



Office of State Lands and Investments
October 2, 2020

Memo on the economic value of state trust lands in Teton County

Teton County contains 4,600 acres of state trust lands parcels, with the 18 parcels ranging in size from 23 acres to full 640-acre sections. If managed so as not to diminish their current economic value, state trust lands can continue supporting the local economy while enhancing support for public schools and institutions statewide in difficult budgetary times.

State trust lands are important to our local economy

Although it is impossible to parse out the value of any individual parcel, state trust lands are an integral part of a larger landscaping underpinning a booming economy. State trust lands provide a working landscape for ranchers while protecting the open space and wildlife habitat fundamental to an economy based on tourism, outdoor recreation, and real estate. State trust lands are already part of a landscape that, by industry, yields the following benefits:

- ❖ Real estate: Buyers paid an average of \$2.62M for a regular home in 2019, with the market topping out at \$80M for a single-family home.ⁱ Luxury home sales (often in rural areas) make up only 27% of overall sales, yet they've already produced 67% of total dollar volume this year.ⁱⁱ To see the value of open space: a 100 acre lot proximate to the Munger Mountain state trust land parcel is [currently listed](#) for \$18M.
- ❖ National parks: 7.4M visitors to National Park System lands statewide generated 12,300 jobs, \$359M in labor income, and \$1.1B in economic output.ⁱⁱⁱ Teton County is an important gateway to the two most popular NPS destinations in the state.
- ❖ Hunting: Big game is big money – hunters and anglers generated over \$300M in total economic impact, with \$28M for state and local taxes. Nonresident hunters who use outfitters and guides spend 178% more annually than resident hunters.^{iv} Out of state hunters hunt here for the big game supported by our open spaces.
- ❖ Outdoor recreation: The outdoor economy statewide generates \$514M in tax revenue and \$5.6B in consumer spending. Outdoor recreation also provides more jobs than oil, gas, mining, and extraction combined.^v
- ❖ Agriculture: Agriculture provides \$4.2B in economic contributions to the state while accounting for \$1B in labor income.^{vi} In 2017, Wyoming farms and ranches earned more than \$29M in agritourism and outdoor recreation, more than double the amount generated in 2012.^{vii}
- ❖ Ecosystem services: Although difficult to assign a monetary value to critical ecosystem functions such as water purification, pollination, or nutrient cycling, some research estimates that as much as \$900 in public benefit is generated every year per acre of forestland conserved.^{viii} Overall, conservation easements in Wyoming provide an *outsized* benefit (acre to acre) when it comes to protecting Blue Ribbon Trout fisheries, sensitive drinking water sources, big game winter ranges, and big game migration corridors so essential to the economy.^{ix}

Protecting the wildlife, wild places, and community character of Jackson Hole.

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The cascading costs of land development gone wrong

Land development in Teton County is a lucrative venture for private developers. Our land use plan and zoning code ensures that development on private property protects private property rights while ensuring that costs aren't externalized to public infrastructure or public taxpayers. Still, private ventures often needlessly and unfairly impact the public purse or individual residents. For example:

- ❖ Hoback Junction residents [no longer have access to clean drinking water](#), due to poor infrastructure planning and irresponsible siting of septic systems – and Hoback is the tip of the iceberg of a [valley-wide wastewater problem](#). Teton County Commission has allocated \$500k to complete a county wastewater management plan, but Hoback residents are still faced with a \$13M hurdle to find a new drinking water source.^x
- ❖ Local taxpayers recently approved an [\\$8.5M measure for road improvements](#) near a school because infrastructure (built years earlier) wasn't constructed to safe standards.
- ❖ After private development on a steep slope resulted in landslide, the Town of Jackson [paid \\$250k as part of a settlement](#).
- ❖ Widening South Highway 89 in Teton County is the [Wyoming Department of Transportation's costliest project yet](#), even as it has already increased local traffic,^{xi} increasing the future need for more road improvements. High-density residential or commercial development in rural areas could increase wear and tear on existing assets, while creating the need for additional investments.

If managed well, state trust lands can benefit our local *and* state economy

State trust lands as currently managed are already crucial to Teton County's economy. If developed with respect to the context of the local economy – namely, a reliance on a healthy landscape and small-town character – these lands can maintain their local benefits, even as they are better managed to bring benefits to the entire state.

ⁱ Viehman, David, Viehman, Devon, & L. Smith. (2019). [Jackson Hole real estate report](#).

ⁱⁱ Viehman, David, Viehman, Devon, & L. Smith. (2020). [Jackson Hole luxury report. Volume 8. Edition 2.](#)

ⁱⁱⁱ Thomas, Catherine Cullinane & L. Koontz. (2019). [National park visitor spending effects](#).

^{iv} Southwick Associates. (2017). [Economic contributions of big game hunting in Wyoming](#).

^v [Outdoor Industry Association Report](#).

^{vi} Taylor, D., R. Coupal and T. Foulke. 2017. "The economic importance of Wyoming agricultural production." Department of Agricultural Economics, University of Wyoming.

^{vii} Brandt, Rhonda. (2019). [Wyoming agriculture: growing for the future](#).

^{viii} Taylor, D.T., J. Lavato, J. Sargent-Michaud, and D. Stevens. 2011. "Economic contributions of the Wyoming Wildlife and Natural Resource Trust." William D. Ruckelshaus Institute of Environment and Natural Resources, University of Wyoming, B-1230.

^{ix} Korfanta, Nicole, Rashford, Benjamin, Pocewicz, Amy, Schacht, Eric, Alley, Bo, and Jame Luchsinger. (2018). [Wyoming conservation easements: lands, services, and economic benefits](#). Ruckelshaus Institute, University of Wyoming.

^x Nelson Engineering. (2006). [Hoback Junction Water Supply Study, Level 1](#).

^{xi} Charlier Associates presentation to Jackson Town Council and Teton County Board of County Commissioners, November 4, 2019.