, w/emphasis on affordable permanent stick build, modern manufactured, tiny homes.
- Affordable lots for workforce housing should be priority. This opportunity may never occur again.
- Restrictions against short term rentals requested (VRBO, AirBnB, etc).
- Deed restrictions to allow for owners only & minimum of 6 months occupancy requested in R2 area.
- Lot sizes continuity needed within each area (larger lots grouped with similar).
- Land trust should be held by town to keep housing affordable.
- Town should be the developer to ensure goals are maintained and costs are minimized. Developers have different incentives (max ROI, time pressures, etc.)
- RV / Trailer home spaces should be available.
- Safe crosswalks / connection to schools across highway will be needed.

CITY SHOPS RELOCATION:

- City Shops should be less visible and located in less valuable area then the downtown business core.



- In-fill development of existing City Shops site could improve visual appearance and value of historic district.
- Proposed Yellowstone Avenue location.
 - FOR: Sight, smell, movement of City Shops equipment does not belong in residential area. Proposed site has somewhat industrial feel already with Tri State Excavation neighbor.
 - AGAINST: Prefer Town Parking Future Needs site fenced with trees site barriers on south & west

GATEWAY ARCH / ENTRANCE:

- Route 20 is major freight corridor and arch would have to accommodate all vehicles.
- In favor of boulevard trees along Route 20.
- Entrance should be inviting, attractive, but not pretentious.

OTHER:

- Parking and fueling area for large trucks / trailers / RV's is needed for Town.
- Long term summer RV park should be placed on Future Town Needs site until converted for future needs.
- Adequate off-street parking and snow storage needed.
- Will USFS allow proposed Trailhead parking and snow storage?

CALL FOR PUBLIC COMMENT

On Tuesday, October 9, 2018, the Town hosted a public meeting to gather feedback from the community about the proposed planning and development of the new 80 acres. A conceptual plan (attached) has been developed, which emphasizes multiple housing options as well as a mixed-use industrial area (housing and commerce in the same area, non-hospitality functions). There was a great turn out to the meeting and a lot of ideas and opinions were shared. For the next two weeks, the Town is encouraging comments and feedback on the conceptual plan. Please feel free to send your comments, suggestions, or criticisms to info@townofwestyellowstone.com or deliver them to the Town Hall at 440 Yellowstone Avenue, here in West Yellowstone. We would also be happy to answer questions or even arrange a meeting with the Town Manager. Our phone number is (406) 646-7795. Help us plan the next phase of our community.



ADDENDUM B: LAND SOLUTIONS PUBLIC MEETING INPUT REPORT, DECEMBER 2016



To: Dan Sabolsky and West Yellowstone Planning Advisory Board
From: Dave DeGrandpre and Matthew Rohrbach, Land Solutions and Erica Evans Mita, NRMEDD
Date: December 29th, 2016
Re: West Yellowstone Growth Policy Update Key Issues

Purpose

The purpose of this memo to provide a summary of key issues identified during the initial public engagement process for West Yellowstone’s Growth Policy Update. This is not a list of all of the issues identified to date but summarizes the major or key issues that will be critical to address in the coming months.

Background

In December of 2016 Land Solutions and Northern Rocky Mountain Economic Development District (NRMEDD) kicked off a key issues identification process for West Yellowstone’s Growth Policy Update. The process began with an economic focus group facilitated by NRMEDD. Following this, Land Solutions worked to identify key issues facing West Yellowstone by meeting with the West Yellowstone Planning Advisory Board, interviewing town staff and civic leaders, and holding a public meeting attended by 30 people. Below is a summary of the key issues identified during this process.

Summary of Key Issues

Water and Sewer Infrastructure

The ability of West Yellowstone to develop the newly acquired 80-acres and accommodate future development in town hinges on the Town’s ability to provide sufficient water and sewer capacity. A decrease in water at West Yellowstone’s primary water source, Whiskey Springs, has forced the Town to issue a moratorium on new commercial and multifamily water connections. West Yellowstone has plans to drill new well in the near future, though it is not expected to be fully operational until late 2017 or early 2018. In terms of sewer infrastructure, while West Yellowstone’s system of sewer mains has sufficient capacity, the sewer lagoon is nearing full capacity and is unable to accommodate development of the 80acres and anticipated hotel development. West Yellowstone is currently in the

process of developing a new sewer lagoon and is working through the process with the Montana Department of Environmental Quality.

Economy

Seasonal Economy

As a gateway to Yellowstone National Park, West Yellowstone's economy is reliant on tourism. In the past, when private snowmobiles were allowed in Yellowstone National Park, the summer and winter tourist seasons were relatively balanced. However, after Yellowstone National Park limited winter motorized access to snow coaches and guided snowmobile trips, the winter economy in West Yellowstone declined substantially. The change in winter access rules resulted in increased numbers of day trippers coming from Bozeman and Big Sky and fewer people staying in West Yellowstone for extended periods. As a result, many businesses in West Yellowstone close down during winter, which reduces services for potential winter travelers and residents alike. Consistency in businesses being open year-round (or at least for longer shoulder seasons) would help to attract more visitors and strengthen the economy.

Town Appearance

One sentiment that was echoed during the public engagement process was that West Yellowstone itself is not a destination: It is a pass-through or parking lot for Yellowstone National Park. Several people indicated that this was a result of West Yellowstone's appearance and that the Town needs to work on beautification, so visitors are encouraged to stop and stay awhile. Ideas centered around making Canyon Street and Yellowstone Avenue inviting places for people to walk, shop, and congregate, architectural design, and also creating gateways along the highways entering the Town. Another common theme was the need to increase the amount of landscaping in town, especially on parking lots abutting streets.

Economic Diversification

As the gateway to Yellowstone National Park, West Yellowstone's economy will likely continue to be driven by tourism. However, West Yellowstone's heavy reliance on tourism makes the local economy vulnerable to consumers' travel and spending habits. There is a need to diversify West Yellowstone's economy by enabling and attracting light industry and small manufacturing employers as well as attracting telecommuters. In order to attract these types of businesses and individuals, West Yellowstone needs to address several issues including affordable housing, availability of daycare and medical services, availability of high-speed internet, and the provision of land dedicated to light industry and manufacturing.

Housing

Housing Affordability and Availability

West Yellowstone has a lack of available rental and owner-occupied housing for both year-round residents and summer employees. Private developers are constrained in their ability to build additional



housing because the Town is surrounded by the Gallatin National Forest and Yellowstone National Park. Seasonal residents have also purchased homes that are only occupied for part of the year. Because of the limited supply of buildable land, land and housing costs in West Yellowstone are high.

Workforce Housing

The lack of available affordable housing mentioned above is a significant issue for West Yellowstone's seasonal summer workforce. Employees coming to work during the summer tourist season are challenged to find affordable rental housing. Several employers have stated they will not hire someone if the employee does not already have housing lined up. One problem lies with large seasonal employers, such as hotels, who do not provide housing for their employees. The lack of available workforce housing has made it difficult for employers to attract employees during the summer tourist season. Several employers, particularly the Delaware North Corporation, have taken to buying existing housing units for their employees. While this helps to house West Yellowstone's seasonal work force, it can also take housing units for year-round residents off the market. Also, there is little incentive for companies to keep employee housing well maintained and attractive.

Vacation Rentals

Being a gateway to Yellowstone National Park, West Yellowstone has long been home to nightly vacation rentals. With the rise of internet-based vacation rental services such as AirBnB and Vacation Rental by Owner (VRBO) however, it has become increasingly easy for landlords and homeowners to convert monthly rentals (or for sale housing) to nightly vacation rentals, where they can make increased profits. A search on AirBnB yields 140 vacation rentals in West Yellowstone with an average nightly rate of \$183. The result is that existing housing stock is effectively being taken off the market for seasonal employees and year-round residents. This situation further exacerbates issues surrounding housing affordability as vacation rental conversions decrease supply and thus drive up rents. In addition, it is unknown how many vacation rentals in West Yellowstone are paying West Yellowstone's resort and Tourism Business Improvement District taxes and Montana's lodging facility sales and use tax.

Zoning

With the exception of the Madison Addition, most of West Yellowstone is zoned some form of commercial. The Old Town area (zoned B-3 Central Business District) allows a variety of commercial and residential uses. What has transpired in this area is a mix of retail, general commercial, hotels, and residential dwellings. The result is an incongruent mix of land uses that, in certain areas, detracts from the appearance of West Yellowstone. One concern is that because the B-3 district allows such a wide variety of uses, there will be pressure on existing residential land uses to change to commercial where investment returns tend to be a higher, thus decreasing housing supply further. With regard to Old Town, public meeting attendees expressed interest in maintaining residential uses on the west side and keeping hotels and other commercial uses on the east side and along Yellowstone Avenue. Enforcement of zoning rules was also cited as a necessity as the Town moves forward.

80 Acres

West Yellowstone's recent acquisition of 80 acres to the west of Town presents a unique opportunity to address several of the issues noted above. Below is a list of the common themes echoed during the public engagement process with regard to how the 80-acres should be developed.

- Preserve open land for future development and unforeseen needs.
- Move municipal uses to the 80-acres thereby opening up Yellowstone Avenue for development.
- Provide for a range of housing options from single family homes to townhouses and apartments.
- For single family homes provide small lots to keep homes affordable and for efficient use of land.
- Ensure that affordable housing is provided. The need for a community land trust was mentioned several times. Under a community land trust, the land where a house sits is owned by a land trust (usually a non-profit) and the individual owns the structure. This provides for affordable owner-occupied housing by removing high land prices from the equation and also reduces speculative land purchases.
- Provide workforce housing opportunities, including, but not limited to, dormitories.
- Do not allow vacation rentals.
- Limit commercial development so as not to create competition with existing commercial areas.
- Dedicate a portion of the 80-acres to light industry and small manufacturing.
- Provide quality open spaces but do not dedicate too much land to open space.
- Provide trails and other opportunities to access adjacent National Forest Land.

ADDENDUM C: N.R.M.E.D.D ECONOMIC FOCUS SESSION REPORT, DECEMBER 2016
(Partial to include 80 acres discussion)



TRANSCRIPT FOR _TOWN OF WEST YELLOWSTONE ECONOMIC FOCUS SESSION

Date: Dec 1, 2016 Time: 11am to 2:30

Location: West Yellowstone Chamber of Commerce Conference Room

IS ACQUISITION OF THE 80 ACRES A GOOD THING? WHY? WHAT OPPORTUNITIES DOES IT PRESENT? WHAT CHALLENGES?



- Yes Votes: 6 *participant 1, 5, 7, 8, 9, 10*
- No Votes: 0 *(4 did not comment)*
- OPPORTUNITIES
 - Make town entrance beautiful along Hwy 20. **UNANIMOUS VOTE 10 PEOPLE.**
 - Opportunity to solve long term problems (ie controlled affordable housing). Should NOT be used to expand tourism / commercial development. *_participant 7*
 - Move Public Works and provide affordable housing. *_participant 8*
 - Increase housing and needed services. *_participant 10*
- CHALLENGES
 - Prevent big money from dictating outcome. Concern about town getting bought out. *_participant 5*
 - Prevent selling of affordable housing to highest bidder in future. *_participant 8*
 - Zoning restrictions to keep housing affordable (don't allow turn and burn of properties to highest bidder). *_participant 10*

WHAT IS THE TOWN'S RESPONSIBILITY TO DEVELOPING THE 80 ACRES?

- Make town entrance beautiful along Hwy 20. **UNANIMOUS VOTE 10 PEOPLE.**
- Town purchased therefore they should develop. *_participant 1*
- Plant trees in area, install high speed internet, and recruit small high-tech firms to bring higher paying / year-round jobs and younger families. *_participant 2*
- Focus on aesthetics because it is the main entry into town. *_participant 4*
- Town should not be landlords, develop a "smart plan", resist folding to higher bidder, need economic development experts to recruit year-round, cottage industries or research organizations that use park. Improve education opportunities. *_participant 5*
- Limit inflation of property value to ensure affordability. *_participant 7*
- Ensure well thought out corridor access for winter use (ie snow mobile, skiing) in Parcel "D". *_participant 7*
- To make improvements for community as a whole, not just for a few people. *_participant 8*
- Town should NOT be the developer. *_participant 9*
- Establish a community land trust. *_participant 10*
- Increase business diversity and year-round businesses. *_participant not disclosed.*

WHAT IS THE BEST USE(S) OF THE PROPERTY?



- Public / private partnerships for affordable housing via Community Land Trust. This takes value of land out of equation to make it available to low income owners. *_participant 1*
- Include some commercial, for example, light, craft manufacturers. Offer incentives businesses that create value added products for export outside of WY. *_participant 1*
- Increase trees. No on aquatic center. *_participant 2*
- Focus on recruiting youthful, internet, high-tech industries (if WY can get high speed internet). *_participant 2*
- Move public works to Northside and use existing PW area for improvement to historical area such as a health/fitness/medical center or museum. For example, the Cody museum complex is a draw to that town. Trends around country are focused on health. *_participant 3*
- Main entrance to town from Highway 20 must be beautiful. *_participant 4*
- Echoes others comments regarding affordable year-round housing and green space. Reminder that 80 acres is not a huge amount of land. *_participant 4*
- Land lease, provide year-round opportunities, increase grammar school system possibly. *_participant 5*
- Solve long term problems facing town. Phase development / infrastructure. Be thoughtful and don't rush. *_participant 7*
- Priority should be affordable workforce housing for year-round residents with controls that restrict access to highest bidders. This will open housing downtown for seasonal workers. *_participant 7*
- Light industry to diversify economy away from tourism. *_participant 7*
- North side of Highway 20 should be used as Public Works, this frees up land in inner city which should be changed to commercial property. *_participant 8*
- Affordable housing but restriction for year-round residents only. Need to also restrict sale to highest bidders, 2nd home owners, investment owners to keep this housing affordable in future. *_participant 8*
- Light industry to diversify economy with year-round jobs. *_participant 8*
- New health care clinic, move town hall to outskirts of the 80 acres. Potentially lease section to aquatic center. *_participant 8*
- Housing with focus on 1st time homeowners, and deed restricted. Potentially likes housing land trust idea. To reduce home costs, covenants should allow for smaller square footage homes (ie tiny home trend). Covenants at Madison Addition require larger homes. Phase infrastructure after mains are in so property can be budgeted and built in phases. (Benefit of phasing: to avoid overcommitting financially in short



- term). Town should NOT be the developer. However, plans must be economically viable for developer. *_participant 9*
- Include greenspace area for recreation, and emphasis on beautiful appearance from Highway 20. *_participant 9*
 - Diversify housing to include multiple types: rentals, for purchase, dorms with central community area with kitchen for J1's. Implement zoning restrictions to prohibit short term rentals and avoid resale / lease that allow highest bidder to acquire property. *_participant 10*
 - Focus on needed services such as health care. *_participant 10*

BECAUSE OF THE ACQUISITION, WHAT CHANGES CAN WE EXPECT REGARDING GROWTH, HOUSING, THE ECONOMY?

- More affordable housing will increase the number of families that stay. *_participant not disclosed.*
- Expecting more stability. *_participant not disclosed.*
- There needs to be education on what a community or municipal land trust is and how they operate. *_participant not disclosed.*

IS THE LOCAL ECONOMY TOO RELIANT ON TOURISM? YES, NO, WHAT TO DO ABOUT IT?

- Yes! vote = 10
- No vote = 0
- Increase family recreation activities.
- Make town a nicer place to live and visit (resort town).
- Recruit year-round light / craft manufacturing industry.
- Install high speed internet
 - Recruit small high-tech firms to bring higher paying / year-round jobs and younger families.
 - Recruit year-round telecommuter families.

HOW WOULD YOU RATE THE TOWN'S AESTHETICS?

Median Value = 3.0 Average Value = 3.33

Rating system: 1 = extremely unattractive 10 = beautiful.

<u>Rating</u>	<u># of votes (9 total votes)</u>
5	2 votes <i>_participants 1 & 7</i>
3.5	1 vote <i>_participant 9</i>
3	4 votes <i>_participants 2, 4, 6, & 10</i>
2.5	1 vote <i>_participant 5</i>



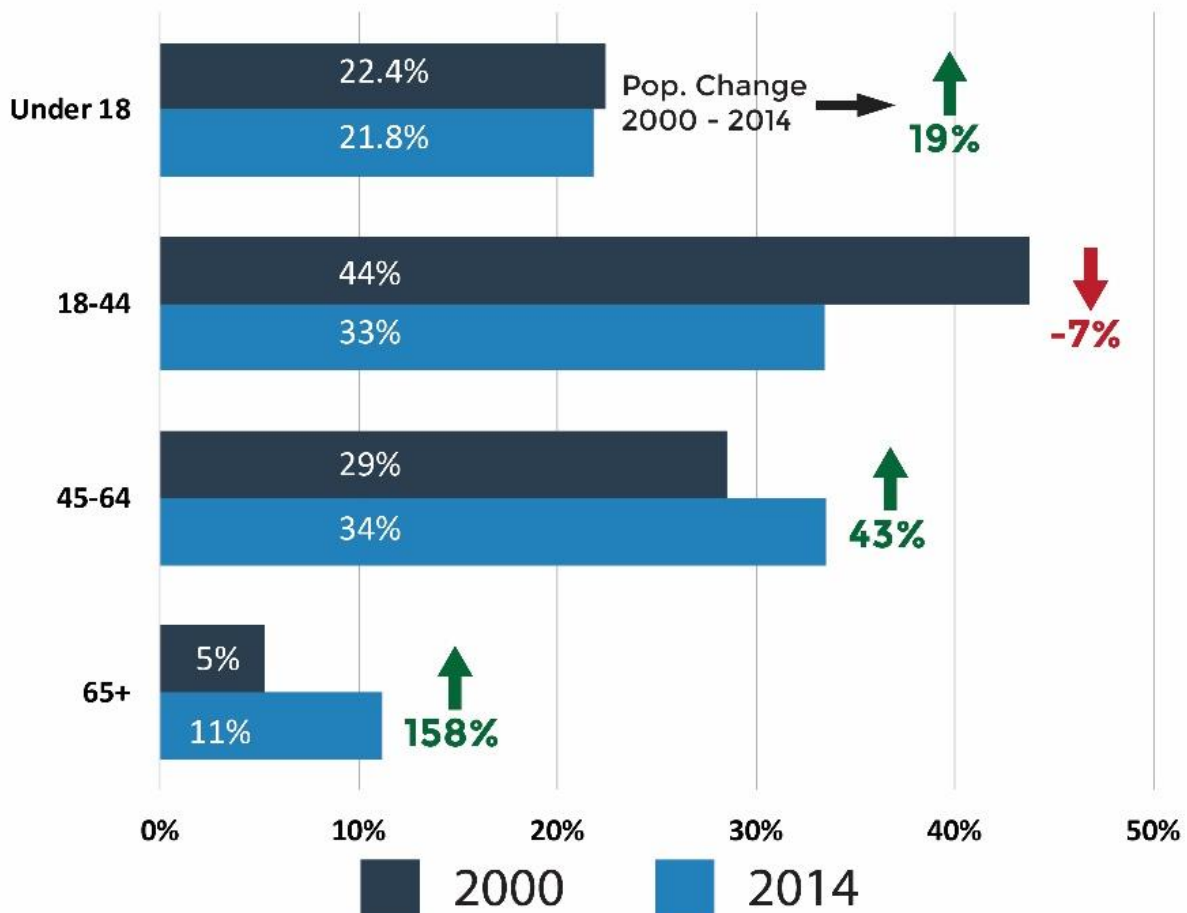
2 1 vote _participant 8

SHOULD THE TOWN DEVELOP ARCHITECTURAL STANDARDS TO KEEP NEW DEVELOPMENT IN TUNE WITH WY'S SENSE OF PLACE OR LET THE MARKET DECIDE WHAT IS ACCEPTABLE?

- Town to Develop Standards vote = 10
- Market to Decide vote = 0

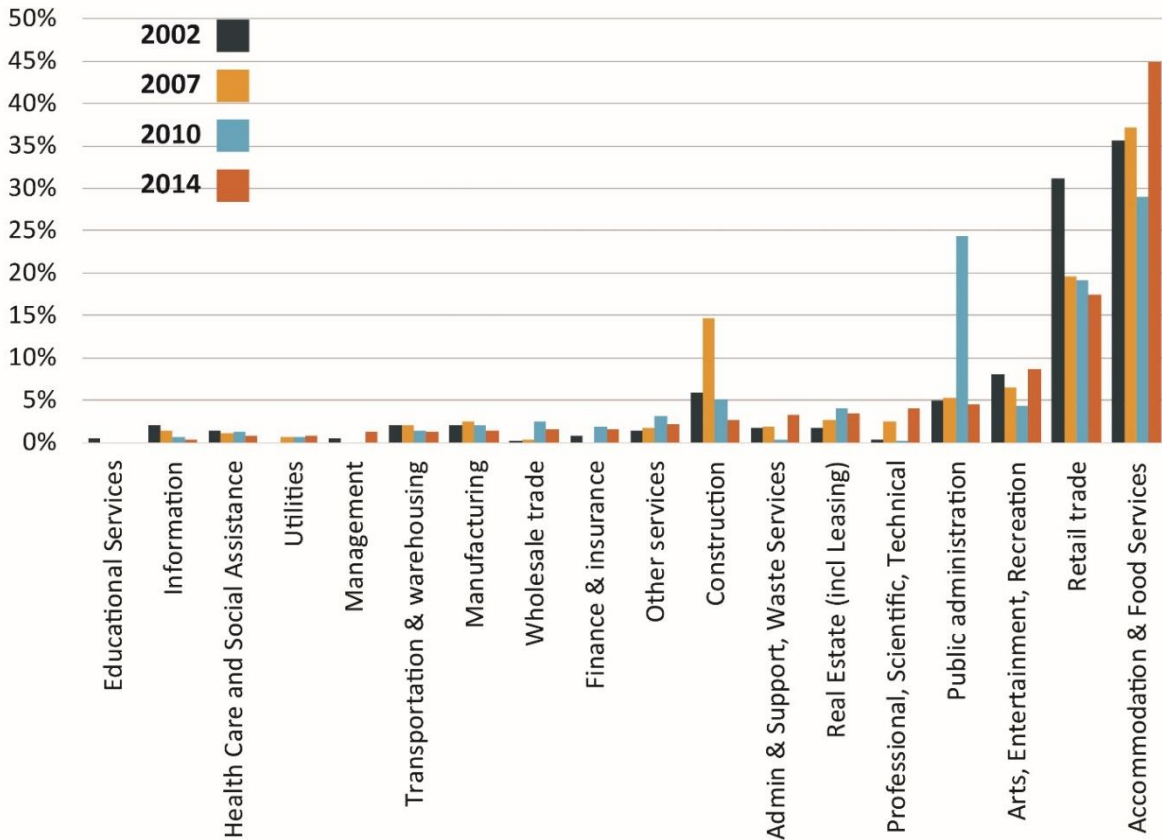
Age Distribution: % of Population Per Age Group

65+ more than doubled + a 43% Increase in those reaching retirement age within 20 years. Aging population may have different needs in terms of housing, mobility, and healthcare.



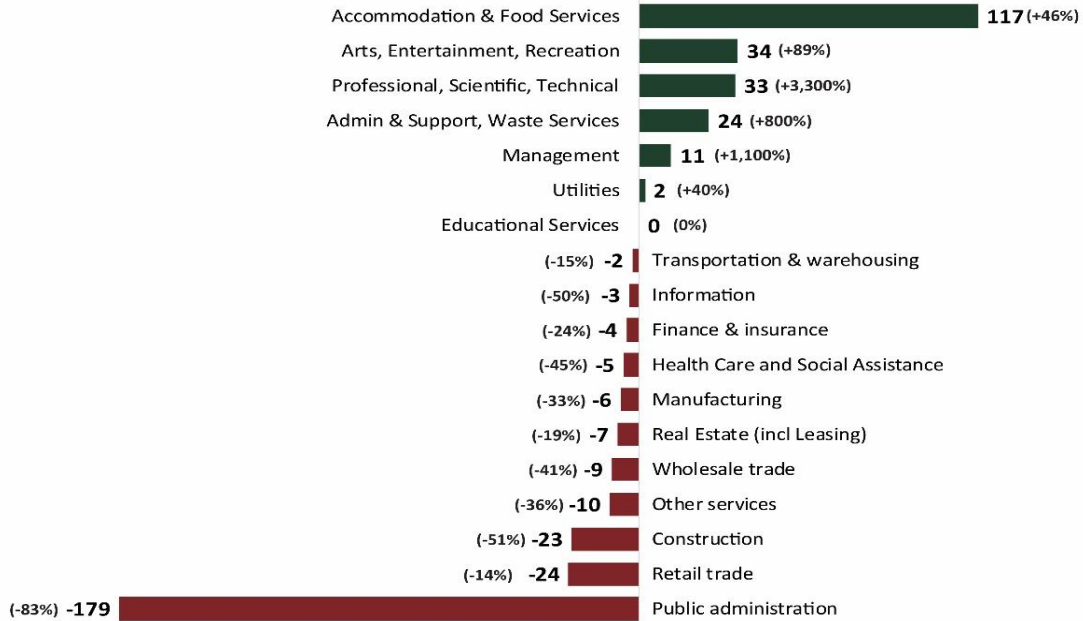


EMPLOYMENT: SHARE BY INDUSTRY



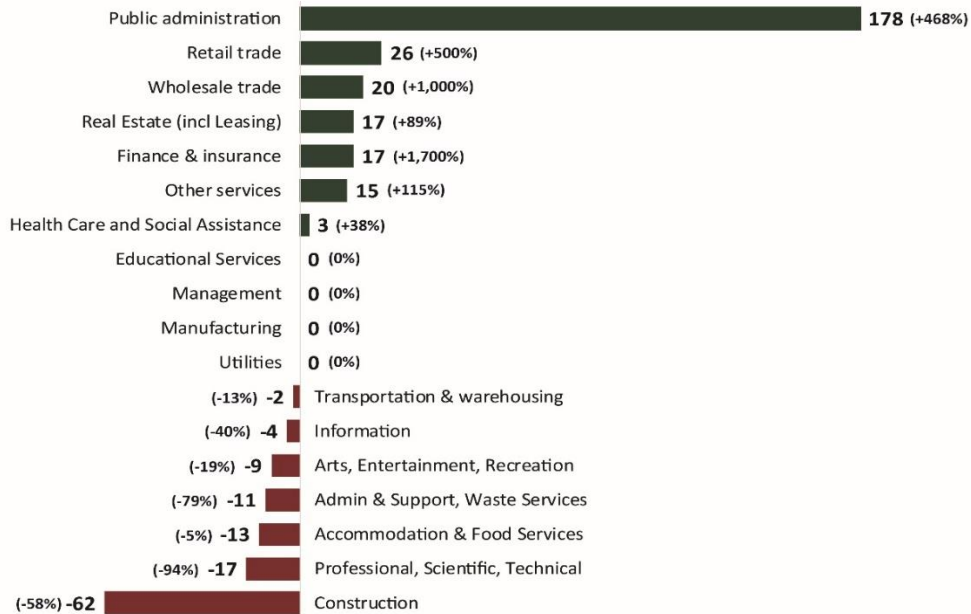


EMPLOYMENT CHANGE: BY INDUSTRY 2010 - 2014



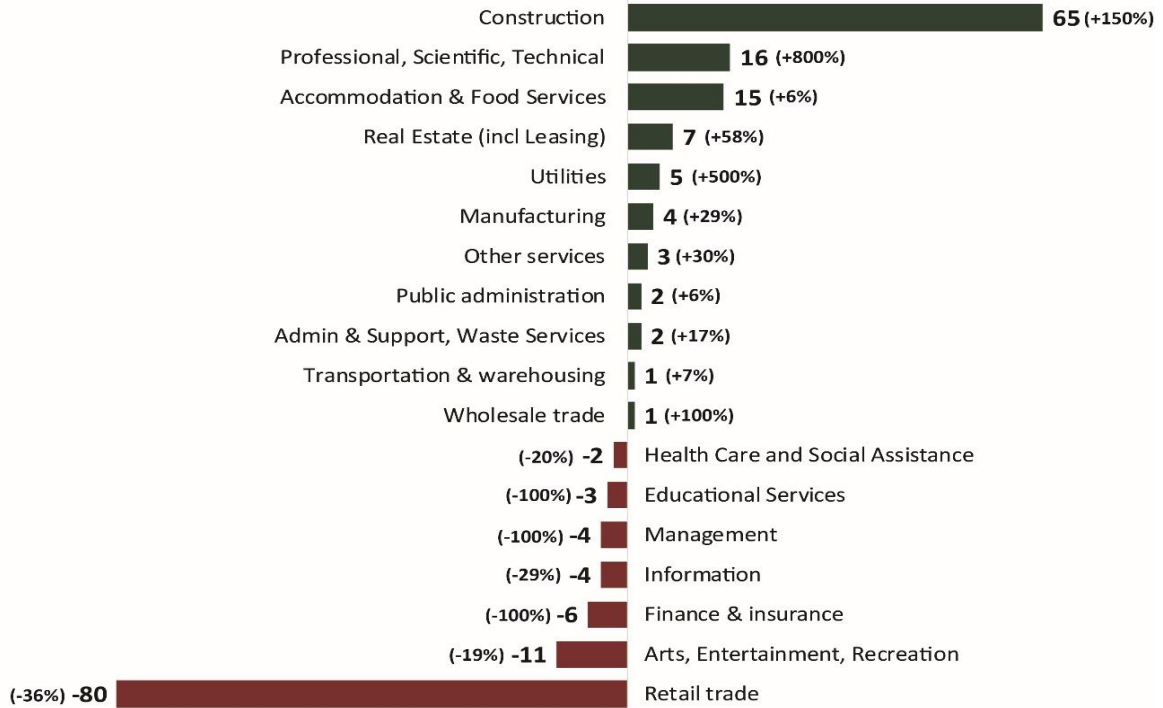
SOURCE FOR BOTH: U.S. CENSUS BUREAU, ONTHEMAP APPLICATION

EMPLOYMENT CHANGE: BY INDUSTRY 2007 - 2010





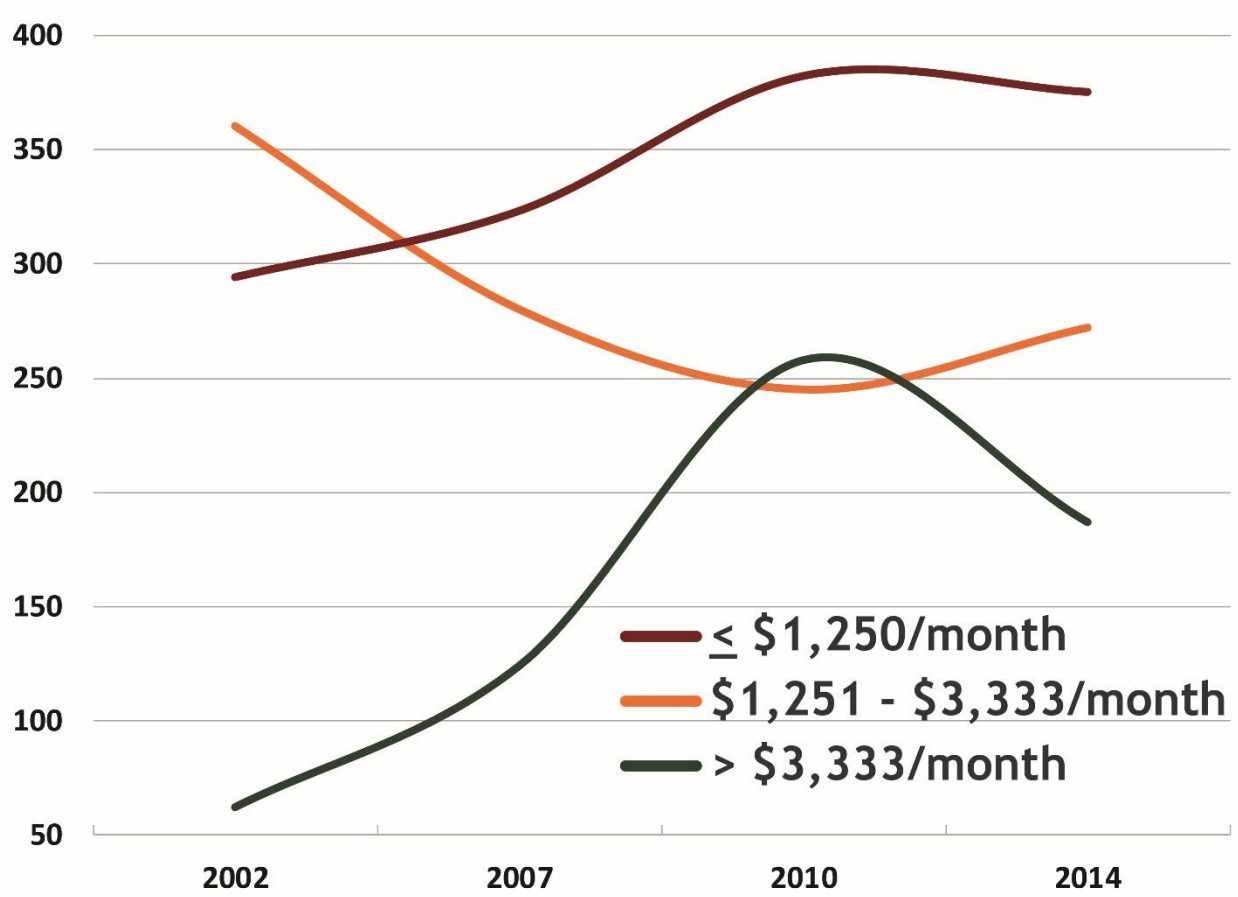
EMPLOYMENT CHANGE: BY INDUSTRY 2002 - 2007



SOURCE FOR BOTH: U.S. CENSUS BUREAU, ONTHEMAP APPLICATION



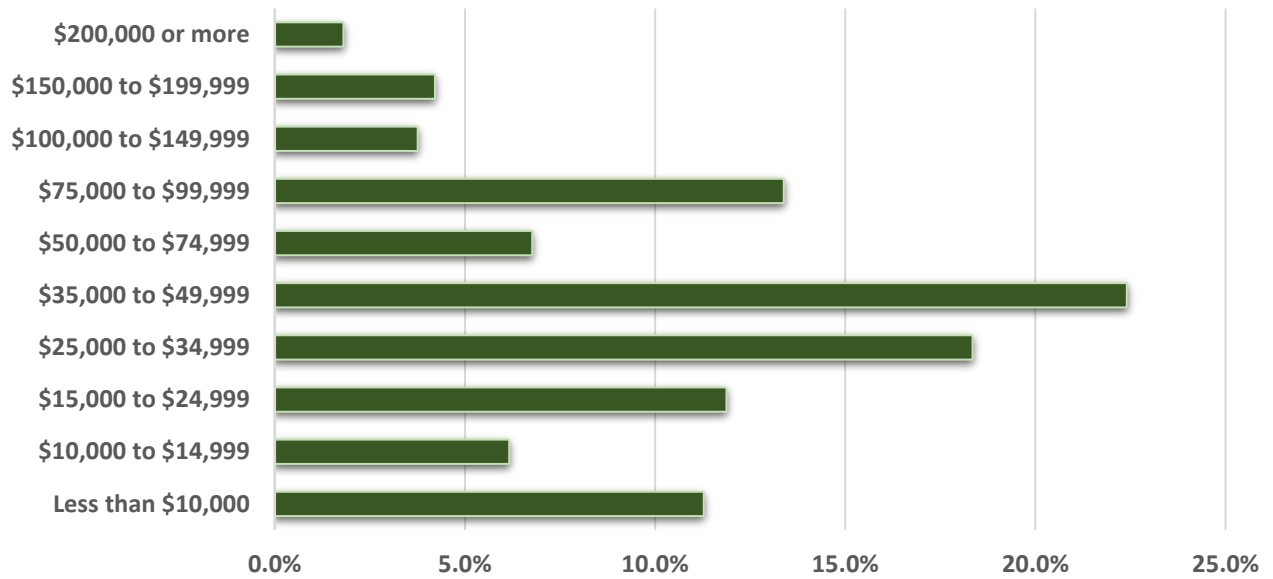
INCOME: EARNINGS BY PRIMARY JOBS 2002-2014





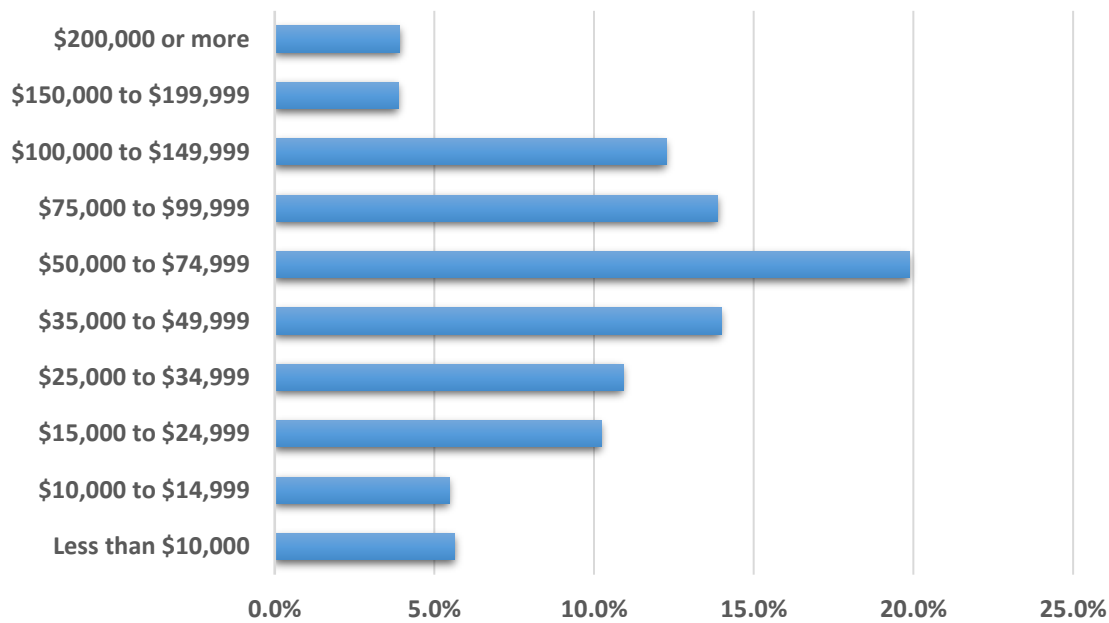
INCOME: DISTRIBUTION BY HOUSEHOLD 2014 WY

Nearly half of all of households (47.7%) have income below \$35K. 70% are below \$50K.



INCOME: DIST. BY HOUSEHOLD 2014 GALLATIN CO

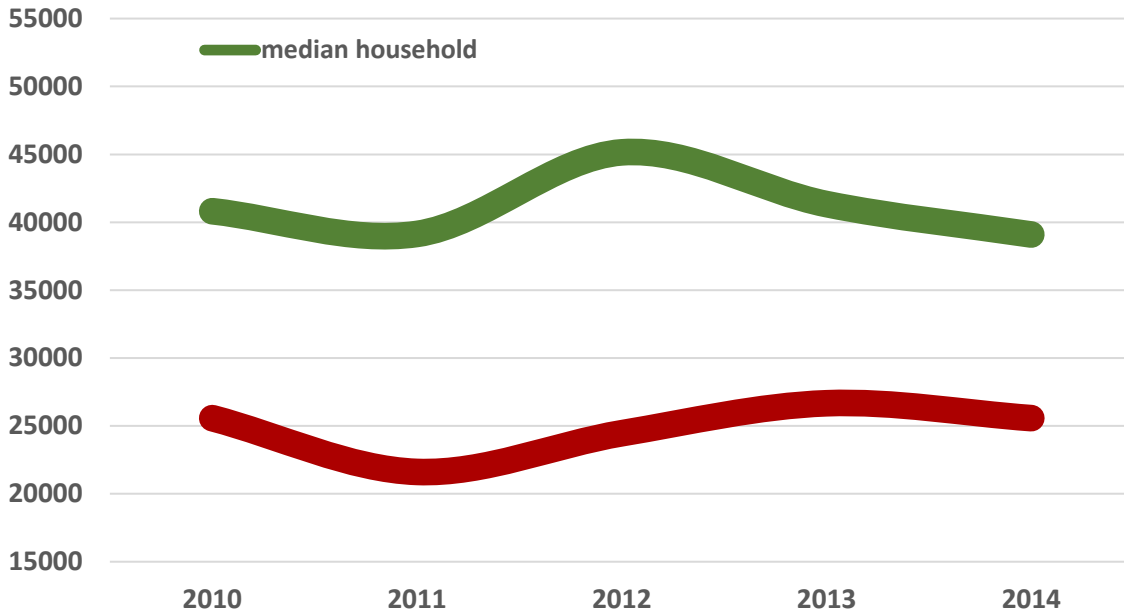
32% of all of households have income below \$35K. 46% are below \$50K



SOURCE: HEADWATERS ECONOMICS ECONOMIC PROFILE SYSTEM



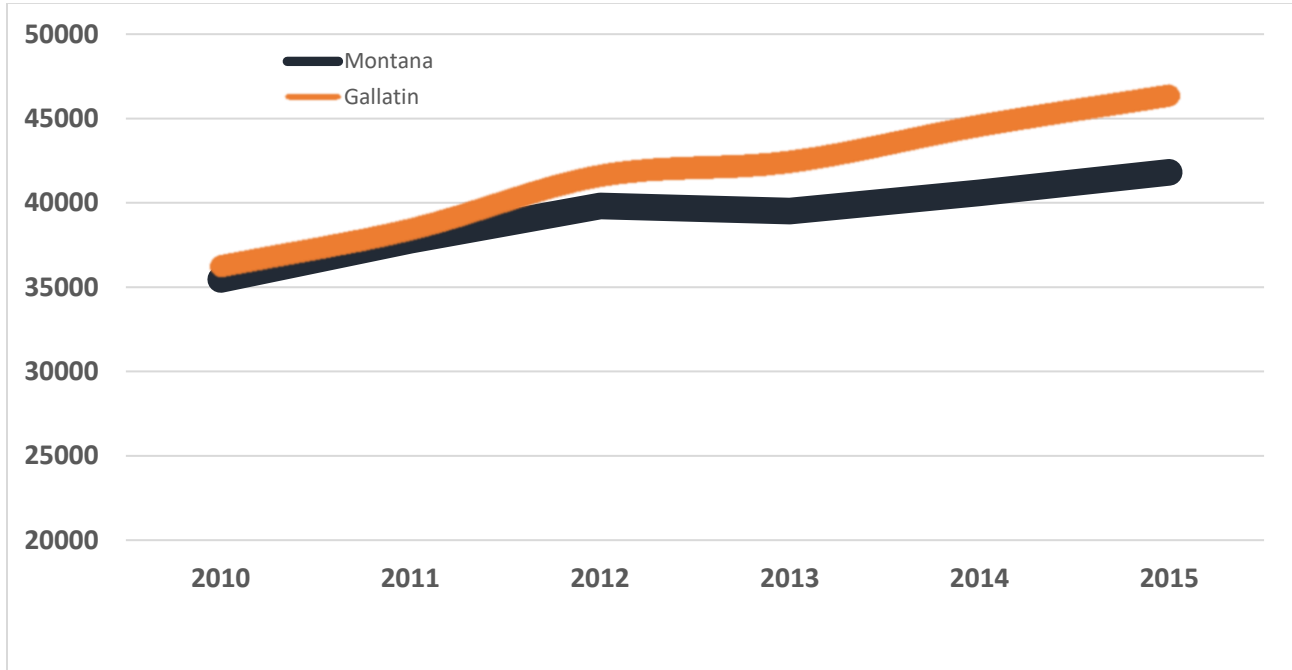
INCOME: CHANGE IN HOUSEHOLD & PER CAPITA WY



SOURCE: U.S. CENSUS BUREAU, 2010-2014 AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES



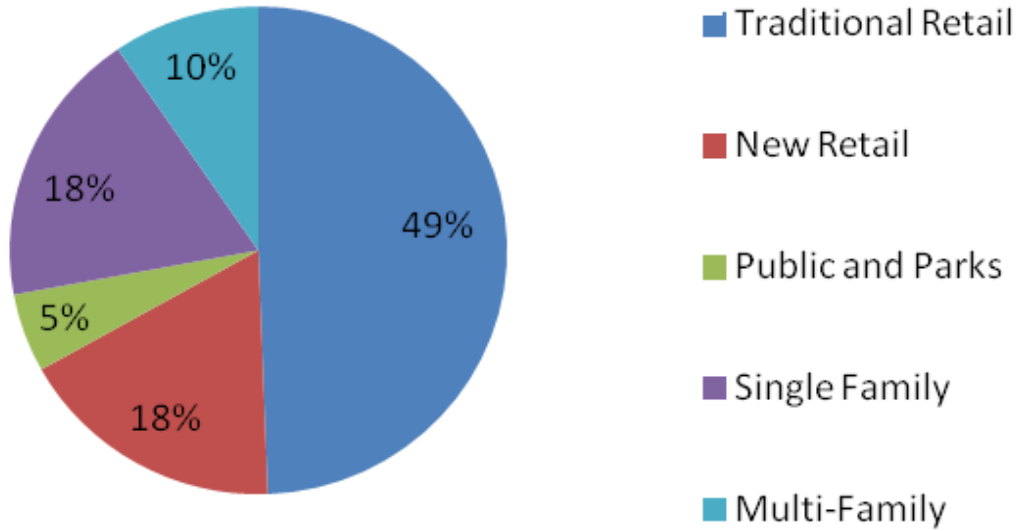
INCOME: CHANGE IN PER CAPITA GALLATIN CO & MT



BUREAU OF ECONOMIC ANALYSIS



LAND USE: RETAIL, HOUSING, PUBLIC SPACE / PARK

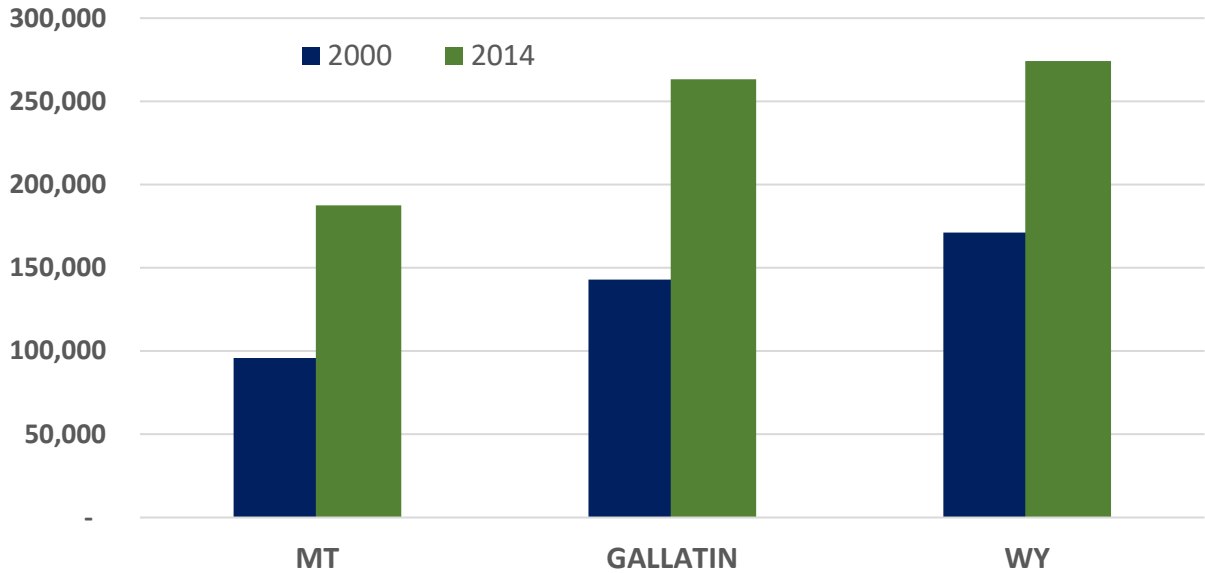


SOURCE: TOWN OF WEST YELLOWSTONE PLAT, MONTANA CADASTRAL FRAMEWORK, GALLATIN COUNTY GIS DEPARTMENT, MONTANA STATE LIBRARY VIA WORKFORCE HOUSING NEEDS ASSESSMENT AND HOUSING PLAN FOR THE TOWN OF WEST



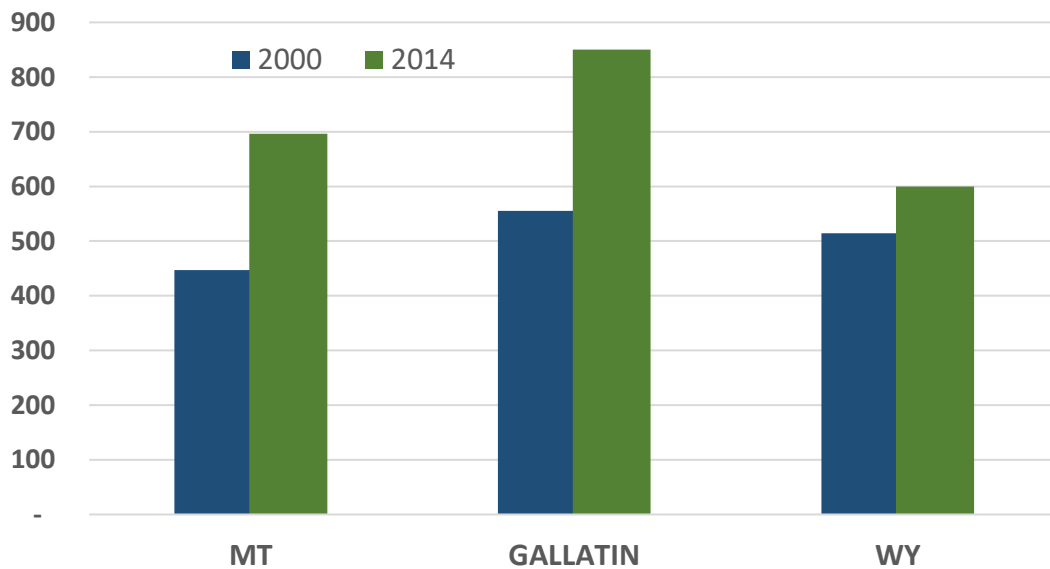
HOUSING: MEDIAN VALUE OWNER OCCUPIED

WY_2014 Median Value = \$274,200 (60% increase from 2000),
higher than both Gallatin Co (\$263,200) and Montana (\$187,600)



HOUSING: MEDIAN RENT

WY_2014 Median Rent = \$600 (17% increase since 2000),
slightly less than Montana at \$696 and substantially less than Gallatin County at \$850





SOURCE: LAND PLANNING SOLUTIONS, LLC

HOUSING: % WITH HOUSING COST BURDEN

Looking at housing cost burden (paying more than 30% of household income on housing) provides a snapshot of housing affordability.

In 2014: estimated 24% of homeowners & 42% of renters had a housing cost burden.

