Teton Valley Housing
Teton County Joint Housing Authority

October 26, 2026

City of Tetonia
Attn: Mayor, City Council, and Planning and Zoning Commission
P.O. Box 57
Tetonia, Idaho 83452

RE: Draft Comprehensive Plan (Internal Review Draft) -- Request for Comment Response

Mayor, Council Members, and Commission Members:

Teton Valley Housing appreciates the opportunity to comment on the City of Tetonia's draft Comprehensive Plan, shared by the City's Planning Consultant on October 15, 2026, with a request for comments as the plan relates to workforce housing. Tetonia is a founding member of Teton Valley Housing and appoints one of its seven Commissioners. Our comments are limited to that subject and rely on Teton Valley Housing studies and adopted plans, the City of Driggs Qualified Workforce Housing Incentive Program (QWHIP) documents, and the text of the draft.

Summary →

The draft plan describes the housing problem accurately: it names housing affordability as the most consistently and urgently identified challenge in the community survey, defines workforce housing, and directs the City to coordinate with Teton Valley Housing. Its housing goals are written mainly as housing types to encourage (entry-level homes, rentals, duplexes, townhomes, and accessory dwelling units). We suggest the plan also state the outcome those homes are meant to produce, in two parts:

1. Identify and reduce the barriers to building homes in Tetonia; and
2. Ensure that a share of the homes built in Tetonia is permanently affordable to households who earn their living in Teton Valley.

Both parts are needed. The first part adds homes, while the second part recognizes that the market, on its own, serves only a small share of the households who earn their incomes locally, and that a home stays within reach of the workforce only when a restriction is recorded against it. With the goal stated this way, the draft's existing tactics (plain-language guides, proportionate frontage requirements, a review of the manufactured home age limit, more predictable permitting for infill, and accessory dwelling units) take their place as strategies for

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the first part, and a voluntary incentive program, described below, becomes the strategy for the second. Measuring success by whom the homes serve, and not only by how many are built, will show whether the plan is working.

The Workforce Housing Gap →

The 2022 Teton Region Housing Needs Assessment found that Teton Valley needs up to 1,580 additional employee homes by 2027, about 60% of them priced below market. Teton Valley Housing measures affordability for a three-person household in the Housing Bridge (Exhibit 1). The 2026 HUD area median income (AMI) for a three-person household in Teton County, Idaho, is $107,400. A household at 120% of that figure ($128,880) can afford a home priced at about $393,000, and a household at 80% ($85,950) can afford rent and utilities of about $2,150 a month. The median home sale price in Teton County over the three months ending September 2026 was roughly $950,000 (Redfin). Idaho does not require disclosure of sale prices, so reported medians vary by source and month. Teton Valley Housing's 2026 analysis of Census and HUD data estimates that about 60% of Teton County households earn less than 120% of AMI (Exhibit 2).

Prices in Teton Valley reflect demand from buyers beyond the local workforce, so adding homes alone does not guarantee that the people who work here can buy or rent them. Reducing barriers to building is an important first step; ensuring that some of the new homes are within reach of households who earn their income in Teton Valley is the next consideration.

A Program That Does Two Things →

The Qualified Workforce Housing Incentive Program is the City of Driggs voluntary density bonus program (Land Development Code, Article 14.14). Teton Valley Housing administers it under an intergovernmental agreement, and its Housing Action Plan 2025-2027 calls for collaborating with jurisdictions on voluntary below-market incentive programs of this kind. The program does two separate jobs.

- **Creates below-market homes.** No one is required to take part. A developer who asks for density above base zoning, or for an annexation or rezone that adds allowed homes, provides a share of the homes as permanently deed-restricted workforce homes, or a payment in lieu, in return. Base zoning is unchanged for everyone else.
- **Keeps the homes permanently affordable to the Teton Valley workforce.** A recorded deed restriction holds each home for qualified local households, for every future owner or renter. Prices and rents are set by the program's published standards, rents are adjusted each year, and resale prices rise by a set formula, so owners build some equity while the home stays within reach of the next local household. The standards and the 2026 figures are in Attachment B.

The Driggs ordinance, Administrative Procedures, and Guidelines are a baseline, not a finished product for Tetonia: in the code update described in Chapter 8, the City would decide what density it allows by right, what bonus density is available through the program, and what share of homes it asks for, so that the incentive encourages building rather than discouraging it.

If the City elects to pursue this approach, it may wish to consider:

1. **Stating the outcome.** Add the two-part goal above to Chapter 3, Goal 2, and place the draft's existing tactics under it as strategies.
2. **Defining the terms.** Define "workforce housing," "qualified household," and "Qualified Workforce Housing" in terms the program can meet (Attachment A, second row, and Attachment B).
3. **Naming the occasions.** Annexations, rezones, and requests for density above base zoning are the City's opportunities to secure permanently deed-restricted workforce homes. The draft already asks annexation applicants to propose a Future Land Use designation; it could also ask for a Qualified Workforce Housing Plan.
4. **Putting it in the code update and the annual review.** Add the program to the Chapter 8 code revision list, with a target date, and track permanently deed-restricted workforce homes approved, built, and occupied, and the ratio of median home price to median income.
5. **Assigning the administration.** The program needs an Authorized Administrator to qualify households, run the lottery, monitor compliance, and update prices each year. The City of Driggs designates one by intergovernmental agreement, and Teton Valley Housing serves in that role.

Thank you for the opportunity to comment. Teton Valley Housing is glad to provide the program documents or the data behind these comments, or to join a work session as the plan advances, and to review the public draft when it is released.

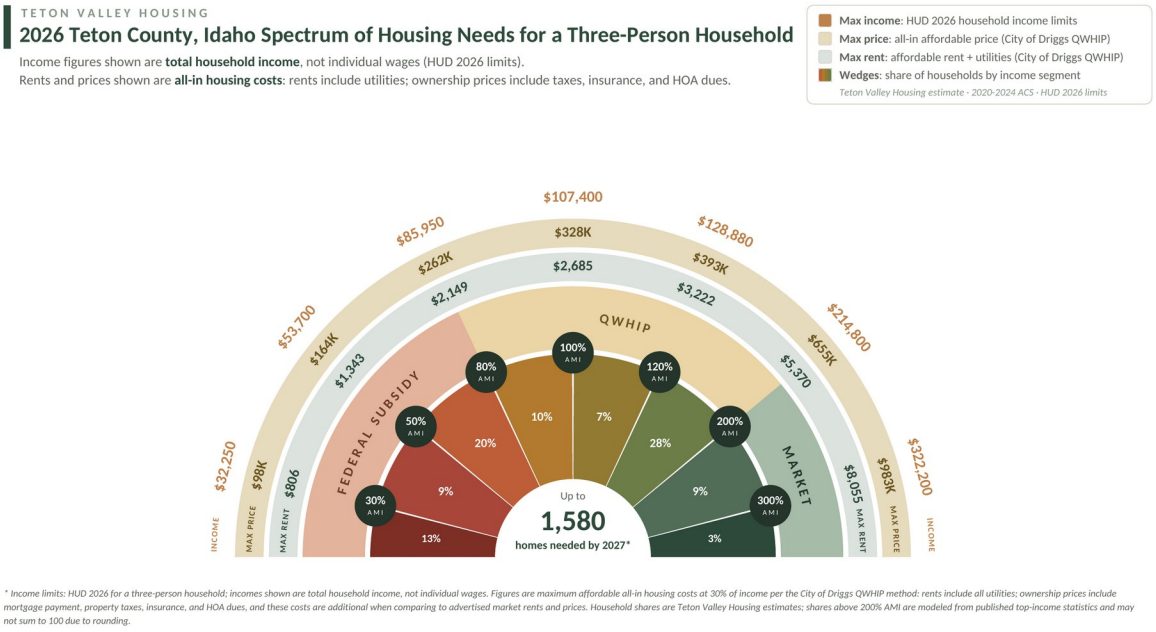
Sincerely,



Jerod Pfeffer
Executive Director, Teton Valley Housing

Exhibits 1 and 2 and Attachments A and B follow.

Exhibits



* Income limits: HUD 2026 for a three-person household; incomes shown are total household income, not individual wages. Figures are maximum affordable all-in housing costs at 30% of income per the City of Driggs QWHIP method: rents include all utilities; ownership prices include mortgage payment, property taxes, insurance, and HOA dues, and these costs are additional when comparing to advertised market rents and prices. Household shares are Teton Valley Housing estimates; shares above 200% AMI are modeled from published top-income statistics and may not sum to 100 due to rounding.

Exhibit 1. 2026 Teton County, Idaho Spectrum of Housing Needs for a three-person household (Teton Valley Housing; HUD 2026 income limits; City of Driggs program method for prices and rents).

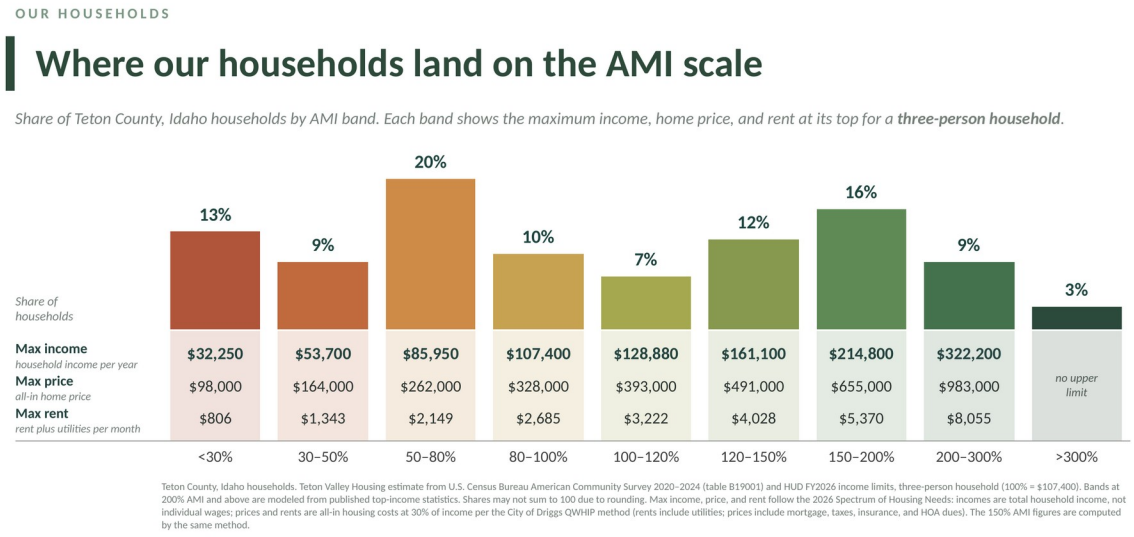


Exhibit 2. Share of Teton County, Idaho households by area median income band, three-person household (Teton Valley Housing estimate from the 2020-2024 American Community Survey and HUD 2026 income limits).

Attachment A: Section-by-Section Comments

Sections are cited by chapter and heading of the Internal Review Draft shared on October 15, 2026 (file title: Tetonia Comp Plan- Work Session DRAFT 8.31.26), which has no page numbers. Goal items are cited by sub-goal letter and their order under it.

Plan section	Observation	For the City's consideration
Ch. 3, Goal 2 (Provide Housing Options that Support Affordability, Workforce Needs, and Community Stability)	The items under 2.A list housing types to encourage or explore. The outcome, who the homes are for and whether they stay within reach of the workforce, is not yet stated.	Consider an overarching goal: "Identify and reduce the barriers to building homes in Tetonia, and ensure that a share of the homes built is permanently affordable to households who earn their living in Teton Valley." The existing items would then become its strategies.
Ch. 3, Housing Conditions and Needs: Workforce Housing	Defines workforce housing as housing affordable to households earning 60% to 120% of area median income, but does not yet define a local worker or what keeps a home within reach of the workforce over time, or name a mechanism.	Consider defining "qualified household" (a household that earns its living in Teton Valley, within the income ceiling set by the program) and "Qualified Workforce Housing" (homes kept by a recorded deed restriction for qualified households, at prices and rents set under the program). The draft's 60% to 120% band describes a price range, not the households served: the Driggs program's initial pricing falls within that band, but it serves households earning up to 200% of area median income. Add: "The City will pair discretionary approvals that add homes with a voluntary incentive program so that some of the new homes are permanently affordable to households who earn their living in Teton Valley."
Ch. 3, Housing Conditions and Needs: Housing Stock Profile and Affordability Challenges	Relies on American Community Survey five-year estimates for the City alone: a median owner-occupied home value of $428,100 and a median household income of $78,864. For a city of a little over 100 households the published margins of error are wide (about plus or minus $111,000 on the value and plus or minus $26,000 on the income), and the survey's home value is the owner's estimate, not a sale price. The valley-wide market is not described.	Present the City figures as indicative, with their margins of error, and add the regional figures: a median home sale price in Teton County of roughly $950,000 over the three months ending September 2026 (Redfin; an approximation, because Idaho does not require disclosure of sale prices) and a need for up to 1,580 additional employee homes by 2027, about 60% of them below market (2022 Teton Region Housing Needs Assessment), because Tetonia's prices are set by valley-wide demand.
Ch. 2, Goal 1.A and 1.C; Ch. 3, Section 5 (Manufactured and Diverse Housing Options) and Future Land Use:	Existing language that reduces barriers: plain-language guides, regular review of ordinances for over-restriction, review of the 20-year manufactured home age limit, proportionate frontage improvement	Group these under the first part of the overarching goal as barrier-reduction strategies. Keep them simple and free of program requirements so that they are used.

Plan section	Observation	For the City's consideration
Low-Density Residential; Ch. 4, Goal 1.A	thresholds, accessory dwelling units, and more predictable permitting for infill.	
Ch. 3, Future Land Use: Medium-High Density Residential; Community Commercial	Describe duplexes, townhomes, small apartments, and high-density residential as appropriate, with no link to who the homes serve.	Add: "Where the City grants density above the base allowed by zoning, it will do so through the voluntary Qualified Workforce Housing Incentive Program." The City sets both the base density and the bonus density in the code update.
Ch. 3, Annexation Policy Framework; Goal 4.A	Annexation applicants must propose a Future Land Use designation. The annexation considerations address services, consistency, capacity, and community interest, without addressing who the new homes will serve.	Consider asking each annexation applicant for a Qualified Workforce Housing Plan stating the share of residential units to be permanently deed-restricted under the City's Qualified Workforce Housing Incentive Program, at a share set in the code update. (The Driggs code sets at least 15% for annexations that add residential units; Tetonia would set its own.) Add to Goal 4.A: "Consider annexation proposals in relation to the share of homes committed to the City's Qualified Workforce Housing Incentive Program."
Ch. 3, Growth Management: Development Agreements	Lists "affordable housing contributions" as one possible condition among many, without a standard.	Consider stating the City's expectation for annexations, rezones, and density above base zoning: permanently deed-restricted workforce homes under the program, or a payment in lieu, so that applicants know the terms before they apply. Development within existing zoning would be unaffected.
Ch. 3, Goal 2.A (first three items)	"Encourage" entry-level homes and rentals and "explore" zoning updates, without a tool attached.	Add a strategy: "Adopt a voluntary workforce housing incentive program modeled on the City of Driggs Qualified Workforce Housing Incentive Program as part of the code update."
Ch. 3, Goal 2.B (first item); Ch. 8, Intergovernmental Coordination: Regional Housing Organizations	Coordination with Teton Valley Housing is stated in general terms, and the organization is named differently in the two chapters ("Teton County Joint Housing Authority (Teton Valley Housing)" and "the Teton Valley Housing Authority").	Use one name in both places: Teton Valley Housing, legally the Teton County Idaho Joint Housing Authority, a joint-powers authority formed by Teton County and the cities of Driggs, Victor, and Tetonia, to which Tetonia appoints one Commissioner. Add: "The City will designate an Authorized Administrator for the program to qualify households, run the lottery, monitor compliance, and update prices each year." The City of Driggs designates its Authorized Administrator by intergovernmental agreement; Teton Valley Housing serves in that role.
Ch. 3, Infrastructure	Water and wastewater capacity limit all growth, so deed-restricted homes	Consider whether to give permanently deed-restricted workforce homes priority when

Plan section	Observation	For the City's consideration
Capacity Thresholds; Ch. 5, Water System Capacity; Ch. 5, Goal 4.C	compete with market homes for the same capacity.	allocating limited water and sewer capacity.
Ch. 4, Business Climate and Market Conditions: Workforce Availability	Links housing cost to recruiting and retaining employees, without a corresponding item in the Chapter 4 goals.	Add under Goal 1 or Goal 2: "Homes built through the City's Qualified Workforce Housing Incentive Program serve Teton Valley's workforce, with priority for public service agency employees."
Ch. 8, Capital Improvement Planning: Funding Strategies (impact fees); Ch. 3, Annexation Policy Framework (connection fees)	Impact fees are proposed for evaluation, and the connection fee schedule is to be updated. Each fee adds to the cost of every home, including below-market homes.	If the City adopts impact fees or updates connection fees, consider a reduction or exemption for permanently deed-restricted workforce homes, subject to state law.
Ch. 8, Intergovernmental Coordination: Regional Housing Organizations	Says the City "should evaluate voluntary, incentive-based zoning tools," including density bonuses and streamlined approval for deed-restricted units, as part of the code update. Existing language the City can build on.	Consider replacing "evaluate" with a commitment: "adopt, as part of the code update, a voluntary workforce housing incentive program modeled on the City of Driggs Qualified Workforce Housing Incentive Program," with the terms set by the City.
Ch. 8, Zoning and Subdivision Updates: Code Revisions Needed	The list includes manufactured and modular housing provisions but no item for the incentive tools recommended in Section 4 of the same chapter.	Consider adding items for the voluntary incentive program, annexation workforce housing expectations, and an annual update of income limits, rents, and prices using HUD data, and a completion date for the code update.
Ch. 8, Monitoring and Plan Amendments: Annual Review	Tracks building permits, ERUs, annexations, and subdivision approvals, but not yet who the homes serve.	Add: permanently deed-restricted workforce homes approved, built, and occupied by qualified households; and the ratio of median home price to median income.

Attachment B: Program Terms and 2026 Figures

The Qualified Workforce Housing Incentive Program as adopted by the City of Driggs. The terms are a baseline; Tetonia would set its own share of homes, heights, coverage, and fees in its code update.

Topic	City of Driggs standard
Where it is	City of Driggs Land Development Code, Article 14.14 (Qualified Workforce Housing Incentive Program); Administrative Procedures and Qualified Workforce Housing Guidelines adopted by City Council Resolution 433-25 (November 4, 2025) and amended by Resolution 466-26 (June 16, 2026); 2026 QWHIP Annual Update from the Authorized Administrator (June 1, 2026).
Participation	Voluntary. Applies when an application seeks density above the zone's base, including through annexation or a zoning map amendment that adds allowed residential units. Development within base zoning is unaffected.
Share of homes	The lesser of 20% of the bonus units or 15% of all residential units (Section 14.14.3). An annexation or zoning map amendment that increases allowed residential units: at least 15% of all residential units (Section 14.10.4). Tetonia would set its own share.
Incentives	Density above the zone's base, and additional building height in zones that allow it under Article 14.14. Tetonia would set its own incentives (height, lot coverage, and fees) in its code.
Ways to comply	Build the homes on site, make a payment in lieu set annually, or a combination (Section 14.14.5).
The homes	Permanently deed-restricted as Qualified Workforce Housing.
Pricing	Initial sale prices set for households at 120% of area median income; maximum rents set for households at 80% (rent and utilities together). Both are recalculated each year from the HUD income limits and adopted by City Council resolution. Resale prices follow the resale formula below, not the income limits.
Eligibility	At least one household member works for a Teton Valley employer (Teton County, Idaho, and Alta, Wyoming) at least 1,400 hours a year, with exceptions for qualified retired (62 and over) and qualified disabled households; household income up to 200% of area median income; the home is the primary residence; no other residential real estate.
Selection	Lottery run by the Authorized Administrator: one entry for every qualified household, two for a household with a member employed in the city, three for a household with a public service agency employee (an employer eligible for PERSI, including schools, hospitals, law enforcement agencies, and municipalities).
Resale	Original purchase price plus 3% per year (not compounded), plus approved capital improvements up to 10% of the original price; a 2% facilitation fee to the Authorized Administrator at closing.
Administration	An Authorized Administrator designated by the City by intergovernmental agreement qualifies households, runs the lottery, monitors compliance, and prepares the annual update of income limits, rents, sale prices, and payment in lieu. Teton Valley Housing serves in that role for the City of Driggs.

2026 HUD income limits, Teton County, Idaho (effective May 1, 2026; the 200% column is twice the 100% limit).

Household size	80% AMI	100% AMI	120% AMI	200% AMI
1 person	$66,850	$83,600	$100,320	$167,200
2 persons	$76,350	$95,400	$114,480	$190,800
3 persons	$85,950	$107,400	$128,880	$214,800
4 persons	$95,450	$119,300	$143,160	$238,600

2026 maximum rents and initial sale prices under the Driggs program (maximums, not market prices; rents include utilities).

Home size	Maximum monthly rent (80% AMI)	Initial maximum sale price (120% AMI)
Studio	$1,671	$305,939
1 bedroom	$1,790	$327,530
2 bedrooms	$2,149	$393,036
3 bedrooms	$2,386	$436,585