

Attachment 2: Excerpt from February 8, 2022 Staff Report recommending development of the Workforce Housing Advancement Program

Full Staff report is available at:

<https://www.townoftruckee.com/home/showpublisheddocument/21194/637795794722530000>

STR registration certificate-based Workforce House Advancement Program concept

The stakeholder advisory committee recommended that the Town consider a new workforce housing incentive program whereby the Town could leverage a limited pool of registration certificates as an incentive for the development or procurement of new workforce housing units. This is a new concept, in that staff and Advisory Committee members are not aware of examples of similar program in any other jurisdictions that we could use as a model for this type program.

Following the final Advisory Committee meeting, staff invited all committee members to participate in a follow-up incentive sub-committee discussion to further develop this incentive concept. A sub-committee made up of five Advisory Committee members met with staff and provided input that staff used to develop this concept.

Program Concept

This program recommendation is at a conceptual level and there are many details that would need to be further developed before the program could be adopted. The goal of the Workforce Housing Advancement STR Program would be to incentivize the private sector to contribute to workforce housing solutions by setting aside a limited pool of STR registration certificates that would be leveraged as a new tool in the Town's menu of housing incentives.

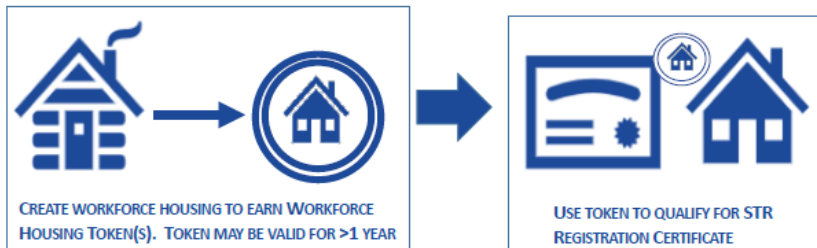
- A Housing developer or STR operator could approach the Town to propose deed restricting one or more housing units for workforce housing in exchange for the ability to access an agreed-to number of STR registration certificates for an agreed-to period of time. The qualifying workforce housing units could either be newly constructed or could be existing housing units that are not currently deed restricted. The workforce housing unit(s) created would not need to be geographically co-located with the property that ultimately uses the STR registration certificate, although both would be required to be within Truckee town limits.
- For now, staff is referring to this agreed-to ability to access a STR registration certificate as a "Token." A Token is not the same as an STR registration certificate, although it would entitle its owner to a certificate. While an STR registration certificate is not transferable between rental properties or between owners and expires at the end of each calendar year, a Token is recommended to be a transferable asset. Its owner could apply the Token to receive one STR registration certificate (i.e. separate from the waitlist generated by a registration cap), then, when that registration certificate is canceled, could re-apply the token to receive a registration certificate for a different eligible STR

property. Likewise, a Token owner could sell the Token to a new owner, who could then apply the Token to receive a registration certificate. Each Token would have an expiration date, although a token could be valid for more than one year. See **Figure 7** for an illustration of this concept.

Figure 7:

WORKFORCE HOUSING ADVANCEMENT PROGRAM CONCEPT

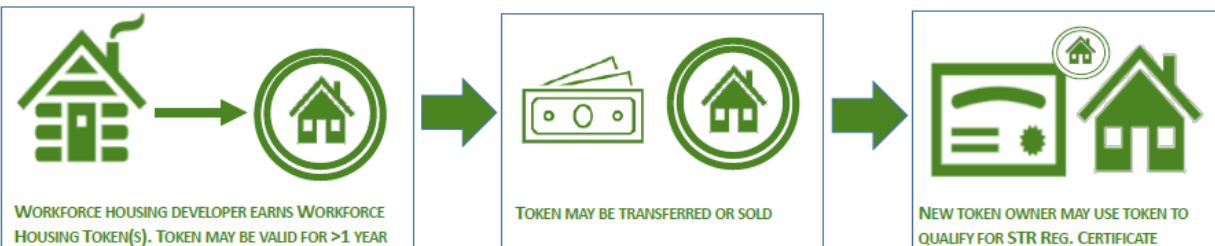
1. QUALIFY FOR STR REGISTRATION



2. TRANSFERABLE BETWEEN STR PROPERTIES



3. TRANSFERABLE TO DIFFERENT TOKEN OWNER



The three components of the program concepts presented in Figure 7 above were recommended by the Advisory Committee sub-committee. The transferability of tokens (concept 3) was specifically recommended because transferability of tokens would increase the value of each token, helping to ensure that the Town receives the greatest workforce housing value per token issued.