



City of Ketchum

September 28th, 2020

Ketchum Planning and Zoning Commission

Recommendation to:

(1) Hold a joint public hearing and receive public testimony on the following applications. The design review hearing will be opened and then tabled which will be set at later date subject to notice.

- | | |
|---|------------------|
| • Application for Floodplain Development Permit | File No. P19-062 |
| • Application for Lot Line Adjustment | File No. P19-064 |
| • Application for Planned Unit Development Conditional Use Permit | File No. P19-063 |
| • Design Review | File No. P20-015 |
| • Application for Waiver | File No. P20-069 |
| • Permit Conditions Acceptance Agreement | |

Background Information Summary

As a result of a noticing error, on April 6, 2020, the City Council adopted and entered in all of the above referenced File No. proceedings except for File No. P20-069 the following orders:

- *Vacating Findings of Fact, Conclusions of Law, and Decision of the City Council And Remanding the Application to the Planning and Zoning Commission for Further Proceedings an order vacating the Findings of Fact/Conclusions of Law and Decision of the City Council and remanded the project applications back to the Planning and Zoning Commission for further proceedings and hearings. (the "Orders")*

In Compliance with the Orders the Planning and Zoning Commission will conduct concurrent hearings on the applications listed below. The project as proposed is consistent with the plans and information presented at the January 21, 2020 City Council hearing.

It is recommended to the Planning and Zoning Commission as is a part of this staff report, that the Commission entertain and approve by separate motion for File Nos. 19-062, and for File No. 19-064, and for File No. 19-063 and for File No. 20-019 and In the Matter of the Permit Conditions Acceptance Agreement (the "Proceedings") : To include in each separate Proceeding the entire record of for the Proceeding previously made including oral testimony made before the Planning and Zoning Commission and the City Council inclusive of the Order entered on April 6, 2020.

The concurrent applications under review by the Planning and Zoning Commission consist of:

1. P19-064 - Readjustment of Lot Lines (Lot Line Shift) Preliminary Plat
 - An application to combine the three (3) parcels addressed 260 E. River, 280 E. River, and 251 S. Main into one (1) parcel.
2. P19-062 - Floodplain Development/Waterways Design Review

- An application to evaluate the proposal with respect to floodplain and waterways standards because the parcel is adjacent to Trail Creek and contains both Riparian Zone and Special Flood Hazard Area.
3. P19-063 - Planned Unit Development (PUD) / Conditional Use Permit (CUP)
 - A Conditional Use Permit for a Planned Unit Development for the hotel project. The Ketchum Zoning Code, Title 17, requires all Planned Unit Developments regulated by Ketchum Municipal Code, Title 16, to also be evaluated under the zoning code's Conditional Use Permit standards.
 - Ketchum Municipal Code allows hotel projects, meeting the zoning code's definition of "hotel" to be evaluated as a Planned Unit Development.
 - The Planned Unit Development application and process allows a developer to request waivers from municipal code standards consistent with KMC 16.04.120, 16.08.080 and 17.124.050.
 4. P20-069- Application for a waiver from the Planned Unit Development standards
 - Consistent with KMC 16.08.070, waivers are requested to modify the minimum lot size, setbacks (front and side yards), height and floor area ratio (FAR) limitations.
 5. P-20-015-Application for Design Review
 - A Design Review application for the design of the hotel.
 6. Permit Conditions Acceptance Agreement (Development Agreement)
 - An application to memorialize terms of agreement related to installation of infrastructure, timing of the development, and so forth.

Prior Actions and Record of Proceedings:

On July 29th, 2019 the Ketchum Planning and Zoning Commission held its first public hearings regarding the concurrent land use applications for a new Marriott hotel, proposed by PEG Ketchum Hotel, LLC, for a 1.08 acre site, consisting of three parcels, located at the southwest corner of State Highway 75 and River Street (260/280 E. River and 251 S. Main Street). The Commission held a second hearing July 30th, 2019.

The Commission recommended approval of the Lot Line Shift, Floodplain Development/Waterways Design Review, PUD-CUP applications during the July 30th meeting and motioned to advance the Pre-Application Design Review application to full Design Review. The Commission continued the hearing on the proposed Development Agreement to their August 12th, 2019 meeting and recommended approval to Council during that meeting.

After taking public comment on the proposal on September 16th, 2019 (but not reviewing or deliberating on the project) Ketchum City Council held its first public hearings on the concurrent applications on October 7th, 2019 and held subsequent hearings on December 2nd, 2019 and January 21st, 2020. Council took action to adopt Findings of Fact, Conclusions of Law, and Decisions related to the PUD-CUP, Lot Line Shift, and Floodplain Development application on February 3rd, 2020. The Council then rescinded (vacated) these Findings on April 6th, 2020 and entered the Orders remanding all applications except for File No. P20-069 back to the Planning and Zoning Commission. Application for Waiver File No. P20-069 was filed by the Applicant subsequent to the entry of the Orders and consists of waiver for:

- (1) Minimum lot size for PUDs from 3 acres to approximately 1.05 acres.
- (2) Side yard setbacks from 32 feet to 18 feet 5 inches on the highway/east side, and from 24 feet to 11 feet 8 inches on the interior/west side.
- (3) Floor area ratio (FAR) from 0.5 to 1.57.
- (4) Building height from 35 feet to 72 feet (72 feet is the maximum height from finished grade if measured from the lower sloped portion of the site; 48 feet is the height from grade at River Street).
- (5) Number of floors from 4 floors to 6 floors (6 floors is number of floors if counted from the lower sloped portion of the site; 4 floors is the number of floors above grade at River Street).

The applicant team responded to Council and community input during the Proceedings and revised the physical form of the building (square footage, location on site, bulk, scale, mass, and so forth) over the course of these meetings. These changes to the form of the building and its relation to the site impacted the waiver requests associated with the PUD-CUP application.

Table 1. compares the initial proposal heard by the Planning and Zoning Commission on July 29th, 2019 and the final proposal, as conditioned for approval, by City Council on January 21, 2020.

Table 1. Project Evolution

Proposed Project Characteristic	First review by P&Z July 29, 2019	Final review by Council January 21, 2020
Total gross square feet	139,295	Approximately 130,000
Floor Area Ratio	1.9	1.57
Open site area	20,699 square feet	21,362 square feet
Building height, total	72'	72'
Building height, measured from River St.	58'	48'
Rear (South/Trail Creek) Setback, Minimum	25'	>35'
Front (North/River Street), Minimum	5'	15'
Side-East (Highway), Minimum	25'	20'
Side-West (Interior lot line), Minimum	5'	12'
Employee housing beds on site	30 beds 12 suites (mix of 1BR and 2 BR) 2 dorm-bunk rooms (8 beds per room)	23 beds one (1) 4BR unit w/ 7 beds two (2) 2BR units 12 studios
Number of hotel rooms	100	92

After Council's approval of all applications, except for the Development Agreement, the applicant team proceeded to submit a Design Review application to the Planning and Zoning Commission. The Commission approved the Design Review application on March 9th, 2020. However, no information related to the Design Review application is included or referenced with this staff report as the need for re-hearing of the PUD-CUP and related applications makes the Design Review application null and void.

Public comment since February 3, 2020

At the time of publication of this staff report 22 written public comments have been received since Council's last action related to the project on February 3, 2020 (which was adoption of Findings of Facts, Conclusions of Law, and Decisions for all applications except for the Development Agreement; all Findings previously adopted by the Commission and Council were rescinded on April 6th, 2020). Comments can be found at:

<https://www.ketchumidaho.org/citycouncil/page/public-comment-development-agreement-232020-through-present>

All written public comment submitted for the prior hearings held by the Commission and Council are included in the Exhibit list (see Exhibits A, B, and C).

All new written public comments received are being included in the public record.

Analysis

To rectify a public noticing commission, all applications have been re-noticed for a new public hearing before the Planning and Zoning Commission for the Monday, September 28th, 2020 special meeting.

The applicant proposes no change to the project as previously reviewed by City Council on January 21, 2020.

There are two minor procedural changes, however:

- The Planned Unit Development – Conditional Use Permit applications have been consolidated into the Planned Unit Development application (P19-063) and the former Conditional Use Permit application (P19-066) was withdrawn by the application. All Conditional Use Permit criteria are still applicable, but are being evaluated within the scope of the Planned Unit Development application.
- A formal Application for Waiver (P20-069) has been submitted to accompany the Planned Unit Development application.

Because there have been no changes to the project proposed by the applicant, all prior staff reports and plan submittal sets from the applicant are included as Exhibits for the Commission's review. For ease of reference, the plan set reviewed by Council during their last hearing, dated January 21, 2020, has been extracted and is included as a separate Exhibit. All Exhibits are listed at the end of this staff report.

Because there have been no changes to the project, and because the general physical condition of the neighborhood has not changed significantly since Council's last review of the project on January 21, 2020, staff's analysis of the project contained in the prior staff reports has not changed.

Public Hearing Process

The applications before the Commission are to be reviewed during the new public hearing proceedings. The Commission should follow the same procedure for all new public hearings: consider each application submitted by the applicant team, consider public comment, and deliberate on the merits of the project as they relate to specific standards of evaluation of the municipal code.

Commission Options

The Commission may:

1. Move to continue the hearing on any/all of the applications to a date certain, or
2. Move to continue the hearing on any/all applications to a date certain and direct the applicant to prepare and submit supplemental information and exhibits, or
3. Move to recommend approval to City Council, with conditions or modifications, or any/all of the applications, or
4. Move to recommend denial to City Council of any/all of the applications.

Note: The Commission should table the Design Review application and the Permit Conditions Acceptance Agreement application as these applications can not be acted upon until Council makes a decision on the Planned Unit Development application.

If the Commission recommends approval of any/all applications the Commission should also make a motion to direct staff to prepare Findings of Fact, Conclusions of Law, and Decisions on said applications.

Exhibits

- A. Written public comment received after February 3rd, 2020 to present [Link](#)
- B. All written public comment received July 15th, 2019 to September 11th, 2019 [Link](#)
- C. All written public comment received for Council hearings through February 3rd, 2020 [Link](#)
- D. Planning and Zoning Commission staff report and attachments, March 9th, 2020 [Link](#)
- E. Applicant's plan set prepared for the March 9th, 2020 Planning and Zoning Commission meeting [Link](#)

- F. Planning and Zoning Commission staff reports and attachments, February 24th, 2020 [Link](#)
- G. Applicant's plan prepared for the February 24th, 2020 Planning and Zoning Commission meeting [Link](#)
- H. Applicant's *Design Update* plan set, dated January 21, 2020, presented during the January 21st, 2020 City Council meeting [Link](#)
- I. City Council staff report and attachments, part 1, January 21st, 2020 meeting [Link](#)
- J. City Council staff report and attachments, part 2, January 21st, 2020 meeting [Link](#)
- K. City Council staff report and attachments, December 2nd, 2019 meeting [Link](#)
- L. City Council staff report and attachments, October 7th, 2019 meeting [Link](#)
- M. Planning and Zoning Commission staff report and attachments, August 12th, 2019 meeting [Link](#)
- N. Planning and Zoning Commission staff report and attachments, for July 29th and July 30th 2019 meetings [Link](#)
- O. Application for Waiver P20-069 [Link](#)