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Comments:

January 5, 2023

Mr. Adam Bianchi

District Ranger

c/o Anna Bengtson, Project Manager

Dillon Ranger District

PO Box 620

Silverthorne, CO 80498

Re: USFS Lease Proposal - Dillon Work Center Administrative Site

Dear Mr. Bianchi:

The National Ski Areas Association (NSAA) submits the following comments on the agency's proposal to lease the 10.89-acre Dillon Work Center administrative site for the development of up to 177 affordable housing rental units under the authority of the Agriculture Improvement Act of 2018, Sec. 8623 (P.L. 115-334). NSAA is the trade association for ski area owners and operators nationwide. It represents about 330 alpine resorts, accounting for over 90% of the skier/snowboarder visits in the United States. NSAA submits these comments on behalf of the 122 ski areas that operate on National Forest System Lands and also on behalf of private land resorts that may have Forest Service lands in their vicinity.

I. Introduction

NSAA is pleased to see this first proposal under the agency's administrative sites leasing authority and hopes that it will pave the way for additional proposals on other National Forests. This new authority provides an opportunity for the Forest Service to partner with mountain communities and key business sectors like the ski industry to utilize NFS lands for workforce housing, transportation infrastructure and other critical needs. NSAA applauds the Forest Service for moving forward with this proposal and utilizing public land to help address challenges facing mountain communities.

Many ski area communities are in dire need of workforce housing. Because of the lack of private land or the high expense of private land in mountain communities, available employee housing does not meet current demand. A recent survey of NSAA member ski areas indicated sixty-two percent would be interested in building workforce housing on public lands, citing lack of private land nearby (39%) or the high expense of real estate in resort communities (56%) as reasons for the need to look to public lands for solutions. Lack of employee housing was identified as a key concern for resorts with respect to challenges that they face, and the benefits of providing additional employee housing identified by respondents included: helping attract new employees; helping retain employees; increasing safety for employees through reduced commuting; reducing traffic and congestion; improving air quality and reducing carbon emissions; and improving relations between the ski area and its community.

The leasing of administrative sites provides an excellent opportunity for resorts to partner with their local community and the U.S. Forest Service on boosting available workforce housing, among other things.

II. Comments

1.The Lease Term Should be More Than 50 Years

NSAA recommends including a lease term length of 100 years rather than the 50 years proposed for this project. A longer lease term is critical to obtaining financing for projects such as workforce housing, particularly with recent spikes in interest rates. Lenders want to see a long lease term because of the threat of potential loss of collateral. They require that the ground lease be significantly longer than the term of the loan because in the event of foreclosure, the lender needs a sufficient period of time to try to recover its investment from the property. The lender's comfort level will be particularly challenged given that this is a new program and a new use of public land with no track record of decision-making. Without a long lease term, the lessee will get unfavorable loan terms that could discourage these types of projects from occurring at all.

2.Recreation Should be a Priority in Leasing Administrative Sites

The 2018 statute which authorized the Administrative Sites leasing program was called the "Flexible Partnerships Act" to underscore the importance of partnerships and applying agency resources in a new way to support them. In accepting and evaluating proposals under this authority, the agency should emphasize the need to support recreation. Recreation accounts for the greatest use of National Forest System lands and the greatest contribution to the US and local economies from these lands. According to USFS data, recreation visitations to the National Forests add \$10.3B to the gross domestic product and sustain 143,000 jobs in gateway and rural communities. Unfortunately, workforce housing shortages today are threatening the vitality and stability of many mountain communities with recreation-based economies. Recreation partners and recreation employees, including agency employees, should therefore have first priority in leasing these sites and units.

3.NSAA Supports the Provision of In-Kind Forest Service Employee Housing

As proposed in-kind consideration for the lease, up to ten (10) housing units would be reserved for permanent USFS employees and up to 30 beds would be reserved for seasonal USFS employees. NSAA supports this key part of the proposal as the agency faces some of the same challenges as ski areas with respect to the need for employee housing, especially in locations with prohibitively expensive real estate markets. Hiring additional USFS recreation personnel is essential to meeting the high demand for safe, high-quality recreation experiences on public lands. Providing housing is certainly key to the success of USFS recreation hiring and promotes the delivery of high level of service to partners helping the agency carry out its recreation mission. Looking to the future, it would be helpful for the agency to allow in-kind housing opportunities both on-site and off-site to maximize flexibility, and therefore use of, this leasing authority.

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In closing, NSAA appreciates this important first step in implementing the administrative sites leasing program for the benefit of both the local community and the agency. Thank you for your consideration of these comments. NSAA looks forward to seeing more proposals come forward under this authority.

Sincerely,
Geraldine Link

Director of Public Policy