



Board of County Commissioners - Staff Report

Subject: Teton Village Master Plan Area One PUD Text Amendment (Dormitories)

Agent: Bill Collins

Applicant: Jackson Hole Mountain Resort (JHMR)

Property Owner: This amendment is not tied to a single property

Presenter: Andrew Bowen, *Senior Planner*

REQUESTED ACTION SUMMARIES

JHMR seeks to amend the Teton Village Master Plan (TVMP) pursuant to Sections 8.7.3 and 4.3.1.D of the Teton County Land Development Regulations (LDRs), to allow dormitories to partially satisfy housing mitigation requirements.

PROPOSED AMENDMENT

A. *Provision of Employee Housing.* *Employee Housing shall be provided in conjunction with all non-residential development in ~~at~~ Teton Village Area 1 in accordance with ~~the~~ all applicable Teton County Land Development Regulations and the Jackson/Teton County Affordable Housing Department's Rules and Regulations, consistent with the following modifications and conditions: ~~Article IV, Section 49600, Employee Housing Standards for Planned Unit Development (PUD) District for Planned Resort~~*

1. Unit Types Allowed. A required affordable or workforce housing unit shall be a detached single-family unit (LDR 6.1.4.B.), attached single-family unit (LDR 6.1.4.C.), apartment (LDR 6.1.4.D.), accessory residential unit (LDR 6.1.11.B.), or dormitory meeting the requirements mandated below:
 - A. Each lavatory shall be shared between a maximum of four bedrooms.
 - B. Each bedroom shall have individual lock off ability and be occupied by one individual.
 - C. Each dwelling shall have access to a kitchen area located on the same floor as the dwelling.
 - D. Dorm units shall not be fractioned (an entire dorm unit must be used to meet a housing requirement that is a fraction of a unit).
2. No more than 60% of the total required Housing Mitigation created by development in Teton Village Area may be satisfied through the use of dormitory units.
3. Dormitory units, including those serving as Housing Mitigation units, may be occupied by individuals who are not a "qualified household" as defined by the Jackson / Teton County Housing Authority Rules and Regulations.

As seen in the language above, JHMR is requesting that up to 60% of all mitigation requirements generated in Teton Village Area One can be offset with dormitory style housing. Staff is recommending that this allowance be limited to 25% of any new housing mitigation requirements. Staff is recommending this condition for two reasons.

First, while the Board has legislative discretion to allow either 25% or 60% mitigation, setting the amount of allowed dormitory mitigation at 60% would be inconsistent with prior LDR text amendments that removed dormitories as acceptable mitigation units.

Second, a 60% mitigation allowance exceeds the recently approved amendments to the Snow King Resort Master Plan. Snow King was recently granted the ability to mitigate 25% of their housing requirements with dormitories, and the Board has previously expressed a desire to treat Planned Resort Developments similarly across the town and county.

This change would be an amendment Teton Village Master Plan **Section VII. A: Provision of Employee Housing**. This amendment will only alter the mitigation requirements of employee housing projects required by physical development within Teton Village Area One. Per the TVMP, 20% of all housing mitigation must occur within Area One, but the other 80% of required mitigation can occur throughout Teton County and the Town of Jackson. There are no proposed LDR changes as part of this amendment.

BACKGROUND/DESCRIPTION

JHMR is requesting this amendment to the TVMP as a result of a July 2018 change to the Teton County LDRs (AMD2017-0004). Prior to July 2018, the LDRs allowed dormitories to be used for housing mitigation, but a July 2018 text amendment removed that option.

In speaking with Stacy Stoker, Housing Manager with the Jackson/Teton County Affordable Housing Department, the employee housing standards were changed in July of 2018 for the purpose of ensuring that the development of affordable housing units within the county facilitated a quality of life for residents seeking to live here long-term. In doing so, the development of traditional single-family dwellings and apartments was prioritized. This change to affordable housing policy occurred during a county-wide visioning program that included all resorts including JHMR.

Prior to this LDR text amendment, however, JHMR constructed Powderhorn Phase I, a dormitory style building which could be used to satisfy JHMR employee housing requirements. JHMR was also planning to construct Powderhorn Phase II which would provide additional dormitory style employee housing.

JHMR was concerned that due to the change in the LDRs, units within the Powderhorn Phase II project would no longer be able to be used for affordable housing mitigation. The Planning Department attempted to address this concern by issuing a Planning Director Interpretation. INT2019-0001 stated that JHMR had, in good faith, fulfilled their obligations for Phase I and in doing so had vested the right to construct Phase II under the same LDR standards.

While this interpretation grants JHMR the right to construct Powderhorn Phase II for the purposes of employee housing provision, JHMR has requested a text amendment to add an additional element of finality and formality before beginning additional construction.

JHMR originally proposed the following text amendment to the TVMP:

*A. **Provision of Employee Housing.** Employee Housing shall be provided in conjunction with all non-residential development ~~in~~ Teton Village Area 1. In accordance with the Teton County Land Development Regulations in effect at the time an development application for such development permit is deemed sufficient by the Planning Department, Article IV, Section 49600. Employee Housing Standards for Planned Unit Development (PUD) District for Planned Resort. Notwithstanding the Teton County Land Regulations then in effect, employee housing requirements imposed these Standards and Conditions may be satisfied by the provision of housing units defined or referred to as dormitory units or dorms dormitory-style residential units consisting of lock-off bedrooms, bathrooms and a shared kitchen, whether such units are located*

in the Town of Jackson, Wyoming or Teton County, Wyoming, such units can be occupied by multiple unrelated individuals, and such units comply with the Jackson/Teton Housing Department Rules and Regulations in effect at the time such units are constructed. The Powderhorn Phase I and Phase II dormitory-style units constructed by the Jackson Hole Mountain Resort Corporation ("JHMR") in the Town of Jackson, Wyoming may specifically used by JHMR (or their assignee or designee) to satisfy employee housing obligations arising out of this standards and conditions document.

EARLY AMENDMENT ANALYSIS

In reviewing the amendment as submitted by the applicant (above), a staff report was created that outlined several recommended conditions of approval. Upon further consideration and discussion with the applicant, Planning Staff recommended that a new document be drafted that better addressed Area One as a whole and eliminated the need for conditions. Thus, the Powderhorn specific language was removed.

This proposed language was presented to Plan Review Committee (PRC) and Town and County Planning Commissions. At their regularly scheduled meeting on October 28, 2019, the Planning Commission (PC) reviewed a staff report, heard from both Planning staff and the applicant and deliberated upon PUD2019-0001. During this discussion, the Commission spoke at length about whether dormitory-style dwellings should be allowed in the fulfillment of employee housing requirements. The primary discussion centered around whether this amendment would contradict the housing policies of the County's LDRs. While all could agree that resorts certainly had unique employment constraints, there was not consensus among the Commissioners that resorts should be credited for housing seasonal workers, as this negated the community's policy shift made in 2018. Upon ending their discussion, the Commission voted 2-to-1 to recommend the approval of the amendment, but asked Planning staff to start a full review of resort housing policy for the County. The Town of Jackson Planning Commission also recommended approval.

When the application was brought to the Jackson Town Council, Tyler Sinclair, Town of Jackson Community Development Director, posed a question about how the amendment would address non-qualifying residents per the Affordable Housing Rules and Regulations living within the dorms.

This question is important because under the Affordable Housing Rules and Regulations, an individual only qualifies for workforce housing if that individual "[w]orks for a local business within Teton County for 1560 hours a year (30 hours a week/annually)," and "[o]ccupies their rental unit for a minimum of 80% of a lease term, with a minimum lease term of 6 months" among other requirements.

These requirements would potentially make it difficult to rent these units to JHMR employees who only worked the winter season at JHMR. After discussing this issue with the applicant, the amendment was postponed to a date uncertain, to allow for further review and alternative exploration. The current proposed amendments are designed to address that issue.

STAFF ANALYSIS

Granting this amendment as conditioned will provide a greater palette of housing mitigation options for JHMR to choose from. This will allow JHMR the opportunity to develop housing that best suits their employees at all classification levels, including seasonal workers. It is for this reason that staff finds this amendment (as conditioned) as an appropriate and pragmatic alteration to the TVMP.

While staff agrees that JHMR has unique employee housing needs, staff does not believe that allowing 60% of Teton Village Area One's mitigation to occur through dormitories is consistent with prior policy directives from the Board of County Commissioners. Specifically, allowing the majority of mitigation as dormitories would contravene the policy direction of limiting dormitory mitigation represented in the July 2018 amendments to the LDRs and would treat Teton Village differently than Snow King.

JHMR has pointed out, however, that “[w]ithin the commercial core area of Teton Village over 72 employees are currently housed in required employee housing units. The majority of these employees live in units that are **now** classified as dormitory units. Including these existing housing units in computing the 25% calculation would immediately consume the 25% allotment of dormitory style units. Snow King is basically starting from a blank page with most of the development in that resort yet to occur.”

In acknowledgement of this point, staff has revised its suggested condition of approval to state: “No more than 25% of the total required Housing Mitigation created by future development (any development after the approval of this PUD amendment) in Teton Village Area may be satisfied through the use of dormitory units.”

Staff believes this approach accurately reflects the current policies of the Board of County Commissioners, and treats different planned resorts equally. The Board of County Commissioners does, however, have the discretion to set whatever dormitory mitigation rate it believes is appropriate.

KEY ISSUE

KEY ISSUE 1: Does Jackson Hole Mountain Resort's unique employee housing characteristic, which is comprised of a majority of seasonal workers, necessitate a shift in housing policy for Teton Village Area One from an emphasis on year-round employees to seasonal employees?

As mentioned within the Staff Analysis (page 4), in granting this amendment as conditioned, JHMR will be provided flexibility in meeting housing mitigation requirements. Due to JHMR's labor characteristics, Staff finds that this amendment to the TVMP Area One will allow JHMR the opportunity to develop housing that best suits their employees, and is a rational connection to the demand for housing created by these seasonal workers. Inasmuch, this amendment as conditioned, allows an appropriate adjustment to Teton Village Area One's localized housing policy, without conflicting with the overall goals of the County.

STAKEHOLDER ANALYSIS

Please see the attached correspondence
Stacy Stoker, Jackson/Teton Affordable Housing Department
Kathy Clay, Teton County Fire Marshal

PLANNING COMMISSION ANALYSIS

In their regularly scheduled meeting on August 24, 2020, the PC voted in unanimous support to recommend that the BCC approve the newly proposed amendment as conditioned by Planning staff. While discussing the application, the Commissioners explored the advantages and disadvantages of the

amendment and concluded that they agreed with both Planning staff and the applicant that JHMR had unique employment characteristics that necessitated PUD amendment. It was also concluded by the Commission that holding JHMR to the staff recommended threshold of 25% was important to keep congruity amongst the community's resorts.

The minutes from this meeting may be found as attached.

LEGAL REVIEW

Graham

RECOMMENDATIONS

PLANNING DIRECTOR RECOMMENDATION

The Planning Director recommends **APPROVAL** of **PUD2019-0001** for an amendment to the Teton Village Master Plan (Area One) to allow for the usage of dormitories to satisfy housing mitigation requirements dated July 19, 2019 being able to make all nine findings of Section 8.7.3 of the Teton County Land Development Regulations with the following three conditions.

1. Section VII.A.2 of the applicant's proposed amendment shall be replaced with the following: **"No more than 25% of the total required Housing Mitigation created by future development in Teton Village Area may be satisfied through the use of dormitory units"**
2. A Section VII.A.3 shall be added to applicants proposed amendment stating **"Dormitory units, including those serving as Housing Mitigation units, may be occupied by individuals who are not a 'qualified household' as defined by the Jackson / Teton County Housing Authority Rules and Regulations."**
- 3. Dormitory units serving as Housing Mitigation units shall not be used for short-term rental.**

PLANNING DIRECTOR RECOMMENDED FINDINGS

Per Section LDR 8.7.3 Prior to approving a text amendment to the TVMP, the following findings shall be made:

1. The extent to which the PUD enhances the implementation of the desired future character for the land of the proposal beyond what could be achieved by base zoning; **CAN BE MADE**

In allowing higher flexibility of housing types within Teton Village Area One, the County can ensure that a housing stock can be generated that suits the uniqueness of JHMR.

2. The findings for the applicable PUD option found in Article 4.;
 1. Consistency with Comprehensive Plan. **CAN BE MADE**

The amendment as proposed is consistent with the goals and objectives of the Jackson/Teton County Comprehensive Plan (District 13 Teton Village).

The TVMP is currently approved and this proposed amendment is minor in scope and will not cause the Plan to fall out of compliance with the Comprehensive Plan. Tangentially, the proposed amendment may facilitate completion of the Powderhorn Employee Housing development which aids to establish a varied standard for compliance with the Comprehensive Plan. Upon completion, the Powderhorn Development will be a privately funded employee housing development which offers tenants a range of options from traditional apartments to dormitories. Said units help to create a complete neighborhood by achieving appropriate parcel densification, while being close to commerce, transit and bike/pedestrian facilities.

2. Consistency with Purpose and Intent. The Planned Resort master plan is substantially consistent with the purpose and intent of this Section, as set forth in 4.3.1.A. **CAN BE MADE**

Section 4.3.1.A of the LDR establishes a list of “purpose and intent statements” for a resort master plan. The nature and limited scope of this proposed amendment does not conflict with any of these statements and the TVMP, as amended, will remain in full compliance with the purpose and intent statements.

3. Affordable Workforce Housing. The Planned Resort master plan ensures a supply of affordable workforce housing that is in accordance with the requirements for housing created by development within the Planned Resort. **CAN BE MADE**

The proposed amendment aligns with Finding #3 and would restore for JHMR the assurance needed for the company to continue constructing employee housing that best suits their employees.

4. Design Guidelines. The Planned Resort master plan must contain design guidelines that a) establish standards for buildings, spaces, etc., b) promote design concepts set forth in the regulations, and c) establish a method of consistent implementation. **NOT APPLICABLE**

5. Transportation Element. The planned resort master plan must contain a traffic impact analysis and traffic demand management plan. **NOT APPLICABLE**

6. Capital Improvements Plan. The Planned Resort master plan must contain a capital improvements plan that ensures infrastructure and essential services will be provided. **NOT APPLICABLE**

7. Land Use Element. The Planned Resort master plan must promote land uses that support and maintain the character of the resort. **CAN BE MADE**

The proposed amendment adds variety in the types of residential development, including types of workforce housing, that are allowed in Teton Village. Furthermore, workforce housing is an essential land use for the operation of the resort. This amendment is consistent with land development regulations that state that residential land uses and other uses that are necessary in the operation of the resort shall be permitted.

8. Phasing Plan. The Planned Resort master plan must contain a phasing plan that ensures development, including amenities and public facilities, occur in a logical sequence. **NOT APPLICABLE**

9. Character Element. The Planned Resort master plan ensures the resort's development will be in keeping with the community's character and the planned character of the resort. **NOT APPLICABLE**

3. The applicable findings for the amendment of an existing PUD or other special project found in 8.2.13.D.; CAN BE MADE, see findings 4 and 5 below

4 and 5 Findings as required by LDR Sections 8.7.1. and 8.7.2

1. Is consistent with the purposes and organization of the LDRs; **CAN BE MADE**

This amendment is consistent with Land Development Regulations that state that residential land uses and other uses that are necessary in the operation of the resort shall be permitted.

2. Improves the consistency of the LDRs with other provisions of the LDRs; **NOT APPLICABLE**

3. Provides flexibility for landowners within standards that clearly define desired character; **CAN BE MADE**

Granting this amendment as conditioned will provide a greater palette of housing mitigation options for JHMR to choose from. This will allow JHMR the opportunity to develop housing that best suits their employees at all classification levels, including seasonal workers.

4. Is necessary to address changing conditions, public necessity, and/or state or federal legislation; **NOT APPLICABLE**

5. Improves implementation of the Comprehensive Plan; and **CAN BE MADE**

This amendment offers a pragmatic approach to providing employee housing within resorts that both meets needs of the employer and the employee by offering greater flexibility of housing type.

6. Is consistent with other adopted County Resolutions. **NOT APPLICABLE**

ATTACHMENTS AND LINKS

Jackson Hole Mountain Resort's Application for a PUD Amendment

<https://tetoncountywy.sharepoint.com/sites/TetonCountyArchive/PermitDocuments/PUD2019-0001,%20Application.pdf>

INT2019-001

https://tetoncountywy.sharepoint.com/sites/TetonCountyArchive/PermitDocuments/INT2019-0001_Decision_ltr.pdf

Department Comments

SUGGESTED MOTION

I move to **APPROVE PUD2019-0001** for an amendment to the Teton Village Master Plan (Area One) dated July 19, 2019, to allow for the usage of dormitories to satisfy housing mitigation requirements, being

able to make all nine (9) findings of Section 8.7.3 of the Teton County Land Development Regulations with the following (three) 3 conditions:

1. Section VII.A.2 of the applicants proposed amendment shall be replaced with the following: “No more than 25% of the total required Housing Mitigation created by development in Teton Village Area may be satisfied through the use of dormitory units”
2. A Section VII.A.3 shall be added to applicant’s proposed amendment stating “Dormitory units, including those serving as Housing Mitigation units, may be occupied by individuals who are not a ‘qualified household’ as defined by the Jackson / Teton County Housing Authority Rules and Regulations.”
3. Dormitory units serving as Housing Mitigation units shall not be used for short-term rental.

DEPARTMENTAL REVIEWS

Response from Stacy Stoker



MEMORANDUM

To: Andrew Bowen
Senior Planner, Teton County Planning and Building

From: Stacy Stoker
Housing Manager, Teton County Housing Department

Re: Amendment to Teton Village Master Plan
PUD2019-0001

Date: October 9, 2019

The applicant is requesting an amendment to the Teton Village Planned Unit Development Master Plan. Jackson/Teton County Affordable Housing Department (Housing Dept.) staff’s review is based on the Jackson/Teton County Housing Department Rules and Regulations.

The applicant is requesting to be allowed to use dormitories to satisfy their future housing requirements. The proposed language states, *“The Powderhorn Phase 1 and Phase II dormitory-style units constructed by the Jackson Hole Mountain Resort Corporation (“JHMR”) in the Town of Jackson, Wyoming may specifically be used by JHMR (or their assignee or designee) to satisfy employee housing obligations arising out of this*

standards and conditions document." The language should include that any *assignees or designees* that wish to satisfy their housing requirement using the dorms must do so within fifteen (15) years of Certificate of Occupancy. After fifteen (15) years, only JHMR may use the units to satisfy their requirement. The language should also include that the dorm units may not be fractioned. An entire unit must be used at a time.

Thank you for the opportunity to review this application. Please contact me with any questions.

Response from Kathy Clay

Hi Andrew: As time is of the essence, I will cut to the chase and omit the form letter!
Dorms will be required to follow the most current version of the IFC and NEC.
That will be good for the initial comments. Nothing further at this time.

Kathy Clay
Battalion Chief Fire Marshal
Jackson Hole Fire/EMS
Desk 307-732-8506
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