



STAFF REPORT

DEVELOPMENT AGREEMENT AMENDMENT: SIGNIFICANT CHANGES- DECREASE SCALE, IMPACT FOR RIVER RIM RANCH PLANNED UNIT DEVELOPMENT

Prepared November 2nd for the Nov. 17th, 2011
Board of County Commissioners' Public Hearing

OWNER/APPLICANT: Big Sky Western Bank

REQUEST:

Big Sky Western Bank is requesting an amendment to the development agreement between the Bank and the County concerning River Rim Ranch Division II Planned Unit Development.

BACKGROUND:

- Division II of River Rim Ranch PUD was approved in 2006 as a Golf Resort Community. Some commercial lots, a golf course and a variety of residential lots (552 total) were approved. Division II was divided into six phases. Phases II – VI have relatively low density residential lots and large tracts of open space. Parts of these phases were intended to be farmed. Phase I has approved commercial uses near Highway 33, large areas of dense residential units (159 units/323 acres) and cabin tracts of very high density (approximately 200 lots on 96 acres). The centerpiece of this phase is a 275-acre golf course. Although the zoning before the PUD approval was A-20 which would have allowed 224 units, the high densities of this PUD were allowed due to the open space that would be dedicated in Phases II – VI of the project.
- In 2006, at the time of approval, the County and the Developer entered into a Development Agreement.
- In 2009, Big Sky Western Bank acquired the project.
- The original development agreement between the County and the Developer “forecasted” that Phase I of Division II would be completed on or before 2010.
- Resolution 021711B: Teton County Staff Policy for Addressing Subdivision Completion states, “*Development Agreements with forecasted or estimated dates for completion of improvements must have improvements completed within a reasonable time of those forecasted dates. ‘Reasonable time’ means no more than one year after the specified forecasted completion date. Development agreements with forecasted or estimated dates of completion that have expired prior to the date of this resolution have one year from the date of this resolution to complete all improvements.*” Therefore, Division II, Phase I improvements, outside of an amendment to the development agreement, or an extension request, shall be completed on or before February 17, 2012.
- The applicant and the County have had numerous meetings, conference calls and one day of mediation to come up with a mutually-agreeable plan going forward for the completion of Division II of the PUD.

APPLICABLE CODE: Teton County Title 9, Section 9-7-1: Vacations of Plats, Easements, Rights-of-Way; Lot Consolidations and Amendments to Recorded Subdivision Documents.

LOCATION:

River Rim Ranch is located north and east of Teton on the bench above the Teton River.

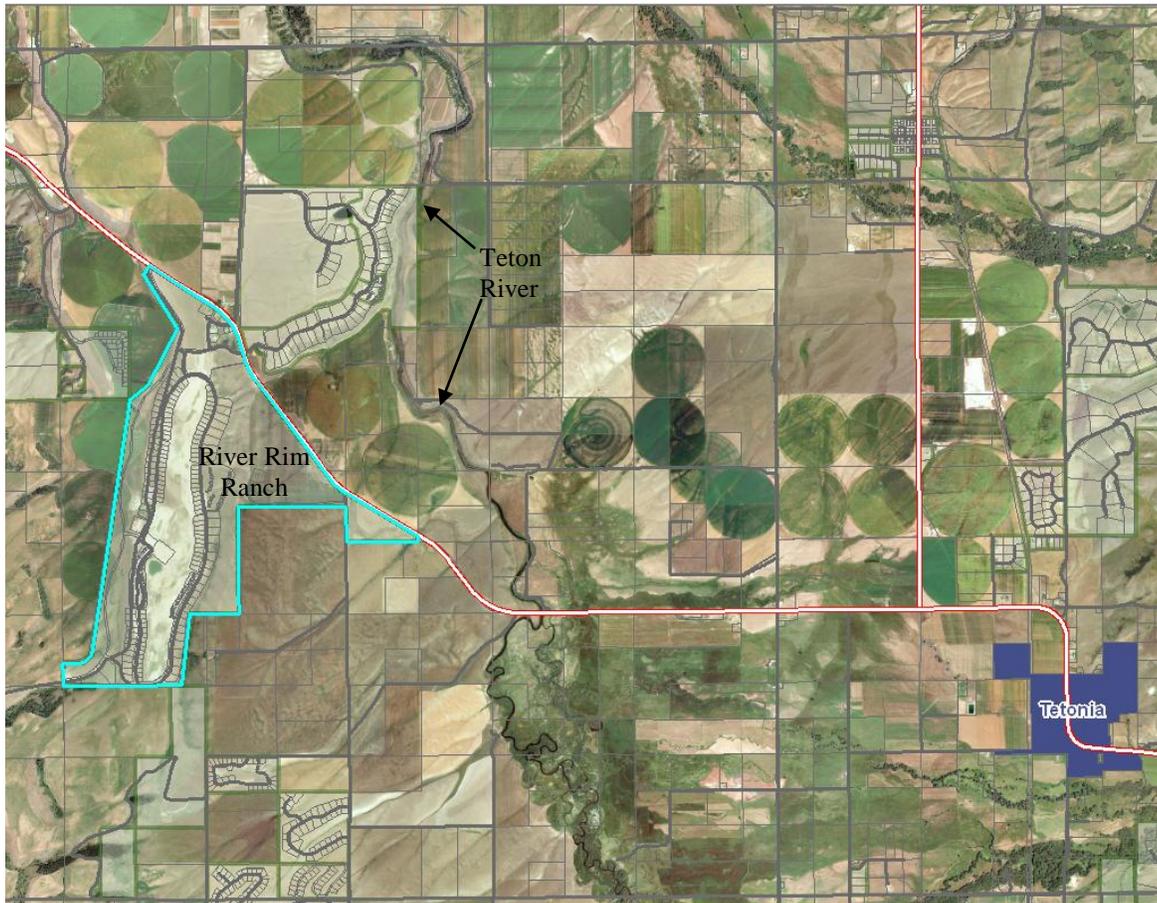


Figure 1: Vicinity Map of River Rim Ranch. Phase I Division II is highlighted

PROPERTY SIZE: 4,479 acres in Division II: There are formerly six phases in Division II. This proposal would create eight new phases for a total of 14 phases in Division II. The first nine proposed phases of Division II (now named Phase 1A – Phase 1I) comprise what was formerly Phase I.

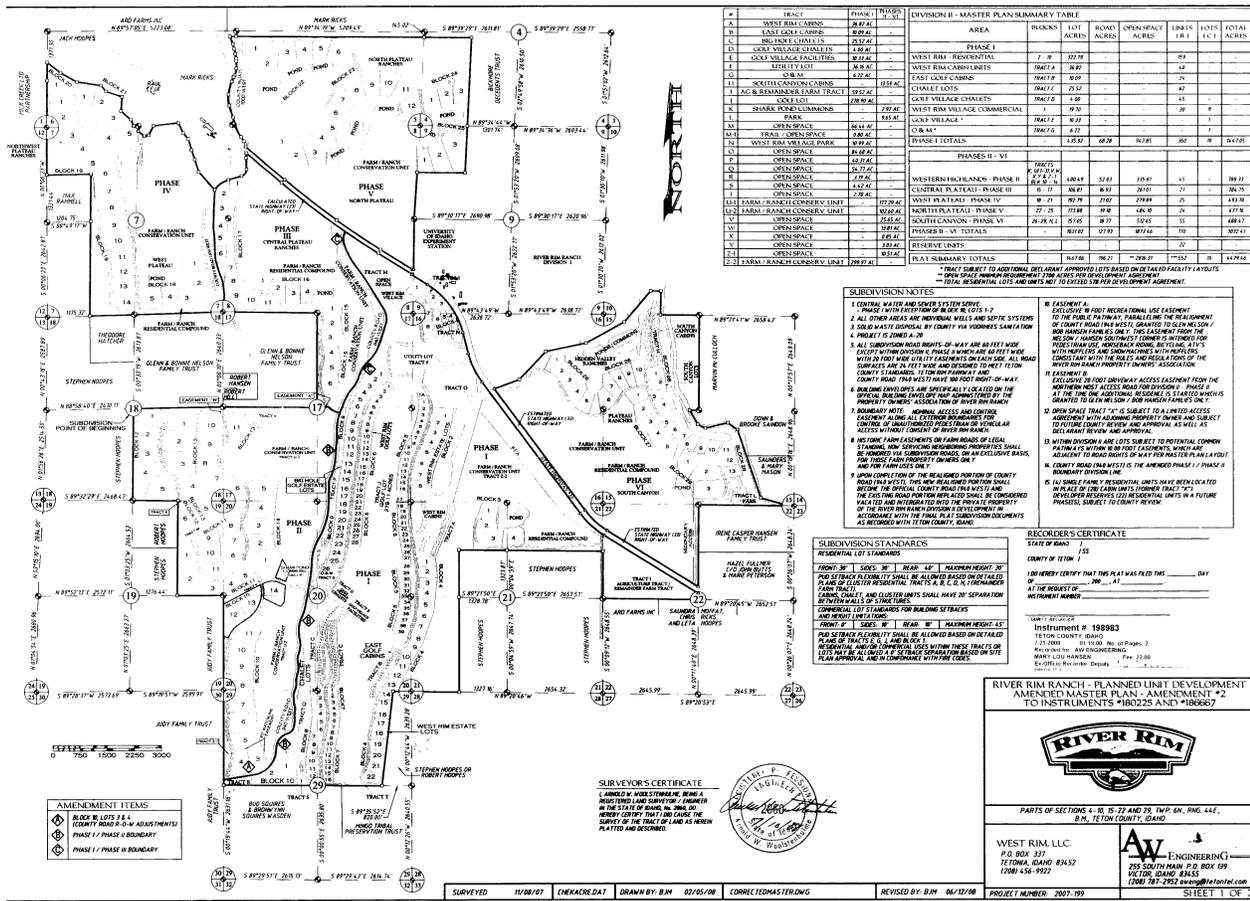


Figure 2: Approved Master Plan for River Rim Ranch, Division II

ZONING:

River Rim Ranch was approved as a Planned Unit Development which sets unique zoning and development standards throughout the project.

OVERLAYS:

River Rim Ranch falls in the Wildlife Habitat Overlay (Big Game Migration Corridor and Sharp-tailed Grouse Breeding).

GENERAL PROVISIONS OF THE DEVELOPMENT AGREEMENT AMENDMENT

There were several engineering issues that needed to be addressed.

- 1. Lot Density/Configuration-** The proposed development agreement amendment does not alter the configuration of lots or density of the development. Nor does it alter the conditions of approval of the development. The amendment proposes a phasing plan and definitive dates associated with the completion of each phase.
- 2. Moving County Road 940 W-** The road shall be moved by 12/31/2014 to County gravel road standards and paved by 12/31/2016.
- 3. Completion dates for roads-** Section 3 A addresses the completion dates for the roads. The applicant is proposing to complete the roads in two phases: first to County gravel road

standards by 12/31/2014 (at which time certificates of occupancy could be issued) and paved by 2016.

4. **Waste Water Treatment Modules-** The wastewater treatment system was approved to be installed in modules. Four modules complete the system, each with the capacity to process 30,000 gallons per day. The first module was completed in the fall of 2010. The development agreement amendment proposes a) a letter of credit will be kept on file for the next module, and b) the next module will be built when the system reaches 85% of capacity. Teton County will have the right to withhold building permits if there is reason to believe that the capacity of the system cannot meet the demand.
5. **Phasing-** Because Division II, Phase I was originally platted as one phase, subphases could not be considered “complete” until the entire phase was considered complete. This proposed development agreement amendment splits the old Phase I into nine phases. At the completion of each phase, the County may approve completion of that particular phase, release surety and issue certificates of occupancy, if applicable.

There were other issues that needed to be addressed. The proposed phasing plan solves many of the timing issues. The phasing plan separates some “standalone” parts of the project from the rest of the project so that it may be approved (and COs may be issued) without them. The phases can be completed in any order deemed appropriate by the applicant or its successors.

1. **Completion Dates-** All parts of the former Phase I shall be completed by Dec. 31, 2016.
2. **Order of Completion-** The phases do not need to be completed in any particular order, however each previous phase needs to be completed before the subsequent phase begins.
3. **Final Approval for Phases II - VI-** Each Phase II – VI will need to apply for and receive final plat approval before any work can begin. At the time of approval, improvement plans must be submitted and approved by the County and surety at 125% of a current engineer’s cost estimate must be placed on file.
4. **Letters of Credit-** A letter of credit shall be posted that includes all improvements except the standalone cabin tracts, the golf course rehabilitation and the East Ranch lots and the South Connector lots. Letters of credit for those improvements shall be posted before improvements begin. A letter of credit for the golf course reclamation will be placed on file before the construction of the golf course begins. This will be used to return the site to open space if the golf course is not finished.
5. **Cabin Tracts-** The two cabin tracts (Tract A and Tract B,) will be completed at the time of the rest of former Phase I, however these will be standalone phases (Phase 1F and 1E, respectively). Improvement plans will be submitted (and approved) at a later date, but work must be completed by 12/31/2016, and these improvements may be installed independently of the rest of the project. No work on improvements will be started until the County accepts the improvement plans and surety is in place. The improvements for Tract C aside from the roads, however, are complete and the roads will be completed when the rest of the Loop Road is completed.
6. **Farm/Ranch Residential Lots-** East Ranch Lots will also be a standalone phase (Phase 1G). Improvement plans will be submitted and accepted by the County and surety in place before work begins on the improvements. This phase will also be complete by 12/31/2016.
7. **Lots 1-4 at the South End-** These lots will also be a standalone phase (Phase 1H) and completed by 12/31/2016 after improvement plans are submitted and accepted by the County and surety is in place.
8. **Golf Course-** The project has been advertised as a golf community since its inception. Yet the applicant had not committed to actually building the golf course subject to any completion dates. The applicant has agreed to build the first nine holes by 12/31/2016 (with Phase 1I) and

the second nine holes between the second and third phase (i.e. between Phase II and Phase III, if they are done in numerical order- but the order of completion of the future phases is not defined).

9. **Weeds-** The applicant shall control all weeds on the property. Additionally, the applicant has agreed to donate \$30,000 by 12/31/2011 to the County to be used for the control of weeds throughout the County.

RECOMMENDED CONDITIONS OF APPROVAL

Suggested changes to the proposed Development Agreement Amendment:

Page 2, 2 Division II Phase I Phasing. Add to the paragraph after December 31, 2016.: “Failure to complete any phase (Phase 1A – 1I) by its specified completion date shall result in the Developer being in breach of this Agreement and the subsequent ineligibility for the final platting of Phases II – VI. If the Bank is in breach of this Agreement, the Master Plan may be vacated for all unplatted phases of the project (Phases II – VI) and all applicable subdivision and zoning regulations in effect at the time shall govern the future use of the land.”

Page 4, E Golf Course. Change the date from 2006 to 2016.

Page 4, 4 Division II Improvements. It is recommended that this paragraph read as follows: “Section 3, *Forecasted Schedule for Completion of the Improvements* is amended to provide that the Division II improvements shall be completed on or before December 31, 2026. Phase I will be divided into phases as shown in the Exhibits. Division II Phase I and associated phases shall be completed on or before December 31, 2016. Further phases may only be platted if Phases 1A – 1I are completed in accordance with this Agreement. Failure to complete any phase shall result in a breach of this Agreement and may result in the vacation of the Amended Master Plan (Instrument Number 198983) and all applicable subdivision and zoning regulations in effect at the time shall govern the future use of the land. Section 3 is further amended to delete the language in the 2006 Development Agreement providing for any further extensions of time.”

Page 4, 5 Letters of Credit. Third line from the end needs to be clarified that it is Phase 1I, not Phase II. *Addressed in attachment.*

Page 5, 9 Public Benefits. A. South Canyon Development should be clarified to read, “South Canyon Development (Phase VI) or December 31, 2026, whichever occurs first.”

Proposed Section 19. Incidental Uses. In compliance with Teton County Subdivision Ordinance at the time of approval of River Rim Ranch PUD (2005 Code, Section 9-7-5) and the current Teton County Subdivision Ordinance, no more than 2% of the developed acreage within a PUD may be devoted to incidental uses. These uses have been defined in the 2006 Development Agreement Section N. The platted incidental uses in Phase 1A - 1I of Division II are dependent upon the developed acreage of Phases II – Phase IV. Therefore, the incidental uses in Phases 1A – 1I shall not exceed 2% of the platted acreage, not including land set aside as open space. When Phases II – VI are platted, the incidental uses platted in Phases 1A- 1I may be utilized in accordance with the 2% developed acreage formula and the 2006 Development Agreement Section N.

Engineer’s Cost Estimate. Applicable code 9-7-1-B-3-b-iv states, “*The applicant shall provide financial surety of 125% of a current engineer’s cost estimate for infrastructure...*” The engineer’s cost estimate should comply with applicable code.

CONSISTENCY WITH THE APPLICABLE POLICIES OF 2004-2010 TC COMPREHENSIVE PLAN AND THE TETON COUNTY SUBDIVISION ORDINANCE

The project has been previously approved. While conditions have changed since the time of approval that may add or detract from the viability of this project, this amendment would not alter the content of the project, but rather the timing for completion of the project. In other words, the proposed amendments do not affect the land use at the site of this project.

AGENCY & DEPARTMENTAL TECHNICAL COMMENTS

Please see attached letter from Mike Dronen, EIPHD and Jay Mazalewski, Teton County Engineer.

PUBLIC NOTICE:

1. Legal ads were made to the Teton Valley News in accordance with local and state requirements.
2. A development notification was mailed to landowners within 300 feet and to those who own land within subdivisions within 300 feet of the subject property.
3. A development notice was posted onsite in accordance with all code requirements.

COMMENTS FROM NOTIFIED NEIGHBORS AND GENERAL PUBLIC

No comments have been received at the time of this reports writing.

BOARD OF COUNTY COMMISSION ACTIONS:

- A. APPROVE the development agreement amendment presented in the application [with or without staff recommendations], having provided the reasons and justifications for the approval.
- B. APPROVE the development agreement amendment WITH MODIFICATIONS, having provided the reasons and justifications for the approval and for any modifications or conditions.
- C. DENY the development agreement amendment request and provide the reasons and justifications for the denial.
- D. CONTINUE to a future Board of County Commissioners Public Hearing with reasons given as to the continuation or need for additional information.

Staff suggests the following motion:

Having found that the development agreement amendment is consistent with Title 9, Chapter 7, I move to approve to the proposed development agreement amendment, as presented by Planning Staff [with the following changes].

Report prepared by Planner Angie Rutherford

Attachments:

- Application Materials
- Instrument Number 198983: River Rim Ranch- Planned Unit Development Master Plan Amendment #2
- Letter from Mike Dronen, EIPHD
- Letter from Jay Mazalewski, Teton County Engineer