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C L A R I O N

MEMORANDUM

**TO: Board of County Commissioners, Teton County, Idaho
Teton County PUD Working Group**

FROM: Clarion Associates

DATE: December 10, 2007

RE: Summary of Clarion Visit on November 29, 2007

Clarion Associates made a third trip to Teton County on November 29, 2007. The primary purpose of the trip was for Chris Duerksen and Don Elliott to convene the second meeting of the PUD Working Group appointed by the County Commissioners. Before meeting with the Working Group, Clarion met with the County Commissioners to brief them on the Working Group agenda and to hear their thoughts regarding discussions to date. This document summarizes the two meetings.

Meeting with Board of Count Commissioners

County Commissioners Trupp and Young attended, and Commissioner Stevenson participated by telephone from Washington DC. Commissioner Young stated that while PUD regulations should not be a straight-jacket, the current regulations were too open to offer effective guidance. Regulations should allow property owners to realize the long-term value of their property and to protect and strengthen the open space system. He agreed that new residents of the county may want to live away from the cities, but felt there was a more than adequate inventory of lots to allow that without encouraging more. Commissioner Stevenson agreed with those comments. Commissioner Trupp emphasized the need to protect both property rights and landowner flexibility.

Commenting on the agenda for the second meeting of the PUD Working Group, none of the commissioners supported the preliminary Clarion guidance to establish a maximum size for PUDs in rural areas of the county. Commissioner Stevenson indicated she was not convinced that large developments should be approved in rural areas, while Commissioner Trupp felt they might result in better design and that service costs would be low if second homes were involved. All three were generally comfortable with establishing a minimum size, with Commissioner Trupp encouraging it to match the some typical land division size (i.e. 10 or 20 acres).

All three Commissioners supported the need to come up with incentives or regulations that will discourage both “cookie-cutter” 2.5 or 20 acres lots or defensive incorporations of new towns. Commissioners Trupp and Young supported the need to allow convenience/gas stores in some rural locations in order to reduce driving for daily goods, but also the need to define convenience retail carefully and to limit the size of those uses, probably based on building square footage rather than a percentage of land area. Commissioner Stevenson support strict controls on commercial activities in rural areas and the need to consolidate them around the cities. Don Elliott emphasized the difficulty of having non-highway oriented rural convenience stores – over time they tend to become highway-oriented, which will make strict size controls important.

All three Commissioners supported the importance of open space as the primary community benefit supporting the rural character of the county. Commissioner Stevenson supported the need to add affordable housing as a community benefit, but would not require it to be constructed on-site. Commissioner Trupp agreed that discussion of affordable housing approaches was needed, including the pros and cons of dispersed units vs. concentrating them near towns and walkable services. He also suggested creating different PUD provisions for the Gateway area, other rural areas, and urban areas. All three commissioners agreed that now that agreements had been signed with Victor and Driggs regarding impact areas there was no need to consider separate county regulations for PUDs in those areas. Commissioner Stevenson again supported the need to complete a PLUM map.

Second Meeting of PUD Working Group

Chris Duerksen and Don Elliott met with the PUD Working Group from 4:00 to 7:00 pm on November 29. Thirteen of the 15 members were present, and the remaining two had filed written comments that were distributed to the group in advance. Discussion focused on policy directions related to (1) size of PUDs, (2) permitted uses in PUDs, and (3) community benefits.

Size of PUDs

There was almost no support for placing maximum size limits on PUDs in rural areas. There was general support for addressing the impacts of larger developments can be addressed through clustering, other development standards, or revenue tools. Other comments included:

- Minimum size requirements may make sense, but they should match one of the natural land division sizes – rural minimums of 40 acres may make sense. The minimum may need to be smaller in A2.5 areas than A20 areas.
- Potential regulations and incentives should be discussed separately for Gateway, Other Rural, and Urban parts of the county (not including Areas of City Impact).
- Master planned communities help lower service costs and create a sense of community in rural areas.
- Keep some incentives to keep land in agricultural use where possible.
- Remember that densities, standards, and incentives need to be more attractive than 2.5 or 20 acre subdivisions or incorporation of new cities in rural areas.
- Standards near cities need to be negotiated with the cities in order to avoid over-extension of Areas of City Impact to achieve city planning goals.

Permitted Uses in PUDs

Several members of the Working Group members favored very strict limits on commercial uses in rural areas of the county, while a slightly larger number seemed to favor allowing commercial uses for day-to-day convenience items, gas sales, or uses related to recreation/open space activities on the land. While some thought the current 2% incidental use rule worked, a larger number felt that it would be better to limit uses through building square footage limits and more detailed definitions of allowed uses. There was some discussion of controlling rural commercial to ensure that every property does not create a convenience store when only one is needed in the area. In areas near cities, some supported allowing a wider range of non-residential uses since that would be consistent with the more urban character, though a smaller number favored strict limits in order to avoid competition with the small city downtown areas. Most members of the group favored allowing affordable housing uses, but the majority of those felt they belonged near the cities (except perhaps in the case of accessory dwelling units). Other comments included the following.

- Areas for rural commercial use should be permitted only in areas designated in the comprehensive plan or PLUM
- Avoid creating highway-oriented uses in rural areas if possible.
- Explore alternative funding sources and other incentives to encourage agriculture to continue.
- Better definitions of the Gateway / Rural / Urban-outside-ACI areas would help the discussion.
- Rural commercial areas tend to expand in size and scope over time.
- Some rural commercial uses should be prohibited in order to avoid likely future expansion or to avoid creating destinations that compete with the cities.
- Consider a payment-in-lieu program for affordable housing so that impacts from rural areas can be mitigated near cities where more services are available.

Community Benefits from PUDs

There was general agreement that the basic community benefit to be achieved through PUDs is open space, but that the current regulations are not addressing the quality, location, or coordination of open space well enough. Roughly equal numbers of the Working Group favored keeping the rural open space requirement at its current 50% level, setting a higher open space standard (perhaps 70%), or creating incentives to raise open space above 50% to some higher number. There was no agreement on whether golf courses and other marketing amenities for rural communities should be counted towards the open space requirement (because they keep the land visually open) or not (because the public cannot use them). There was general agreement that near the cities the requirements for open space could be counter-productive and other community benefits would be more valuable. Several Working Group members felt that affordable housing should be treated as an additional community benefit to be achieved through PUDs, though a few members were strongly opposed to affordable housing requirements. Similarly, some Working Group members thought that contributions to road improvements (beyond the paving of adjacent roads currently required) should be added to the list of community benefits, while others believed that the current road requirements are adequate and that further contributions should come through the creation of a road taxing district. Other comments included the following:

- High quality open space should be mapped and PUDs should be required to provide their open spaces based on those maps.
- Trails and contributions to water and sanitation infrastructure might be good community benefits to encourage or require near the cities.
- Large areas of open space (above 50%) are hard to manage – a system for managing required open spaces needs to be established and enforced.
- Sometimes good quality open space is provided in urban PUDs near the cities, so don't eliminate it from the list of possible community benefits.
- Cash-in-lieu provisions should be created for the various community benefits (such as a fire station) in case there is no good spot on the site to provide the benefit or if the pooled contributions of many developments are needed to create the facility.
- Urban service and urban reserve areas should be dropped from regulations – as they have been from the plan – or at least better coordinated with the current Areas of City Impact.

A suggestion was made to distribute copies of the draft land use/density map that the Gateway PUD group was working with last year as background information for the Working Group.

Following the Working Group comments, the public commented that:

- Density incentives need to be adequate to make development economically viable, and a 50% density bonus is not adequate
- An even-handed system of development impact fees and cash-in-lieu would be better than the current system where larger developers are pushed to provide bigger contributions that benefit everyone.
- Maps need to be updated and the regulations made more objective and predictable.
- A2.5 zoning is "sprawl in a box" and incentives should be created to discourage build-out of development on standard 2.5 acre lots.
- Community benefits should be open to and usable by the community.
- Even if the number of houses in a cluster is limited, the construction of large barns and outbuildings may result in more apparent development in rural areas.
- The county needs to develop and map a true system of scenic corridors that protect important views, not only those close to the road, and then enforce it.

The next PUD Working Group meeting is scheduled for **Tuesday, January 15, 2008 from 4:00 to 7:00 pm** and the topic of the next meeting will be PUD standards (including sensitive lands and impacts of development). Clarion will provide a background paper on that topic approximately two weeks before that meeting.