

PROPOSED

HUD ProHousing Grant Application, Wyoming Community Development Authority

“Addressing Housing Regulatory Barriers in Wyoming”

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HUD ProHousing Grant Application, Wyoming Community Development Authority

Narrative Exhibits.

- Exhibit A Executive Summary.

Exhibit A. Executive Summary

This executive summary provides an overview of the initiatives and strategies for addressing housing regulatory barriers in the state of Wyoming. Recognizing the critical importance of affordable and accessible housing for all residents, this narrative outlines key recommendations to promote housing affordability and reduce regulatory hurdles.

Challenges in Wyoming's Housing Landscape: Wyoming faces significant housing challenges, including rising home prices, limited rental options, and a shortage of affordable housing units. These challenges have been exacerbated by outdated zoning regulations, restrictive building codes, and resistance to denser housing developments.

The "Addressing Housing Regulatory Barriers in Wyoming" project, proposed by Wyoming Community Development Authority (WCDA), seeks funding under the PRO Housing Federal Grant, a subset of the Community Development Block Grant (CDBG) program, to address pressing housing regulatory barriers that hinder the development of affordable housing in the state of Wyoming. This project is in alignment with the CDBG program's objectives of promoting community development, enhancing housing options, and stimulating economic growth. More specifically, it is the goal of the project to provide assistance in planning, code review and zoning regulations to HUD-identified priority areas. Feasibility studies would support the relaxation of hurdles that are impeding housing development within the State. These hurdles ultimately contribute to increased housing costs for the communities that can afford it least. The project outcome aligns with the needs of Wyoming and the spirit of this Federal initiative.

By carefully reviewing and addressing regulatory and zoning barriers in a community, local governments can create a more inclusive, accessible, and equitable housing environment. Such efforts not only expand affordable housing options but also contribute to more integrated and vibrant communities.

HUD ProHousing Grant Application, Wyoming Community Development Authority

Narrative Exhibits.

- Exhibit B Threshold Requirements and Other Submission Requirements.

Exhibit B. Threshold Requirements and Other Submission Requirements.

We understand that applicants who fail to meet any of the following eligibility requirements are deemed ineligible. The WCDA does not have any outstanding civil rights matters that must be resolved or discussed. This application is also intended to be submitted timely and by an eligible applicant in accordance with Section III.A of the ProHousing NOFA.

In compliance with this grant application, the following forms are also being submitted: SF-424, HUD 424-B, 424-CBW, Certification Regrading Lobbying, and Disclosure of Lobbying Activities (SF-LLL).

HUD ProHousing Grant Application, Wyoming Community Development Authority

Narrative Exhibits.

- Exhibit C Need

Exhibit C. Need

In Wyoming, the 2023 Analysis of Impediments¹ completed for HUD highlighted the urgent need for affordable housing. Currently, 28,790 households face cost burdens, with limited access to affordable housing units. Cost burdens exist when a household spends more than 30 percent of its income on housing. A severe cost burden exists when a household spends more than 50 percent of its income on housing. Statewide, the rate of cost burdens is 22.2 percent, with 9.2 percent of those experiencing a severe cost burden. Those at the lowest incomes experience cost burdens at the highest rate, at a rate of 69.9 percent, 53.0 percent of whom experience severe cost burdens.

The 2023-2027 Consolidated Plan² as approved by HUD outlined the following Priority Needs: Affordable Housing, Homelessness, Public Facilities, Infrastructure, & Public Services. These will be addressed with CDBG, HOME, NHFT, and ESG funds with the following goals: Increase Availability of Housing, Invest in Infrastructure and Public Facilities, Fund Public Services, & Support Homeless Providers.

As further evidenced in the WCDA Analysis of Impediments to Fair Housing Choice, the level of housing needs in Wyoming varies based on a variety of factors. These rates vary by tenure with renter households experiencing cost burdens at a higher rate. Lower-income households also experience housing problems at the highest rate, with renters under 30 percent of HUD Area Median Family Income (HAMFI) experiencing the highest rate of housing problems in the State. Regionally, households in the Southeast and Teton Regions have higher rates of housing problems than other areas in the State. Some racial and ethnic groups face housing problems at higher rates than the Statewide average, including American Indian / Alaskan Native, Asian, and black / African American households at certain income levels.

When looking at public disability and access, the disability rate in the State is 12.9 percent with the rate of disability increasing with age. For people over the age of 75, the rate of disability is over 48 percent. Households residing in publicly supported housing units in the State have disabilities at a rate of 30 percent. Considering the aging population and input from stakeholders, there is an expected need for additional accessible housing units in the State to meet current and future needs for households with disabilities.

The Fair Housing Goals for the Consolidated Planning Period are tied to the State of Wyoming's 2023-2027 Consolidated Plan. As such, these goals are set to be addressed over the next five years. Goal progress will be reported annually in the State of Wyoming's Consolidated Annual Performance and Evaluation Report (CAPER). Three goals have been identified for this time period, each with corresponding actions and timelines for completion:

- Goal #1: Increase Access to Affordable Housing
- Goal #2: Increase Fair Housing Outreach and Education
- Goal #3: Increase Fair Housing Coordination Across the State

¹ State of Wyoming's 2023 Analysis of Impediments to Fair Housing. https://www.wyomingcda.com/wp-content/uploads/2023/02/Wyoming-2023-AI_Draft_27-Jan-23.pdf

² State of Wyoming's 2023-2027 Consolidated Plan. https://www.wyomingcda.com/wp-content/uploads/2023/02/Wyomings-2023-2027-Consolidated-Plan_-DRAFT_27Jan23.pdf

Wyoming is grappling with a severe shortage of affordable housing units, resulting in significant challenges for low-income individuals and families. This project aims to eliminate housing regulatory obstacles that have deterred developers from investing in affordable housing projects. In a recent diagnostic³ () led by Harvard University's Growth Lab, research points to excessive zoning, regulations, and project approvals processes as one of two principal constraints explaining why Wyoming has seen an insufficient supply response in housing development across municipalities/labor markets that have seen sustained demand.⁴ This problem undermines housing overall and especially investment in the affordable housing segment. The result is that Wyoming has seen increased demand for housing across the State translate into rapid home price increases with very limited growth in supply.

While several relevant zoning, regulations, and process rules are set at the state level, many are determined locally by municipalities across Wyoming. The State of Wyoming, led by the Office of the Governor, is currently developing a reform package to address barriers that result from state-level laws and by-laws and has included housing-related regulations within a state-wide regulatory reduction process. With the support of Harvard's Growth Lab, a reform process is also underway with planning teams and elected officials in Wyoming's largest cities. This process has shown that local governments — even in larger and better resourced cities — have limitations in their bandwidth and expertise to identify and address regulatory barriers that are having outsized impacts on housing in their jurisdictions. Even highly capable and experienced city planners often take outdated housing-related regulations as a given and are often resistant to change. However, this initiative has shown that external evidence, expertise, and support enable more evidence-based zoning and regulatory approaches. This grant would be used to extend this process to a wider number of local jurisdictions to re-evaluate and address highly problematic regulations that increase the cost burden of housing and dramatically reduce new development of housing, especially housing development targeted to the affordable housing segment. Key steps in the support process for understanding and addressing regulatory barriers to housing:

- **Documenting existing zoning rules, regulations, land use policies, and procedures.** During this step, local officials often do not know where to start. Support would be provided in the form of an introductory discussion with an outside expert and a template of potentially important regulatory barriers to housing expansion (See Table 1 under Exhibit D. Soundness of Approach as an example), especially issues found within other parts of Wyoming. A centralized team would do a rapid filling of the template where information is known, and local representatives would then review and work to fill in as many remaining gaps as possible with an agreed-upon deadline. This template would be continuously improved based upon issues discovered in various communities over time.
- **Prioritizing issues for reform.** We have found that local prioritization step often lacks evidence and is dominated by local assessments of how much change a community can

³ Housing in Wyoming: Constraints and Solutions. <https://growthlab.hks.harvard.edu/publications/housing-wyoming-constraints-and-solutions>

⁴ The second principal constraint identified were gaps in housing-related infrastructure, especially arterial infrastructure, which appear to be especially problematic across Wyoming because of limited local tax bases to fund key infrastructure projects and a limited ability (at present) to leverage available grant funding to address the backlog of needs. State strategies are being developed to address this constraint in parallel with the first constraint.

accept. Therefore, external support would be provided to provide an evidence-driven review of where rules and regulations are out of step with modern best practices for housing affordability and to highlight which issues have been found to be the most intensive constraints in other places (for example, parking requirements can be much more consequential for building designs and cost outcomes than landscaping requirements). These external consultations can be quite rapid and provide a necessary complement to local prioritization processes.

- **Developing roadmaps and implementation of the reform process.** Local officials often know their own processes to make zoning and regulatory changes better than outside experts, but expertise can be made available in two forms. First, supported communities would receive a review of their reform plans to highlight any potential gaps or likely problems in the proposed process for further consideration by local leaders. Second, this support system can enable more matching between communities for knowledge sharing. Leaders exploring solutions in one community can benefit immensely from discussions with other communities who explored similar changes in the past. The ability to understand both successes and challenges from peer communities is important.
- **Check-ins, aggregating information about changes, and external communication of changes.** Plans often get stuck in the implementation phase, so support would be provided through regular check-ins to help community leaders push forward and problem solve where necessary — again maximizing connectivity to peer communities where it could be helpful. As changes are made through this process, it is important for them to be documented and shared, particularly with housing developers. Many communities face a challenge where important and sometimes contentious changes are made but nothing changes in the type of housing development that they see take place because the developer community has no way of knowing about their opportunities. This grant would allow for changes to be announced and reach more in-state and out-of-state developers through the information channels of WCDA and several state agencies, which are increasing their bandwidth for supporting investment promotion in the housing space.
- **Access to supporting infrastructure funding and financing.** The State of Wyoming is currently developing new tools for channeling grants, loans, and other financing support programs to communities to better respond to their local infrastructure needs. These tools have a special focus on infrastructure to enable housing densification and expansion. Communities that address their local regulatory and zoning burdens are expected to qualify for special access to newly developed programs.

The WCDA with the partnership of Root Policy Research conducted a Statewide Housing Needs assessment during 2023-2024. That comprehensive work further highlighted the need across the state of Wyoming. That report provided an overview of Wyoming’s demographic and economic trends, along with a summary of statewide housing trends in both rental and ownership markets. It also highlights the housing needs of various population groups and projects the number of housing units required to meet household growth through 2030.⁵

⁵ Wyoming Community Development Authority Statewide Housing Needs Assessment, February 2024
<https://www.wyomingcda.com/demographics/>

Although Wyoming has experienced moderate population and employment growth, changes in key industries have created a gap in housing affordability. Development patterns in many counties have not kept pace with shifts in employment toward service-providing industries, necessitating a broader range of housing types and price points to meet workforce needs.

Expanding housing production is critical for supporting and driving economic growth. Currently, housing affordability for workers remains a significant barrier, with supply falling short of demand and the workforce facing challenges in finding affordable housing. In the rental market, the availability of affordable units for low-income renters is shrinking, compounded by higher-income renters occupying lower-cost units. In the homeownership market, rising home prices have not been tempered by increased interest rates, which have further reduced affordability for mortgage-dependent buyers.

The state is projected to see moderate population growth in the coming years. However, the aging population will significantly affect future housing needs, as longer independent living among older adults will increase housing demand. Between 2021 and 2030, Wyoming will need an additional 20,700 to 38,600 housing units. Of these:

- 1,400 to 2,600 rental units and 1,100 to 2,100 ownership units will be needed for households earning 30% of AMI or less.
- 1,160 to 2,150 rental units and 1,330 to 2,460 ownership units will be needed for households earning between 31% and 50% of AMI.

Additionally, over 50,000 households earning below 100% of AMI face housing challenges such as cost burden, overcrowding, or inadequate kitchen or plumbing facilities. More than 20,000 of these households earn 30% or less of AMI. The 2023 Point in Time survey reported 498 households, comprising 532 individuals, experiencing homelessness. For the 2019-2020 academic year, the Department of Education recorded 1,771 homeless children and youth.

With the data from the housing needs assessment, WCDA with support from its Board of Directors has started development of a Statewide Strategic Housing Action Plan (Plan). WCDA has announced the selection of Abt Associates (Abt) to partner with, in the development of the Plan. The decision to pursue a Statewide Strategic Housing Action Plan was made in response to the findings from Wyoming's Statewide Housing Needs Assessment. In developing the Plan, Abt will aim to deliver customized and actionable recommendations for WCDA, localities, and other stakeholders to address the state's housing needs. The plan will assess and provide recommendations for Wyoming's housing needs in the categories of both affordability and inventory available for rent or purchase. This Plan aims to outline priorities and strategies for housing policy in Wyoming, drawing on local expertise and best practices nationwide. The upcoming Plan will assess current successes, areas needing improvement, and propose forward-looking solutions.

In close collaboration with WCDA, Abt will develop a Plan that is responsive to the needs and housing conditions of different jurisdictions and regions across the state. The Plan will include recommended goals, strategies, and implementation steps to preserve existing and provide additional housing opportunities. To ensure the Plan is relevant to diverse localities across the

state, Abt will propose a typology of housing markets that reflect the different housing conditions and challenges in different cities and counties (for example, low-growth, modest cost rural areas or high-cost resort areas with inadequate workforce housing). Abt will work with WCDA to determine key factors to consider in developing the market typologies, such as housing costs, population density and growth, primary industries, and income trends. Abt will develop specific recommended goals, strategies, and implementation steps for the state as a whole and for each market type. The Plan will be informed by the barriers, needs, and potential solutions identified through document review, community analysis, and community outreach.

This new housing Plan will complement Wyoming's strategic initiatives, exploring solutions for housing affordability across income levels, analyzing housing stock quality and availability, evaluating development barriers, and addressing the needs of special populations such as seniors or veterans. Public input will be integral, ensuring broad stakeholder engagement.

While the Plan is still in development; six broad statewide key issues have been identified:

- Funding limitations
 - Challenges
 - Wyoming spends less on housing and community development per capita than any other state
 - Federal programs, such as the Low Income Housing Tax Credit, assist some but not all households that need help
 - Wyoming municipalities have limited ability to generate revenue to support housing development and are thus heavily dependent on state aid
 - Unaffordable housing hurts economic development and, in turn, limits revenue
 - Potential Actions
 - Establish a flexible housing development fund to support local needs, such as funding for land acquisition, infrastructure, or construction
 - Create more ways for local governments to raise revenue to address housing needs, such as by relaxing requirements for use of the “6th penny”
- Lack and cost of housing infrastructure
 - Challenges
 - Many Wyoming localities lack financial resources to add infrastructure to support new housing
 - Developers struggle to make projects pencil out when new infrastructure is needed
 - A lack of infrastructure limits the amount of buildable land for additional housing (and new businesses) in Wyoming
 - Existing infrastructure is not always sufficient for infill development
 - Potential Actions
 - Assist localities interested in growing in determining what types and level of infrastructure are needed to accommodate population and job growth
 - Ensure the Wyoming Grant Assistance Program is sustained and has the expertise needed for localities to apply for infrastructure grants and assess

- and coordinate opportunities to develop infrastructure using federal and state programs
 - Consider vehicles through which private developers can receive direct support for infrastructure installation, such as for workforce housing projects, or a means through which developers and localities can coordinate on infrastructure grant applications
- Limited local capacity to address housing challenges
 - Challenges
 - Smaller localities are particularly challenged by a lack of local planning capacity to proactively plan for housing needs
 - Development approval and permitting can be slowed by limited staff capacity
 - Community members have wide latitude to block or slow projects or zoning changes they oppose
 - Grant opportunities can be hard to find and time-consuming to apply for
 - Potential Actions
 - Ensure the new Wyoming Grant Assistance Program is widely marketed to localities and tailored to their needs
 - Create a one-stop shop for state information on housing targeted to local housing policy makers, practitioners, and housing providers, with links to state and federal grant opportunities, among other resources
 - Reform zoning protest petition process
 - Contract with a firm to conduct development reviews on behalf of local governments, based on local regulations
- Limited builder capacity
 - Challenges
 - Wyoming’s relatively small population and population density makes it difficult for the state to attract largescale developers and home builders
 - Small-scale local builders are a vital component of a healthy housing market, but often cannot achieve the cost savings of large builders
 - The lack of skilled trades workers slows construction and adds costs
 - Potential Actions
 - Explore the viability of using off-site year-round housing construction, like factory built modular homes, to address housing needs
 - Explore options to streamline licensing processes to attract more out-of-state builders and skilled trades workers
 - Build a more robust pipeline of skilled trades workers and encourage newly trained workers to remain in Wyoming, such as by forgiving a portion of their training costs at local colleges for each year they remain in Wyoming and employed in the building industry
- Barriers to extending city/town boundaries
 - Challenges
 - Some Wyoming localities have limited space to accommodate new largescale residential development
 - It can be difficult for cities and town to expand into unincorporated areas, especially without careful coordination with the county

- The potential for annexation can be hindered by concerns over how collected revenues are distributed to localities
 - Potential Actions
 - Examine the most suitable locations in the state to support population growth, economic development, and new housing, and determine the extent to which municipal expansion would be needed to accommodate growth
 - Provide technical assistance for joint planning efforts around municipal expansion
 - Explore opportunities for land swaps, longterm leases, joint agreements, or public private partnership with large landowners, including federal/state/university/hospitals, etc.
- Barriers to diverse types of housing
 - Challenges
 - Many Wyoming communities discourage or prevent housing types other than single-family homes through zoning and building regulations
 - Households that may prefer or more easily afford a home other than a single-family home – such as young workers without children or retirees who prefer a home that requires less maintenance – may not be able to buy or rent a home that suits their needs
 - Potential Actions
 - Offer technical assistance to localities to help them identify and address zoning, parking, building, or other regulations that may be hindering development of preferred housing types to meet local needs
 - Assist localities in preparing preapproved housing plans, which would be vetted by community members, to promote diverse housing types and speed up the development review process

As evidenced through the work of the Statewide Needs Assessment and now the start of the Statewide Strategic Housing Action Plan there is a documented need within Wyoming for housing, though a variety of barriers prevent adequate housing unit development. The WCDA has spent the last year leading the efforts to organize these resources which shows our progress and commitment to overcoming local barriers to facilitate the increase of affordable housing production and preservation.

HUD ProHousing Grant Application, Wyoming Community Development Authority

Narrative Exhibits.

- Exhibit D Soundness of Approach

Exhibit D. Soundness of Approach

The state of housing in Wyoming is complex, expensive, and lacking. The WCDA recently published a Statewide Housing Needs Assessment¹. It is a lengthy report, 300 pages, which further illustrates the point that this is not a problem we can solve with one silver bullet. Rather it is a complex set of dials, each needing to be adjusted until we can collectively bring about change.

Summary of Key Housing Datapoints in Wyoming:

- **Housing Supply:** Current housing needs indicate the state has over 50,000 households under 100% Area Median Income (AMI) with at least one housing problem including cost burdened², overcrowding³, lack of complete kitchen facilities, or lack of complete plumbing facilities. In addition, as the state is projected to experience moderate population growth in the coming years and between 2021 and 2030, the state will need to add between 20,700 and 38,600 additional units of housing.
- **Rental Market:** The rental market experienced an increase in the amount of cost burdened¹ households overall from 32% in 2010 to 38% in 2021. Among households with incomes between \$20,000 and \$35,000, the increase was from 41% in 2010 to 67% in 2021 and among households with income between \$35,000 and \$50,000, from 13% to 35%.
- **Homeownership Market:** The typical home value is unaffordable to households earning the median income in every county in Wyoming in 2023. In addition, 44% or close to 1 out of every 2 homes was sold to someone making 151% of the AMI. While only 1 out of 4 homes sold went to someone in the middle band of 80%-120% AMI and those making less than 80% AMI were limited to 12% of home sales.
- **Demographic Trends:** The population of Wyoming is aging; the proportion of individuals aged 65 and over has risen from 12% in 2010 to 17% in 2021. This demographic is expected to increase by another 40%+ by 2030. The percentage of seniors living alone is greater than 1 out of 10 Wyomingites (12%). It is crucial to prepare for the growth of that population because they are more likely to require housing accessibility modifications, in-home care, meals, transportation, health services, and institutional care facilities.

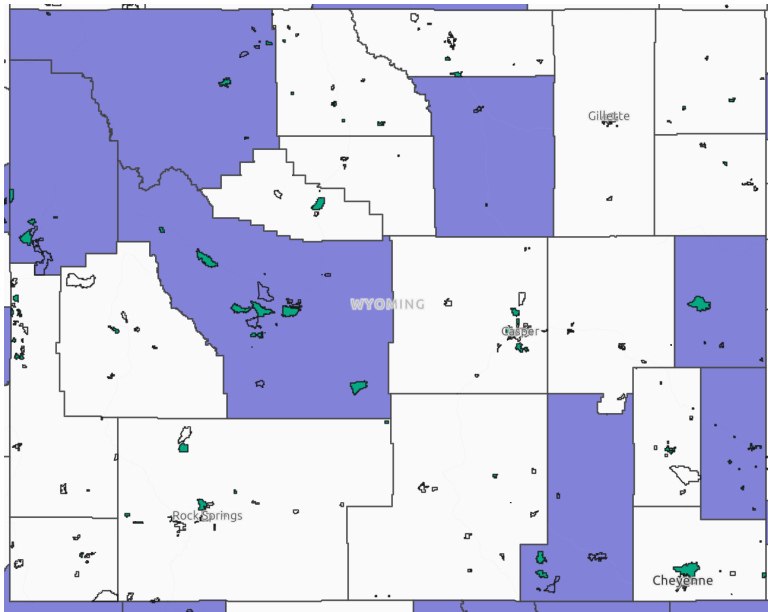
Knowing the need present in the state, the ProHousing project will primarily focus on underserved and economically challenged areas in Wyoming, with a specific emphasis on the priority geographies as outlined by HUD. We realize that it is important to recognize these target areas identified by priority geographies, while at the same time understanding that subsequent

¹ <https://www.wyomingcda.com/demographics/>

² Cost burden is defined by HUD as a monthly housing cost (including utilities) exceeding 30% of monthly income and severe cost burden is monthly housing costs (including utilities) exceeding 50% of monthly income.

³ Overcrowding is defined by HUD as more than 1 person per room and severe overcrowding is defined as more than 1.5 persons per room.

areas could benefit from this type of outreach. Therefore, our proposal will include proactive outreach to offer resources to the “priority geographies” while having an open window for any locality to request support. We would deploy a preference for any community in an identified priority geography, however, if not enough units of local government in those specified areas come forward, we would default to the non-priority geographies. HUD has published both graphical and numerical tables outlining such priority areas within the state boundaries of Wyoming.



Our project goal is to support HUD-identified priority areas with assistance in their planning, code review, and zoning regulations. We would typically estimate the cost of a needs assessment for a small community to be between \$65,000 and \$85,000—this would include a quantitative analysis, land use and zoning analysis, and stakeholder engagement. The intent of our allocation process is to award twenty (20) community grants in the amount of \$75,000 each; for a total of a \$1.5M grant request through the ProHousing funding. HUD lists approximately 80 priority areas, and as such we estimate a utilization rate of 25% to arrive at our estimated number of communities that would request assistance.

Communities that submit a request for assistance to the WCDA will be prioritized by whether they are identified in the priority geography published by HUD for ProHousing. Anticipating that more communities may apply than we have funding available, scoring will mirror criteria (with revision) already established for the Wyoming CDBG program.

Cost Burden: Up to 20 Points Possible

Percent of households paying more than 30% of gross household income in housing costs as measured by the five-year U.S. Census American Community Survey. All data is pulled from the Census Bureau via PolicyMap. Points will be awarded according to the combined average cost burden of homeowners and renters in your city/town.

Serve Cost Burden	Points
If 30 percent and more of households in the applicant’s defined geographic area are cost-burdened	20
If 20-30 percent of households in the applicant’s defined geographic area are cost-burdened	10
If fewer than 20 percent of households in the applicant’s defined geographic area are cost-burdened	0

*Based on the 2020 or the most recently published ACS data medians for all towns/cities in Wyoming. If ACS data are not available for the town/planning area, use the county level. WCDA will make the final determination as to what location data will be used. * WCDA will pull the data for your area and provide that to you upon receipt of the letter of intent.

Percentage of Low to Moderate Income Persons: Up to 15 Points Possible⁴
Points will be awarded if an income survey is conducted as applicable according to the results.

Concentration	Points
At or above 65% in the defined service area	15
Between 58% to 64.99% in the defined service area	10
Between 52% to 57.99% in the defined service area	5
Below 51% in the defined service area	0

If applications tie in score, the project with the higher percentage of low to moderate-income persons being served will be ranked higher.

This approach to assisting smaller communities with assessing their own communities is a need evidenced by both a combination of research and examples of what some of the larger communities in the State have already undertaken. Extensive research and consultations have identified several housing regulatory barriers in Wyoming, including complex zoning ordinances, burdensome permitting processes, and restrictive land use regulations. These barriers have contributed to the scarcity of affordable housing options across the state. As documented in the research note, “Housing in Wyoming: Constraints and Solutions,” by Harvard researchers, these barriers are one principal cause (along with barriers in supporting infrastructure development) explaining why nearly all areas of Wyoming face housing prices above what can be explained by income levels, remoteness, and population levels or population density. In some localities, the problem has become critical as available supply on the market reaches very low levels. This has not only a direct impact on housing affordability but also an indirect impact on the ability of affected local economies to grow, transform, and build resilience amidst the ongoing energy transition, which impacts the Wyoming economy acutely.

Due to the need and streamlined scoring approach to discern which communities would score highest, we anticipate needing minimal application rounds to achieve awarding the funds across Wyoming. This reduced barrier approach to application and award will get the ProHousing

⁴ *Must be derived from the <https://hud.maps.arcgis.com/> Database. Low to Moderate income as defined by CDBG Income limits at or below 80% of Area Median Income (AMI) effective June,15th 2023. <https://www.hudexchange.info/resource/5334/cdbg-income-limits/> **WCDA will make the final determination of the defined service area for scoring purposes.

money to communities that need it to develop next steps and identify core barriers quickly and efficiently.

Regulations have limited new housing development in both quantity and type. Wyoming has experienced insufficient housing supply growth across most housing segments and across geographies, with a possible exception of single-family housing. Population growth and single-family housing growth appear similar statewide, however, this does not account for nuances such as second homes or a mismatch of housing production pricing with local wages. With a shortage of overall housing supply, lower-income individuals are increasingly priced out of housing. Additionally, local zoning, and existing regulations (including lot sizes, floor area ratios, building heights, parking requirements, etc.) directly restrict housing development designs that would naturally cater to segments of the market seeking affordable housing. Many households would be willing to forego large units, often disconnected from job opportunities due to limited public transportation, and instead occupy smaller and better-connected units. However, current local regulations effectively outlaw housing construction of this type. Without sufficient market-supplied or subsidized housing of this type, low-income families in Wyoming may be forced to accept low-quality housing conditions in disconnected areas or be unable to live in parts of the state where their jobs are located at all. This can be seen very clearly in some commuting zones (Jackson or Cody, for example), where workforce housing has become a critical shortage, and in other areas of the state (Cheyenne, for example) where large and increasing numbers of workers commute from surrounding states.

Ongoing collaboration with city leaders in Cheyenne, Casper, and Laramie has identified a priority set of regulatory issues that are now being explored for reform by city leaders (See Table 1). There are similarities across the three cities, but each has its own unique history of planning and unique geographical and spatial considerations that also impact where and why various regulations apply. For example, Cheyenne has certain regulations within the area surrounding the Capitol Building and must account for active rail lines running through the city. Laramie's rules and planning considerations must incorporate the role of the University of Wyoming in the fabric of the city. Casper has experienced severe recent flooding and must account for geographic features including Casper Mountain and the North Platte River. Many places across Wyoming also abut federally-owned lands as well as privately-owned land in the surrounding county's jurisdiction, which impact city planning and regulatory coherence. As state and city leaders have collaborated to investigate location-specific regulatory constraints, important issues have also been raised to inform state-level reforms, including a need to clarify certain processes (for land annexation and infrastructure coordination) and address project approval processes that create excessive opportunities for "NIMBY" interests to undermine housing projects, especially affordable housing expansion (See Table 2).

Table 1. Reform Areas Governed by Local Regulations

Reform Area	Cheyenne	Casper	Laramie
Zoning	15 different residential zones varying by density	4 residential zones varying by density	6 residential zones varying by density
Minimum lot sizes	DD7: 5000 sqft (single family) DD8: 3000 sqft (single family) AD3: 1600 sqft (townhouse) SD3: 3000 sqft (Duplex/Triplex)	Mixed Residential: 4000 sq ft (w:40 ft by d: 120 ft, with yard - w: 20 ft for Townhouses). Multifamily: 1500 sq ft	R1: 4000 sqft R2: 2500 sqft R3: 2000 sqft
Maximum height restrictions	DD7: 2.5 stories DD8: 2.5 stories AD: 2-3 stories SD3: 2.5 stories	High Density: Four stories or forty feet, whichever is less.	R1: 40ft R2: 40ft R3: 50ft
Maximum Floor-Area-Ratios	DD7: 60% DD8: 70% AD: 85% SD3: 60%	None	None (except for patios)
Maximum dwellings per unit of area	For Multi-Dwelling Building - MD1-3: 1 dwelling / 1,600 sqft or 1 dwelling / 1,000 sqft if over 3 stories	In different cases, ranges from 17 units per acre to 30 units per acre	Not in terms of area per se, but e.g. adjoined townhouses can have at most 6 units.
Aesthetic requirements	Rules dictate what % of the building facade must be built from what material	Restrictions on fence height	Many requirements, including: -Multifamily complexes must have a courtyard -Must devote ~0.6 acres per 1,000 residents to park area -Building facades cannot repeat more than every ¼ houses
Landscaping requirements	Elaborate points system for landscaping requirements for any new houses except townhouses, duplexes	Multifamily developments with >16 units must use 6% of land area for landscaping, with requirements	All residential building types have some kind of requirements; e.g. single-family homes must have at least 2 trees 3 ft high in the front yard

Minimum parking space requirements	Residential: Detached, Semi-Attached, and Attached Dwellings 2 spaces per dwelling unit Residential: all others 1.5 spaces per dwelling unit	1 parking space per dwelling unit	Generally 1 space per dwelling unit
Minimum setbacks	25 ft in front for standard single-family home; varies for others but generally also large	For High Density Residentials: -Front yard setback, 15 ft with alley, or 18 ft without alley; -Townhouses, zero lot line between adjoining townhouse units; 5 ft side yard setback for each end unit	R1: 10ft R2: 5ft R3: 5ft

Table 2. Reform Areas Governed by State-Level Statute.

Reform Area	Description
Reducing or eliminating protest petitions	Protest petitions allow 20% of people within ~200ft of a development (e.g. rezoning) to block it. Highly vetocratic rather than democratic, and massively blocks housing development.
Front-loading public hearings	Similar to recent Montana reform. Having public hearings for each individual rezoning, annexation, or subdivision hugely delays housing development, and only gives a democratic voice to individuals who consistently show up to hearings. More democratic <i>and</i> efficient to comprehensively survey community-wide public opinion when city-wide plans are being made, and drop public hearings for individual planning decisions.
Limiting design review to items that affect public health or safety	Similar to recent Montana reform. Keeps NIMBY aspects out of design review.
Unifying certification of all tradespeople at the state level, and seek reciprocal certification with surrounding states	Certain trades professions need localized certification to work on housing projects. This can pose a sizable barrier on large housing projects. More efficient to have automatic state-wide certification, especially reciprocally with surrounding states.
Allowing simultaneous annexation of multiple contiguous lots	If an entire subdivision is being annexed, right now it has to be annexed row by row.

	Reduces paperwork with same annexation result if entire job can be done at once.
Allowing non-contiguous annexation within 1 mile of contiguous city boundaries	Allows infrastructure connection and denser development for lots that are not immediately contiguous to city boundaries.
Changing street vacation signature requirements	Currently need a majority signatures within ~400ft of street being vacated, accounting for a majority of both people and land. Hard to chase down absentee landowners. Change so that a majority of people directly adjacent to street must <i>deny</i> the vacation to stop it, otherwise it goes ahead.

The results of this ongoing collaboration create high confidence that similar issues should be of top priority for other municipalities but also show that specific issues will vary. Therefore, local leaders must be highly engaged in the process of regulatory re-evaluation in the pursuit of housing affordability, but also need outside expertise and support to enable this process. In smaller and more resource-constrained municipalities, the need for external assistance is especially large. It benefits residents across the State to allow for more municipalities to gain support in understanding regulatory barriers and planning response actions, not only so that smaller communities have the same opportunity as larger communities to address local barriers but also such that smaller communities have the same ability to inform state-level reform priorities. Ultimately, the regulatory reform process should allow for individuals and families to have housing choice and more affordable housing options in both rural areas and the more urban areas of the state.

In addition to scoring the application, the outlined methodology above will help us prioritize those communities with an acute demand for housing affordable to households with incomes below 100 percent of the area median income. We also recognize that engaging Wyoming stakeholders is important for seeing this project to completion. We've solicited feedback from other state agencies such as the Wyoming Business Council, the Governor's staff, and discussed within the Statewide Housing Coalition. With this project primarily focusing on community needs, we will be advising the Wyoming Association of Municipalities (WAM) and the Wyoming County Commissioners Association (WCCA) for review of the application and solicitation for public comment.

Addressing these barriers requires comprehensive policy measures, increased funding, community engagement, and a commitment to equity and inclusivity. Federal HUD funding, in collaboration with state and local governments, as well as nonprofit organizations and private sector partners, should work together to develop and implement solutions to produce and preserve more affordable housing, ensuring that housing remains accessible to all, regardless of income or background.

Rural areas, especially those isolated from major cities, face difficulties accessing technical expertise and incur high costs for material transport, while also making it challenging to attract developers for their smaller-scale housing needs. It is common for many smaller municipalities

to have part-time city positions. A city manager, clerk, or even mayor, can be a part-time position while they work their full-time career outside of city administration. This creates a barrier for rural municipalities to fully participate in the process when programs become available. Part of the equation for funding needs to include adequate technical assistance to help rural communities to navigate rules that they may not be familiar with. Otherwise, even a well-funded program may not be properly enacted in these areas.

Addressing housing regulatory barriers in Wyoming is essential to enhance housing affordability, accessibility, and diversity. Implementing these recommendations will not only expand housing opportunities for residents but also contribute to more inclusive and vibrant communities. By proactively engaging with communities and stakeholders, Wyoming can take significant strides toward achieving housing equity and economic growth.

HUD ProHousing Grant Application, Wyoming Community Development Authority

Narrative Exhibits.

- Exhibit E Capacity

Exhibit E. Capacity

Taking on a new federal grant without adding additional staff can be a challenging task for a state housing authority, but it is possible with careful planning and efficient resource allocation.

Due to the nature of our proposed project, the type of grant work lends itself well to outsourcing and collaborative consultant partnerships. The Unit of General Local Government (UGLG) that will request these grant funds will have the opportunity to consider outsourcing certain tasks or services, and this can be a cost-effective way to access specialized expertise without hiring additional full-time staff. Additionally, this is the opportunity for collaboration and partnerships with other state agencies, local governments, or nonprofit organizations to share resources and expertise. These partnerships can help distribute the workload associated with the grant and minimize the need for additional staff. Specifically, allowing the communities most in need to contract with needs assessment providers, these consultants or advisors who specialize in the field can provide expertise and guidance to navigate the complexities of grant administration.

It's essential to carefully assess the specific requirements of the federal grant, the capacity of existing staff, and the WCDA's overall goals before deciding on the best approach to handle the grant without adding additional staff. A combination of the above strategies can help maximize efficiency and effectiveness while minimizing the need for additional personnel. We plan to absorb the administration of this grant into our existing Housing and Neighborhood department at the WCDA and utilize staff that are already familiar with the CDBG program.

The WCDA CDBG program staff already have relationships with many UGLGs across the state. The presented at the Wyoming Area Municipality (WAM) conference this year along with the Statewide Grant Summit. Many communities that are already contemplating how best to use CDBG funds have housing needs and barriers present. The ProHousing funding will allow them to better understand these barriers and plan appropriately for future growth.

As discussed in the Soundness of Approach section of this application, by building on the backbone of our current CDBG scoring system, and implementing an approach that will allow us to take applications and award funding quickly, we can ensure these grant funds are swiftly utilized, reducing long term staff needs at the WCDA to implement this program.

HUD ProHousing Grant Application, Wyoming Community Development Authority

Narrative Exhibits.

- Exhibit F Leverage

Exhibit F. Leverage

As it is not a requirement of the ProHousing Grant, we do not plan to leverage other funding or non-financial contributions outside of grant proceeds and their allocation to the UGLGs. The proposed project will include a competitive application round to assess the individual UGLG need and award. As the target recipients to this funding round are already balancing limited local and state funding challenges, primarily in rural Wyoming, the proposed project needs to assist, not further leverage these communities.

HUD ProHousing Grant Application, Wyoming Community Development Authority

Narrative Exhibits.

- Exhibit G Long-term Effect

Exhibit G. Long-term Effect

A feasibility study of community planning, code review, and zoning regulations can have several permanent, long-term effects on housing and the community as a whole. These effects can vary depending on the findings and recommendations of the study, as well as the actions taken in response. We anticipate communities will have varied outcomes and long-term effects. These include:

- **Improved Housing Affordability:** A thorough review of zoning regulations may lead to changes that promote more affordable housing options. For example, zoning changes that allow for higher-density development or mixed-use zoning can increase the supply of affordable housing in the long term.
- **Increased Housing Supply:** By identifying opportunities for increased housing density or rezoning underutilized areas, the study may pave the way for the construction of more housing units, which can help address housing shortages and enable greater economic growth, opportunity and resilience.
- **Enhanced Housing Diversity:** The study might recommend zoning changes that encourage a wider range of housing types, such as townhouses, duplexes, or accessory dwelling units (ADUs). This diversity can cater to the needs of different demographics and income levels within the community.
- **Improved Community Amenities:** Community planning and code review can lead to recommendations for the development of public spaces, parks, and recreational facilities. This can enhance the overall quality of life in the community and make it a more attractive place to live.
- **Reduced Urban Sprawl:** By focusing on smart growth principles and promoting infill development, the study may discourage urban sprawl, which can have long-term environmental benefits and reduce the need for costly infrastructure expansion. Also allows for better job access for lower-income individuals who may not have secure transportation.
- **Improved Environmental Sustainability:** The study may recommend environmental zoning regulations and sustainable building practices that can have long-term effects on reducing a community's carbon footprint and environmental impact.
- **Legal and Regulatory Clarity:** A comprehensive code review can lead to clearer and more streamlined regulations, reducing ambiguity and potential legal disputes related to land use and development.

It's important to note that the specific outcomes and long-term effects of a feasibility study will depend on the unique characteristics and goals of the community, as well as the recommendations and actions taken as a result of the study. Effective implementation of the study's findings is essential to realizing these long-term benefits for housing and the overall community.

The "Addressing Housing Regulatory Barriers in Wyoming" project aims to tackle the critical issue of housing affordability in our state by addressing regulatory barriers that have hindered progress. We appreciate the opportunity to submit this grant application and look forward to the positive impact this initiative will have on the state of Wyoming.