



2022 ANNUAL REPORT

BIG SKY COMMUNITY HOUSING TRUST
Homes for Residents

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In its third full year of existence, BSCHT saw some big milestones. Leadership and staff continued to evolve and mature; we resold a MeadowView Condo; we launched a landmark deed restriction program; we finalized arrangements for RiverView Apartments; and our Rent Local program saw its 100th participating property, while also making its debut at the Montana Legislature as a potential statewide program. Through support from Resort Tax, as well as donors and foundations, BSCHT leveraged partnerships to address Big Sky's housing crisis.

MeadowView Condos saw the first resale, enabling another family to establish roots. The resale proved that the system effectively safeguards MeadowView as community housing.

We updated our Housing Study, which deep dives into Big Sky's housing needs. As we identify additional development opportunities and partnerships, this data will provide crucial guidance.

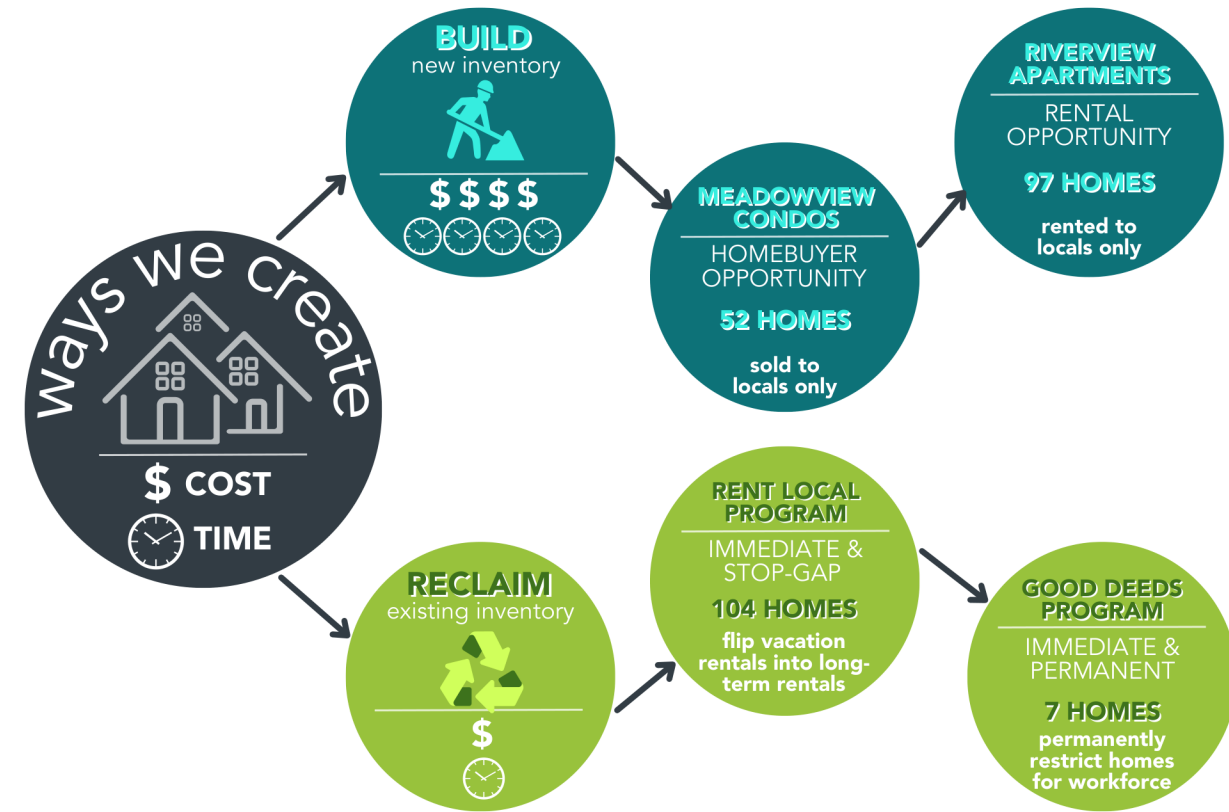
We embarked on a deed restriction purchase program, dubbed Good Deeds. With initial funding of \$850,000, we preserved seven homes for the workforce in perpetuity. Modeled after similar programs in Colorado, Good Deeds is the first of its kind in Montana.

We finalized the land acquisition for RiverView Apartments. This project leverages \$6.5 million in federal funding, as well as \$2.5 million in Resort Tax funding, to build 25 apartments for low-income residents.

In its relatively short existence, the Housing Trust has accomplished a great deal. Without the funding, advocacy, time, and expertise brought by the community, we would still be back at square one. We're grateful for your partnership as we work to ensure Big Sky remains an amazing place to work and live.

DAVID BROWN
Board Chair
DAVID O'CONNOR
Executive Director

MISSION & STRATEGY



MISSION

To provide a diversity of housing affordable for the community in order to grow and retain a strong base of residents and employees living in Big Sky, which will support the local economy and enhance the character of the community.

HOUSING STUDY UPDATE

AFFORDABLE HOUSING COSTS (2022)

AMI*	Income	Max Rent	Max Purchase**
30%	\$23,350	\$635	\$80,200
60%	\$50,730	\$1,270	\$160,500
80%	\$67,575	\$1,690	\$213,800
100%	\$84,550	\$2,115	\$267,500
120%	\$101,460	\$2,535	\$321,100
150%	\$126,825	\$3,170	\$401,300
200%	\$169,100	\$4,230	\$535,100
250%	\$211,375	\$5,285	\$668,900
300%	\$304,380	\$7,610	\$963,200

*AMI (Area Median Income) is for the average-sized 2.5-person household.
100% AMI is the income midpoint in a region.

**Assumes 30-year mortgage at 7% with 5% down and 20% of the payment covering taxes, insurance, and HOA fees.

In response to escalating housing issues, the Big Sky Chamber of Commerce initiated the creation of the Housing Trust in 2016 with the help of HRDC in Bozeman. They then hired WSW Consulting to conduct a community housing study, which led to the formation of a Community Housing Action Plan in 2018.

During COVID, the housing needs identified in the community's first study intensified. The cost to purchase a condo increased 175% from 2019 to 2022. Increased interest rates pushed buying an entry-level condo even further out of reach.

Because of the rapid change in the housing market and faster than predicted job growth, BSCHT commissioned an update of its founding study in 2022 with WSW Consulting. In 2023, BSCHT will use the study to formulate a strategic plan.

ACTUAL HOUSING COSTS (2022)

The biggest challenge in the rental market is availability due to a lack of long-term rental inventory.

AVERAGE MONTHLY RENT	2018 Study	2022 Study	% Change
0/1 BED	\$850	\$1,428	+68%
2 BED	\$1,700	\$2,258	+33%
3 BED	\$2,700	\$3,125	+16%
4 BED	-	\$3,592	-
AVERAGE	\$1,700	\$2,338	+38%



MEADOWVIEW CONDOS

BSCHT finished building and selling MeadowView in 2021. From conception, the project took three years to complete. All homes sold to residents below-market rate.

In 2022, the first transfer occurred of a two-bedroom unit to residents working at Big Sky Medical Center and Montage.



52 HOMES



109 PEOPLE



AFFORDABILITY MECHANISM

Ground Lease



BSCHT Owns Land

Cap Appreciation



2% Per Year

Deed Restriction



Local Workers Only

RENT



CATCH-UP
266

CATCH-UP: Homes needed to catch-up with current shortage.



KEEP-UP
215



TOTAL
481

TOTAL HOMES NEEDED BY 2027: 809

OWN



CATCH-UP
188

KEEP-UP: Homes needed based on job growth and retirees.



KEEP-UP
140



TOTAL
328



RIVERVIEW APARTMENTS



97 HOMES



387 PEOPLE

In 2021, BSCHT announced its collaboration with Lone Mountain Land Company to build 97 rental apartments deed restricted for local occupation only.

Designed for low to moderate incomes, RiverView will consist of one to three-bedroom apartments with space for 387 residents.

Besides adding much needed rental inventory, RiverView Apartments demonstrates a creative collaboration between public and private partners with multiple funding sources.

The development, located along Highway 64, will take three years to complete with occupation anticipated in December of 2023.

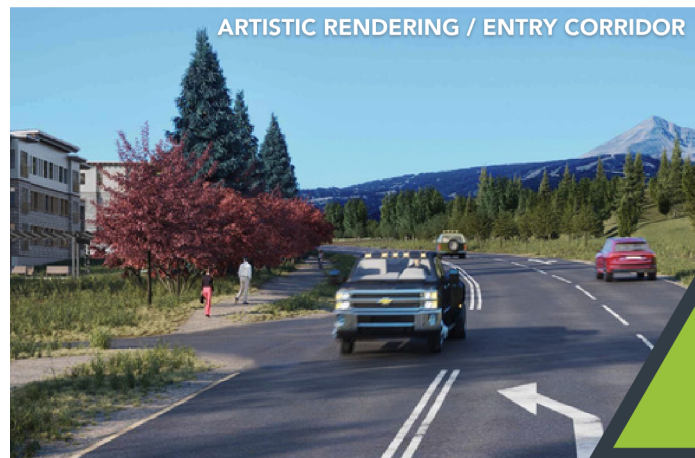
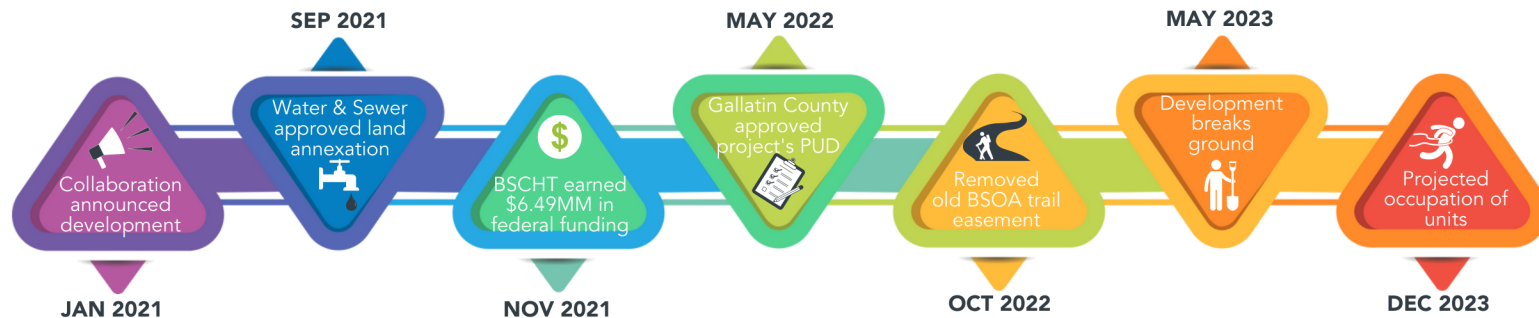


ARTISTIC RENDERING

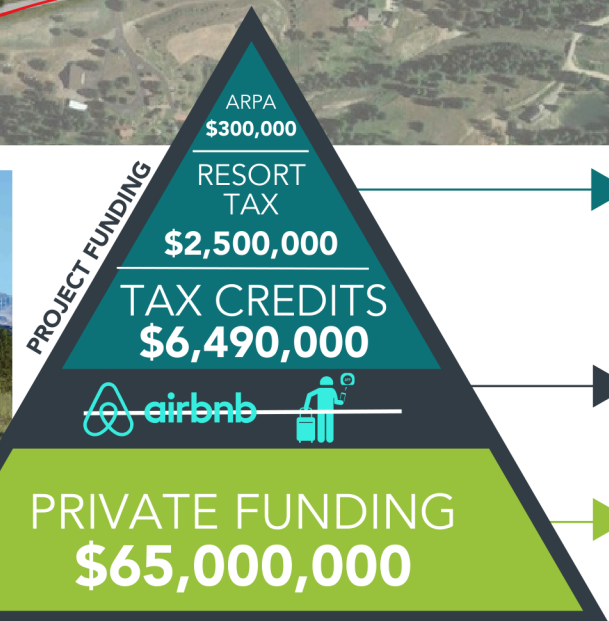


BSCHT's units will consist of two buildings.

The existing buildings between the two developments will provide office space to nonprofits and Big Sky Thrift.



ARTISTIC RENDERING / ENTRY CORRIDOR



BSCHT UNITS (25)
For residents who meet federal income requirements

ENTIRE PROJECT (97)
No short-term renting

LMLC UNITS (72)
For employers to lease to their employees

RENT LOCAL INCENTIVE CHART

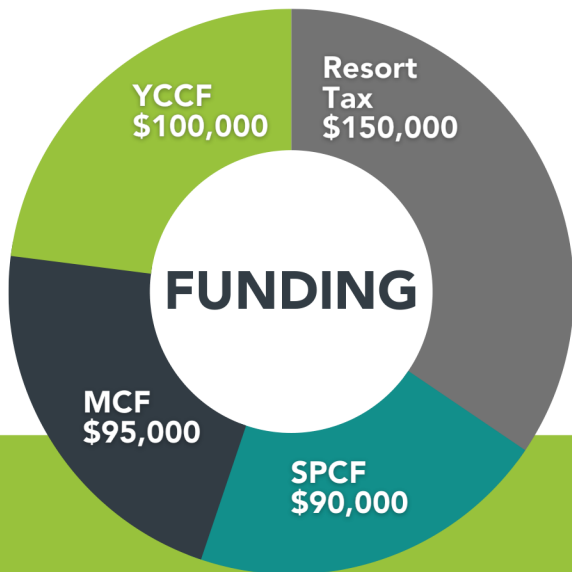
	6-MONTH LEASE	1-YEAR LEASE	2-YEAR LEASE
1 BEDROOM	\$2,160	\$5,400	\$11,880
2 BEDROOM	\$2,520	\$6,300	\$13,860
3 BEDROOM	\$2,880	\$7,200	\$15,840
4 BEDROOM	\$3,240	\$8,100	\$17,820

In August of 2021, BSCHT launched the Rent Local Incentive Program to create immediate rental inventory by providing cash to owners who turn their vacant properties or vacation rentals into homes for local workers. By 2022, the incentive program transitioned out of its pilot phase to create new rental opportunities for the local workforce.

Designed as a stop-gap program, Rent Local stimulates the growth of long-term rental inventory during periods when the community experiences an inventory shortage, or a vacancy rate below 2%.

Generally, a vacancy rate of 3% indicates a healthy balance between supply and demand. However, the Housing Action Plan in 2018 reported a 1% long-term rental vacancy rate; by 2022, this rate dropped to 0%.

BSCHT estimates the community needs the Rent Local Incentive Program until it can build additional rental inventory, or the market can naturally produce it, bringing the vacancy rate to at least 2%.



RENT LOCAL

John Cain

RENT LOCAL HOMEOWNER

"My dream has always been to live in a ski town. After living in a closet, a garage, my car, and four years with mold and mice in employee housing, I was lucky enough to buy a home in Big Sky. My ski-town dream came true.

Initially, I did what everybody else is doing and set up the extra space as an Airbnb. The money was rolling in, but all my neighbors were rolling out.

Even after living on the hard side of this crisis, it's easy to ignore the issue when you're stacking cash. I realized that with every local that gets pushed out, a ski-town dream is dead. This program is keeping the dream alive, and I feel lucky to be part of it."

LOCAL BUSINESSES WITH EMPLOYEES



SUPPORTED BY RENT LOCAL IN '22

64 HOMES



167 PEOPLE



RESTRICTION

One occupant (owner or tenant) must work an average of 30 hours per week in Big Sky. Short-term rentals are prohibited. The deed restriction transfers with ownership.

CASH

Buyers or owners receive 10-16% of the property's value for the restriction. Buyers use the funding as their down payment. Current owners may use the funding for any purpose.

FUNDING



A COST-EFFECTIVE STRATEGY

*In 2022, the average sales price per square foot to purchase a condo in Big Sky soared to \$800.

For a single-family home, it rose to \$901 a square foot.

AVERAGE COST PER SQUARE FOOT



Sales data from Big Sky 2022 Housing Needs Update

Beth & Jerome Marlington

GOOD DEEDS HOMEOWNERS

"When we found out we were going to have a baby, at first we were so excited! Then it dawned on us: having a kid in a tiny apartment would be really challenging. Given the housing options here, we figured we would have to move, we would have to leave Big Sky.

Then, the Good Deeds program awarded us the funds we needed to buy a place of our own here. Even better, we get to preserve our home forever as an option for working folks like us.

Good Deeds made the impossible possible. And we have the chance to raise our kid in the place we love most!"

PRESERVE EXISTING HOMES FOR RESIDENTS



CREATE INVENTORY STRICTLY FOR RESIDENTS



PROVIDE DOWN PAYMENTS FOR LOCALS



PERMANENTLY PRESERVE COMMUNITY'S INVESTMENT



PROHIBIT & RECLAIM SHORT-TERM RENTALS

Modeled after Vail's successful InDEED program, BSCHT launched Good Deeds in 2022. The program recorded its first deed restriction with a local buyer on September 23, 2022. On November 10, 2022, the program exhausted its initial funding when locals Beth and Jerome Marlington closed on the purchase of their first home.

Good Deeds increases the inventory of homes for the resident workforce by offering homeowners or buyers cash for permanently deed restricting their homes for community housing. All homes must be located in the Big Sky Resort Area District and cannot exceed \$1.5 million in value.

Although the community needs to build more affordable homes, projects like MeadowView take years to complete. In contrast, Good Deeds immediately enables locals to purchase homes and preserves existing homes for the workforce.



MARLINGTON FAMILY

7 HOMES



15 PEOPLE

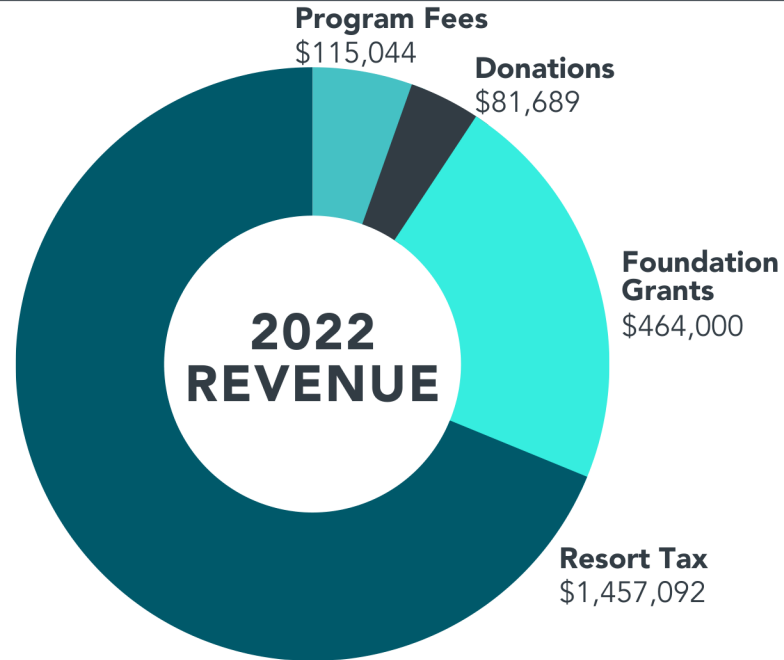
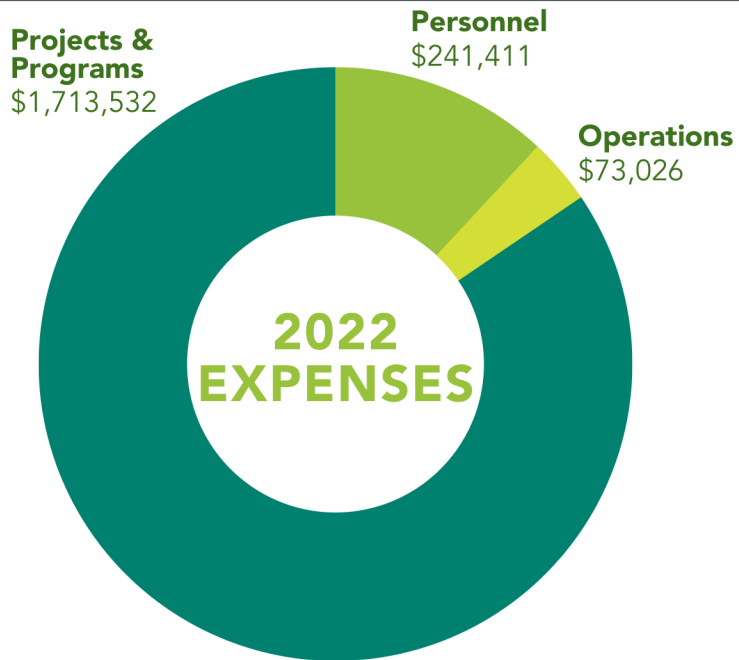


Good DEEDS



FINANCIALS

IMPACT



HOMES CREATED | PEOPLE SERVED

	MEADOWVIEW		RIVERVIEW		RENT LOCAL		GOOD DEEDS		ALL PROJECTS	
	🏠	👥	🏠	👥	🏠	👥	🏠	👥	🏠	👥
2019-'20	23	51	-	-	14	36	-	-	37	87
2021	29	58	-	-	26	45	-	-	55	103
2022	-	-	-	-	64	167	7	15	71	182
TOTAL	52	109	-	-	104	248	7	15	163	372



LEADERS

DAVID O'CONNOR
Executive Director

BECKY BROCKIE
Program & Communications Director

CAROLINE ROTHKOPF
Stewardship Coordinator

2022 BOARD OF DIRECTORS

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(Left) CAROLINE, DAVID, BECKY
Photo by Jen O'Connor



\$50,000 AND UP

Big Sky Resort Tax
Yellowstone Club Community Foundation
Moonlight Community Foundation
Spanish Peaks Community Foundation

\$25,000- \$49,999

BSCHT Triple Creek Trust

\$10,000-\$24,999

David Bryn Cook
Matt & Sheena Kidd

\$5,000-\$9,999

406 Agave
National Charitable Foundation
Scholz Family Fund
Knight Foundation
Vance & Anneloes Morosi

\$1,500-\$4,999

Running Bear Rentals LLC
Anonymous
Network for Good
Wilson Hotel

Stephen & Lisa Brown
Charitable Fund
Elise Clark

\$1,000-\$1,499

Big Sky Real Estate Co.
Country Market
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Kathryn Rude
Elsie Geiser
Cleveland Stack Giving Fund
Williams Family Foundation
Hans Williamson
James Bancroft
Lisa Knorr
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Dawn Keith
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\$250-\$499

Nancy Bauchman
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\$100-\$249

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Nora Warren
Christina Julian
Dean Nally
Donald Martin
Tom Kirk
Michelle Kristula Green
Ciara Wolfe
Stacie Mesuda
Suzanne Schreiner

UP TO \$99

Hungry Moose
Hannah Richardson
Ryan Hamilton
David Broederdorf
Mariel Butan
Tim Kent
Brian Hurlbut
Sally Moskol
Cynthia Hearon
Becky Brockie
Jessica Martin-Trulen
Elizabeth McFadden
Claire Thayer
Grace Putman
Adrienne Fleckman
Sarah Rainwater

CONTRIBUTORS



Big Sky Community Housing Trust became an independent nonprofit in 2020, federal tax ID 84-3391892. All contributions are tax deductible to the extent allowable by law. BSCHT provided no goods or services in exchange for these generous financial donations.

In 2022, BSCHT helped residents secure homes by converting vacation rentals, buying permanent deed restrictions on existing homes for local occupation only, and continuing the development of rental homes.

JANUARY- DECEMBER

20
22



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