

#### **CITY OF KETCHUM, IDAHO**

SPECIAL MEETING: PLANNING AND ZONING Wednesday, March 08, 2023, 4:30 PM 191 5th Street West, Ketchum, Idaho 83340

#### **AGENDA**

#### PUBLIC PARTICIPATION INFORMATION

Public information on this meeting is posted outside City Hall.

We welcome you to watch Commission Meetings via live stream.

You will find this option on our website at <a href="https://www.ketchumidaho.org/meetings">www.ketchumidaho.org/meetings</a>.

If you would like to comment on a public hearing agenda item, please select the best option for your participation:

1. Join us via Zoom (please mute your device until called upon).

Join the Webinar: https://ketchumidaho-org.zoom.us/j/84035211343

Webinar ID: 840 3521 1343

- 2. Address the Commission in person at City Hall.
- 3. Submit your comments in writing at <a href="mailto:participate@ketchumidaho.org">participate@ketchumidaho.org</a> (by noon the day of the meeting).

This agenda is subject to revisions. All revisions will be underlined.

#### **CALL TO ORDER:**

#### **ROLL CALL:**

#### **COMMUNICATIONS FROM COMMISSIONERS:**

#### **CONSENT AGENDA:**

Note re: ALL ACTION ITEMS - The Commission is asked to approve the following listed items by a single vote, except for any items that a commissioner asks to be removed from the Consent Agenda and considered separately.

1. ACTION ITEM: Approval of the February 28, 2023 minutes

#### **PUBLIC HEARING:**

- 2. ACTION ITEM: Recommendation to conduct a public hearing, review, and approve the Conditional Use Permit for a Work/Live unit at 471 E 10th Street
- 3. ACTION ITEM: Recommendation to conduct a public hearing, review, and recommend approval of Phased Development Agreement #22833 for the Crossbuck West Townhomes

#### **NEW BUSINESS:**

<u>4.</u> Discussion of Interim Ordinance 1234 revisions and prioritization of additional code amendments

**EXECUTIVE SESSION:** 

**ADJOURNMENT:** 



#### CITY OF KETCHUM **MEETING MINUTES OF THE** PLANING AND ZONING COMISSION

Tuesday, February 28, 2023

CALL TO ORDER: (00:00:30 in video)

Neil Morrow called the meeting of the Ketchum Planning and Zoning Commission to order at 4:30p.m.

#### **ROLL CALL:**

Neil Morrow Susan Passovoy Brenda Moczygemba Tim Carter Spencer Cordovano

#### ALSO PRESENT:

Morgan Landers—Director of Planning and Building Abby Rivin—Senior Planner Adam Crutcher—Associate Planner Paige Nied—Associate Planner Trent Donat—City Clerk & Business Manager Jake Watkins—Roger Ferris & Architects Mike Carr—Applicant 200 N Leadville Nicole Ramey—Medici Architects Ben Young—BYLA (via teleconference) Jim McLaughlin—McLaughlin & Associates Bernie Johnson—McLaughlin & Associates

#### **COMMUNICATIONS FROM COMMISSIONERS:** (NONE)

#### CONSENT AGENDA: (00:01:45 in video)

1. Approval of the February 14, 2023, minutes for the Special Joint City Council and Planning and Zoning Commission Meeting

#### **Motion to approve February 14 Minutes** (00:01:48 in video)

**MOVER:** Spencer Cordovano **SECONDER:** Susan Passovoy

AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba

**RESULT: ADOPTED UNANIMOUS** 

2. Recommendation to review and approve the Findings of Fact, Conclusions of Law, and Decision for the 4<sup>th</sup> & Main Mixed-Use Development Design Review Application File No. P22-043

Motion to approve the Findings of Fact, Conclusions of Law, and Decision for the 4<sup>th</sup> & Main Mixed-Use Development Design Review Application File No. P22-043 (00:02:18 in video)

MOVER: Brenda Moczygemba

**SECONDER:** Tim Carter

AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba

**RESULT: ADOPTED UNANIMOUS** 

3. Recommendation to review and approve the Findings of Fact, Conclusions of Law, and Decision for the 4<sup>th</sup> & Main Mixed-Use Development Lot Consolidation Preliminary Plat Application File No. P22-043A

Motion to approve the Findings of Fact, Conclusions of Law, and Decision for the 4<sup>th</sup> & Main Mixed-Use Development Lot Consolidation Preliminary Plat Application File

No. P22-043A (00:02:41 in video) MOVER: Brenda Moczygemba

**SECONDER:** Tim Carter

AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba

**RESULT: ADOPTED UNANIMOUS** 

4. Recommendation to review and approve the Findings of Fact, Conclusions of Law, and Decision for the 4<sup>th</sup> & Main Mixed-Use Development Condominium Subdivision Preliminary Plat Application File No. P22-043B

Motion to approve Findings of Fact, Conclusions of Law, and Decision for the 4<sup>th</sup> & Main Mixed-Use Development Condominium Subdivision Preliminary Plat Application File No.

**P22-043B** (00:03:11 in video) **MOVER:** Brenda Moczygemba

**SECONDER:** Tim Carter

AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba

**RESULT: ADOPTED UNANIMOUS** 

PUBLIC HEARING: (00:03:31 in video)

6. Recommendation to hold a public hearing, review and approve the Mountain Overlay Design Review and Lot Consolidation Preliminary Plat with Waiver request application for the 691 N Spruce Avenue Residence.

Presented by: Abby Rivin—Senior Planner (00:03:43 in video)

Applicant Presentation by: Jake Watkins—Roger Ferris & Architects (00:15:20 in video)

Commission Questions/Comments for Staff and Applicant (00:21:20 in video)

Public Comment: (00:27:04 in video)

• Tift Mann—Ketchum resident (00:27:11 in video)

• Jake Peters—Ketchum resident (00:27:49 in video)

**Public Comment Closed:** (00:28:46 in video)

Additional information presented by: Abby Rivin and Jake Watkins (00:29:01 in video)

• Commission Questions/Discussion/Deliberation: (00:30:48 in video)

Motion to approve the 691 North Spruce residence Mountain Overlay Design Review Application subject to conditions 1-8, and direct staff to return the Findings of Fact.

(00:40:44 in video)

MOVER: Tim Carter

SECONDER: Brenda Moczygemba

AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba

**RESULT: ADOPTED UNANIMOUS** 

Motion to recommend approval of the Lot Consolidation and Preliminary Plat and Waiver Request for 691 North Spruce residence projects to the City Council subject to conditions 1-3 and direct Staff to return with Findings of Fact

(00:40:57 in video)

MOVER: Tim Carter

SECONDER: Brenda Moczygemba

AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba

**RESULT: ADOPTED UNANIMOUS** 

5. Recommendation to hold a public hearing, review and provide feedback on the Design Review and Condominium Preliminary Plat applications for the proposed mixed-use development at 200 N. Leadville Ave. (00:41:19 in video)

Presented by: Morgan Landers— Director of Planning and Building (00:41:36 in video) Applicant Presentation by: Nicole Ramey—Medici Architects (00:44:27 in video)

#### Public Comment: (00:57:00 in video)

- Warren Benjamin (00:57:31 in video)
- Sam Linnet—Alturas Law Group (01:00:56 in video)
- Dave Hutchinson (01:05:53 in video)
- Pam Colesworthy (01:12:20 in video)

#### **Public Comment Closed:** (01:14:02 in video)

Applicant responses—Mike Carr (01:14:37 in video)

Nicole Ramey (01:19:02 in video)

Commission Questions/Comments for Staff and Applicant (01:19:33 in video)

#### Motion to deny the Design Review application for 200 N Leadville

(02:01:33 in video)

**MOVER:** Spencer Cordovano

**SECONDER:** None

AYES: None NAYS: None

RESULT: MOTION FAILED DUE TO LACK OF SECONDER

• Commission continued deliberations (02:01:53 in video)

### Motion to approve the Design Review Application and the Condominium Preliminary Plat of 200 N Leadville and direct Staff to develop the Findings of Fact and Conclusions of Law

(02:22:49 in video)

**MOVER:** Susan Passovoy

**SECONDER:** Brenda Moczygemba

AYES: Susan Passovoy, Neil Morrow, Brenda Moczygemba

NAYS: Spencer Cordovano, Tim Carter

**RESULT: ADOPTED 3-2** 

7. Recommendation to hold a public hearing, review, and provide feedback on the Mountain Overlay Design Review Application for the proposed single-family residence at 307 Garnet Street. (02:24:22 in video)

Presented by: Morgan Landers—Director of Planning and Building (02:24:50 in video)

Applicant Presentation by: Ben Young—BYLA (02:35:55 in video)

Architect Presentation by: Jim McLaughlin and Bernie Johnson—McLaughlin & Associates

(02:43:51 in video)

#### **Public Comment:** (02:54:00 in video)

- Marjolaine Renfro—304 Garnet St. (02:54:26 in video)
- John David Davidson—110 Garnet St. (03:00:05 in video)
- Gary Vinagre—Garnet St. Resident (03:03:35 in video)

#### **Public Comment Closed** (03:08:58 in video)

- Commission Questions/Comments for Staff and Applicant (03:09:08 in video)
- Response by Morgan Landers—Director of Planning and Building (03:11:44 in video)
- Commission Questions/Comments for Staff and Applicant (03:16:53 in video)

#### **Motion to Continue to a Date Not Certain** (03:55:00 in video)

**MOVER:** Spencer Cordovano **SECONDER:** Susan Passovoy

AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba

**RESULT: ADOPTED UNANIMOUS** 

**Announcements for upcoming meetings –** Morgan Landers – Director of Planning and Building (03:55:25 in video)

#### ADJOURNMENT:

Motion to adjourn at 8:41pm (03:59:38 in video) MOVER: Neil Morrow SECONDER: Susan Passovoy AYES: Spencer Cordovano, Susan Passovoy, Tim Carter, Neil Morrow, Brenda Moczygemba RESULT: ADOPTED UNANIMOUS
Neil Morrow – P & Z Commissioner
Morgan Landers – Director of Planning & Building



# STAFF REPORT KETCHUM PLANNING AND ZONING COMMISSION REGULAR MEETING OF MARCH 8, 2023

**PROJECT:** Idarado Media Work/Live Conditional Use Permit

FILE NUMBER: P23-002

**APPLICANT:** Cory Smith

**PROPERTY OWNER:** Cory Smith

**REQUEST:** Conditional Use Permit application to establish a work/live unit in the LI-2 district

**LOCATION:** 471 E 10<sup>th</sup> Street (Tenth Street Light Industrial Complex, Building B, Unit 12)

**ZONING:** Light Industrial District No. 2 (LI-2)

**REVIEWER:** Paige Nied, Associate Planner

**NOTICE:** Notice was published in the Idaho Mountain Express and was mailed to properties

within a 300-foot radius on February 15, 2023. Notice was posted at the subject

location and on the city website on March 1, 2023.

#### **EXECUTIVE SUMMARY**

The Applicant is requesting a Conditional Use Permit (CUP) to establish a work/live unit located at 471 E 10<sup>th</sup> Street Building B Unit 12 (the "subject property"). The applicant is proposing to renovate the second floor of the existing unit to include a residential space and a separated office space, which is associated with the business on the ground floor level No exterior changes or renovations to the lower level are proposed. If approved, the project would consist of 942 square feet of living space and 1,526 square feet of work space (1,234 ground floor, 292 square feet second floor). The subject property is zoned Light Industrial No. 2 (LI-2) which allows for commercial studios as a permitted use by right and work/live units with CUP approval.

The studio, Idarado Media, has been in business for the past 8 years, 3.5 of those years have taken place at the subject property. The Applicant's desire to construct a residential space within the unit triggers the requirement for a CUP for a work/live space; however, the CUP is not related to the operation of the studio since the use is permitted in the LI-2 district. Table 1 below outlines the proposed interior square footage of each use for the project as shown on the project plans in Attachment B.

**Table 1: Proposed Uses and Square Footage** 

Use	Square Footage	Percent SF
Work		
Ground Floor – Marketing Vehicle Storage, Camera	1,234 SF	
Storage and Rigging, Archive Storage, and Photo		
Wall		
Second Floor – Administrative Office	292 SF	
Subtotal	1,526 SF	62% of total
Live		
Second Floor – 2 bedroom, 2 bathroom residential	942 SF	
space		
Subtotal	942 SF	38% of total
Total Square Footage	2,468 SF	

The KMC has very specific requirements for work/live units outlined in KMC Section 17.124.090.A.5 including ownership and occupancy of the space, size of workspace compared to live space, access to each space, and parking. See Attachment C for a full evaluation of the standards for work/live units for the proposed project. As proposed, the work/live unit meets all requirements and standards in the KMC. Staff recommends 16 conditions to ensure the project stays in compliance with the requirements over time.

#### **BACKGROUND**

The City of Ketchum received the Conditional Use Permit application on January 10, 2023. Following the receipt of the application, staff routed the application materials to all city departments for review. Department comments were provided on February 8, 2023, and the application was deemed complete after one round of review. As of the date of this letter, all departments comments have been resolved or addressed through conditions of approval recommended below.

The addition of a residential space to the subject property will classify the use as Work/Live per the zoning code and Work/Live is permitted via a Conditional Use Permit. Work/Live units are a relatively new category of residential use permitted in the Light Industrial zoning districts, made possible through the light industrial zoning amendments considered by the Planning and Zoning Commission and City Council in 2018 and 2019.

#### **CONFORMANCE WITH ZONING AND CONDITIONAL USE PERMIT STANDARDS**

#### Conformance with Zoning Regulations

During department review, city staff reviewed the project for conformance with all applicable zoning code requirements including permitted uses, dimensional limitations, signage, parking, development standards, and dark skies. Staff also reviewed the project for all requirements related to work/live units as outlined in KMC Section 17.124.090 – *Residential, Light Industrial Districts*. The project is in conformance with all applicable zoning code requirements and standards. Below are a few key zoning requirements of important note for the project, please see Attachment C for a full review of zoning standards.

#### Uses

As mentioned above, commercial studios are a permitted use by right with no special requirements for operations. Work/live units are permitted with an approved conditional use permit. Work/live units are defined as:

"Work/live units incorporate residential living space in a nonresidential building. Work/live units are held jointly in common ownership and the work and live spaces cannot be sold or platted as separate

condominiums, as documented with a City-approved restrictive covenant recorded against the property."

The proposed project meets the definition of work/live unit. Staff recommends condition of approval #4 to ensure recording of the required restrictive covenant prior to building permit application. Please see below for an overview of the work/live unit's compliance with CUP criteria.

#### Size limitations

The KMC requires that the live portion of the unit must be secondary to the work space, cannot exceed the square footage of the work portion, and cannot exceed 1,000 gross square feet. As outlined in the table above, the total square footage of the work/live unit is 2,468 square feet. The gross square footage of the live portion is 942 square feet, 38% of the project and less than 1,000 gross square feet. Staff recommends conditions #1-3 to ensure that any future changes to the configuration of the space or changes to the square footages of the work and live spaces will be reviewed by the Planning and Zoning Commission as an amendment to this CUP.

#### **Business Operations**

The KMC requires that the work unit be accessed by the prominent means of access, signed and posted with regular hours of operation, and associated with a business license for an allowed use. The KMC also requires the work unit be suitable for on-site employees, customers, and meet all fire and building codes.

Idarado Media currently operates from the subject property, with a City of Ketchum temporary business license (#7160) for the subject location. Idarado Media had been operating without a Ketchum business license and recently received approval for a temporary business license. Staff recommends condition of approval #8 to ensure that fire code compliance is met prior to issuance of certificate of occupancy. Once the building has been inspected and approved for compliance with fire code, staff recommend condition of approval #9 to ensure the owner applies and receives approval for a standard business license for Idarado Media at the subject location prior to issuance of certificate of occupancy.

In addition to the subject property, Idarado Media is expanding its business with a new office location at 323 Lewis Street. The owner and one full-time employee will continue to work at the proposed work/live unit. Operations including camera storage and rigging, photography, photo/video editing, and administrative work will continue at the subject property.

Idarado Media, the commercial studio, is a permitted use and maintains a temporary business license with the City of Ketchum. Hours for the business are not posted onsite at the subject property. Staff recommends condition of approval #6 to ensure the hours of the business are posted outside the unit. The work unit is accessed by the primary entrance to the building adjacent to the garage door. The business owner and one full time employee will remain working out of this location. The business's other 5 employees will work at the new Lewis Street location. The work unit is suitable for both employees and customers as the work unit is completely separate from the live unit. Access to the live portion of the project is on the second floor of the building, accessed through the internal stairwell and not visible from the street. The proposed project was reviewed by the fire department to ensure that the existing building to remain meets fire code requirements. The building department will review the addition for conformance with all applicable building code requirements at building permit application.

#### Parking

Pursuant to KMC Section 17.125.020.A.3., the change in use of the unit results in a requirement for additional parking. The minimum amount of parking spaces required per use in the LI-2 zone district:

- 1 parking space per 250 gross square feet for the commercial studio
- 1 parking space per bedroom for the residential unit

The project proposes a two-bedroom live unit and 1,526 square feet of work space. The Tenth Street Light Industrial Complex has an adequately sized parking lot for all the existing uses in the development. The proposed change resulting in more required parking is the new residential component of the unit, which requires 2 parking spaces for the 2 bedrooms. Staff find the 3 existing parking spaces for the unit to be sufficient for the use of the subject property. To ensure 2 parking spaces are dedicated for the residential use of the unit, staff recommend condition of approval #7 which requires the installation of signage dedicating 2 parking spaces in front of the unit for residential parking.

#### Conditional Use Permit Criteria

Pursuant to KMC Section 17.116.030, conditional use permits can be granted if and only if all criteria listed below are met. Below is the stated criteria and staff's analysis of each:

- Criteria 1 The characteristics of the conditional use will not be unreasonably incompatible with the types of uses permitted in the applicable zoning district;
  - Analysis: The City of Ketchum has permitted numerous work/live units through the CUP process throughout the Light Industrial zone districts. Specifically, two other work/live CUPs were approved in the B building of the Tenth Street Light Industrial Complex (P19-045 and P19-094). The anti-nuisance and notice provisions outlined in KMC Section 17.124.090 seek to minimize potential conflicts between residential and light industrial uses. Staff recommends conditions of approval #12-16 to ensure that these provisions are in full force and effect.
- Criteria 2 The conditional use will not materially endanger the health, safety and welfare of the community;
  - o Analysis: As mentioned above, numerous work/live units exist in the light industrial district with no demonstrated impact to the health, safety, and welfare of the community. The city has not received any complaints or witnessed a degradation of the health, safety, and welfare of these units. To the contrary, work/live units provide a certain amount of housing stability not experienced in other housing situations as the residential unit must be occupied by the business owner or an employee of the business. This supports the business operations as well as the owner/employee. Staff recommends condition of approval #3 to ensure that the occupant of the residential unit is either the owner or an employee of the business.
- Criteria 3 The conditional use is such that pedestrian and vehicular traffic associated with the use will not be hazardous or conflict with existing and anticipated traffic in the neighborhood;
  - Analysis: With the business expanding to the new location on Lewis Street, a significant portion of the pedestrian and vehicle traffic will occur at Lewis Street where 6 employees will be working full time. Only the owner and one other employee will work out of the subject property daily, therefore, staff does not anticipate increased vehicle or pedestrian traffic in the complex. No concerns have been expressed by adjacent property owners regarding the proposed work/live unit.
- Criteria 4 The conditional use will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area, or conditions can be established to mitigate adverse impacts; and
  - Analysis: The property is currently served by city water and sewer, reviewed by the respective departments during department review. The existing services are adequate to serve the proposed project with no required upgrades. The fire department can access the unit from the internal drive off 10<sup>th</sup> Street. The project site will continue to be served with all utilities and city services.
- Criteria 5 The conditional use is not in conflict with the policies of the comprehensive plan or the basic purposes of this chapter.
  - o Analysis: The subject property is designated as "Mixed-Use Industrial" in the 2014 Comprehensive Plan. The plan outlines primary and secondary uses within the area. Primary uses include service, workshops, studios, and offices with secondary uses including a limited range of residential housing types. Additionally, Policy E-2(e) encourages policy that supports

small businesses by allowing people to live and work from their residences in live/work environments. Approval of the CUP would comply with the identified primary and secondary uses for the area and support a small business with housing on site.

In review of this application, staff believe that all criteria are met as described above. Staff recommends conditions of approval #6, 7, 8, 9, and 16 to ensure long term compliance with the work/live standards and CUP criteria. Many of these conditions are standard for work/live CUPs and not specifically triggered by the proposed project.

#### STAFF RECOMMENDATION

Staff believe the proposed project, as conditioned, meets all zoning requirements, criteria for conditional use permits. Staff recommends approval of the application with recommended conditions of approval as outlined below:

#### Conditional Use Permit (P23-002)

- 1. This approval is based on the floorplan submitted and attached to the staff report, dated January 26, 2023. Any change to the floor plan or change in the location or configuration of the uses from what is depicted in the plans, shall be subject to an amendment to this Conditional Use Permit. The residential use shall occur in the location depicted on the plans and shall not exceed 942 square feet in size.
- 2. This conditional use permit is non-transferrable to any other property owner or business other than Idarado Media. Any change in property ownership, business operator, or residential tenant requires an amendment to this Conditional Use Permit. In the event Idarado Media is no longer the business operation, a new Conditional Use Permit will be required.
- 3. Occupancy of the live unit must be either the owner of Idarado Media, or an employee of Idarado Media.
- 4. Prior to issuance of building permit, a Restrictive Covenant shall be recorded against the property prohibiting the separate sale of the live unit thereby ensuring that the work/live unit remain in common ownership and cannot be sold separately.
- 5. Prior to issuance of building permit, the owner shall submit specification sheets for the existing exterior lighting to demonstrate dark sky compliance requirements.
- 6. Prior to issuance of certificate of occupancy, the owner shall apply and receive approval for a sign permit for a sign indicating the hours of operation of the business which shall be posted and remain posted onsite at all times.
- 7. Prior to issuance of certificate of occupancy, the owner shall install signs in front of the subject property dedicating 2 of the parking spaces to be for residential use only.
- 8. Prior to issuance of certificate of occupancy, the unit shall be inspected and approved for compliance with the following fire code requirements:
  - a) The existing required monitor system shall be modified to meet the current requirements of the National Fire Protection Association (NFPA) 72 and Ketchum Ordinance #1217
  - b) The existing required fire sprinkler system shall be modified by a licensed fire sprinkler contractor to meet the current requirements of NFPA 13. All areas are required to be covered with fire sprinklers.
  - c) The appropriate keys, for fire emergency access, shall be provided and installed in the existing Knox box.
  - d) Smoke and carbon monoxide detectors shall be installed per NFPA and the International Fire Code (IFC). Smoke detectors shall be installed inside each bedroom, within 21 feet of each sleeping area, and on every level of the occupancy, including the basement. Carbon monoxide alarms shall be installed in a central location outside each sleeping area and on every level of the unit.

- e) Fire extinguishers shall be installed and maintained per 2018 IFC, Section 906 both during construction and upon occupancy of the unit. Extinguishers shall be mounted in a conspicuous, easy to access, unobstructed location. Upon completion of the project there shall be a minimum of one extinguisher per garage and one extinguisher per kitchen area.
- 9. Upon completion of inspection for fire code compliance by the fire department, the owner shall apply and receive approval for a standard business license prior to issuance of certificate of occupancy.
- 10. Within one year of receipt of certificate of occupancy for the project, and each year following, the applicant shall request an inspection by the Fire Marshall to ensure all fire codes are being met. Documentation of the inspection shall be provided to the Planning and Building department.
- 11. Inspections by the Planning and Building staff may be scheduled at the discretion of staff to ensure all conditions of this Conditional Use Permit are met. Owner shall cooperate with facilitating the inspections at the request of the City. In the event the owner does not cooperate, this CUP may be subject to revocation.
- 12. The applicant is aware the mixed use of the property can result in conflict, that the light industrial use may on occasion or in certain respects be incompatible with the quiet enjoyment of the dwelling units, that due to the subordinate and junior nature of the residential use to the light industrial use, the City will not condition, limit, restrict or otherwise interfere with any lawful light industrial use solely because it interferes with a residential use.
- 13. In the event the residential unit is occupied by an employee of Idarado Media, the owner shall provide the tenant, lessee or subtenant with written notice that such unit is located within the Light Industrial Zone and, as such, is junior and, therefore, subordinate in nature to all legal light industrial activities.
- 14. Each and every real estate agent, sales person and broker and each and every private party who offers for rent or shows a parcel of real property and/or structure for lease or rent within such Light Industrial Zones shall, upon first inquiry, provide the prospective lessee or tenant, prior to viewing such real property, with written notice that such real property and/or structure is located within such Light Industrial Zone.
- 15. All brochures and other printed materials advertising rental or lease of a living unit within the Light Industrial Zones shall contain a provision designating that such unit or units are located within the Light Industrial Zone and are within a mixed use area. Lessees and tenants shall be notified that the residential uses within the Light Industrial Zone are subordinate and, therefore, junior in nature to the legal light industrial activities within the zone.
- 16. In the event the property is in violation of the conditions of approval, the Conditional Use Permit may be subject to revocation.

#### **ATTACHMENTS:**

- A. Application Materials CUP Application and Supporting Materials
- B. Application Materials CUP Plan Set
- C. Zoning and Work/Live Standards Analysis
- D. Draft Findings of Fact, Conclusions of Law, and Decision

# ATTACHMENT A: CUP Application and Supporting Materials



## **City of Ketchum** Planning & Building

OFFICIAL USE ONLY		
File Number: P23-002		
Date Received: 1/9/23		
By: HN		
Fee Paid: \$1100		
Approved Date:		
Denied Date:		
Ву:		

#### **Conditional Use Permit Application**

Submit completed application and payment to the Planning and Building Department, PO Box 2315, Ketchum, ID 83340 or hand deliver to Ketchum City Hall, 191 5th St. West, Ketchum. If you have questions, please contact the Planning and Building Department at (208) 726-7801. To view the Development Standards, visit the City website at: www.ketchumidaho.org and click on Municipal Code.

	OWNERINFORMATION
Project Name: Smith life	
Name of Owner of Record: Cory Sm	ith
Physical Address: 471 E. 10th st. u	nit 12-B. Ketchum, ID 83340
Property Legal Description: 10th Stre	eet light industrial
Property Zoning District: LI - 1	
Contact Phone: 208 720 7990	Contact Email: cory@idarado.com
	PROJECT INFORMATION
Description of Proposed Conditional U	se: Converting LI-1 unit into Live/work space.
Description of Proposed and Only or Existing Exterior Lighting:	ne exterior light currently, this will remain the same.
	ADDITIONAL COMMENTS
Modifying Modifying existing office space into a live/wr. I will add an additional bathroom upstairs an non-weightbearing walls.	ork space. Unit currently has a bathroom on lower level and a kitchen on the upper level.  Indicate the kitchen to the NW corner. Lower bathroom will have a shower added. Only minor interior walls being moved,
ACCOMPAN	YING SUPPORTING INFORMATION REQUIRED
	<ul> <li>Landscape Plan</li> <li>Grading and Drainage Plan</li> <li>Exterior Lighting Plan</li> <li>related to the social, economic, fiscal, environmental, traffic, and other</li> <li>required by the Administrator</li> </ul>

Applicant agrees to observe all City ordinances, laws and conditions imposed. Applicant agrees to defend, hold harmless and indemnify the City of Ketchum, city officials, agents and employees from and for any and all losses, claims, actions, judgments for damages, or injury to persons or property, and losses and expenses caused or incurred by Applicant, its servants, agents, employees, guests and business invitees and not caused by or arising out of the tortuous conduct of city or its officials, agents of employees. Applicant certifies that s/he has read and examined this application and that all information contained herein is true and correct.

Applicant Signature

Date

Idarado Media specializes in digital marketing, photo studio and editing work. Idarado Media has been in business for 8 years and our normal hours of operation are from 9am-5pm. Our business and team of 7 full-time employees is expanding and we're moving some of our opperation to 323 Lewis street.

The current space in the 10<sup>th</sup> st Industrial is changing. The second floor will be converted into a living space for sole owner of the business.

One full-time employee will still be working out of this location, as well as the owner. The square footage (1,234) on the first floor will be divided as follows: 942 SF for residential and 292 SF for working office.

Below is a breakdown of what will happen in each space on the first floor:

**Powder bath**: One employee will still work full-time on the first floor, this is the restroom for this employee.

**Class 11 car**: This is an off-road race car, part of our marketing initiatives. This car will be actively used in filming and racing. Cameras will be positioned on the car and repairs made in this location.

**Camera storage/rigging**: This location will be for storing and actively rigging cameras, lenses, monitors, batteries, stabilizers, lighting and mounts. Idarado owns in excess of 15 cameras that are constantly being used and assembled, disassembled and stored.

**Sample storage**: Our clients include Dickies clothing, Traeger grills, First Lite and Revision. We will use this location to store products that we use in photoshoots. This tends to be a lot of gear and this will be an active process of rotating inventory, steaming clothes and assembling grills.

**Photo wall**: This will be a small auxiliary photo wall with pull-down backdrops for small items that need to be photographed.

**Archive footage**: This location is a secure space where hard drives are archived. This will also be an active process, as we are backing up content weekly.

**Entry/mudroom:** this is basically a hallway with doors that separate stairs and entry from the other first floor work area.



3 allocated parking spots in front of unit.

2 spots will be for residential and 1 for workforce.





Exterior View (Front)



Upper Level Conference Room



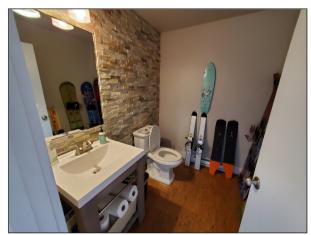
Upper Level Open Work Area



Upper Level Private Office



**Upper Level Office** 



Lower Level Half Bath



Lower Level Storage Room



Lower Level Garage



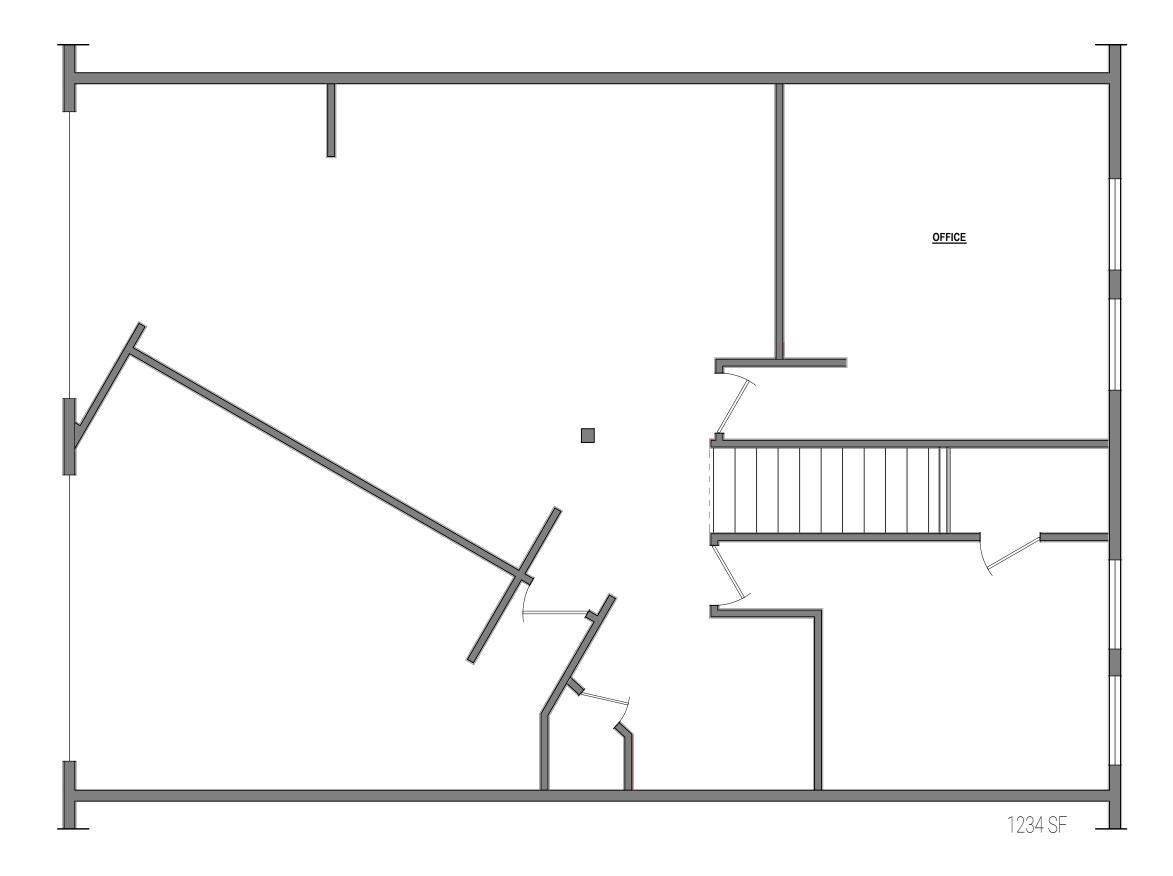
Front View (subject on 1st & 2nd Levels)



Rear View

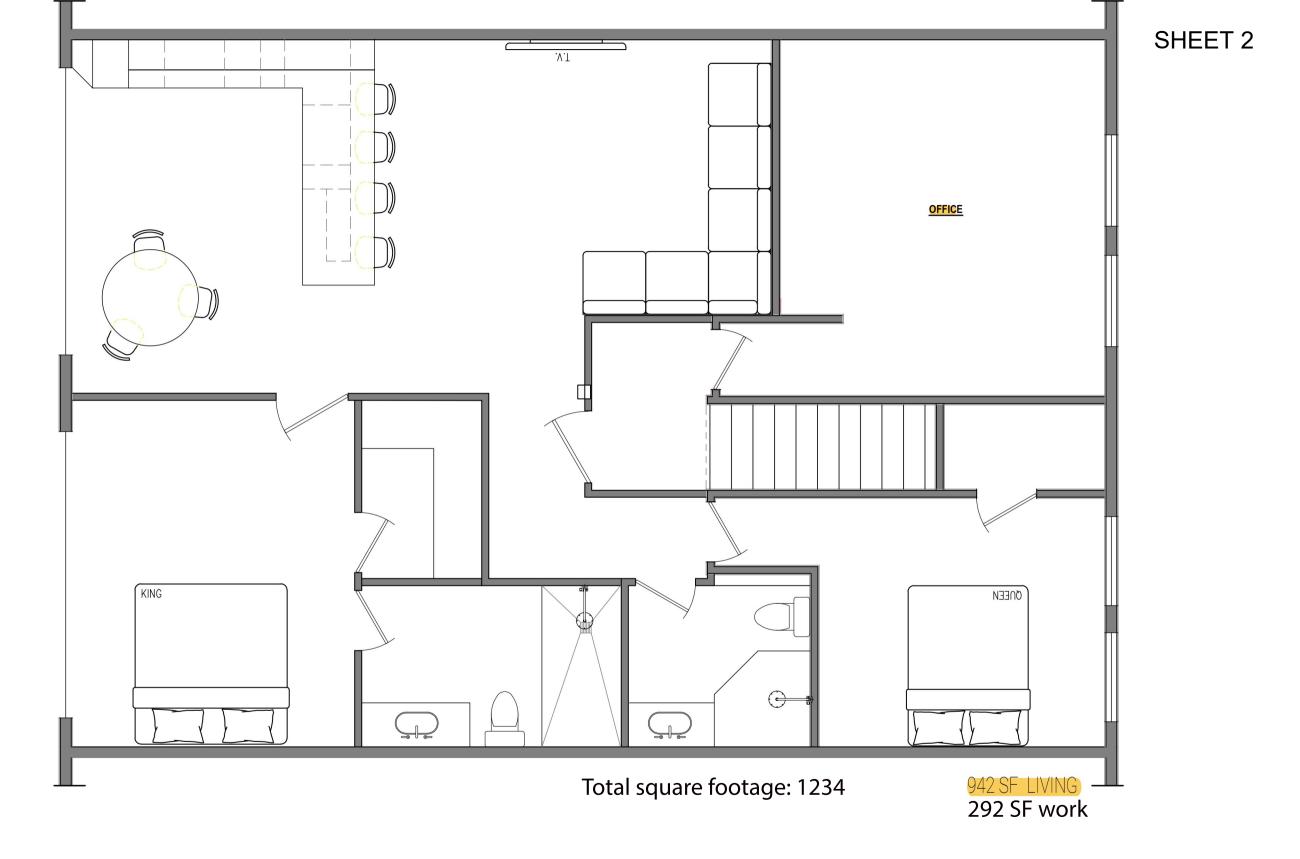
# ATTACHMENT B: Plans

### SHEET 1



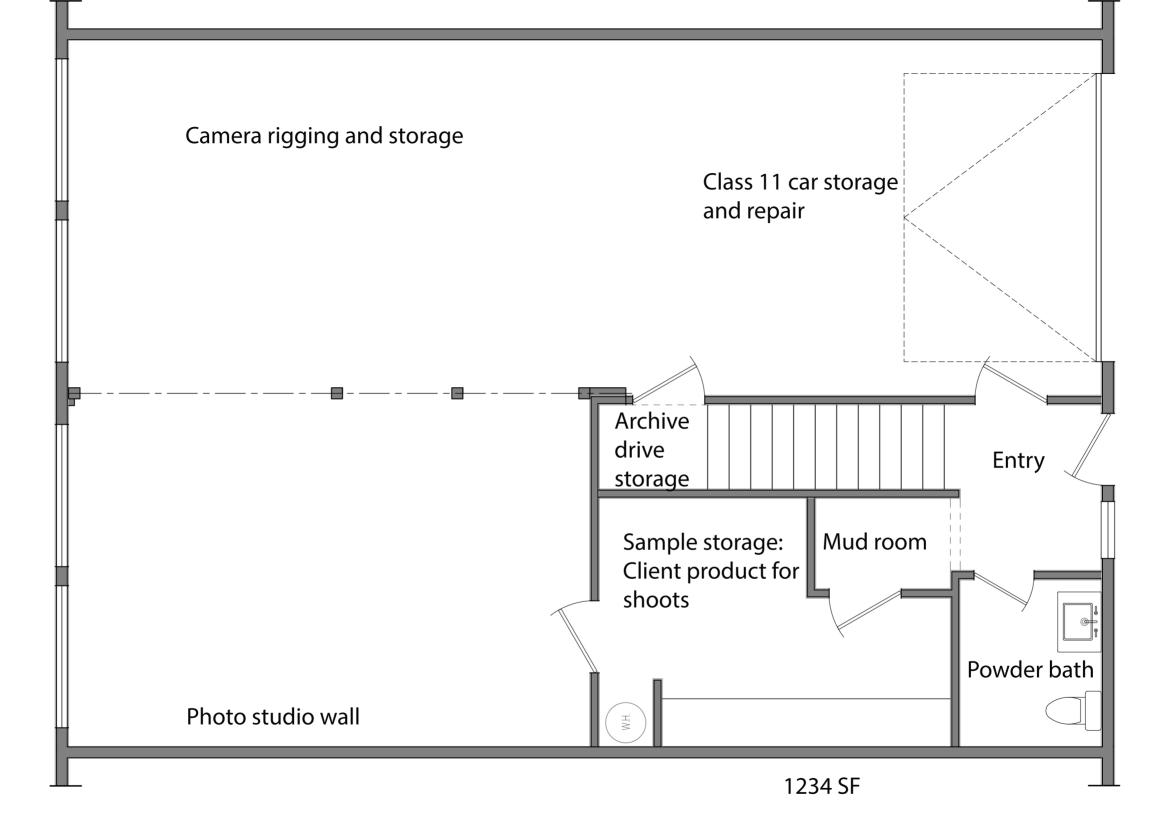
SMITH

EXISTING UPPER LEVEL



JANUARY 26, 2023





JANUARY 26, 2023

# ATTACHMENT C: Zoning and Work/Live Standards Analysis



#### 471 E 10th ST UNIT 12-B [IDARADO MEDIA] - ZONING AND WORK/LIVE STANDARDS ANALYSIS

17.12.020 – District Use Matrix	Conformance
Zone District: Light Industrial – One (LI-1)	YES

**Finding:** The subject property includes a "commercial studio" operation and is proposing a residential unit, together classified as a "work/live" unit. KMC 17.12.020 outlines permissible uses in the LI-2 zone district, which includes commercial studios as a permitted use. Work/live units are permitted with a conditional use permit (CUP) approval. The applicant has requested approval of a work/live CUP.

17.125.040 – Off Street Parking and Loading Calculations	Conformance
Minimum amount of parking spaces required per use.	YES
	Condition #7
Per section 17.125.020.A.3, any change of use or change of	
operation that would result in a requirement for more parking than	
the existing use. Additional parking shall be required only in	
proportion to the extent of the change, not the entire building or use.	

#### Finding:

#### Required:

- 1 space per 250 gross square feet for the commercial studio unit
- 1 space per bedroom for the live unit

The project proposes a two-bedroom live unit and 1,526 square feet of work space. The Tenth Street Light Industrial Complex has an adequately sized parking lot for all the existing uses in the development. The proposed change resulting in additional parking required is the new residential component of the unit, which requires 2 parking spaces for the 2 proposed bedrooms. The unit's parking, as shown in Attachment A, displays 3 parking spaces onsite and indicates that 2 parking spots will be for residential use and 1 sparking space will be used for the work use. Staff find the 3 existing parking spaces for the unit to be sufficient for the use of the subject property. To ensure 2 of the parking spaces are dedicated for the residential use of the unit, staff recommend condition of approval #7 which requires the installation of signage dedicating 2 parking spaces in front of the unit for residential parking.

17.132 – Dark Skies	Conformance
Compliance with Section 17.132 – Dark Skies.	YES
	Condition #5

**Finding**: As shown in Attachment A, the unit's exterior lighting is existing and will remain unchanged. The two exterior lights are downward casting; however, Staff is unaware of the lights' color temperature. Therefore, staff recommend condition of approval #5 to demonstrate compliance with the exterior lighting color temperature requirement of 2700 Kelvin prior to issuance of building permit.

17.124.090.A.5.a – Work/Live Units	Conformance
The work portion of the unit meets the definition of work/live unit set forth	YES
in section 17.08.020 of this title, including that the project is subject to	Condition #4
council approval of a restrictive covenant.	

#### Finding:

<u>Required:</u> Work/live units incorporate residential living space in a nonresidential building. Work/live units are held jointly in common ownership and the work and live spaces cannot be sold or platted as separate condominiums, as documented with a City-approved restrictive covenant recorded against the property.

<u>Proposed:</u> The living space is within a non-residential building within the Tenth Street Light Industrial Complex. Two other CUP approved work/live units (P19-045 and P19-094) exist in Building B of the complex. In all scenarios, the living space has been secondary to the work space and always within same ownership. To date, a restrictive covenant has not been recorded. Staff recommends condition #4 to ensure the covenant is recorded prior to issuance of a building permit for the project.

17.124.090.A.5.b – Work Unit Standards	
	nce
The work unit is:	YES
(1) Suitable for on-site employees, foot traffic/customers, and meets	Condition
applicable building and fire codes;	#6, #8,
(2) Signed and posted with regular hours of operation;	and #9
(3) Served by the prominent means of access for the work/live unit; and	
(4) Associated with a business license for a use allowed (either conditionally or	
permitted) in the district.	

#### Finding:

5b.1. The property owner and one employee will work out of the subject property daily. According to a project narrative written be the owner/applicant included in the application materials in Attachment A, Idarado Media is expanding with an additional office location at 323 Lewis Street. The five other employees will work out of the Lewis Street office. Operations including camera storage and rigging, archive storage, photography, photo/video editing, and administrative work will continue at the subject property. The fire department reviewed the existing unit and provided feedback on items necessary for the unit to come into compliance with fire code. Condition of approval #8 outlines the outstanding fire code compliance requirements, which shall be met prior to

occupancy of the work/live unit.

- 5b.2. Condition of approval #6 requires the business hours to be posted and remain posted at all times.
- 5b.3. The work area is accessed via the front entry door and garage door. This is the prominent access to the work unit. The residential unit is accessed through a separate door on the second floor on the shared internal stairwell.
- 5b.4. The applicant received a temporary business license with the City of Ketchum for a permitted use for the subject location (#7160). Idarado had been operating without a Ketchum business license and recently received temporary approval with the condition that fire code compliance is met prior to certificate of occupancy for the work/live unit. Staff recommend conditional of approval #9, requiring the owner to apply and receive approval for a standard business license after the unit has been retrofitted to comply with fire code and has been inspected for compliance.

17.124.090.A.5.c – Live Unit Standards	Conformance
The residential portion of the living space is secondary to the primary use as a	YES
place of work. A finding that the residential space is secondary to the work	
space shall be based on measurable findings, including but not limited to:	
(1) The size of the live portion of the work/live unit is both smaller than the	
work portion of the unit and, further, the live portion of the work/live unit	
does not exceed 1,000 gross square feet;	
(2) Means of access to the residential portion of the unit is not prominent and,	
preferably, is located to the side or rear of the property; and	
(3) Suitable residential parking that does not interfere with snow removal or	
the operation of proximate LI uses and, further, is in accordance with the	
parking and loading requirements set forth in chapter 17.125 of this title.	

#### Finding:

The total square footage of the proposed project is 2,468 square feet, 942 square feet of which is the live unit. This represents 38% of the total project. The residential unit is not visible from the street as it is located on the second floor within the unit. The primary use is the commercial studio, which is the prominent space visible from the complex's internal drive. The two dedicated residential parking spaces are sufficient for the unit and will not interfere with snow removal or operation of adjacent uses.

# ATTACHMENT D: Draft Findings of Fact



IN RE:	)	
	)	
Idarado Media Work/Live	)	<b>KETCHUM PLANNING &amp; ZONING COMMISSION</b>
Conditional Use Permit	)	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND
Date: March 8, 2023	)	DECISION
	)	
File Number: 23-002	)	

PROJECT: Idarado Media Work/Live

**APPLICATION TYPE:** Conditional Use Permit

FILE NUMBER: P23-002

**APPLICANT:** Cory Smith

**OWNER:** Cory Smith

LOCATION: 471 E 10<sup>th</sup> Street (Tenth Street Light Industrial Complex, Building B, Unit

12)

**ZONING:** Light Industrial No. 2 (LI-2)

OVERLAY: None

#### **RECORD OF PROCEEDINGS**

The City of Ketchum received the Conditional Use Permit application on January 10, 2023. Following the receipt of the application, staff routed the application materials to all city departments for review. Department comments were provided on February 8, 2023, and the application was deemed complete after one round of review. As of the date of this letter, all departments' comments have been resolved or addressed through conditions of approval recommended below.

A public hearing notice for the project was published in the Idaho Mountain Express and was mailed to properties within a 300-foot radius on February 15, 2023. A notice was posted at the project site and on the city's website on March 1, 2023.

The Planning & Zoning Commission considered the Idarado Media Conditional Use Permit (Application File No. P23-002) during their regular meeting on March 8, 2023. After considering Staff's analysis and the applicant's presentation, the Planning & Zoning Commission unanimously approved the Conditional Use Permit (Application File No. P23-002).

#### **BACKGROUND**

The Applicant is requesting a Conditional Use Permit (CUP) to establish a work/live unit located at 471 E 10<sup>th</sup> Street Building B Unit 12 (the "subject property"). The applicant is proposing to renovate the second floor of the existing unit to include a residential space and a separated office space, which is associated with the business on the ground floor level No exterior changes or renovations to the lower level are proposed. If approved, the project would consist of 942 square feet of living space and 1,526 square feet of work space (1,234 ground floor, 292 square feet second floor). The subject property is zoned Light Industrial No. 2 (LI-2) which allows for commercial studios as a permitted use by right and work/live units with CUP approval.

The studio, Idarado Media, has been in business for the past 8 years, 3.5 of those years have taken place at the subject property. The Applicant's desire to construct a residential space within the unit triggers the requirement for a CUP for a work/live space; however, the CUP is not related to the operation of the studio since the use is permitted in the LI-2 district. Table 1 below outlines the proposed interior square footage of each use for the project as shown on the project plans.

**Table 1: Proposed Uses and Square Footage** 

	equal e l'estage	
Use	Square Footage	Percent SF
Work		
Ground Floor – Marketing Vehicle Storage,	1,234 SF	
Camera Storage and Rigging, Archive Storage,		
and Photo Wall		
Second Floor – Administrative Office	292 SF	
Subtotal	1,526 SF	62% of total
Live		
Second Floor – 2 bedroom, 2 bathroom	942 SF	
residential space		
Subtotal	942 SF	38% of total
Total Square Footage	2,468 SF	

The KMC has very specific requirements for work/live units outlined in KMC Section 17.124.090.A.5 including ownership and occupancy of the space, size of workspace compared to live space, access to each space, and parking. See below for a full evaluation of the standards for work/live units for the proposed project. As proposed, the work/live unit meets all requirements and standards in the KMC. Staff recommends 12 conditions to ensure the project stays in compliance with the requirements over time.

#### **FINDINGS OF FACT**

The Planning & Zoning Commission, having reviewed the entire project record, provided notice, and conducted the required public hearing, does hereby make and set forth these Findings of Fact, Conclusions of Law, and Decision as follows:

#### FINDINGS REGARDING CONDITIONAL USE PERMIT CRITERIA

Pursuant to KMC Section 17.116.030, conditional use permits can be granted if and only if all criteria listed below are met. The Commission finds the following:

*Criteria 1* - The characteristics of the conditional use will not be unreasonably incompatible with the types of uses permitted in the applicable zoning district;

• Finding: The City of Ketchum has permitted numerous work/live units through the CUP process throughout the Light Industrial zone districts. Specifically, two other work/live CUPs were approved in the B building of the Tenth Street Light Industrial Complex (P19-045 and P19-094). The anti-nuisance and notice provisions outlined in KMC Section 17.124.090 seek to minimize potential conflicts between residential and light industrial uses. Staff recommends conditions of approval #12-15 to ensure that these provisions are in full force and effect.

*Criteria 2* - The conditional use will not materially endanger the health, safety and welfare of the community;

• Finding: As mentioned above, numerous work/live units exist in the light industrial district with no demonstrated impact to the health, safety, and welfare of the community. The city has not received any complaints or witnessed a degradation of the health, safety, and welfare of these units. To the contrary, work/live units provide a certain amount of housing stability not experienced in other housing situations as the residential unit must be occupied by the business owner or an employee of the business. This supports the business operations as well as the owner/employee. Staff recommends condition of approval #3 to ensure that the occupant of the residential unit is either the owner or an employee of the business.

Criteria 3 - The conditional use is such that pedestrian and vehicular traffic associated with the use will not be hazardous or conflict with existing and anticipated traffic in the neighborhood;

Finding: With the business expanding to the new location on Lewis Street, a significant portion
of the pedestrian and vehicle traffic will occur at Lewis Street where 5 employees will be
working full time. Only the owner and one other employee will work out of the subject
property daily, therefore, staff does not anticipate increased vehicle or pedestrian traffic in
the complex. No concerns have been expressed by adjacent property owners regarding the
proposed work/live unit.

*Criteria 4* - The conditional use will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area, or conditions can be established to mitigate adverse impacts; and

Finding: The property is currently served by city water and sewer, reviewed by the respective departments during department review. The existing services are adequate to serve the proposed project with no required upgrades. The fire department can access the unit from the internal drive off 10<sup>th</sup> Street. The project site will continue to be served with all utilities and city services.

*Criteria 5* - The conditional use is not in conflict with the policies of the comprehensive plan or the basic purposes of this chapter.

• Finding: The subject property is designated as "Mixed-Use Industrial" in the 2014 Comprehensive Plan. The plan outlines primary and secondary uses within the area. Primary uses include service, workshops, studios, and offices with secondary uses including a limited

range of residential housing types. Additionally, Policy E-2(e) encourages policy that supports small businesses by allowing people to live and work from their residences in live/work environments. Approval of the CUP would comply with the identified primary and secondary uses for the area and support a small business with housing on site.

#### FINDINGS REGARDING COMPLIANCE WITH ZONING AND WORK/LIVE REGULATIONS

17.12.020 – District Use Matrix	Conformance
Zone District: Light Industrial – One (LI-1)	YES

**Finding:** The subject property includes a "commercial studio" operation and is proposing a residential unit, together classified as a "work/live" unit. KMC 17.12.020 outlines permissible uses in the LI-2 zone district, which includes commercial studios as a permitted use. Work/live units are permitted with a conditional use permit (CUP) approval. The applicant has requested approval of a work/live CUP.

17.125.040 – Off Street Parking and Loading Calculations	Conformance
Minimum amount of parking spaces required per use.	YES
	Condition #7
Per section 17.125.020.A.3, any change of use or change of	
operation that would result in a requirement for more parking than	
the existing use. Additional parking shall be required only in	
proportion to the extent of the change, not the entire building or use.	

#### Finding:

#### Required:

1 space per 250 gross square feet for the commercial studio unit 1 space per bedroom for the live unit

The project proposes a two-bedroom live unit and 1,526 square feet of work space. The Tenth Street Light Industrial Complex has an adequately sized parking lot for all the existing uses in the development. The proposed change resulting in additional parking required is the new residential component of the unit, which requires 2 parking spaces for the 2 proposed bedrooms. The unit's parking, as shown in the project plans, displays 3 parking spaces onsite and indicates that 2 parking spots will be for residential use and 1 sparking space will be used for the work use. Staff find the 3 existing parking spaces for the unit to be sufficient for the use of the subject property. To ensure 2 of the parking spaces are dedicated for the residential use of the unit, staff recommend condition of approval #7 which requires the installation of signage dedicating 2 parking spaces in front of the unit for residential parking.

17.132 – Dark Skies	Conformance
Compliance with Section 17.132 – Dark Skies.	YES
	Condition #5

**Finding**: As shown in the project plans, the unit's exterior lighting is existing and will remain unchanged. The two exterior lights are downward casting; however, Staff is unaware of the lights' color temperature. Therefore, staff recommend condition of approval #5 to demonstrate compliance with the exterior lighting color temperature requirement of 2700 Kelvin prior to issuance of building permit.

17.124.090.A.5.a – Work/Live Units	Conformance
The work portion of the unit meets the definition of work/live unit set forth	YES
in section 17.08.020 of this title, including that the project is subject to council	Condition #4
approval of a restrictive covenant.	

#### Finding:

Required: Work/live units incorporate residential living space in a nonresidential building. Work/live units are held jointly in common ownership and the work and live spaces cannot be sold or platted as separate condominiums, as documented with a City-approved restrictive covenant recorded against the property.

<u>Proposed:</u> The living space is within a non-residential building within the Tenth Street Light Industrial Complex. Two other CUP approved work/live units (P19-045 and P19-094) exist in Building B of the complex. In all scenarios, the living space has been secondary to the work space and always within same ownership. To date, a restrictive covenant has not been recorded. Staff recommends condition #4 to ensure the covenant is recorded prior to issuance of a building permit for the project.

17.124.090.A.5.b – Work Unit Standards	Conformanc
	e
The work unit is:	YES
(1) Suitable for on-site employees, foot traffic/customers, and meets	Condition
applicable building and fire codes;	#6, #8, and
(2) Signed and posted with regular hours of operation;	#9
(3) Served by the prominent means of access for the work/live unit; and	
(4) Associated with a business license for a use allowed (either conditionally or	
permitted) in the district.	

#### Finding:

- 5b.1. The property owner and one employee will work out of the subject property daily. According to a narrative written be the owner/applicant included in the project plans, Idarado Media is expanding with an additional office location at 323 Lewis Street. The five other employees will work out of the Lewis Street office. Operations including camera storage and rigging, archive storage, photography, photo/video editing, and administrative work will continue at the subject property. The fire department reviewed the existing unit and provided feedback on items necessary for the unit to come into compliance with fire code. Condition of approval #8 outlines the outstanding fire code compliance requirements, which shall be met prior to occupancy of the work/live unit.
- 5b.2. Condition of approval #6 requires the business hours to be posted and remain posted at all times.
- 5b.3. The work area is accessed via the front entry door and garage door. This is the prominent access to the work unit. The residential unit is accessed through a separate door on the second floor on the shared internal stairwell.
- 5b.4. The applicant received a temporary business license with the City of Ketchum for a permitted use for the subject location (#7160). Idarado had been operating without a Ketchum business license and recently received temporary approval with the condition that fire code compliance is met prior to certificate of occupancy for the work/live unit. Staff recommend conditional of approval #9, requiring the owner to apply and receive approval for a standard business license after the unit has been retrofitted to comply with fire code and has been inspected for compliance.

17.124.090.A.5.c – Live Unit Standards	Conformance
The residential portion of the living space is secondary to the primary use as a	YES
place of work. A finding that the residential space is secondary to the work space	
shall be based on measurable findings, including but not limited to:	
(1) The size of the live portion of the work/live unit is both smaller than the	
work portion of the unit and, further, the live portion of the work/live unit does	
not exceed 1,000 gross square feet;	
(2) Means of access to the residential portion of the unit is not prominent and,	
preferably, is located to the side or rear of the property; and	
(3) Suitable residential parking that does not interfere with snow removal or the	
operation of proximate LI uses and, further, is in accordance with the	
parking and loading requirements set forth in chapter 17.125 of this title.	

#### Finding:

The total square footage of the proposed project is 2,468 square feet, 942 square feet of which is the live unit. This represents 38% of the total project. The residential unit is not visible from the street as it is located on the second floor within the unit. The primary use is the commercial studio, which is the prominent space visible from the complex's internal drive. The two dedicated residential parking spaces are sufficient for the unit and will not interfere with snow removal or operation of adjacent uses.

#### **CONCLUSIONS OF LAW**

- 1. The City of Ketchum is a municipal corporation established in accordance with Article XII of the Constitution of the State of Idaho and Title 50 Idaho Code and is required and has exercised its authority pursuant to the Local Land Use Planning Act codified at Chapter 65 of Title 67 Idaho Code and pursuant to Chapters 3, 9 and 13 of Title 50 Idaho Code to enact the ordinances and regulations, which ordinances are codified in the Ketchum Municipal Code ("KMC") and are identified in the Findings of Fact and which are herein restated as Conclusions of Law by this reference and which City Ordinances govern the applicant's Conditional Use Permit application for the development and use of the project site.
- 2. The Commission has authority to hear the applicant's Conditional Use Permit Application pursuant to Chapter 17.116 of Ketchum Municipal Code Title 17.
- 3. The City of Ketchum Planning Department provided notice for the review of this application in accordance with Ketchum Municipal Code §17.116.040.
- 4. The Conditional Use Permit application is governed under Ketchum Municipal Code Chapter 17.116.
- 5. The 471 E 10<sup>th</sup> Street (Tenth Street Light Industrial Complex, Building B, Unit 12) Work/Live Conditional Use Permit application meets all applicable standards specified in Title 17 of Ketchum Municipal Code.

#### **DECISION**

**THEREFORE,** the Commission **approves** this Conditional Use Permit Application File No. P23-002 this Wednesday, March 8, 2023, subject to the following conditions of approval.

#### **CONDITIONS OF APPROVAL**

- This approval is based on the floorplan submitted and attached to the staff report, dated
  January 26, 2023. Any change to the floor plan or change in the location or configuration of
  the uses from what is depicted in the plans, shall be subject to an amendment to this
  Conditional Use Permit. The residential use shall occur in the location depicted on the plans
  and shall not exceed 942 square feet in size.
- 2. This conditional use permit is non-transferrable to any other property owner or business other than Idarado Media. Any change in property ownership, business operator, or residential tenant requires an amendment to this Conditional Use Permit. In the event Idarado Media is no longer the business operation, a new Conditional Use Permit will be required.
- 3. Occupancy of the live unit must be either the owner of Idarado Media, or an employee of Idarado Media.
- 4. Prior to issuance of building permit, a Restrictive Covenant shall be recorded against the property prohibiting the separate sale of the live unit thereby ensuring that the work/live unit remain in common ownership and cannot be sold separately.

- 5. Prior to issuance of building permit, the owner shall submit specification sheets for the existing exterior lighting to demonstrate dark sky compliance requirements.
- 6. Prior to issuance of certificate of occupancy, the owner shall apply and receive approval for a sign permit for a sign indicating the hours of operation of the business which shall be posted and remain posted onsite at all times.
- 7. Prior to issuance of certificate of occupancy, the owner shall install signs in front of the subject property dedicating 2 of the parking spaces to be for residential use only.
- 8. Prior to issuance of certificate of occupancy, the unit shall be inspected and approved for compliance with the following fire code requirements:
  - a) The existing required monitor system shall be modified to meet the current requirements of the National Fire Protection Association (NFPA) 72 and Ketchum Ordinance #1217
  - b) The existing required fire sprinkler system shall be modified by a licensed fire sprinkler contractor to meet the current requirements of NFPA 13. All areas are required to be covered with fire sprinklers.
  - c) The appropriate keys, for fire emergency access, shall be provided and installed in the existing Knox box.
  - d) Smoke and carbon monoxide detectors shall be installed per NFPA and the International Fire Code (IFC). Smoke detectors shall be installed inside each bedroom, within 21 feet of each sleeping area, and on every level of the occupancy, including the basement. Carbon monoxide alarms shall be installed in a central location outside each sleeping area and on every level of the unit.
  - e) Fire extinguishers shall be installed and maintained per 2018 IFC, Section 906 both during construction and upon occupancy of the unit. Extinguishers shall be mounted in a conspicuous, easy to access, unobstructed location. Upon completion of the project there shall be a minimum of one extinguisher per garage and one extinguisher per kitchen area.
- Upon completion of inspection for fire code compliance by the fire department, the owner shall apply and receive approval for a standard business license prior to issuance of certificate of occupancy.
- 10. Within one year of receipt of certificate of occupancy for the project, and each year following, the applicant shall request an inspection by the Fire Marshall to ensure all fire codes are being met. Documentation of the inspection shall be provided to the Planning and Building department.
- 11. Inspections by the Planning and Building staff may be scheduled at the discretion of staff to ensure all conditions of this Conditional Use Permit are met. Owner shall cooperate with facilitating the inspections at the request of the City. In the event the owner does not cooperate, this CUP may be subject to revocation.
- 12. The applicant is aware the mixed use of the property can result in conflict, that the light industrial use may on occasion or in certain respects be incompatible with the quiet enjoyment of the dwelling units, that due to the subordinate and junior nature of the

- residential use to the light industrial use, the City will not condition, limit, restrict or otherwise interfere with any lawful light industrial use solely because it interferes with a residential use.
- 13. In the event the residential unit is occupied by an employee of Idarado Media, the owner shall provide the tenant, lessee or subtenant with written notice that such unit is located within the Light Industrial Zone and, as such, is junior and, therefore, subordinate in nature to all legal light industrial activities.
- 14. Each and every real estate agent, sales person and broker and each and every private party who offers for rent or shows a parcel of real property and/or structure for lease or rent within such Light Industrial Zones shall, upon first inquiry, provide the prospective lessee or tenant, prior to viewing such real property, with written notice that such real property and/or structure is located within such Light Industrial Zone.
- 15. All brochures and other printed materials advertising rental or lease of a living unit within the Light Industrial Zones shall contain a provision designating that such unit or units are located within the Light Industrial Zone and are within a mixed use area. Lessees and tenants shall be notified that the residential uses within the Light Industrial Zone are subordinate and, therefore, junior in nature to the legal light industrial activities within the zone.
- 16. In the event the property is in violation of the conditions of approval, the Conditional Use Permit may be subject to revocation.

Findings of Fact adopted this 8th day of March 2023.

Neil Morrow, Chair City of Ketchum Planning and Zoning Commission



# STAFF REPORT KETCHUM PLANNING AND ZONING COMMISSION SPECIAL MEETING OF MARCH 8, 2023

**PROJECT:** Crossbuck West Townhomes

FILE NUMBER: P23-004

**APPLICATION TYPE:** Phased Development Agreement

**REPRESENTATIVE:** Brad DuFur

PROPERTY OWNER: William and Joan Wyatt and Brad and Cyndi DuFur

**REQUEST:** Request for a phased development agreement to permit the final plat for the two

townhouse sublots to be reviewed and approved after a certificate of occupancy is

granted for the first townhouse unit.

**LOCATION:** Southeast Corner of W 7<sup>th</sup> Street and Crossbuck Lane (alley) – Ketchum Townsite

Amended Lot 2A, Blk 67

**ZONING:** General Residential – Low Density (GR-L)

**REVIEWER:** Morgan R. Landers, AICP – Director of Planning and Building

**NOTICE:** A public hearing notice for the project was mailed to all owners of property within 300

feet of the project site and all political subdivisions on February 15, 2023. The public hearing notice was published in the Idaho Mountain Express the on February 15, 2023. A notice was posted on the project site on March 1, 2023 and the city's website on

February 22, 2023.

### I. EXECUTIVE SUMMARY:

The Applicant is requesting a phased development agreement for the Crossbuck West Townhomes located at the southeast corner of W 7<sup>th</sup> Street and Crossbuck Lane (the "subject property") as shown in Figure 1. The Crossbuck West Townhomes project includes two sublots (2A and 2B) each with a single detached townhouse. The phased development agreement would permit a final plat to be filed with the city for approval following issuance of a certificate of occupancy for the first townhouse unit, rather than requiring a certificate of occupancy for both units prior to approval of a final plat.

The applicant represents that all right-of-way improvements will be completed at the time of certificate of occupancy for the first unit. The draft phased development agreement (Attachment A)

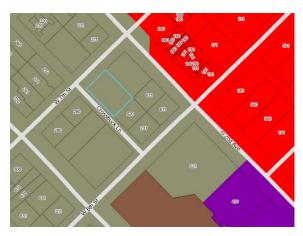


Figure 1: Subject Property Location and Zoning

outlines the terms of the agreement including specific provisions for if the improvements are not complete prior to certificate of occupancy.

The Ketchum Municipal code permits phased development agreements per the terms of Section 16.04.110. Staff believes the project to be eligible for a phased development agreement and is supportive of the request.

### II. BACKGROUND:

The City of Ketchum approved a Design Review application (P21-048) and Townhouse Preliminary Plat (P21-049), for two detached townhomes on the Property, on August 24, 2021 and September 7, 2021 respectively. A phased development agreement was not requested or approved at the time of approval of the townhouse preliminary plat. The city issued individual building permits for sublots 2A (B21-106) and sublot 2B (B21-086), and both sublots are currently under construction.

The City of Ketchum received an application for a phased development agreement on January 24, 2023. Following receipt of the application, staff routed the application materials to all city departments for review. As of the date of this report, all department comments have been resolved or addressed through terms of the draft agreement.

### III. CONFORMANCE WITH SUBDIVISION STANDARDS

Pursuant to KMC 16.04.110.B - *Development plan*. "In addition to the preliminary plat, subdivision application and data, the subdivider shall submit to the Administrator a development plan with a schedule for the entire project, containing all of the information required in subsection 16.04.030 of this chapter." A townhouse preliminary plat was approved for the development on September 7, 2021 which included all the requirements of 16.04.030. The approved preliminary plat, which includes sublots 2A and 2B, is included as Attachment B.

According to the applicant, development of sublot 2B will be completed first, followed by sublot 2A a few months later. The draft Phased Development Agreement includes maintenance responsibilities, a construction and completion schedule, and process requirements for filing of the townhouse final plat. Per the conditions of approval of the design review, the project is responsible for the long-term maintenance of the alley, also known as Crossbuck Lane. A separate Alley Maintenance Agreement is required and will be prepared for review and approval of the City Council prior or in conjunction with recording of the final plat.

# IV. STAFF RECOMMENDATION

Staff recommends approval of the Phased Development Agreement for the Crossbuck West Townhomes.

## V. RECOMMENDED MOTIONS

"I move to recommend approval of the Crossbuck West Townhomes Phased Development Agreement to the City Council."

### **ATTACHMENTS:**

- A. Draft Phased Development Agreement and Exhibits
- B. Crossbuck West Townhomes Approved Preliminary Plat



# ATTACHMENT A: Draft Phased Development Agreement and Exhibits

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:	
City Clerk, City of Ketchum PO Box 2315 Ketchum Idaho, 83340	

(Space Above Line For Recorder's Use)

# CROSSBUCK WEST TOWNHOMES PHASED TOWNHOUSE SUBDIVISION AGREEMENT #22833

THIS PHASED TOWNHOUSE SUBDIVISION AGREEMENT ("Agreement") is made and entered into as of the \_\_ day of \_\_\_\_\_ 2023, by and between the City of Ketchum, an Idaho municipal corporation ("City") and William Wyatt, Joan Wyatt, Brad Dufur, and Cyndi Dufur, owners of real property ("Owners").

# **RECITALS**

WHEREAS, Owners owns certain real property legally described as Lot 2A, Blk 67 of Ketchum Townsite, according to the official plat recorded under Instrument Number 658996, on file in the office of the County Recorder of Blaine County, Idaho (the "Property"); and

WHEREAS, City approved a Design Review application (P21-048) and Townhouse Preliminary Plat (P21-049), for two detached townhomes on the Property, on August 24, 2021 and September 7, 2021 respectively. A phased development agreement was not requested or approved at the time of approval of the townhouse preliminary plat.

WHEREAS, City issued individual building permits for sublots 2A (B21-106) and sublot 2B (B21-086), and both sublots are currently under construction.

WHEREAS, Owners requests a phased development agreement for the development of the Project under the provisions of Section 16.04.110 – *Phased Development Projects* within Title 16 of the Ketchum Municipal Code as the completion of the two units will not be simultaneous and the Owners desires to record the final plat for both townhomes prior to completion of the second unit.

WHEREAS, the approved townhouse preliminary plat, establishing two townhome sublots noted as 2A and 2B (the "Townhouse Preliminary Plat") is included as Exhibit A.

WHEREAS, Owners propose to construct all required right-of-way infrastructure improvements, alley improvements, and water and sewer utility services for each sublot as shown on Exhibit B (the "work"). All required improvements will be constructed to City standards and will be inspected for such compliance.

# **AGREEMENT**

NOW THEREFORE, in consideration of the above recitals and the mutual covenants and agreements herein contained and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

# 1. <u>Maintenance Responsibilities.</u>

# A. Owners.

- (1) Water Service Lines. Owners and all successors in interest are responsible for the installation, maintenance, repair, and other costs associated with the private service lines serving each sublot from the private water main that runs between Lots 1A and 2A. Maintenance of the private water main is pursuant to plat note 3 of the final plat for Lot 2A recorded under instrument number 658996, and the Construction Phasing Agreement recorded under instrument number 657569.
- (2) Sewer Service lines. Owners and all successors in interest are responsible for the installation, maintenance, repair, and other costs associated with the private sewer service lines serving each sublot from the public sewer mains located in 7<sup>th</sup> Street and between Lots 1A and 2A. The public sewer line is as noted on plat note 4 of the final plat for Lot 2A recorded under instrument number 658996.
- (3) Alleyway. Owners and all successors in interest are responsible for the installation, maintenance, repair, and other costs associated with the alleyway serving both sublots. A separate Alley Maintenance Agreement must be approved by City Council concurrent with the Townhouse Final Plat. The Alley Maintenance Agreement must be recorded prior to or in conjunction with recording of the Townhouse Final Plat and shall be referenced by note on the Townhouse Final Plat.

# 2. Construction and Completion Schedule.

- A. Each townhouse unit shall be completed no later than three years from the date of issuance of a building permit for the townhouse unit, as evidenced by issuance of a Certificate of Occupancy for each townhouse unit.
- B. Prior to issuance of a Certificate of Occupancy for the first detached townhouse unit, each sublot shall be adequately served by both water and sewer services as generally depicted on Exhibit B, as affirmed in writing by the City. The City must approve the timing of water and sewer connections to the existing system.

- C. Prior to obtaining Certificate of Occupancy for the first townhouse unit, the following improvements as generally depicted on Exhibit B shall be completed and/or extended to both Sublots:
  - (1) Dry utility services (power, gas, cable, etc); and
  - (2) All hardscape pathways and access points for adequate and safe egress from the units; and
  - (3) Right-of-way improvements to 7<sup>th</sup> Street and the alleyway, consistent with Ketchum Municipal Code, Title 12.04.030.H.1 and current right of way standards, completed and installed to the satisfaction of the City Engineer; and
  - (4) Water and sewer services serving both sublots; and
- D. Prior to obtaining a Certificate of Occupancy for the last detached townhouse unit, all landscaping as generally depicted in Exhibit C shall be installed.
- E. Pursuant to Ketchum Municipal Code, Title 16.04.040.C, in cases where the required improvements cannot be constructed due to weather, factors beyond the control of the subdivider, or other conditions as determined acceptable at the sole discretion of the City, the City Council may accept, in lieu of any or all of the required improvements, a performance bond filed with the City Clerk to ensure actual construction of the required improvements as submitted and approved. Said performance bond shall be provided per the terms of Title 16.04.040.C and pursuant to the following conditions:
  - a. All outstanding improvements must be complete no later than June 1, 2023.
  - b. In the event alleyway improvements are not complete, Owners are responsible for:
    - i. Ensuring the gravel road surfaces are maintained and the full smooth width with no potholing are available as shown on Exhibit B for emergency access for the duration of the time the gravel surface remains unpaved. Egress from the gravel roads to existing paved roads shall be cleaned and maintained on a regular basis in order to mitigate gravel and other debris from being tracked onto the existing paved roadways.
    - ii. Ensuring that all streets and alleys are kept free and clear of any obstructions for emergency vehicle access at all times. Any significant access issues shall be brought to the attention of the city in advance. All construction-related vehicles and equipment, such as cranes, waste dumpsters, etc., shall be located entirely on the property (i.e. not in roadway or public right-of-way), unless granted approval by the city. All

- construction-related activities shall adhere to the project's Construction Activity Plan.
- iii. Providing a stamped letter from a licensed engineer stating the installed roadway section is (2" minus and 3/4" material) will support an 80k lb fire truck load prior to paving.
- iv. Providing the quality control documentation (subbase and base materials) for the alley outlined in building permit approval item #5.
- 3. <u>Townhouse Sublot Final Plat.</u> The City agrees to accept and process a townhouse final plat application, for both sublots, for approval by City Council provided a Certificate of Occupancy has been issued for the first townhouse unit on Lot 2A should Owners comply with all above recitals.
- 4. <u>Owners' Association Assumption of Responsibilities.</u> Upon the recording of the Townhouse Sublot Final Plat, Owners may assign and transfer its maintenance responsibilities and obligations under this Agreement to an owner's association.

# 5. General Provisions.

- A. Recitals and Construction. The City and Owners incorporate the above recitals into this Agreement and affirm such recitals are true and correct.
- B. Effective Date. This Agreement is effective as of the date on which the last of the City and Owners execute this Agreement. Neither party shall have any rights with respect to this Agreement until both have executed this Agreement.
- C. Owner Representations. Owners represents and warrants to City that (a) Owners hold fee simple title to the Property, and (b) no joinder or approval of another person or entity is required with respect to Owners' authority to make and execute this Amendment.
- D. Neutral Interpretation. City and Owners acknowledge they and, if they so choose, their respective counsel have reviewed this Agreement and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of the Agreement, or any exhibits, attachments and addenda to the Agreement.
- E. Counterparts. This Agreement may be executed in multiple counterparts, each of which taken together shall constitute one and the same agreement binding upon the parties. Signatures transmitted by facsimile or via e-mail in a "PDF" format shall have the same force and effect as original signatures on this Amendment. The Original of this Amendment shall be recorded with the Blaine County Recorder.

IN WITNESS WHEREOF, the parties, having been duly authorized, have hereunder caused this Agreement to be executed, the same being done after public notice and statutory requirements having been fulfilled.

"CITY":	"OWNERS":
CITY OF KETCHUM,	
an Idaho municipal corporation	By:William Wyatt
By: Neil Bradshaw, Mayor	By: Joan Wyatt
ATTEST:	By:Brad Dufur
	By: Cyndi Dufur
Trent Donat, City Clerk	<u>-</u>

# **ACKNOWLEDGEMENT FOR CITY**

STATE OF IDAHO	)
COUNTY OF BLAINE	) ss. )
Mayor of the City of Ketchur	, 2022, before me, the undersigned Notary Public in appeared NEIL BRADSHAW, known or identified by me to be the n, Idaho, and the person who executed the foregoing instrument and executed the same on behalf of such city.
IN WITNESS WHEREOF, I year in this certificate first wi	have hereunto set my hand and affixed my official seal the day and itten above.
	Notary Public for the State of
A	CKNOWLEDGEMENT FOR OWNER
STATE OF	_) ) ss. _)
personally appeared WILLIA at Lot 2A, Blk 67 of Ketchur	, 2022, before me, a Notary Public in and for said State, M WYATT, known to me to be the owner of certain real property in Townsite, and known to me to be the person whose name is subment, and acknowledged to me that he executed the same.
IN WITNESS WHER day and year in this certificate	EOF, I have hereunto set my hand and affixed my official seal the e first above written.
	Notary Public for the State of
A	CKNOWLEDGEMENT FOR OWNER
STATE OFPhased Development Agreement	_) ) ss.
Contract #22833	

Page 6

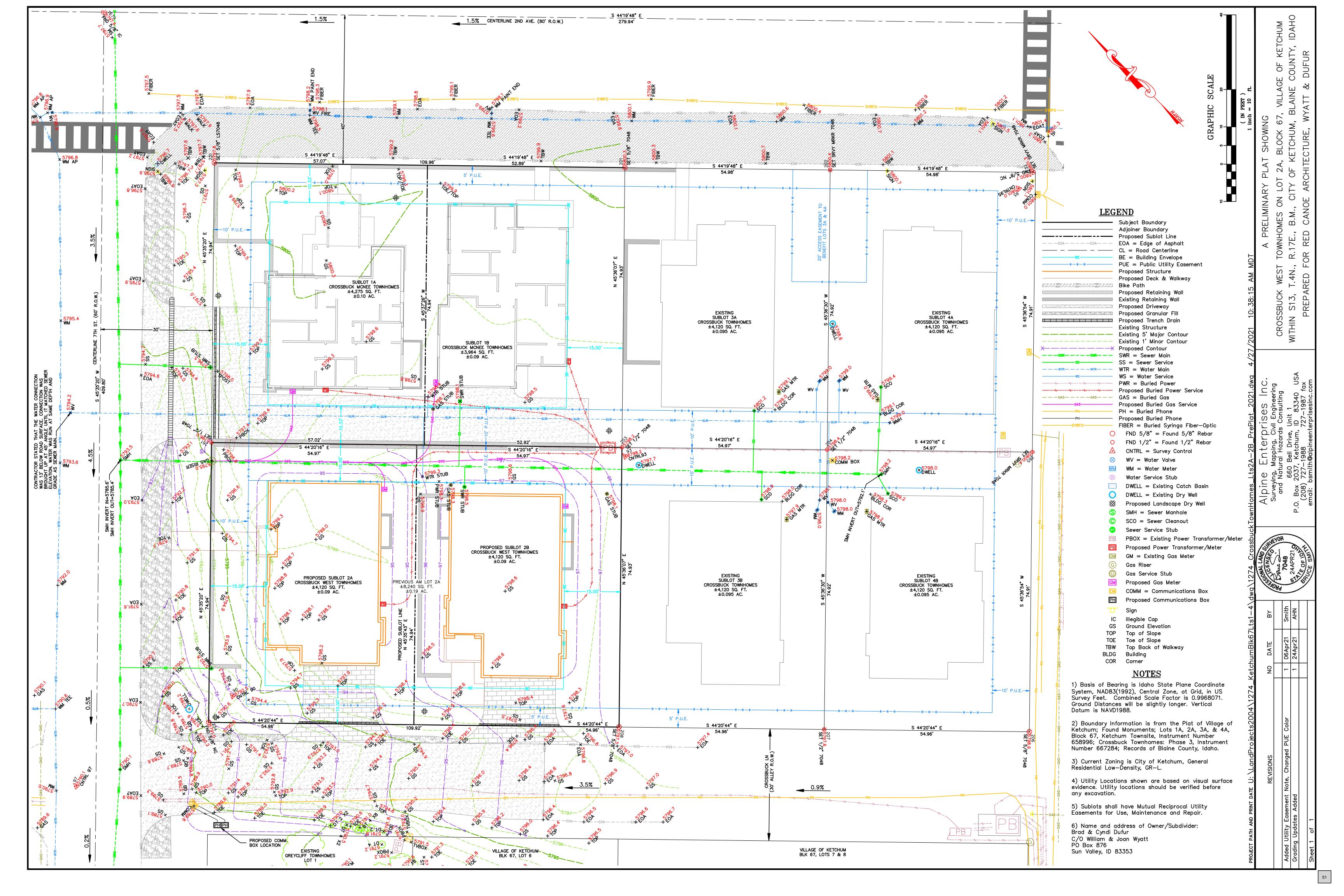
COUNTY OF)	
On this day of, 2022, before personally appeared JOAN WYATT, known to me 2A, Blk 67 of Ketchum Townsite, and known to to the foregoing instrument, and acknowledged to	e to be the owner of certain real property at Lot me to be the person whose name is subscribed
IN WITNESS WHEREOF, I have hereunt day and year in this certificate first above written.	o set my hand and affixed my official seal the
	Notary Public for the State of Residing at My Commission Expires
ACKNOWLEDGEME	ENT FOR OWNER
STATE OF)	
STATE OF) ) ss. COUNTY OF)	
On this day of, 2022, before personally appeared BRAD DUFUR, known to me 2A, Blk 67 of Ketchum Townsite, and known to to the foregoing instrument, and acknowledged to	to be the owner of certain real property at Lot me to be the person whose name is subscribed
IN WITNESS WHEREOF, I have hereunt day and year in this certificate first above written.	o set my hand and affixed my official seal the
	Notary Public for the State of Residing at My Commission Expires
ACKNOWLEDGEME	ENT FOR OWNER
STATE OF)	
STATE OF) ss. COUNTY OF)	
On this day of, 2022, before personally appeared CYNDI DUFUR, known to a Lot 2A, Blk 67 of Ketchum Townsite, and know scribed to the foregoing instrument, and acknowled	n to me to be the person whose name is sub-

	Ι	N WITNI	ESS	WHERI	EOF, I	have	hereunto	set my	hand	and	affixed	my	official	seal	the
day		year in th													

Notary Public for the State of	
Residing at	
My Commission Expires	

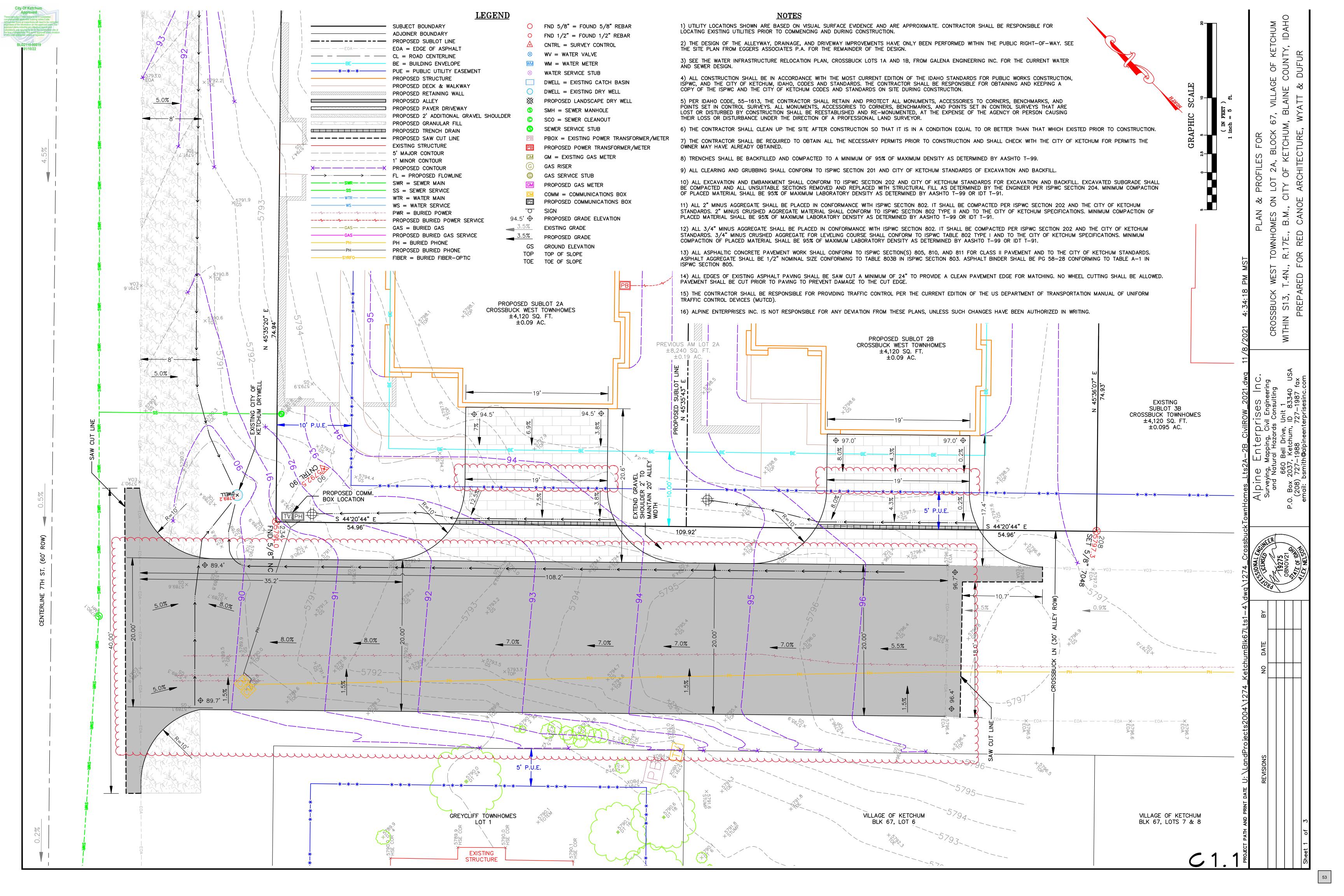


# Exhibit A: Townhouse Preliminary Plat





# Exhibit B: Right-of-Way Improvements Plans



Crossbuck West

EGGERS ASSOCIATES, P.A.

| landscape architecture |
| P.O. Box 953 | T: (208) 725-0988 |
| Ketchum, ID. 83340 | F: (2080725-0972

Crossbuck West Townhome Lot 2A Block 67 Ketchum, Idaho

Job No: 21.02

Scale: 1"=10'-0"

Issue/Revisions: Date:

Design Review 03/26/21
VSD 05/11/21
VSD 06/15/21

All information appearing herein shall not be duplicated, discharged or otherwise used with the written consent of Eggers Associates P.F.

Sheet Title:
Grading
Plan

Sheet No:



# Exhibit C: Landscape Plan

(rossbuck West

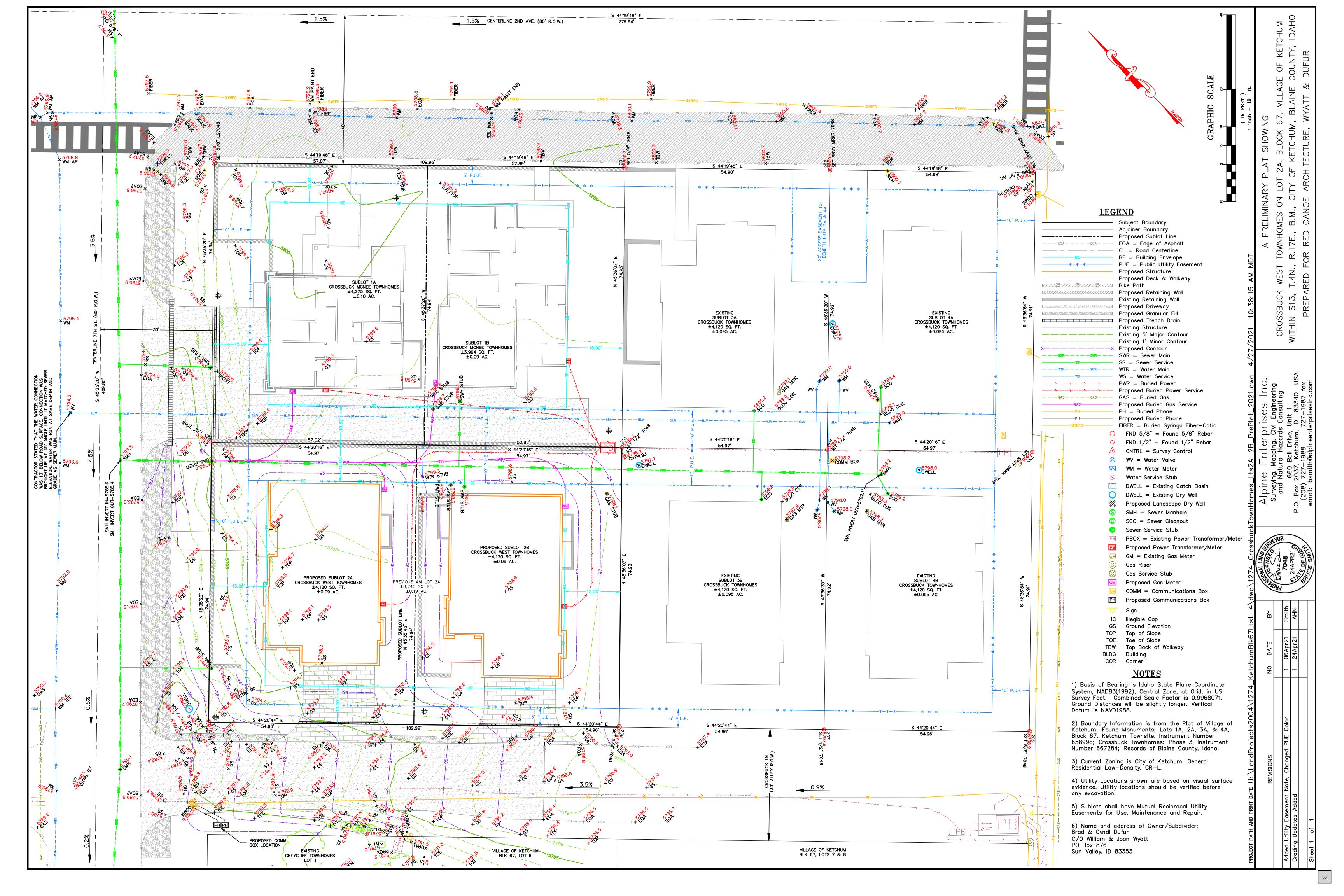
Job No: 21.02 Scale: 1'' = 10' - 0''Issue/Revisions: Date:

Sheet Title: Landscape Plan

\_3.0



# ATTACHMENT B: Crossbuck West Townhomes Approved Preliminary Plat



From: Participate
To: Heather Nicolai

Subject: FW: Crossbuck Townhome action

Date: Wednesday, March 8, 2023 10:55:16 AM

Public comment.

# LISA ENOURATO | CITY OF KETCHUM

Public Affairs & Administrative Services Manager P.O. Box 2315  $\mid$  191 Fifth St. W.  $\mid$  Ketchum, ID 83340

o: 208.726.7803 | f: 208.726.7812

lenourato@ketchumidaho.org | www.ketchumidaho.org

----Original Message----

From: Suzanne Thomas <suzannejeanthomas@gmail.com>

Sent: Tuesday, March 7, 2023 7:15 PM

To: Participate <participate@ketchumidaho.org>

Subject: Crossbuck Townhome action

To whom It May Concern,

The Crossbuck West Townhomes are on your agenda for an action March 8.

I just got notice of this in the mail today, so I am sorry for such a late reply.

My concern is the tall tin chimneys protruding high above the natural rock chimney. They are not in keeping with the architectural character of the buildings.

Do they violate the building height restrictions? They tower above the natural rock top of the chimney quite a distance.

Where these tin chimneys approved in the original drawings?

I appreciate your diligence in making sure the buildings in our community are built according to the drawings which were approved.

Thank you for your service, Suzanne Thomas



# City of Ketchum Planning & Building

# STAFF REPORT KETCHUM PLANNING AND ZONING COMMISSION SPECIAL MEETING OF MARCH 8, 2023

# **INTRODUCTION**

As outlined in the City of Ketchum Planning and Building Department workplan, the city is working on two efforts focused on updating the city's land use regulations. The first effort is the permanent adoption of Interim Ordinance 1234. The second is a full rewrite of the city's land use regulations including Title 16 – Subdivision Regulations, Title 17 – Zoning Regulations, and focused updates to Title 12 – Streets, Sidewalks, Public Utility Easements and Public Places and Title 15 – Buildings and Construction to ensure consistency of regulations.

During the January 10, 2023 meeting of the Planning and Zoning Commission (the "Commission"), members expressed concern for the length of time it will take to execute the full rewrite of the code following an audit and update of the comprehensive plan. As such, staff committed to identify certain updates to the land use regulations that can be achieved during the development of the permanent ordinance this year. The report below provides an overview of code issues identified through discussions with the development community, City Council, Commission, Historic Preservation Commission, and staff. As anticipated, the list is quite long and many of the items require not only extensive evaluation but also warrant comprehensive community engagement.

The goals of the permanent ordinance include:

- Address negative development trends in housing supply, housing variety, and commercial development
- Increase housing supply within the City of Ketchum
- Increase opportunities for commercial development in the downtown
- Reduce regulatory barriers for accessory dwelling unit development
- Implement process improvements to provide clarity and increased certainty
- Clarify code requirements to decrease inconsistencies in the code and application of code provisions

To achieve these goals, staff will evaluate existing elements of the interim ordinance based on additional data and analysis and refine elements of the interim ordinance that may be unclear or overly complicated to reduce confusion. Staff is also identifying third party consultants to assist the city in the following analysis to inform the revisions of the interim ordinance:

- Commercial demand analysis the city will contract with a consultant to conduct a comprehensive commercial demand analysis for the entire city and a specific analysis of the community core. This information will outline key baseline indicators including commercial inventory by type, vacancy rates, and future demand based on general growth trends.
- Architectural Analysis the city will contract with a consultant to conduct architectural evaluations of ground floor commercial square footage and feasible residential densities on single Ketchum townsite lots (corner and interior)

As outlined in the Planning & Building Department 2023 workplan, staff anticipates the following general schedule for the permanent ordinance:

Permanent Ordinance Scope and Goals (February-Beginning of April)

- Data Gathering (Now-May)
- Public Engagement & Commission, TAG, and Stakeholder Feedback and Work Sessions (April-June)
- Synthesize Data and Feedback (June 2023)
- Draft Permanent Ordinance (June and July 2023)
- Adoption Process (August through October)

The purpose of this discussion is for the Commission to:

- Evaluate the interim ordinance and identify elements for further evaluation.
- Review the list of additional changes identified and prioritize what items should be addressed through the permanent ordinance.
- Identify other potential changes not mentioned below for incorporation into the permanent ordinance.

# **BACKGROUND**

The Ketchum City Council adopted Interim Ordinance 1234 on October 17, 2022 (Attachment A). The interim ordinance adopted changes to the city's land-regulations and established:

- Minimum residential densities for projects that exceed a total Floor Area Ratio (FAR) of 1.0 within the Community Core, Tourist, and General Residential High-Density zoning districts.
- Additional standards and process changes for the review and approval of lot consolidations.
- Requirements that ensure redevelopment projects result in no net loss of residential units.
- Parking exemptions for retail and office uses.
- Permitted and conditionally permitted uses for certain properties along River Street in the Tourist Zone District.
  - Restrictions on the ground floor residential for certain properties within the Community Core.
- Development standards for the size of commercial uses and residential units, the location of community housing units, and restrictions for exceeding minimum parking requirements.
- Design Review criteria requiring conformance with the comprehensive plan.
- Terms for Pre-Applications requiring that applicants submit final Design Review applications within 6 months of the Commission's review.

### **ANALYSIS**

# **Interim Ordinance Revisions**

Since the adoption of the interim ordinance, staff has evaluated all new development projects, including projects that are vested under the current zoning code, for conformance with the interim ordinance. These evaluations have provided information on the feasibility of development projects under the interim ordinance standards. The implementation of the interim ordinance has allowed the city to track its effectiveness and determine if the desired outcomes are achieved. Staff has provided the evaluations of new development projects for interim ordinance conformance as Attachment B.

Planning staff has also gathered ongoing feedback from key constituents in the community, including realtors, developers, and design professionals through one-on-one meetings and interviews. The city has also formed a Technical Advisory Group (TAG) of key stakeholders from the design and development community. During their first meeting on February 22, 2023, the city's TAG provided initial feedback on the interim ordinance.

Based on what city staff has heard so far, the following elements of the interim ordinance need to be revisited:

- Expansion of the area where ground floor commercial is required evaluate the need for the expanded ground floor commercial area
- Conditional Use Permit (CUP)- Requirements of the interim ordinance standards may be adjusted subject to the review and approval of a CUP by the Planning and Zoning Commission. Staff has received feedback that the CUP process increases uncertainty and developers may choose not to proceed with the project instead of applying for a CUP as the criteria is very broad.

- % of Commercial Space on the Ground Floor some projects meeting it, most are not.
- Parking Exemption for Office and Other Commercial Uses— the city receives inquiries for CUPs to allow for the placement of on-site parking for office uses and has received feedback that the city should consider providing a parking exemption for "Personal Service" uses
- Minimum Density Requirements for Interior Single Ketchum Townsite Lots the city received feedback that these densities may not be feasible based on zero lot line and building code requirements
- No Net Loss of Dwelling Units clarify that this standard applies to building permits and other permits as well.
- Maximum Size for Penthouse the city receives inquiries for CUPs to allow for increased sizes of top floor penthouse uses

# **Permanent Ordinance Additions**

At the January 10, 2023 meeting of the Commission, there was concern expressed that the full code rewrite would take too long and that the city should address additional items in the code in the short term. Additions to the permanent ordinance can include technical corrections, text clarifications, and amendments to standards/regulations or processes that are critical for new development and redevelopment in the next three years while the comprehensive code rewrite is underway, but relatively easy to achieve without requiring extensive analysis or comprehensive community outreach.

Below is a list for potential inclusion identified based on feedback gathered from individual interviews, the TAG meeting, and staff discussions:

# **Process Improvements**

- Clarify Pre-Application versus Design Review intent and application materials
- Clarify process and standards for when and how performance bonds can be accepted
- Clarify timeframes for when applications can be resubmitted following a denial
- Add clause for process of handling applications that have had no activity for a long time (dormant applications)
- Clarify Building Permit process for extensions and when permits expire
- Clarification of Administrative Design Review vs. what is exempt from Design Review

# General Code Clarifications

- Clarify the dimensional standards for rooftop features within the Community Core
  - Clarify what qualifies as a non-habitable amenity and add a definition for non-habitable structure
  - Clarify setback requirements for rooftop solar a past interpretation allows for placement anywhere on the roof provided that the solar panels do not exceed the parapet height
- Clarify where side façade setback is measured from when measuring building height in the Community Core (façade versus property line)
- Clarify standards for when tandem parking configurations are permitted for commercial uses
- Clarify green building code standards for snowmelt, pools, and hot tubs
- Clarify what is considered a below grade encroachment
- Clarify the definition of open space
- Add definition for net-livable floor area
- Clarify what "common and public areas" mean for calculation of gross floor area for nonresidential parking calculation

Codification of Planning and Zoning Commission and Administrator Determinations and Interpretations

- Clarify construction regulations on hillsides within 25% and greater slopes and codification of Zoning Interpretation 22-001 regarding redevelopment of disturbed Mountain Overlay building sites
- Clarification of number of detached structures permitted per lot in residential zoning districts.

- Clarification on required setbacks for detached, accessory structures.
- Clarification of "structure" vs "building" and what is permitted within setbacks and/or outside building envelope
- Clarification of how retaining walls are regulated through "fences/hedges/walls" or "structure"

# Removing Regulatory Barriers to Accessory Dwelling Unit (ADU) Development

- Tiny Homes on Wheels
- Clarification of how the ADU lot coverage bonus is applied existing development or new development
- Clarification of ADU and condominium/townhouse storage requirements
- Clarification of ADU design review requirement code references

# Other Changes Considered

Building on the foundation of the short-term changes, the following long-term changes can be considered. Implementation of these changes is more complex, requiring detailed analysis of the proposed change and the potential impacts on infrastructure, community character, and other city policy initiatives. These changes should be developed through analysis and comprehensive community outreach before final decisions are made. The following list contains hot button issues that staff and the Commission have grappled with over the past two years but will require more complex analysis. Based on timeframe, staff capacity, and resources, staff recommends the following be addressed through the full code rewrite rather than the permanent ordinance:

- Permitting ADUs as an accessory use for multi-family residential uses
- Height, setback, building coverage bonuses to incentivize ADU construction
- Permitting more than one ADU be constructed per residential lot
- Clarification of Mountain Overlay Design Review criteria and standards and standards to minimize excavation, fill , and vegetation standards
- Livability standards for community housing units, including minimum size requirements
- Community Core Dimensional Standards
  - Third floor setback
  - o Permissibility of elevator over-runs and parameters for rooftop mechanical equipment
- Rework of Design Review criteria and standards
- Pulling dimensional requirements out of the definitions section

## **NEXT STEPS**

Following feedback from the Commission, staff will provide an overview to the City Council on potential revisions and additions to the interim ordinance. Staff will then return to the Commission with a refined list of interim ordinance revisions and additions for more discussion.

# Comprehensive Plan Audit/Update and Code Rewrite

As outlined in the workplan, the city anticipates the following general schedule for implementation of the audit/update of the comprehensive plan and rewrite of the city's land use regulations:

- March Process and timeline review with Commission and City Council (draft RFP)
- April-June RFP publication and selection of consultant team
- June-Nov Project scoping exercise and data gathering
- Oct 2023-Mar 2024 Comprehensive Plan Audit and identification of amendments or clarifications
- January 2024 December 2025 (2 years) rewrite timeframe

# Staff recommends a multi-phased approach to the project as follows:

- Phase 1 Request for Qualifications to identify consultant
- Phase 2 Project Scoping Exercise and Data Gathering rather than setting the scope of the project in a vacuum, staff recommend identification of a qualified consultant first (phase 1). Once that consultant

is identified, the city would conduct workshops with the consultant, City Council, Commission, and HPC to develop the process and scope of work for the project. This exercise would include discussions of community engagement expectations and process, scope of revisions to the comprehensive plan, and approach to revision and adoption of the code (one full adoption or adoption in pieces). This phase will also include identification of data gaps that need to be filled prior to execution of the project and efforts to obtain that data.

- Phase 3 Audit and Update of the Comprehensive Plan based on the outputs of phase 2, this phase will consist of efforts focused on evaluating the current comprehensive plan, identification of potential updates, and implementation of those updates.
- Phase 4 Rewrite of the Land Use Regulations again, based on outputs of phase 2, this phase will consist of the rewriting of Title 16, Tile 17, and select revisions of Title 12 and Title 15.

It is important to note that community engagement will be conducted in all phases of the process. Staff welcomes feedback on the proposed approach for the project as outlined above.

### STAFF RECOMMENDATION

Staff requests the Commission consider the information above and provide directions on: (1) revisions to the interim-ordinance standards and (2) additional code changes, regulations, and standards to incorporate into the permanent ordinance.

## **ATTACHMENTS:**

- A. Interim Ordinance 1234
- B. Evaluations of New Development Projects for Interim Ordinance Conformance
- C. 2023 Planning & Building Department Workplan

# Attachment A Interim Ordinance 1234

# **ORDINANCE 1234**

AN INTERIM ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, TO IMPLEMENT REVISED DEVELOPMENT STANDARDS **REQUIRE** MINIMUM RESIDENTIAL DENSITIES IN CERTAIN ZONE DISTRICTS FOR CERTAIN PROJECTS; REGULATE THE CONSOLIDATION OF LOTS IN CERTAIN ZONE DISTRICTS; PROHIBIT THE REDUCTION OF DWELLING UNITS IN **CONJUNTION WITH** DEVELOPMENT PROJECTS; CLARIFY PARKING REOUIREMENTS FOR RETAIL AND OFFICE USES IN THE CC AND T ZONE DISTRICTS; AMEND THE USES PERMITTED IN THE CC-2 AND A PORTION OF THE T ZONE DISTRICT; ADD REQUIREMENTS FOR DEVELOPMENTS WITHIN CERTAIN ZONE DISTRICTS RELATED TO SQUARE FOOTAGE OF USES, LOCATION OF USES, AND PARKING; AND ADD DESIGN REVIEW CRITERIA FOR DEVELOPMENTS IN CERTAIN ZONE DISTRICTS; PROVIDING FOR PUBLICATION BY SUMMARY; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR AN EFFECTIVE DATE AND A SUNSET DATE.

WHEREAS, Idaho Code Section 67-6524 authorizes local jurisdictions to enact interim ordinances, effective up to one (1) year, during the pendency of preparation and adoption of a permanent ordinance; and

WHEREAS, the State of Idaho and the Idaho Housing and Finance Association has stated that access to workforce housing has become a statewide challenge impacting urban, rural, and resort communities, resulting in a proposal for a state-led gap financing program for development of workforce housing; and

WHEREAS, the 2014 Ketchum Comprehensive Plan identifies ten core values vital to the City's ability to achieve its vision including 1) A Strong and Diverse Economy, 2) Vibrant Downtown, and 4) A Variety of Housing Options; and

WHEREAS, the City of Ketchum (the "City") is experiencing a significant population increase and a severe shortage of housing for the local workforce at all income levels which is threatening the livelihood and straining the resources of the City, its citizens, and its businesses; and

WHEREAS, businesses in Ketchum have been forced to reduce operating hours in the past two years due to lack of workforce; and

**WHEREAS**, the City's average annual population growth rate is approximately 1%, however, the population of the City increased 25% from 2019 to 2020; and

**WHEREAS,** the City collects housing specific data and is developing a Housing Action Plan to address the immediate need for more housing in the City; and

**WHEREAS**, the City lost 475 long-term rental and ownership housing units from 2000 to 2019; and

- WHEREAS, in addition to the 475 housing units lost, the Housing Action Plan Summary and Findings identify the need to build, convert, or stabilize between 65 and 100 housing units annually in the City to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy; and
- **WHEREAS**, from 1990 to 2009, approximately 290 units were constructed for an average of 15 units per year. From 2010 to 2020, only 92 units were constructed for an average of 9 units per year, a significant decrease from previous years; and
- WHEREAS, the City is experiencing an increase in the redevelopment of property as more than half of the City's housing stock was built before 1980 and there are a limited number of vacant properties within city limits; and
- WHEREAS, development permitted under the current zoning regulations result in low-density residential development in areas where the 2014 Ketchum Comprehensive Plan envisions medium to high density residential and vibrant mixed-use development; and
- WHEREAS, staff presented options for addressing housing issues to the Planning and Zoning Commission at a special meeting on February 15, 2022. At that meeting, the Planning and Zoning Commission directed staff to prepare a draft emergency ordinance reflecting proposed changes for review; and
- WHEREAS, the Planning and Zoning Commission met on March 8, 2022, and March 29, 2022, to discuss the draft emergency ordinance and obtain public input related to the proposed changes and recommended on March 29, 2022, the emergency ordinance be adopted by City Council; and
- WHEREAS, the City Council met on April 18, 2022, to review the draft emergency ordinance and recommendation from the Planning and Zoning Commission. At said meeting, the City Council declined to approve the emergency ordinance as presented and directed staff to conduct additional community engagement and prepare an interim ordinance reflecting additional feedback from the community; and
- WHEREAS, the City conducted a community workshop to gather additional feedback on the proposed changes June 28, 2022, attended by members of the City Council, Planning and Zoning Commission, and the public. Said workshop was followed by a community survey requesting feedback on the same topic; and
- WHEREAS, the Planning and Zoning Commission held a public hearing on August 16, 2022 to review this interim ordinance, as prepared by staff, reflecting significant feedback from the community; and
- WHEREAS, the Planning and Zoning Commission recommended approval of this interim ordinance at a special meeting on August 16, 2022; and
- WHEREAS, the City Council held a public hearing on September 19, 2022 to review the interim ordinance, information from staff, and recommendations from the Planning and Zoning Commission; and

**WHEREAS,** The City Council held three readings of the interim ordinance on September 19, 2022, October 3, 2022, and October 17, 2022, resulting in approval of this interim ordinance; and

**WHEREAS**, the Planning and Zoning Commission hearings and City Council hearings were duly noticed per the requirements of Idaho Code Section 67-6509; and

WHEREAS, the provisions of this ordinance are temporary in nature and shall expire three hundred and sixty five (365) days after the adoption of this interim ordinance; and

# NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF KETCHUM, IDAHO:

**Section 1.** The following interim regulations and standards apply to any Building Permit, Pre-Application Design Review, Design Review, Subdivision, or Conditional Use Permit application deemed complete for vesting purposes after the effective date of this Ordinance filed pursuant to Title 16 - Subdivision Regulations and Title 17 - Zoning Regulations. Wherever any provision in Title 16 or Title 17 or any other ordinance, rule or regulation of any kind contain standards covering the same subject matter, the standards of this Ordinance shall apply.

- **Section 2.** All zoning districts referenced in this ordinance are pursuant to Ketchum Municipal Code (the "KMC") Chapter 17.18 *Zoning Districts* and abbreviated as referenced. All terms in this ordinance are defined in Section 17.08.020 *Terms Defined* and 16.04.020-*Definitions* of the KMC with the addition of the following:
  - A. Consolidation the action or process of combining more than one lot or unit into a single lot or unit.
  - B. Residential Density the number of dwelling units per square feet of lot area.
- **Section 3.** Developments subject to Design Review approval pursuant to KMC 17.96 *Design Review* or 17.104 *Mountain Overlay Zoning District* that have conducted a preapplication design review meeting with the Commission, as required or voluntary, must file a complete Design Review Permit application and pay all required fees within 180 calendar days of the last review meeting on the preapplication with the Commission, otherwise the preapplication review will become null and void.
- **Section 4.** There shall now be minimum residential densities for new development projects or expansions of existing buildings that exceed a total floor area ratio (FAR) of 1.0 within Subdistrict 1 and Subdistrict 2 of the CC zone district and 0.5 FAR in the T, T-3000, T-4000, and GR-H zone districts as follows:

Zone District	Minimum Residential Density Required (units/SF)					
CC Subdistricts 1 and 2	100% Residential Development 7 / 5,500					
		Mixed Use	Development			
	≤ 30%	61-80%	≥ 80%			
	Commercial	Commercial	Commercial	Commercial		
	4 / 5,500	3 / 5,500	2 / 5,500	No Minimum except when residential units are provided, there shall be a minimum of 2 units		
T	100% Residential Development 7 / 10,000					
	≤30% Commercial	31-60% Commercial	61-80% Commercial	≥ 80% Commercial		
	4 / 10,000	3 / 10,000	2 / 10,000	No Minimum except when residential units are provided, there shall be a minimum of 2 units		
T-3000		4 /	10,000			
T-4000		8 /	10,000			
GR-H	8 / 10,000					

- A. For purposes of calculating commercial area for minimum residential densities, commercial square footage shall include all permitted and conditionally permitted uses identified in KMC Section 17.12.020 *District Use Matrix* under the categories of "Commercial" or "Public and Institutional".
- B. Percent commercial shall be calculated by dividing the total commercial square footage by the Gross Floor Area for the project.
- C. Total commercial square footage shall be calculated using the total area of commercial uses on all floors in a building or portion of a building measured from the interior walls, excluding:
  - a. Common areas
  - b. Mechanical and maintenance equipment rooms
  - c. Parking areas and/or garages
  - d. Public areas

- D. Minimum densities identified in Section 4 may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.
- **Section 5.** There shall now be standards for the consolidation of lots. Additionally, there shall be a specific application type, process, and additional standards for the review and approval of the consolidation of lots as follows:
  - A. Consolidation of lots within the City shall be permitted in certain zone districts as follows:

Zone District	Consolidation of Lots
CC - Subdistricts 1 and 2	Permitted subject to additional standards
T	Permitted subject to additional standards
T-3000	Permitted subject to additional standards
T-4000	Permitted subject to additional standards
GR-H	Permitted subject to additional standards
GR-L	Permitted subject to waiver
LR, LR-1, and LR-2	Permitted subject to waiver
STO-1, STO-4, and STO-H	Permitted subject to waiver
LI, LI-2, and LI-3	Permitted subject to additional standards
RU and AF	Permitted subject to additional standards

<sup>\*</sup>Additional Standards are outlined in Subsection F. The waiver process is as outlined in KMC Section 16.04.130.

- B. The definition of "Readjustment of Lot Lines" in KMC Section 16.04.020 *Definitions*, also known as Lot Line Shifts, shall no longer include the "removal of lot lines".
- C. Consolidation of lots may only be considered pursuant to the requirements and standards of KMC Section 16.04.030 *Procedure for Subdivision Approval*.
- D. All preliminary plat applications for consolidation of lots shall only be considered when submitted concurrently with a building permit application or land use development application as applicable.
- E. The final plat for consolidation of lots shall not be signed by the City Clerk and recorded until the proposed development has received one or both of the following as applicable:
  - 1. A certificate of occupancy issued by the City of Ketchum; and
  - 2. Completion of all design review elements as approved by the Planning and Zoning Administrator.
- F. In addition to KMC Section 16.04.040, all preliminary plat applications for consolidation of lots shall comply with the following criteria:
  - 1. The preliminary plat application is in conformance with all applicable building permit and land use development approvals.
  - 2. The preliminary plat application is in conformance with all applicable Zoning Regulations contained within Title 17 Zoning Regulations.

- 3. The preliminary plat application is found to be in general conformance with the comprehensive plan in effect at the time the application was deemed complete.
- **Section 6.** No demolition permit shall be issued pursuant to Chapter 15.16 of the KMC that results in the net loss in the total number of residential units currently existing on a property as of the effective date of this ordinance. The following standards apply to all properties within the City:
  - A. Development of property, in any zone district, may not result in the net loss of dwelling units.
  - B. Total number of dwelling units shall be calculated including all listed or defined dwelling unit uses and terms in the KMC such as, but not limited to, "dwelling, one family", "dwelling, multi-family", "dwelling unit, accessory", and "work/live unit".
  - C. No demolition permit shall be issued for any structure until a building permit application for a replacement project on the property and required fees have been accepted by the City and deemed complete.
  - D. Reduction in number of residential units may be permitted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission prior to submittal of a demolition permit application.
  - E. In the event of imminent and substantial danger to the health or safety of the public due to neglect or condemnation of the building as determined by the building official or his/her designee, a building may be demolished prior to redevelopment pursuant to the requirements of KMC Section 15.16.030. Prior to demolition of the structure(s), a development agreement shall be entered into between the owner of the property and the City of Ketchum stipulating the total number of units required at the time of development of the property. Said development agreement shall be recorded against the property with the office of the Blaine County, Idaho, Clerk and Recorder.
- **Section 7.** There shall be no parking required for individual retail spaces of 5,500 square feet or less within the Community Core (CC) and Tourist (T) zoning districts.
- **Section 8.** There shall be no parking required for the first 5,500 square feet of office space of a project within the Community Core and Tourist zone districts.
- **Section 9.** New developments on properties within the Tourist zone district that include frontage along River Street from S Leadville Ave to S 2<sup>nd</sup> Ave, as shown in Exhibit A, shall be subject to the uses permitted and conditionally permitted and associated footnotes for the Community Core Mixed Use subdistrict (CC-2) as outlined in KMC 17.12.020 District Use Matrix.
- **Section 10.** Properties within the Community Core Mixed Use subdistrict (CC-2), as shown on Exhibit B, shall be subject to the following:
  - A. Ground floor residential with street frontage is not permitted.
- **Section 11.** Developments within the CC Subdistrict 1 and 2, T (Leadville to 2<sup>nd</sup> Ave fronting River Street) not exempt from Design Review are subject to the following standards:

- A. For mixed-use developments, a minimum of 55% of the gross floor area, as defined in KMC 17.08.020, of the ground floor must be commercial use(s).
- B. Community housing units are not permitted within basements.
- C. Individual residential dwelling units cannot exceed a total square footage of 3,000 square feet. Total square footage shall be calculated as the total area of residential space within a single residential unit measured from the interior walls. For residential units with multiple floors, staircases and elevators shall be included in the calculation on the first level of the residential unit only.
- D. Developments shall not provide a total number of parking spaces above the minimum parking requirements per KMC 17.125.040 Off Street Parking and Loading Calculations, unless the additional parking spaces are designated for public parking use only or for deed restricted community housing units.
- **Section 12.** Requirements outlined in Sections 10 and 11 of this ordinance may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.
- **Section 13.** All development subject to Design Review pursuant to KMC Section 17.96.010, shall meet the following additional criteria:
  - A. The design and uses of the development generally conform with the goals, policies, and objectives of the comprehensive plan.
- Section 14. This ordinance shall be in full force and effect from and after its passage and approval and shall remain in effect for a period not to exceed three hundred and sixty-five (365) days from its effective date, pursuant to Idaho Code Section 67-6524.
- Section 15. SAVINGS AND SEVERABILITY CLAUSE: It is hereby declared to be the legislative intent that the provisions and parts of this Ordinance shall be severable. If any paragraph, part, section, subsection, sentence clause or phrase of this Ordinance is for any reason held to be invalid for any reason by a Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.
- **Section 16. REPEALER CLAUSE**: All City of Ketchum Ordinances or resolutions or parts thereof which are in conflict herewith are hereby repealed.
- **Section 17**. **PUBLICATION:** This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, substantially in the form annexed hereto as Exhibit "C" shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.
- **Section 18. EFFECTIVE DATE:** This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

PASSED BY THE CITY COUNCIL and APPROVED by the MAYOR OF KETCHUM IDAHO, on this 1 day of 2022.

APPROVED:

Neil Bradshaw, Mayor

Lisa Enourato, Interim City Clerk

ATTEST:

# Interim Ordinance 1234 Exhibit A



# **Community Core Subdistricts**



1-Retail Core

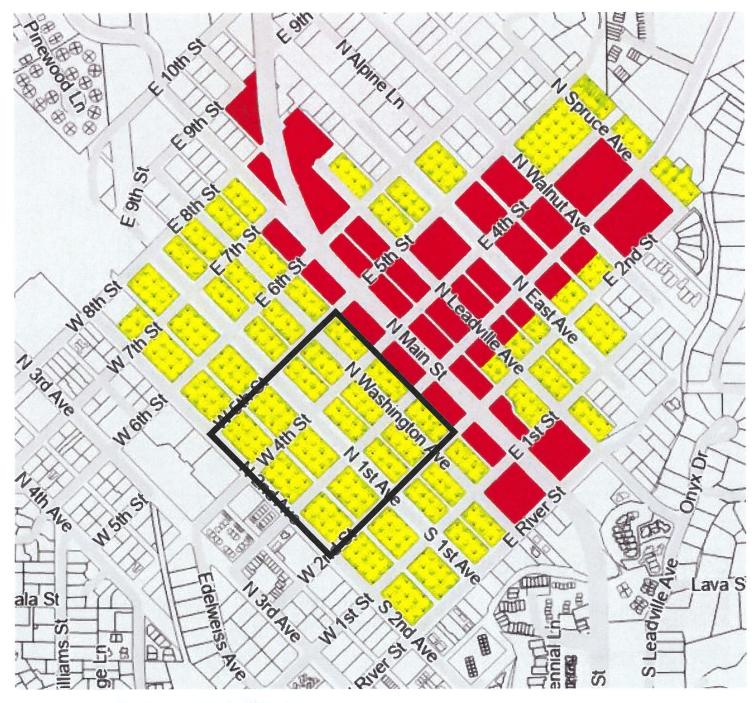


2- Mixed Use



Permitted Uses to Match Mixed Use Subdistrict

# Interim Ordinance 1234 Exhibit B



# **Community Core Subdistricts**



### **EXHIBIT C: PUBLICATION SUMMARY**

### **ORDINANCE 1234**

AN INTERIM ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, TO IMPLEMENT REVISED DEVELOPMENT STANDARDS THAT REOUIRE MINIMUM RESIDENTIAL DENSITIES IN CERTAIN ZONE DISTRICTS FOR CERTAIN PROJECTS; REGULATE THE CONSOLIDATION OF LOTS IN CERTAIN ZONE DISTRICTS; PROHIBIT THE REDUCTION OF DWELLING UNITS IN **CONJUNTION WITH** DEVELOPMENT PROJECTS; CLARIFY PARKING REQUIREMENTS FOR RETAIL AND OFFICE USES IN THE CC AND T ZONE DISTRICTS; AMEND THE USES PERMITTED IN THE CC-2 AND A PORTION OF THE T ZONE DISTRICT; ADD REQUIREMENTS FOR DEVELOPMENTS WITHIN CERTAIN ZONE DISTRICTS RELATED TO SQUARE FOOTAGE OF USES, LOCATION OF USES, AND PARKING; AND ADD DESIGN REVIEW CRITERIA FOR DEVELOPMENTS IN CERTAIN ZONE DISTRICTS; PROVIDING FOR PUBLICATION BY SUMMARY; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR AN EFFECTIVE DATE AND A SUNSET DATE.

A summary of the principal provisions of Ordinance No. 1234 of the City of Ketchum, Blaine County, Idaho, adopted on October 17, 2022, is as follows:

<b>SECTION 1.</b>	Applicability of the ordinance.				
SECTION 2.	Reference to terms defined and added.				
SECTION 3.	Requirements for submittal of final Design Review applications following preapplication meetings with Planning and Zoning Commission.				
SECTION 4.	Minimum residential densities for certain zone districts as outlined and method for calculation of minimum residential density requirements.				
SECTION 5.	Standards for consolidation of lots within the City of Ketchum.				
SECTION 6.	Restrictions for the reduction in number of residential units from redevelopment of property.				
SECTION 7.	Parking exemption for retail uses.				
SECTION 8.	Parking exemption for office uses.				
SECTION 9.	Permitted and conditionally permitted uses for certain properties along River Street in the Tourist Zone District.				

SECTION 10.	Restrictions on ground floor residential on certain properties within the Community Core.			
SECTION 11.	Development requirements in certain zone districts for square feet of commercial use(s), size of residential units, location of community housing units, parameters for exceeding minimum parking requirements.			
SECTION 12.	Allowance for a conditional use permit to waive requirements of Sections 10 and 11 of the ordinance.			
SECTION 13.	Revision to Design Review criteria to add requirement of general comprehensive plan conformance.			
SECTION 14.	Term of the ordinance.			
SECTION 15.	Provides a savings and severability clause.			
SECTION 16.	Provides a repealer clause.			
SECTION 17.	Provides for publication of this Ordinance by Summary.			
SECTION 18.	Establishes an effective date.			

The full text of this Ordinance is available at the City Clerk's Office, Ketchum City Hall, 191 5<sup>th</sup> Street West, Ketchum, Idaho 83340 and will be provided to any citizen upon personal request during normal office hours.

ATTEST:

Lisa Enourato, Interim City Clerk

APPROVED:

Neil Bradshaw, Mayor

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# Attachment B Evaluations of New Development Projects for Interim Ordinance Conformance



### THE 208 CONDOMINIUMS - 200 N LEADVILLE

### **COMPLIANCE WITH INTERIM ORDINANCE 1234**

Interim Ordinance 1234 was approved by the Ketchum City Council on October 17, 2022 and published in the paper on October 19, 2022 (the effective date). The design review and subdivision applications for "The 208 Condominiums" was received and deemed complete prior to the effective date of the ordinance and therefore the ordinance does not apply to this application. However, as this is an interim ordinance, staff is providing the analysis below for information only so the Commission can see how the ordinance would apply to projects within the Community Core. This information is not to be used in evaluating the proposed development.

- Minimum Residential Densities (Section 4): The application would be subject to the minimum density requirements as the development exceeds the base permitted FAR of 1.0:
  - The proposed development has a gross floor area of 11,663 SF with 1,395 square feet of retail commercial space. The 1,395 square feet includes all three retail units and the retail storage space on the ground floor. This equates to 12% of the development dedicated to commercial space.
  - Based on the percent of commercial space, the development would be required to provide four residential dwelling units. The development proposes four residential dwelling units and would be in conformance with this requirement
- **Consolidation of Lots (Section 5):** The applicant is not requesting a consolidation of lots therefore these requirements do not apply.
- **No Net Loss of Units (Section 6):** The subject property is currently vacant, however, there was a building
- **Parking for Retail (Section 7):** The proposed development is benefiting from the retail exemption as the square footage of each unit is less than 5,500 square feet.
- Parking for Office (Section 8): The proposed development is not benefiting from the parking exemption for office as no office is proposed within the development.
- Development Standards within the CC-2 (Section 11):
  - % of gross floor area for commercial (Section 11.a) the gross floor area of the ground floor is 4,192 square feet. 33% of the ground floor is proposed for commercial use, therefore the development would not meet this standard. To meet the standard, the applicant would need to dedicate an additional 910 square feet to commercial uses.
  - Community Housing in basement (Section 11.B) the proposed development does not propose on-site community housing, therefore this standard is not applicable.

- Size of residential units (Section 11.C) The proposed development includes one unit (Unit 4) that exceeds the 3,000 square foot maximum as it is 3,514 net square feet.
- Parking Maximums (Section 11.D) the proposed development is only providing the number of parking spaces that are required for the proposed uses, therefore this standard is met.

### Comprehensive Plan Conformance (Section 13):

 Staff provided feedback in the staff report as to the proposed uses and placement of those uses within the project. Staff believes that if the proposed project met the design review criteria and the requirements of the interim ordinance, many of the goals and objectives of the comprehensive plan would be met.



### SAWTOOTH SERENADE - 260 N 1<sup>ST</sup> AVE

### **CONFORMANCE WITH INTERIM ORDINANCE 1234**

Interim Ordinance 1234 was approved by the Ketchum City Council on October 17, 2022 and published in the paper on October 19, 2022 (the effective date). The preapplication design review application for "Sawtooth Serenade" was received and deemed complete prior to the effective date of the ordinance and therefore the ordinance does not apply to this application. However, as this is an interim ordinance, staff is providing the analysis below for information only so the Commission can see how the ordinance would apply to projects within the Community Core. This information is not to be used in evaluating the proposed development.

- Minimum Residential Densities (Section 4) NOT MET The application would be subject to the minimum density requirements as the development exceeds the base permitted FAR of 1.0:
  - The proposed development has a gross floor area of 23,942 SF and does not include any commercial space, therefore it is considered to be 100% residential.
  - The total lot area of the subject property is 16,507 SF which equates to three Ketchum townsite lots of 5,500 SF each. Based on the interim ordinance and the lot size, the project would be required to provide a minimum of 21 residential units. The proposed project has two residential units. Here is the equation for calculating minimum density:
    - (16,507 SF / 5500 SF) = 3.00 x 7 = 21
    - 7 is the number of residential units required per 5500 SF for 100% residential developments
- Consolidation of Lots (Section 5) N/A The applicant is not requesting a consolidation of lots as the lots have already been consolidated. These standards would not apply.
- No Net Loss of Units (Section 6) N/A The subject property is currently vacant, therefore there is no net loss of units with the proposed development.
- Parking for Retail (Section 7) POTENTIALLY No retail is proposed for the project. However, the interim ordinance would require ground floor commercial facing the street, for this property, which could benefit from the parking exemption.
- Parking for Office (Section 8) POTENTIALLY No office is proposed for the project.
   However, the interim ordinance would require ground floor commercial facing the street, for this property, which could benefit from the parking exemption.
- Ground floor Commercial Facing the Street (Section 10) NOT MET The interim ordinance would require commercial uses on the ground floor of the project facing the street. The proposed project includes ground floor parking, storage, and recreation space only for the residential units which is classified as "recreation facility, residential" per the district use matrix in KMC 17.12.020. The residential recreation facility is

permitted in the CC as an accessory use to the residential uses and are not considered a commercial use. The current development would not meet this requirement.

### Development Standards within the CC-2 (Section 11):

- % of gross floor area for commercial (Section 11.a) NOT MET No commercial is proposed for the project, however, the project would be required to comply with this requirement under the interim ordinance as Section 10 requires ground floor commercial facing the street. The current project would not meet this requirement.
- Community Housing in basement (Section 11.B) N/A the proposed development does not propose on-site community housing, therefore this standard is not applicable.
- Size of residential units (Section 11.C) NOT MET The proposed development includes two residential units that both exceed the 3,000 square foot maximum.
   One unit is 8,454 net square feet and the other is 8,819 net square feet. The proposed development does not meet this requirement.
- Parking Maximums (Section 11.D) NOT MET The proposed development would require 4 parking spaces and 5 parking spaces are being proposed. The development would not meet this criterion as it is providing one additional parking space than what is required.

### Comprehensive Plan Conformance (Section 13) – NOT MET

 Staff provided feedback in the staff report as to the proposed uses and placement of those uses within the project. Staff believes that if the proposed project met the design review criteria and the requirements of the interim ordinance, many of the goals and objectives of the comprehensive plan would be met.



### 4<sup>TH</sup> & MAIN MIXED-USE DEVELOPMENT COMPLIANCE WITH INTERIM ORDINANCE 1234

Interim Ordinance 1234 was approved by the Ketchum City Council on October 17, 2022 and published in the paper on October 19, 2022 (the effective date). The Pre-Application Design Review for 4<sup>th</sup> & Main Mixed-Use Development was deemed complete and reviewed by the Planning and Zoning Commission prior to the effective date of the ordinance and therefore the ordinance does not apply to this application. However, as this is an interim ordinance, staff is providing the analysis below for information only so the Commission can see how the ordinance would apply to projects within the Community Core. This analysis is provided to reference as information only and does not represent the criteria by which the development should or can be evaluated.

- Minimum Residential Densities (Section 4)—Not Met: The application would be subject to the minimum density requirements as the development exceeds the base permitted FAR of 1.0:
  - The proposed development has a gross floor area of 24,003 square feet with 1,395 square feet of retail commercial space. The 3,992 square feet includes all three retail units and the retail storage space on the ground floor. This equates to 17% of the development dedicated to commercial space.
  - Based on the percent of commercial space, the development would be required to provide eight residential dwelling units. The development proposes seven residential dwelling units and would not comply with this requirement.
- Consolidation of Lots (Section 5): The application would be subject to the specifical type, process, and additional standards for the review and approval of the consolidation of lots. The project complies with subsection D as the preliminary plat application for the lot consolidation was submitted concurrently with the design review application for the proposed development. The project would comply with subsection F as: (1) the preliminary plat application is in conformance with all applicable land use approvals, and (2) the preliminary plat application is in conformance with all applicable Zoning Regulations contained within Title 17—Zoning Regulations.
- **No Net Loss of Units (Section 6):** This standard is not applicable as the subject property is currently vacant.
- Parking for Retail (Section 7): The proposed development is benefiting from the retail exemption as the square footage of each unit is less than 5,500 square feet.
- Parking for Office (Section 8): The office-parking exemption is not applicable as no office uses are proposed within the project.
- Development Standards within the CC-2 (Section 11):
  - % of gross floor area for commercial (Section 11.a) Not Met: This project
    proposes to leave a portion of the sloping grade unexcavated resulting in a splitlevel that is the second-floor at the Main Street elevation and the ground-floor

along 4<sup>th</sup> Street. For the purposes of evaluating this standard, Staff has calculated the % gross floor area for commercial based on the Main Street level ground floor. The gross floor area of the Main Street level ground floor is 5,454 square feet. The commercial space on the Main Street level ground floor is 2,784 square feet. the gross floor area of the ground floor is 4,192 square feet. 51% of the Main Street level ground floor is proposed for commercial use, therefore the development would not meet this standard. To meet the standard, the applicant would need to dedicate an additional 216 square feet to commercial uses.

- Community Housing in basement (Section 11.B) The project would comply with this standard as the community housing units are located on the Main Street level ground floor.
- Size of residential units (Section 11.C) –Not Met: The proposed development includes two dwelling units that exceed the 3,000-square-foot maximum size for residential units. Unit 302 on the third floor is 3,485 square feet and Unit 401 on the fourth floor is 3,039 square feet.
- Parking Maximums (Section 11.D) –Not Met: 8 parking spaces are required to be provided for the residential units within the project and 9 parking spaces are provided on site.
- Comprehensive Plan Conformance (Section 13):
  - Staff believes this project meets the goals and policies of the comprehensive plan. Please see the staff report for further analysis.

### City of Ketchum Downtown Development Examples Residential Unit Mix and Sizes

Project	Floor Area	Total Number of	Unit Mix and Size of Units
	Ratio (FAR)	Residential Units	
Project 1 – Franz Building	FAR – 2.15	4 units (1 CH Unit)	3 – between 1,000-2,000 SF
100 7 <sup>th</sup> Street			1 – approx. 3,600 SF
Project 2 - Maude's	FAR – 1.74	4 units (1 CH Unit)	2 – less than 750 SF
311 N 1 <sup>st</sup> Ave			2 – greater than 2,000 SF
Project 3 - Mtn Land Design	FAR - 2.08	3 units (1 CH Unit)	1 – less than 1,000 SF
111 N Washington			1 – approx. 3,000 SF
			1 – approx. 3,700 SF
Project 4 - Lofts at 760	FAR - 2.06	3 units	2 – approx. 1900 SF
760 N Washington			1 – 3700 SF
Project 5 – Mindbender	FAR – 1.94	4 units (1 CH Unit)	2 – less than 750 SF
180 N 2 <sup>nd</sup> Ave			1 – Approx 2,400 SF
			1 – Approx 2,900 SF
Project 6 – Bohica	FAR - 1.7	3 units (1 CH Unit)	1 – less than 750 SF
131 N Washington			1 – approx. 1,800 SF
			1 – approx. 3,505 SF
Project 7 – 5 <sup>th</sup> and Main	FAR - 2.2	8 units (4 CH Units)	4 – less than 750 SF
460 N Main St			2 – approx. 2,700 SF
			2 – approx. 3,300 SF

# Attachment C 2023 Planning & Building Department Workplan



February 21, 2023

Mayor Bradshaw and City Councilors City of Ketchum Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation To Review and Provide Feedback on the Planning and Building Department Workplan and the activities of the Historic Preservation Commission in 2023

### Recommendation and Summary

Staff is recommending the council review and provide feedback on the Planning and Building Department's workplan and the proposed activities of the Historic Preservation Commission in 2023.

The reasons for the recommendation are as follows:

- The department workplan will guide the staffing priorities and workload management for the upcoming year.
- The Historic Preservation Commission has a specific set of work that falls under their roles and responsibilities that may require additional financial resources as the workplan progresses including graphic design support for the hand book and funding for additional surveying of historic properties
- City staff will evaluate grant opportunities to support any activities needing additional funding

### **Introduction and History**

The Planning and Building Department has been working with city administration to identify projects that the department will be involved in over the next few years. To focus the efforts of staff and provide transparency to the P&Z Commission, the HPC, the Council, and the public, staff has prepared a department work plan for 2023. Some projects extend into 2024 and 2025 depending on the scope of the work. Below is an overview of the initiatives/projects, and general timeframes of those projects. The focus of the discussion at the February 21, 2023 meeting with Council is the elements of the work plan specific to the Historic Preservation Commission's efforts in the coming year and any general comments the council has. Staff will prepare a separate memo and more detailed discussion on the Comprehensive Plan Audit and Land Use Regulations rewrite for a meeting in March 2023.

### Planning and Building Department - Role

The Ketchum Planning & Building (P&B) Department believes in working collaboratively with property owners, design and construction professionals and the public to ensure development is reflective of the community's values. The P&B Department assists with all aspects of development, including zoning inquiries, building permits, design review, floodplain development, sign permits, fence permits, comprehensive long-range planning and code amendments. The Planning and Building Department also provides staff support to the Historic Preservation Commission and the Ketchum Sustainability Advisory Committee.

### <u>Analysis - Department Work Plan</u>

The upcoming year's work is grouped into three main buckets:

- Administration and Communication
- Projects and Initiatives where P&B is the lead
- Projects and initiatives where P&B provides support

The work outlined below is in addition to the current planning job functions of the department which includes review of land use applications, building permits, responding to general inquiries from the public, and code enforcement.

The city has formulated a technical advisory group (TAG) of architects, developers, contractors, engineers, landscape architects, and others. This group will be advisory only but will serve as a sounding board for the projects and initiatives outlined in this work plan including but not limited to the review of revised checklists and application materials, process improvements, and draft ordinance language. Staff is currently developing informational material for the group and has begun recruitment of its members as of the date of this memorandum.

### Administration and Communication

The following administration and communication activities will be conducted:

- Jan begin monthly reporting of key data points tracked by the P&B department
- Jan/Feb Staffing and onboarding
- Jan/Feb Audit of P&B website for correction of errors and general information cleanup
- March Launch of an Active Land Use Applications portion of the website
- March Launch of quarterly P&B newsletter
- March Outreach to property owners in areas prone to flooding prior to spring runoff
- April Begin bi-annual development meetings prior to and following summer construction season
- Feb-May Development of any additional web content and FAQs
- May-Dec Ongoing monthly and quarterly communications to Commission, Council, and the public

### P&B Lead Projects

The following major projects will be led by staff of the P&B department but may include consultants hired to assist in the work. The timeframes outlined below are targets and will be updated as projects progress. Status updates will be provided on a quarterly basis:

- Historic Preservation Commission (HPC) Initiatives
  - Annual Workplan
    - Jan/Feb- Information Gathering and Development of Annual Workplan
    - February- Finalize work plan and present to City Council
  - Update of Application Form for "Alteration or Demolition of an Historic Structure"
    - February Review revised application form and checklist
    - March/April Develop application for "Designation of a New Historic Structure or Site"
  - Historic Preservation Handbook
    - March Conduct comprehensive research of regulatory and financial incentives for historic preservation
    - April/June Finalize handbook content and present to HPC for preliminary approval
    - June Transfer handbook content into graphic form (consultant)
    - July Review and approval of final handbook by the HPC
    - Aug/Sept Roll out of handbook to the community and property owners of historic structures
  - Survey of Historic Assets
    - June Review mapping of remaining historic assets and determine scope of additional surveying
    - July/August Request for Proposals (RFP) to select consultant team for surveying of additional assets
    - Fall/Winter Surveying, data gathering, and recommendation of properties (length of time depends on number of properties)
    - Winter Adoption of updated Historic Building/Site List

- Interim Ordinance 1234 Revisions
  - Jan-April evaluation of interim ordinance to identify revisions and identify other priority changes to the land use regulations
  - April-June draft of permanent ordinance
  - June-Sept review and adoption of permanent ordinance. Adoption must be complete no later than October 19, 2023.
- Land Use Regulations Rewrite includes Title 12, Title 15, Title 16, and Title 17 of the Ketchum Municipal Code
  - March Process and timeline review with Commission and City Council (draft RFP)
  - o April-June RFP publication and selection of consultant team
  - June-Nov Project scoping exercise and data gathering
  - Oct 2023-Mar 2024 Comprehensive Plan Audit and identification of amendments or clarifications
  - o January 2024 December 2025 (2 years) rewrite timeframe
- Review and adoption of new FEMA Floodplain Maps
  - Jan- draft maps released
  - Fall preliminary Flood Insurance Rate Maps (FIRMs) and Flood Information Study (FIS) released
  - o Winter 2023/2024 Public Meeting/Workshop to review draft maps and information
  - The appeal period and final adoption steps have not been scheduled at this time; however, staff believes the target effective date for the new maps is likely sometime in 2025.

### P&B Support Projects

The following projects are not led by P&B staff; however, staff supports these projects in a variety of capacities including land use analysis, mapping, policy development, permitting, regulatory guidance, and more.

- Warm Springs Preserve Master Plan
  - Feb 14th Joint work session with Commission and City Council
  - o March Adoption of Master Plan
  - o Spring/Summer/Fall completion of construction drawings and permitting
  - Spring 2024 construction start
  - P&B staff is providing feedback on the draft master plan and will work with the consultants on floodplain development permit requirements and process.
- Adoption of City's Right-of-Way Standards
  - Jan/Feb internal review of current right-of-way standards
  - Mar/Apr review and adoption of standards by City Council
  - P&B staff is preparing a policy document for review by the City Council related to snowmelt requirements/allowances in the right-of-way
- Feasibility Analysis of Development of Community Housing on City Owned Properties
  - Nov 2022-Jan 2023 RFQ for consulting services
  - Jan/Feb community engagement
  - Feb/Mar feasibility analysis and final deliverables
- Housing Action Plan Annual Update lead by the Housing Department and likely to kick off in Summer 2022
- 5B CAN (Climate Action Now) regional sustainability plan led by the Sustainability Manager for Blaine County and jointly funded by the City of Ketchum.
- Ketchum Sustainability Advisory Committee provide staff support for the analysis and annual reporting of the committee's activities
- Transportation Projects these projects are ongoing with completion dependent on funding and applicable coordination with the Idaho Transportation Department (ITD)
  - o Warm Springs and Lewis Street Roundabout

- Hwy 75/Main Street right-of-way improvements including extension of bike path north to Saddle Rd
- Evaluation of potential protected bike lanes
- o Review of the city's bicycle network
- Evaluation of the city's sidewalk infrastructure in the Community Core (downtown)
- Placemaking Projects
  - Downtown Parking Action Plan began data gathering and initial evaluation in 2022, will continue through spring 2023
  - Wayfinding and Signage Evaluation initial discussions between staff and arts commission, not formally initiated yet
  - Town Square Master Plan not initiated yet
- Urban Tree Canopy Study county wide analysis of the existing tree canopy and development of
  policies and actions to preserve and grow the canopy. P&B department staff and the City Arborist are
  primary points of contact for the City of Ketchum

### Sustainability

The city's sustainability goals may play a role in a variety of the projects noted above. City staff will review opportunities to address sustainability goals as applicable for each project and present recommendations for consideration by the HPC, Commission, or Council.

### Financial Impact

The HPC work plan may require additional funding for activities. The city's FY23 budget already accounts for graphic design support for the handbook. Additional surveying work is not specifically budgeted for FY23, however, some professional service funds budgeted for the department could be used dependent on the scope of work. Prior to execution of that portion of the workplan, staff will identify the full scope of work for the project and identify potential grant opportunities for the work. If additional funds are necessary to complete the work, additional conversations with city administration and city council will be conducted.

From: Participate
To: Heather Nicolai
Cc: Morgan Landers

**Subject:** FW: Comments regarding Interim Ordinance 1234

**Date:** Tuesday, March 7, 2023 4:45:46 PM

Importance: High

Public comment.

### LISA ENOURATO | CITY OF KETCHUM

**Public Affairs & Administrative Services Manager** 

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**From:** bob@sunvalleyrealtors.org <bob@sunvalleyrealtors.org>

**Sent:** Tuesday, March 7, 2023 4:27 PM

**To:** Brenda Moczygemba <BMoczygemba@ketchumidaho.org>; Neil Morrow <nmorrow@ketchumidaho.org>; Spencer Cordovano <SCordovano@ketchumidaho.org>; Susan Passovoy <spassovoy@ketchumidaho.org>; Tim Carter <tcarter@ketchumidaho.org>

Cc: Participate <participate@ketchumidaho.org>; Morgan Landers <MLanders@ketchumidaho.org>

Subject: Comments regarding Interim Ordinance 1234

Importance: High

### Comments regarding KPZ Agenda item 4, March 8, 2023: Interim Ordinance 1234:

First, we congratulate the City on empaneling the Technical Advisory Committee ("TAG") as it is our strong belief that good governance incudes its receipt of relevant stakeholder input in a non-public meeting environment, prior to presentation of significant policy positions to elected and appointed officials.

As a member of the Technical Advisory Committee, following its first meeting where ordinance 1234 was a topic of discussion, I would like to present the following observations with regard to Interim Ordinance 1234 (item 4 on your March 8, 2023, agenda).

### **SUMMARY:**

- 1. 50% of projects submitting applications for entitlement under the requirements of interim ordinance 1234 are not meeting the comprehensive plan's density goals nor the goals (more residential units of various types, a vibrant downtown) of interim ordinance 1234.
- 2. Interim ordinance 1234 requires commercial uses in locations that do not support such uses with potential detrimental effects on downtown vibrancy, the economy, and the goals of the ordinance.

### I. New Interim Ordinance 1234 Projects are Not Meeting Comprehensive Plan Density Goals:

The comprehensive plan states that higher density should occur downtown. Such density i) contributes to the City's tax base, ii) provides the opportunity to address affordable workforce housing development, iii) stabilizes and strengthens the economy both through money spent at local

businesses by downtown residents and the ability to offer larger scale tourist accommodation, and iv) provides the ability to centralize retail, commercial and entertainment amenities to create a vibrant downtown. A measure of the success and appropriateness of ordinance 1234 is whether financially feasible projects can be developed while meeting its requirements, which include meeting the goals of the comprehensive plan (Section 13 of the ordinance). An indication of financial feasibility is whether projects are being developed to the targeted downtown density (FAR = 2.25), or to some lesser density due to increased risk, regulation, or lack of profitability (or all of these) for the incremental project area.

**Projects Subject to Ord. 1234:** Discussion with the Planning & Building Department indicates that as of mid-February there are four projects in process that will be reviewed under the requirements of ordinance 1234. Two of the projects are in the entitlement process, and two are in the pipeline preceding entitlement. They have the following characteristics:

- 1. The two projects in the entitlement process are both 100% commercial. One is being developed at less than 1.0 FAR, and one is at a larger FAR and requires a CUP for additional parking that is supported by staff.
- 2. Of the two projects in the pre-entitlement process pipeline, one is 100% residential and being developed at less than 1.0 FAR, and one is mixed use at over 1.0 FAR and requesting a CUP for a larger than 3,000 SF penthouse. Staff has indicated support for the CUP since the project exceeds the minimum unit density requirement.

**Average FAR of Recent Development:** In the staff report are examples of recently approved developments downtown (3 detailed descriptions without stated FAR data, and 7 in a table with FARs shown). The average FAR for the 7 projects shown in the table is 1.98, the lowest FAR is 1.7, and if only the ground-up newly constructed projects are considered (5 of them – 2 projects are adaptive re-use of existing buildings) the average FAR is 2.09. This data clearly supports the fact that developers would prefer to build higher density downtown if feasible. Subject to the possibility of there being other reasons that are unavailable to the public at this time, the fact that 2 of 4 projects expected to submit for approval under ordinance 1234 are planned at densities less than 1.0 FAR and less than 50% of the average FAR of recent new build projects, should be cause for very serious concern for the reasons mentioned in the first paragraph of this section.

### PROPOSED ACTION STEP:

### **KPZ should:**

- 1. Obtain the latest update from staff regarding projects in application and in the preapplication pipeline to determine if there are any additional examples that would inform its deliberation of this issue.
- 2. Ensure that it completely understands the reason(s) why 50% of new projects submitting applications under interim ordinance 1234 are being developed at less than 1.0 FAR in light of the fact that the 10 projects staff presented as recent development examples **ALL SIGNIFICANTLY EXCEED 1.0 FAR,** by over 100% on average for the new build projects shown.
- Decide whether the under-development of scarce downtown land can be tolerated in light of the goals of both the comprehensive plan and ordinance 1234, and our pressing need for workforce housing.

# II. Interim ordinance 1234 Requires Financially Infeasible Uses (Sections 11 A. and C. of Ordinance 1234):

In the TAG meeting, two TAG members from the development community stated, and we agree, that requiring commercial ground floor uses in areas away from the retail core that are not well located to create demand for such uses can result in the following actions and negative consequences:

- 1. Developers build the ill-located commercial space in compliance with ordinance 1234 so that more luxury residential space can be constructed, despite knowing that it will not demand a sufficiently high rental rate to provide a return on its construction cost.
  - a. **Consequences:** The loss created by constructing undesirable but code required commercial space must be subsidized from the profit derived from the project's luxury real estate. As a result:
    - i. Residential unit prices increase in order to cover the subsidy.
    - ii. More CUP requests are required to produce more in demand larger residential units (over 3,000 SF) to reduce the overall risk of the project.
    - iii. There is less variation in residential unit sizes
- 2. Developers choose not to build above 1.0 FAR to avoid the ordinance 1234 requirements that impact its design.

### a. Consequences:

- i. The City loses the long term (for decades) benefit of the increased tax base that results from larger buildings in the core that would have been developed to meet the desired 2.25 FAR density
- ii. The economy suffers the long term (decades) negative impact of there being fewer occupants (residential or commercial) in these smaller buildings, resulting in lower spending in Ketchum to the detriment of local business owners
- iii. The comprehensive plan goal and desire that higher density to serve the community should be located downtown is not met.
- 3. Developers choose not to build at all due to the inability to produce product that meets market demands, and/or the risk of complying with ordinance 1234's requirements does not justify the investment.
  - i. Consequences: See 2. above.

**PROPOSED ACTION STEP:** Review the commercial space requirements of interim ordinance 1234, especially for ground floor areas, to ensure that:

- 1. The stipulated locations will support ground floor commercial or retail uses without the need for subsidized rent (consider this requirement only for CC-1?)
- 2. The requirements of ordinance 1234 do not result in dispersing retail and commercial uses farther from the retail core, thereby negatively impacting vibrancy in the downtown core.
- 3. The percentage of commercial space required does not impact the financial feasibility of the overall project regardless of location, resulting in either too many projects being constructed at less than 1.0 FAR, and/or too many CUP requests to change other requirements of ordinance 1234 so that projects are able to subsidize the required

commercial space, with the potential result that the end product is less likely to meet community goals.

Thank you in advance for your time. Please feel free to call with any questions.

Bob Crosby Government Affairs Director Sun Valley Board of REALTORS 208-721-8353