

First Right of Refusal Policy

A First Right of Refusal could require sellers of affordable properties to allow the City, Housing Authority, or other eligible housing non-profit the option to match the offered price. This policy would need to include requirements related to the process and timeline owners must adhere to when selling such properties. The policy could also include a maximum time period for the agency to make a decision. Some policies are limited to structures with buildings over a certain number of dwelling units. The benefits of this policy are to protect rental units from being converted into luxury units or from having large developers buy-up many multifamily properties and control the market. It is unknown if these policies are allowed in Idaho and would need to be fully vetted through legal counsel.

Short-Term Rental Codes

Coeur d'Alene is the only community in Kootenai County that has a short-term rental ordinance. It was adopted in December 2017 following legislation (House Bill 216) that restricted communities from banning short-term rentals (STRs) or treating them as commercial uses in residential neighborhoods. Coeur d'Alene is evaluating possible changes to the STR code to address the lack of affordable housing stock. Coeur d'Alene adopted a "light touch" ordinance in 2017 that did not regulate the minimum number of nights, differentiate between owner-occupied versus non-owner occupied, or limit the number of STRs that could be owned by one entity. Coeur d'Alene requires permits with an annual renewal, self-inspections, notification of neighbors, a responsible party, and a good neighbor policy. Coeur d'Alene's code does limit STRs in apartment buildings and only allowed one per property/owner, unless it is a hotel or condominium. Coeur d'Alene also requires that if there is an ADU on the property, that only the principal dwelling or the STR can be rented, but not both, and has an owner-occupied requirement if the property has a STR.

Other communities in Idaho differentiate between owner-occupied and non-owner occupied by having different prices for the permits and limiting the number of non-owner-occupied units that can receive a permit and differentiate between STRs in various zoning districts (residential versus commercial). They also charge a technology fee. Other provisions that could be evaluated are the minimum night stay, parking requirements, ownership, types of units that qualify for STRs, zoning districts, occupancy, and enforcement.

Multigenerational Housing

Multigenerational homes are specifically designed to provide space for multiple generations to live under one roof. Generally, it is at least two adult generations living together. Some communities consider them single-family residences, whereas other communities consider them to be a single-family

home with an accessory dwelling unit (ADU) or even a duplex because of the separate nature of the residential living arrangements. The communities that do allow them under the single-family definition, include a clear definition in their zoning codes about multiple generations living together as a family unit, they have parking requirements to ensure there is adequate parking based on the total number of bedrooms, and they require a deed restriction so that the house functions as a single-family unit. Deed restrictions may also be imposed regarding the use of the unit as a short-term rental.

This is an opportunity for evaluate Zoning Codes to see if multigenerational homes can be allowed under existing regulations or if amendments are required to clearly note where they would be permitted and any specific requirements or design features to differentiate them from other uses. Multigenerational homes are allowed in Post Falls and Rathdrum under current regulations, but not in Coeur d'Alene or Hayden.

Community Land Trusts for Affordable Housing

A Community Land Trust (CLT) is a way to preserve affordable housing over time. The trust acquires land and maintains it permanently. Families will purchase the home but not the underlying land. They are restricted to a maximum percentage of equity over time. When they sell, they are able to take the predetermined equity of the increased property value. The trust retains the first right of refusal on the property so that it can be sold again at an affordable price. Under a CLT model, it is structured as a renewable lease rather than a traditional sale. (Source: Community-Wealth.org <https://community-wealth.org/strategies/panel/clts/index.html>)

Habitat for Humanity is building a land trust project with townhouses in Coeur d'Alene. The Habitat for Humanity model is a shared equity homeownership program. There are other community land trusts in Idaho and throughout the country that are successful models of long-term affordable housing stock.