



January 24, 2008

Blair Leist
Teton County Principal Planner
Re: Teton Meadows Ranch

Dear Blair,

On behalf of the Jackson Hole Conservation Alliance, thank you for the opportunity to comment on the proposed zoning district amendment and Sketch Plan for Teton Meadows Ranch. It is our understanding that some changes have been made to the application, such as a designated price range for the newly developed “GAP” category. The Conservation Alliance was pleased that this designation increased the transparency of the proposal. The following comments are based on the understanding that “GAP” units, constituting 55% of the development, range in price from \$440,000 to \$740,000. As additional details of the application are clarified, they will be further reviewed. However, at this point, we would like to provide some initial thoughts during this preliminary stage of public review.

The Conservation Alliance considers part of its mission to support smart growth, to support the Comprehensive Plan, and to support planning in a comprehensive fashion that takes into account the big picture of the ecosystem. These comments are made in that vein. For several reasons, summarized below, the Conservation Alliance questions the benefit of this development for our community. After a thorough review of the most recent revision of the application, a number of concerns remain unresolved. These concerns primarily include: 1) the timing of this proposal and the community’s Comprehensive Plan Update, with particular attention to precedence, 2) an inappropriate level of density for the proposed location, and 3) questionable applicability of the PUD-AH zoning district.

(1) Timing with the Comprehensive Plan

Broadly speaking, this is an important time in Jackson Hole. The current Comprehensive Plan Update could significantly influence our community’s long-term future, as well as the unparalleled ecosystem in which it sits. While history shows that it is not uncommon for large developments to proceed just before and during critical periods of comprehensive planning in our community, never before has a *development of this scale* been proposed during such a critical time. Aside from what we perceive to be the relevant failure of the proposal to meet all the requirements of our land development regulations, particularly given its density, there are other shortcomings. Repeating a pattern to enable a “leap-frogging” significantly denser development in the midst of a time when our community is asking itself tough, critical questions about community growth and direction seems misguided.

At the heart of our primary concern is the Conservation Alliance’s recognition of the importance of strategic, long-term planning. Without planning, and without a commitment to enforce it, a lot of what makes Jackson Hole so rare and unique would be at great risk. Jackson Hole has undoubtedly faced rapid change since the previous Plan adoption. Our community is now involved in a process that is both evaluating current conditions as a result of that change as well as identifying alternatives to direct future change. If approved, Teton Meadows Ranch, a development of significant scale, would largely influence that direction. In short, it would be a case of development directing planning, not as it should be, planning directing development.

Our concern is the potential for a piecemeal land-use decision, which represents a clear departure from our current Plan and regulations, to offset the benefits and value of a productive, comprehensive effort to shape our community’s future. We believe that the integrity and purpose of the current planning process should be upheld and that future development patterns, particularly of the magnitude proposed, should be triggered by a community vision, not driven by individual efforts and “opportunities.” In addition, claims that this development is a “last opportunity” for housing fall short when it is considered that recent analysis indicates that 30,234 acres still have potential for development in the County, including 4,227 acres in the South Park area (Clarion Associates 2007). The degree to which development standards are upheld could set a precedent for remaining developable lands in

Teton County, and in particular, the remainder of lands within the South Park planning area. The density the application proposes, and the distance from Town at which it is proposed, makes this concern particularly pressing.

The Conservation Alliance does not want the current comprehensive planning process, and more specifically its impacts and outcomes, to be undermined by a piecemeal land-use decision that fails to meet requirements of our current regulations or provide measurable community benefit. As the Comp Plan is updated, and as the public is asked to commit time and effort to help shape a new Plan, and consequently new regulations, it is critical to demonstrate that such a commitment is worthwhile and that it will have long-term meaningful implications.

(2) Inappropriate Level of Density

With desire for an ideal comprehensive planning context aside, the principal issues of evaluation are: 1) the application's compliance with our current land development regulations, and 2) whether or not the benefits of affordable housing outweigh other costs "associated with the density of the PUD, in terms of impacts to public facilities and services and impacts to the neighborhood and community", according to the County's terms for findings. While we recognize that the PUD-AH Zoning District allows increased density for the purpose of contributing to solving the affordable housing shortage, the Conservation Alliance questions the level of density proposed. First, the magnitude of density being requested is at least 10-times current zoning. Second, the magnitude of density proposed for a site that is approximately 6 miles away from shopping services and working opportunities is not representative of smart growth. Third, and which will be addressed in the following section, the nature of "affordable housing" for which density bonuses are typically granted, is questionably absent from this application.

Borrowing wise words heard, "green suburban sprawl is an oxymoron." While the Conservation Alliance appreciates the applicant's suggestion for the use of green building principles and a site design that accommodates accessibility to pathways at the development site, it is important to recognize the environmental impacts that are associated with a high-density development far from key services. At the site level, integration of pathways at this site is a positive contribution for facilitating public health and recreation. However, for the purpose of assessing transportation capacity and impacts, recreational and alternative transportation pathways must be distinguished because their functions are very different. It is critical to acknowledge the challenges that the distance of the development from major services poses. Such distance typically widens the gap between opportunity and actual behavior in terms of using alternative transportation. In addition, integration of a high-density development alone should not be a trigger for a "logical extension" for transit. It is clear that this level of density would simply be generating a demand for transit, rather than integrating within an environment where it already exists, all of which carries costs. In addition, schedule frequency, not just the existence of transit, will determine actual use.

Undoubtedly, vehicular trips on the external road network will dramatically increase, which has both environmental and social impacts at the neighborhood and community-wide scale. Independent traffic analysis (which includes projected and current use originating from various access points) suggests that average daily trips will approach over 15,000 along the southern South Park Loop Road by 2013-15, which would necessitate road widening and expansion. In a nutshell, heavy reliance on automobile transportation defines this development, a key indicator that it is not representative of smart development.

Transportation is just one example. Fiscal burden is another. A number of fiscal impact case studies have been conducted throughout communities in the West (www.sonoran.org), and have demonstrated that residential growth rarely pays for itself. A study "Fiscal Impacts of Growth in Teton County, Wyoming" (2000), commissioned by the Jackson Hole Conservation Alliance, confirmed those findings for Jackson Hole. With increased population comes an increased demand for services. In short, there are many unanswered questions about the long-term costs of this development [i.e., infrastructure (water and sewer), road improvements, schools and emergency services, increased demands on nearby public lands], all of which should be closely evaluated throughout the planning process.

In summary, a 10-times increase in development potential is not appropriate for this location. It does not strengthen or direct high-density development toward a core, existing community, and therefore represents sprawl.

(3) Questionable Applicability of the PUD-AH Zoning District

Strongly linked to a discussion on smart growth is the importance of predictability. Predictable, cost-effective, and fair decision-making is one of the 10 smart growth principles. This application appears to challenge this principle for a number of reasons, including: 1) the definition of affordable housing, 2) the meaning of "higher category

homes”, and 3) the purpose and objectives of the PUD-Affordable Housing zoning district. In order for the planning process to produce the community’s desired outcomes, the plan has to be enforced. Otherwise, the process degrades as the rules (such as clear definitions) become blurred for landowners, land purchasers, and the public. Of course, as communities change, and particularly as rapidly as Teton County, amendments to regulations are made. There is nothing wrong with adapting to evolving circumstances if done in a strategic manner. However, the degree to which this application departs from the intent of the zoning district for which it is requesting designation is too great to justify findings for an approval. Specifically, the Conservation Alliance questions the use of “GAP” housing to fulfill the 50% minimum percentage requirement for affordable housing. This analysis is based given the following requirement: **Section 2540 D.a. Minimum Percentage.** Development Standards for Affordable Housing, states: “A minimum of 50 percent of the housing units shall be restricted as affordable housing pursuant to the Teton County Housing Authority Guidelines.”

Clear Definition

In order to evaluate whether or not this proposal meets this critical requirement for a PUD-AH, it is important to have a predictable, clear definition of affordable housing. First, while the Guidelines are in the process of being re-assessed, our land development regulations provide a clear definition. Second, we are fortunate to have a recently conducted Teton County Housing Needs Assessment (2007) that speaks to a current understanding of affordable housing needs in our community and that recommends future actions based on those findings. We will provide a couple references from this report that suggest that housing *up to 200% average median income (AMI)* should be considered as affordable housing. There is no reference that a PUD-AH requirement is defined to consider units above 200% AMI as “affordable housing.”

Basic Definition

Article VIII, Definitions-Teton County, which was revised in November 2007 state:

Affordable Housing Unit. A dwelling unit with a restricted rent or sale price in order to be affordable to households earning no more than 175 percent of the Teton County family median income.

(*We recognize that in the Town of Jackson an applicant has requested use of Category 6 housing, which is 200% AMI. However, this request was part of an income-restricted voluntary contribution, rather than a minimum requirement.)

“Higher Category Homes” Definition

The Housing Needs Assessment clearly states that future housing policies should address a wider spectrum of affordable housing. There should be little debate that some residents need homes yet cannot qualify for an affordable home nor afford a market-rate home. However, the PUD-AH, and the density bonuses afforded, do not intend to address categories at the “GAP” level. The Housing Needs Assessment (2007:12) discusses the need to revise the PUD-AH standards. The report specifically states: “To help offset the cost of developing, this tool would be appropriate to enable the development community to build the higher category home (100-200% of AMI).” The categories for “GAP” *start* at the highest AMI recognized as a “higher category home.” It is important to not confuse general statements about the need for higher category homes to suggest a need for “GAP” category homes, particularly when it is being requested to meet an affordable housing requirement. “GAP” units are not as heavily subsidized, as their prices are significantly closer to market-rate units, particularly the higher-end “GAP” categories, therefore it is questionable to request a significant density bonus.

Consistent Standards

The Housing Needs Assessment (2007:15) makes the following recommendation to improve housing production: “Work with private developers and community organizations to use consistent standards for tenant and buyer qualification and long-term affordability controls.” The nature of the request, and the precedent it would set for complying with PUD-AH standards, actually diminishes the consistency of current standards. It also produces the question of long-term affordability given that after 10 years of home ownership, some of the price points of “GAP” homes could be over \$1 million.

Applicant’s Approach to Secure Affordable Housing

There are a number of strong arguments that can be made that the development will actually elevate the demand for additional workforce housing in the long term. The Conservation Alliance does not agree with the “no net growth” assertion that this development will not contribute to additional growth in the long term, nor that it will reasonably offset the frequency of commuting.

In addition, we have some concerns about the applicant's approach to secure affordable housing. First, it is unclear whether this application should be exempt from the 25% mitigation rate recently adopted by the County, and whether or not it is acceptable to provide "hybrid affordable" instead of meeting the obligation to construct 25% traditional affordable housing units. The 10% "Hybrid Affordable" category represents units that would require considerable additional subsidies for their construction. Teton County Housing Authority (TCHA) staff indicated how this category would function in their initial peer review comments: "The hybrid affordable units are essentially a conveyance of land. While this conveyance of land is a generous offer from the applicant, TCHA staff wants to make it clear that it would still cost housing groups a considerable subsidy to build the 50 units on this land. Although land is probably the most expensive aspect of building housing in Teton County, high construction costs translate into a subsidy of approximately \$100,000 per home." In effect, it appears that the applicant could pass the subsidization of 50 units (at \$100,000 per unit) onto taxpayers.

In regard to previous land conveyances and affordable housing projects, the Teton County Housing Needs Assessment (2007) states: "The resources required to develop these projects, as well as costs related to off-site infrastructure improvements, were not paid for by the developer even though town and county rules required it, and should be recognized as a form of subsidy by the community. In the future, requiring developers to build the units will enable the community to shift its time and funds and make the housing program more effective."

Additionally, "GAP" housing does not represent the category of highest community need. (Nor is there an indication that the housing is accessible to a significant portion of the population, including those already in affordable housing units.) The Housing Needs Assessment (2007:74) states, in terms of affordable housing demand: "For local households, the income level representing the greatest interest (27%) are households earning between 80 and 100 percent of AMI..." whereas only a 5% interest exists at 175% and above of AMI. It also states: "At this time, Town and County efforts to build housing should focus on for-sale housing for households at or below 120 percent of (AMI)." (2007:4)

In a nutshell, affordable housing deficits are greatest at the lower level incomes. Fortunately, we have very recent data to demonstrate this need, which isn't always available to inform a decision. If we know that the deficit is the greatest at the lower level incomes, for which the PUD-AH was originally intended to address, why should a PUD-AH development be used to implement a disproportionately high amount of "GAP" housing for which there is significantly lower interest and need? "GAP" housing constitutes approximately 70% (275/400) of the deed-restricted units in this development, yet recent data suggests that lower category housing should be the focus in terms of production. Knowing this, the composition of this development doesn't provide a great community benefit.

Conclusion

While the Conservation Alliance is always open to reviewing modifications to development applications throughout the planning process, we do not support Teton Meadows Ranch as currently proposed. This application is not the first that has raised difficult questions about how to best integrate affordable housing opportunities in Jackson Hole; therefore we understand the difficulty of such an evaluation. It's true that South Park has been identified as a logical place for residential housing, but it has also always been identified as an area important for sustaining our rural and historic character defined by significant open space. If the area is not planned strategically and comprehensively, but rather on an individual parcel basis, there is no guarantee these diverse community interests will be balanced in perpetuity. Replacing the rural designation (the lowest density character in our regulations) with 10-times increase on a large parcel is a big jump to take. Importantly, the proposal represents a noteworthy departure from current zoning, fundamental principles of smart growth, and consistent application of affordable housing planning tools.

Now's the time for committing to upholding community vision, not making big exceptions that blur it. Thanks for your consideration.

Sincerely,

Franz Camenzind
Executive Director

Kristy Bruner
Community Planning Director