

CITY OF KETCHUM, IDAHO

PLANNING AND ZONING COMMISSION Tuesday, August 22, 2023, 4:30 PM 191 5th Street West, Ketchum, Idaho 83340

AGENDA

PUBLIC PARTICIPATION INFORMATION

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You will find this option on our website at www.ketchumidaho.org/meetings.

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

- Join us via Zoom (please mute your device until called upon).
 Join the Webinar: https://ketchumidaho-org.zoom.us/j/81431507354
 Webinar ID: 814 3150 7354
- 2. Address the Commission in person at City Hall.
- 3. Submit your comments in writing at participate@ketchumidaho.org (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 August 8, 2023 minutes

PUBLIC HEARING:

2. ACTION ITEM: Recommendation to review and provide feedback on Ordinance 1249 (Second review)

NEW BUSINESS:

ADJOURNMENT:



CITY OF KETCHUM MEETING MINUTES OF THE PLANING AND ZONING COMISSION

Tuesday, August 8, 2023

Audio issues until 4:02 in video

CALL TO ORDER: (00:00:19 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
Paige Nied —Associate Planner
Adam Crutcher—Associate Planner
Heather Nicolai—Planning Technician & Office Administrator

COMMUNICATIONS FROM COMMISSIONERS: (00:00:45 in video)

None

CONSENT AGENDA: (00:00:50 in video)

- 1. ACTION ITEM: Approval of the July 11, 2023 minutes
- 2. ACTION ITEM: Recommendation to review and approve the Findings of Fact, Conclusions of Law, and Decision for the 219 Hillside Drive Mountain Overlay Design Review application File No P22-046
- 3. ACTION ITEM: Recommendation to review and approve the Findings of Fact, Conclusions of Law, and Decision for the 219 Hillside Drive Conditional Use Permit application File No P22-046A
- 4. ACTION ITEM: Recommendation to review and approve the Findings of Fact,

Conclusions of Law, and Decision for the 406 Sage Road Mountain Overlay Design Review application File No P23-009

- ACTION ITEM: Recommendation to review and approve the Findings of Fact, Conclusions of Law, and Decision for the 406 Sage Road Conditional Use Permit application File No P23-009A
- 6. ACTION ITEM: Recommendation to review and approve the Findings of Fact, Conclusions of Law, and Decision for the 400 East Ave Conditional Use Permit application File No P22-069

Motion to approve Consent Agenda. (00:01:41 in video)

MOVER: Brenda Moczygemba **SECONDER:** Spencer Cordovano

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

Moczygemba

NAYS:

RESULT: ADOPED UNANIMOUSLY

PUBLIC HEARING: (00:01:54 in video)

- 7. ACTION ITEM: Recommendation to review and provide feedback on Ordinance 1249 (First review)
- Staff Presentation: Abby Rivin Senior Planner & Morgan Landers Director of Planning & Building (00:02:00 in video)
- Audio issues resolved (00:04:02 in video)
- Commission Questions/Comments for Staff (00:29:20 in video)

Public Comment: (00:51:05 in video) 521

- Jennifer Montgomery (00:51:10 in video)
- Mike Carr (00:56:53 in video)
- Jack Bariteau (01:03:25 in video)
- Thia Konig (01:13:23 in video)
- Bob Crosby (01:22:50 in video)
- Commissioner comments (01:34:45 in video)
- Brian Barsotti (01:37:37 in video)
- Commissioner comments (01:44:00 in video)
- John Sofro? (01:48:02 in video)
- Thia Konig (01:52:18 in video)
- Commissioner comments (01:54:20 in video)

Public Comment Closed: (01:56:13 in video)

• Staff Response to public comment and commission questions. Commission comments & direction to Staff (01:0:56:20 in video)

NEW BUSINESS: (02:54:45 in video)

General Announcements from Staff of upcoming meetings and department highlights. (02:54:45 in video)

ADJOURNMENT:

Motion to adjourn at 7:27 pm (02:56:10 in video)

MOVER: Neil Morrow

SECONDER: Spencer Cordovano

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

RESULT: ADOPED UNANIMOUSLY

Neil Morrow – P & Z Commissioner

Morgan Landers – Director of Planning & Building



STAFF REPORT KETCHUM PLANNING AND ZONING COMMISSION MEETING OF AUGUST 22, 2023 ORDINANCE 1249: HOUSEKEEPING CODE AMENDMENTS

EXECUTIVE SUMMARY

This review of draft Ordinance 1249 is a continuation of the August 8 public hearing where the Planning and Zoning Commission (the "Commission") reviewed staff's proposed changes to the Interim Ordinance 1234 ("interim ordinance") standards. The focus of this second review session will be on the housekeeping code amendment additions included in draft Ordinance 1249.

During the January 10, 2023 meeting of 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. During their March 8, 2023 meeting, staff identified, and the Commission discussed, zoning code technical corrections, text clarifications, and amendments to address in the short-term through permanent Ordinance 1249 while the city's land use regulations are rewritten over the next three years. The Commission reviewed and finalized the list of code amendment additions during their meeting on April 11, 2023.

Draft Ordinance 1249 includes housekeeping code amendments that improve processes to reduce uncertainty, clarify code requirements to decrease inconsistencies, and reduce regulatory barriers for accessory dwelling unit development.

Process Improvements

- Clarify certificate requirements for subdivision plats
- Streamline process for condominium, townhouse, and phased development final plats
- Add requirements for dormant and denied applications
- Clarify Administrative Design Review and Design Review exemptions
- Amend Preapplication Design Review submittal materials

Code Clarifications

- Clarify setback requirements for lots with platted building envelopes
- Clarify dimensional standards in the Community Core
- Clarify "building" vs. "structure" and what is permitted within setbacks
- Clarify standards for accessory buildings
- Add requirements for retaining walls
- Fix errors in rear setback requirements
- Clarify standards for below-grade encroachments
- Correct error in street frontage calculations for driveway widths
- Clarify parking exemptions for various uses

Promoting ADUs: Clarify parking exemption, storage requirements, and building coverage flexibility.

ANALYSIS

The following analysis provides a brief overview of each of the housekeeping code amendments, explains the purpose of each change, and provides the section(s) each change can be found in Ordinance 1249.

Process Improvements

Pre-Application Design Review

Currently, the application materials for Pre-Application and Final Design Review are the exact same. Pursuant to Ketchum Municipal Code §17.96.010.C, "The purpose of preapplication review is to allow the Commission to exchange ideas and give direction to the applicant on the 'design concept,' keeping in mind the purpose of this chapter and the application of the evaluation standards." Staff recommends the pre-application materials should be schematic design drawings to provide enough detail for meaning feedback and identification of code compliance issues while still allowing for substantive changes to be made to the project plans. During their meeting on May 23, 2023, the Commission reviewed and provided feedback on staff's proposed changes to the pre-application submittal materials.

Section 17 of draft Ordinance 1249 specifies the staff's proposed list of pre-application submittal materials, which include a project narrative, conceptual site plan, conceptual elevations and floor plans, conceptual materials and color palette, and a minimum of two perspectives—one from street view and one from bird's eye view—showing the massing of the proposed project within the context of the surrounding neighborhood.

Denied Application

Ketchum Municipal Code §17.116.070 states that, "No application for a conditional use permit which has been denied by the Commission or the council shall be resubmitted in either the same or substantially the same form in less than one year from the date of final action." While addressed for conditional use permits, Ketchum Municipal Code does not include a clause for previously denied projects for other types of land use applications.

Section 12 of draft Ordinance 1249 adds a procedure for previously denied projects to all land use and development applications. Standards for previously denied applications have been added to Ketchum Municipal Code §17.04.030 outlining the process for applicants who wish to resubmit the same plan for approval.

Dormant Applications

Section 12 of draft Ordinance 1249 includes the addition of a dormant application clause. Applicants must submit additional or revised materials within 3 months after the date City Department comments have been issued or else the application will be considered withdrawn. The Administrator may extend the 3 month period if requested by the applicant prior to expiration.

Subdivision Process Improvements

Subdivision process improvements included in draft Ordinance 1249 include amending the certificate requirements for final plats to align with Idaho State Code (Section 8) and streamlining the process for

condominium, townhouse, and phased development final plats (Sections 9, 10, and 11) to allow for final plats to be filed prior to certificates of occupancy for a development. This removes administrative barriers at the county level and ensures that all properties are accurately documented and taxed.

Code Clarifications

Community Core Dimensional Standards

During their meeting on May 9, the Commission provided feedback to staff on the interpretation and application of dimensional standards for rooftop features in the Community Core. Proposed clarifications to Community Core dimensional standards include:

- Clarifying the setback requirements for rooftop solar panels (Section 16),
- Clarifying the side façade setback measurement included in the calculation for maximum building (Section 13), and
- Clarifying dimensional standards for rooftop non-habitable structures and deck amenities (Section 16).

Parking

Section 22 of draft Ordinance 1249 clarifies that tandem parking configurations are permitted and specifies the common and public areas that are exempt from the gross floor area calculation for the purpose of calculating commercial parking demand specified in Footnote 1 of Ketchum Municipal Code §17.125.040.B.

Driveway Widths

Currently, Ketchum Municipal Code provides inconsistent standards for driveway widths—the street standards in Title 12 state that driveways must be 12 to 30 feet wide, the zoning regulations in Title 17 require that driveway widths not exceed 35% of the street frontage, and fire code requires driveways be a minimum of 20 feet wide. Section 22 of draft Ordinance 1249 resolves these inconsistencies and clarifies the standards for driveway widths.

Open Space

Developments in the General Residential—High Density and Tourist Zoning Districts are required to provide a minimum of 35% open space. Currently, Ketchum Municipal Code does not specify what qualifies as open space to meet this requirement. Staff proposes adding a definition for open space in section 13 of draft Ordinance 1249 to clarify this requirement.

Net Livable Floor Area

Net livable floor area is referenced multiple times in the zoning code, including the calculation for community housing and the size standard for accessory dwelling units size, but is currently not defined. Staff proposes adding a definition for net livable floor area in section 13 of draft Ordinance 1249.

Rear Setback Error

Section 15 of draft Ordinance 1249 fixes an error in the rear setback requirement in certain zoning districts.

Below-Grade Encroachments

This housekeeping code amendment clarifies the types of below-grade encroachments that are subject to the standards specified in Ketchum Municipal Code §17.128.020.K to reflect Zoning Code

Interpretation 21-004, which states that, "The Commission finds that below-grade footings and foundations may encroach into required setbacks so long as these structural elements are entirely underground."

Accessory Buildings

Section 20 amends the standards for accessory buildings to specify location and setback requirements. In addition, staff has proposed adding the following standard to ensure the accessory buildings are subordinate and incidental to the principal use on the site:

Total building coverage of all accessory buildings shall not exceed the building coverage of the principal building. An exception to this standard may be granted by the Administrator.

Retaining Walls

Section 20 of draft Ordinance 1249 clarifies regulations for retaining walls and adds standards for location, height measurement, and terracing.

Removing Regulatory Barriers to Accessory Dwelling Unit (ADU) Construction

Building Coverage Bonus

Ketchum Municipal Code §17.124.070.C provides for a 5% building coverage bonus for the development of a new ADU, however, the code is unclear regarding what types of projects qualify for this bonus. Section 20 of draft Ordinance 1249 clarifies that the building coverage bonus may be granted to the ADU additions on developed properties with an existing single-family home.

Storage

Pursuant to Ketchum Municipal Code §17.125.070.E, "Designated storage shall be provided for all accessory dwelling units." Currently, the zoning code does not specify the types or sizes of storage areas that satisfy this requirement. Sections 20 amends Ketchum Municipal Code §17.125.070.E to require a minimum of 50 square feet of storage space be designated for ADUs.

Parking Exemption

The development standards for ADUs are silent on parking requirements. In addition, the off-street parking requirements specified in Ketchum Municipal Code §17.125.040.B do not address ADUs. Section 20 of draft Ordinance 1249 clarifies that ADUs are exempt from providing parking.

Design Review Exemption

Ketchum Municipal Code §17.125.070 references a procedure for ADU Design Review, however, ADUs are exempt from Design Review pursuant to Ketchum Municipal Code §17.96.010. Section 20 of draft Ordinance 1249 resolves the discrepancy and clarifies that ADUs are exempt from Design Review.

FEEDBACK

The Commission provided the following feedback during their review of revised interim ordinance standards during their first public hearing on draft Ordinance 1249 on August 8:

- Staff recommended decreasing the amount of commercial required on the ground floor of mixed-use developments from 55% to 40%. The Commission recommended further reducing the amount of commercial required on the ground floor of mixed-use developments to 35%.
- Draft Ordinance 1249 applied the 40% commercial on the ground floor requirement to mixeduse developments throughout the Retail Core (CC-1 Zone), Mixed-Use Subdistrict (CC-2 Zone), and properties with frontage along River Street between Leadville Avenue and Second Avenue

within the Tourist (T) Zone. The Commission recommended requiring the reduced 35% commercial on the ground floor requirement to mixed-use developments only within Retail Core and the portion of the Mixed-Use Subdistrict where ground-floor commercial with street frontage is required for properties located from the alley west of Main Street to 2^{nd} Avenue between 2^{nd} and 5^{th} Streets.

- The Commission recommended adding an incentive for restaurants. Staff recommends this incentive be reducing the minimum residential requirement by one dwelling unit for new developments proposing restaurants that include a commercial hood and grease trap.
- The Commission considered the minimum residential density requirements for developments outside of the Community Core and recommended reducing the minimum density requirements within the General-Residential High Density (GR-H) and Tourist-4000 (T-4000) Zoning Districts. The interim ordinance requires that developments exceeding 1.0 FAR in the GR-H and T-4000 Zoning Districts provide a minimum of 8 dwelling units per 10,000 square feet of lot area. Staff reviewed a sample of constructed projects in the GR-H and T-4000 Zones representing a variety of densities as well as the Future Land Use Map designations in the 2014 Comprehensive Plan. Staff recommends reducing the minimum residential density required in the GR-H and T-4000 Zones to 6 units per 10,000 square feet of lot area.

In addition the feedback provided by the Commission during their August 8 meeting, Planning staff has received the following comments on draft Ordinance 1249:

- Further clarify the building coverage bonus provided for the development of a new ADU.
- Clarify the Design Review exemption for projects not requiring a building permit to specify that the exemption applies to detached accessory structures or buildings that do not require a building permit.
- Further clarify standards for acceptable storage space designated for ADUs.
- Revise the retaining wall height standard to add a provision allowing a handrail or guardrail to
 extend above the maximum height limitation provided the handrail or guardrail is at least 75%
 transparent.
- Rendering should not be required for Pre-Application.
- Fix minor formatting and clerical errors.

RECOMMENDATION

Staff recommends the Commission recommend approval of Ordinance 1249 to City Council incorporating changes that address the feedback listed above.

ATTACHMENTS

A. Redline: Draft Ordinance 1249
B. Clean: Draft Ordinance 1249

C. August 8, 2023 Staff Report on Draft Ordinance 1249 & Attachments

Attachment A

Redline: Draft Ordinance 1249

Please Click Following Link:

Redline: Draft Ordinance 1249

Attachment B

Clean: Draft Ordinance 1249

Please Click Following Link:

Clean: Draft Ordinance 1249

Attachment C August 8, 2023 Staff Report:

Draft Ordinance 1249

Please Click Following Link:

August 8, 2023 Staff Report on Draft Ordinance 1249 & Attachments

Niel -

Following up on our conversation and re-reading the EPS report <u>Feasibility and Commercial Demand Model Sensitivity</u>, I find the EPS report doesn't honor (1) soft costs of construction (ex. interest expense, architectural fees, City permits, government and supplier delay allowances) and (2) realistic core land values (ex. the last four sales significant parcels sold for 140% higher prices than the report uses).

When these soft costs and realistic land and hard building costs are dumped onto smaller living units, those units become unaffordable to the very market that the City wants to cater to.

Said another way, the City thru its ordinance, may stop its development by putting collars and cuffs developers and landowners such that new construction halts. The developer can't build what the customer wants or perversely can't afford. Smaller units are too expensive for the working class and not wanted by the Ketchum emerging clientele.

Developers will always try to find out what the market wants/needs and then try to deliver that. This ordinance is trying to do the opposite. It tries to dictate what product needs to be built, regardless of actual market demands.

Affordable housing is a complicated issue that needs to be addressed, but I don't believe this ordinance is the best approach: it's a knee jerk reaction to a long-term problem. Those who think that the affordable housing issue in Ketchum will be resolved by nibbling around the edges of impatient developers and landowners are fooling themselves. An ordinance that tries to dictate affordable housing in Ketchum will not solve the issue. It will only delay the market forces of demand. To me, affordable housing is being resolved by the multiple initiatives happening in the southern parts of the county and a possible redevelopment of Ketchum's favorite "blight": the abandoned lumber yard. Embrace and support those.

Finally, the City should lead a conversation into a new City vision where (1) developments are supported which satisfy the emerging consumer's demand for better services, retail, restaurant options and legacy housing and (2) further engage in comprehensive efforts to support and promote affordable housing in southern Blaine County and the lumberyard. Sun Valley <u>almost</u> had it right but forgot to tell its citizens: workforce housing in Hailey deed restricted and dedicated to Sun Valley's working class.

Chip Fisher