

# **City of Ketchum** Planning & Building

IN RE: Cherp Work/Live Conditional Use Permit Date: July 13, 2020 File Number: 20-033	) ) ) KETCHUM PLANNING AND ZONING COMMISSION ) FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ) DECISION ) )
PROJECT:	Cherp Work/Live Conditional Use Permit
FILE NUMBER:	P20-033
APPLICANT:	Mia L. Cherp
REQUEST:	Conditional Use Permit (CUP) for a work/live unit
LOCATION:	270 Northwood Way #201 (Redfish Industrial Condo Unit 201 .09)
ZONING:	Light Industrial District No. 2 (LI-2)
OVERLAY:	58' Height Overlay
NOTICE:	Notice was published in the legal section of the Idaho Mountain Express on May 20, 2020 and was mailed to properties within 300' and political subdivisions and was posted on the city website and on the premises on May 22, 2020.
ATTACHMENTS:	A. Floorplan

## FINDINGS OF FACT

- 1. On June 8, 2020, the Planning and Zoning Commission considered a Conditional Use Permit (CUP) application for the proposed work/live unit and voted to approve the CUP.
- 2. The subject property is located in the Light Industrial District No. 2 (LI-2) zoning district.
- 3. Residential dwelling units, which include work/live units, require a Conditional Use Permit in the LI-2 zoning district.
- 4. This work/live unit is located on the second floor of the Redfish Light Industrial Condominium building and consists of 579 square feet of residential dwelling use and 754 square feet of commercial craft/cottage industry space. The 579 square foot dwelling area is classified as the 'live' component and the craft/cottage industry space floor is classified as the 'work' component; see attached floor plans for reference.

#### Land Use Category: Mixed-Use Industrial

### **PRIMARY USES**

*Light manufacturing, wholesale, services, automotive, workshops, studios, research, storage, construction supply, distribution and offices make up the bulk of development within this district.* 

#### SECONDARY USES

A limited range of residential housing types, and supporting retail are provided for within this category. Uses should generate little traffic from tourists and the general public.

#### CHARACTERISTICS AND LOCATION

The Mixed-Use Industrial category is intended to provide critical lands for Ketchum's economic growth and entrepreneurial opportunity within a vibrant business district where people can work and live in the same area.

A work/live unit with a cottage industry producing locally made products being the work component meets both the primary and secondary intention of the light industrial area.

#### Policy E-2(e) Live-Work Opportunities and Home Businesses

Support small home-based businesses that allow people to live and work from their residences and evaluate existing home-occupation, live/work, and related land use standards.

The applicant has applied for work/live approval under the provisions of the newly amended light industrial residential standards. The light industrial zoning code regulations were revised and modernized in part to facilitate and encourage additional work/live opportunities in Ketchum city limits.

#### Policy H-1.4 Integrated Housing in Business and Mixed-Use Areas

Housing should be integrated into the downtown core and light industrial areas, and close to the ski bases, The resulting mix of land use will help promote a greater diversity of housing opportunities as well as social interactions.

The proposal integrates housing into the light industrial area in a mixed-use building.

	City Department Comments				
Compliant					
Yes	Yes No N/A		City Standards and City Department Comments		
			Fire:		
$\boxtimes$			Unit is safe for residential occupancy. No other comments at this time.		
			Streets Department:		
		$\boxtimes$	No comments at this time.		
			Utilities:		
			Change of use but not a change of demand, no comment at this time.		
$\boxtimes$			Building:		
			Unit is safe for residential occupancy. No other comments at this time.		
X			Planning and Zoning:		
			Comments are denoted throughout the Staff Report.		

## **Table 2. City Department Comments**

## Table 3. Standards for Residential, Light Industrial Districts

				e 3. Standards for Residential, Light Industrial Districts
	Docidor			TANDARDS: 17.124.090 – RESIDENTIAL, LIGHT INDUSTRIAL DISTRICTS:
Yes	No	1		rial districts shall comply with the following minimum criteria:
		N/A	City Code 17.124.090 A (1)	City Standards and <i>Staff Comments</i> Dwelling units shall not occupy the ground floor.
$\boxtimes$			Staff Comments	The entirety of the work/live unit is located on the top floor of the Redfish Building.
$\boxtimes$			17.124.090 A (2)	Design review under chapter 17.96 of this title shall be required whether new
			17.124.090 A (2)	building, addition to existing building or remodel of existing building.
			Staff Comments	Design Review is not required as this application does not change the exterior of the
				building.
X			17.124.090 A (3)	Dwelling Units: Unless otherwise specified in this section, up to fifty percent (50%)
				of any light industrial building may be devoted to dwelling units and up to fifty
				percent (50%) of a work/live unit's gross floor area may be devoted to the
				residential portion of a work/live unit.
			Staff Comments	There are 10 units and common area in the Redfish Building consisting of 16,591
				square feet (per Blaine County Assessor records).
				Three (3) additional residential units exist in the building with a cumulative
				residential square footage of 2,968 square feet:
				Unit Residential
				Floor Area
				(sq ft)
				202 1,000
				204 973
				205 995
				total 2,968 residential square footage
				The residential share of the building's square footage is 17.8%. Approval of the 579 square feet of residential square footage for Unit 201 results in
				<i>3,547 cumulative residential square feet, equating to 21.3% of the building's square footage.</i>
				Within this particular work/live unit, 579 square feet of living area represents 43% of
				the total square footage of the wok/live unit (579 square feet of 1,333 total square
				feet).
			17.124.090 A (4)	Individual Units: Except as set forth in the following instances noted herein below, dwelling units shall not be separated in any manner for sale as individual units and may only be leased or rented. The instances where dwelling units may be sold are limited to:
				a. City approved work/live units, as defined in chapter 17.08 of this title
				and subsection A5 of this section;
				b. Three-story projects in the LI-3 where not less than one-third (1/3) of
				the total square footage of housing units includes deed restricted community housing that are for sale consistent with subsection B of this
				section;
				c. Four-story and five-story projects in LI-2 and LI-3 where not less than
				two-thirds (2/3) of the total square footage of housing units includes deed
				restricted community housing units that are for sale consistent with
				subsection A7 of this section;
				d. Existing non-conforming single-family dwellings existing in the LI-1 prior to adoption of Ketchum City Ordinance #85, as enacted on May 27, 1965; e. Existing condominiums and work/live units with less than one thousand
				(1,000) square feet of residential gross floor area that have a valid

		residential conditional use permit prior to the adoption of this section as published.
	Staff Comments	This unit is eligible for individual ownership in accordance with $17.124.090.A.(4).a - a$
		work/live unit is proposed.
	17.124.090 A (5)	<ul> <li>5. Work/Live Units: In the approval of work/live units, the City shall also find that:</li> <li>a. The work portion of the unit meets the definition of work/live unit set forth in section 17.08.020 of this title, including that the project is subject to Council approval of a restrictive covenant;</li> <li>b. The work unit is:</li> </ul>
		<ul> <li>(1) Suitable for on-site employees, foot traffic/customers, and meets applicable Building and Fire Codes;</li> <li>(2) Signed and posted with regular hours of operation;</li> <li>(3) Served by the prominent means of access for the work/live unit; and,</li> <li>(4) Associated with a business license for a use allowed (either conditionally or permitted) in the district.</li> </ul>
		c. The residential portion of the living space is secondary to the primary use as a 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 one thousand (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.
	Staff Comments	5a. The proposed work/live unit meets the definition of work/live unit and the
		Findings of Fact and Conclusions of Law for this application will be forwarded to City Council for approval of a restrictive covenant in accordance with 17.124.090 A (5).
		5b.1. The unit is suitable for on-site employees, foot traffic/customers, and meets applicable Building and Fire codes as verified by the city building official and city Fire Marshal.
		The work/live unit has been designed to provide the greatest distance from and physical separation between the bedroom/bathroom delineated for residential use, located on one end of the unit, and the two sewing/production suites and bathroom located on the other end of the unit (an ADA compliant bathroom is shared by all second-floor units in the building and is accessed from the interior hallway corridor).
		The center of the unit is comprised of both residential space, the future kitchen (range/sink to be installed) and existing island, and an open floorplan work room. The open floorplan workroom and future kitchen are designed to allow complete physical separation when the proposed partition wall is fully extended. When additional work area is needed, or to provide potential employee access to the kitchen (delineated on the floor plan as residential square footage), the partition wall can be opened.
		5b.2. The exterior of the building and interior hallway are currently signed for STITCHstudio. WindyCity Arts is producing additional signage, to be located at the interior entry to the unit, noting hours of operation which are to be by appointment

				only. Condition of approval #1 states, "Hours of operation for the business shall be posted and remain posted."
				5b.3. The work area is served by the most prominent means of access to the unit, which is the entry door accessed by the building's interior circulation corridor.
				5b.4. The applicant has a valid business license with the City of Ketchum for a permitted use, STITCH Studio, which is a craft/cottage industry.
				C1.The size of the live component is less than 1,000 square feet (it is 579 square feet), and is less than the work component, which is 754 square feet.
				C2. The means of access to the residential portion of the unit is not prominent (two secondary accesses exist for the residential unit).
				C3. Parking requirements are met as the building has forty (40) shared parking-lot spaces for the building; one parking space is required for the residential unit, which has one bedroom, and one parking space is required for the 754 square feet of light industrial craft/cottage industry floor area.
$\boxtimes$			17.124.090 A (6)	6. Size: Dwelling units in the Light Industrial District shall be a minimum of four
				hundred (400) square feet. In the LI-1 and LI-2 no individual dwelling unit shall
				exceed a maximum of two thousand (2,000) square feet, contain more than two
				<ul><li>(2) bedrooms, and all units shall not exceed a mean average of one thousand</li><li>(1,000) square feet.</li></ul>
			Staff Comments	N/A, this is a work/live unit.
			17.124.090 A (7)	<ul> <li>7. Fourth Or Fifth Floor: Buildings proposing a fourth or fifth floor with a qualifying ground floor consistent with section 17.12.050 of this title shall comply with the following minimum criteria: <ul> <li>a. If dwelling units are to be sold, a minimum of two-thirds (2/3) of the total square footage of housing units shall be for deed restricted community housing units that are for sale and the deed restricted community housing units shall be designed and administered in accordance with the Blaine-Ketchum housing authority guidelines;</li> <li>b. The area designated as light industrial shall be as follows: <ul> <li>(1) The area designated as light industrial shall be a minimum of twenty five percent (25%) of the gross floor area in four story buildings.</li> <li>(2) The area designated as light industrial shall be a minimum of twenty percent (20%) of the gross floor area in five story buildings.</li> <li>(3) Subject light industrial use shall not be for personal storage by dwelling occupants;</li> </ul> </li> <li>c. Up to seventy five percent (75%) of the gross square footage of any four-story building and up to eighty percent (80%) of the gross square footage of a five story building may be devoted to dwelling units; and d. Unless otherwise deemed appropriate by the Administrator, common area allocation shall be assessed at a LI to residential ratio of 1:1 for four</li> </ul> </li> </ul>
				story buildings and 2:3 for five story buildings.
			Staff Comments	
$\boxtimes$			17.124.090 A (8)	8. Anti-Nuisance And Notice Provisions:
				a. 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
1	1	1	1	industrial use, the City will not condition, limit, restrict or otherwise

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			interfere with any lawful light industrial use solely because it interferes with a residential use.
			b. All persons who rent or sublet any residential living unit within the
			Light Industrial Zones 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.
			c. 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.
			d. 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.
		Staff Comments	The applicant is aware that the property is located in a light industrial zone and
			operates a valid light industrial use as part of the work/live operation. The applicant
			is aware of all other standards described in this subsection.
$\boxtimes$		17.124.090 A (9)	Compliance: Compliance with all applicable code sections, including among others,
		17.124.050 A (5)	the City's parking and loading standards as set forth in chapter 17.125 of this title,
			except that if a parking reduction is requested through a Transportation Demand
			Management Plan per section 17.125.090 of this title, the reduction request shall
			- · ·
			be submitted to the Zoning Administrator and the Ketchum City Council will
		Staff Comments	determine if such request shall be approved. The applicant meets parking ordinance requirements.
		17.124.090 A	
$\boxtimes$			10. Conditions: Conditions including, but not limited to, the following may be
		(10)	attached to the conditional use permit approval:
			a. Access to the residential units relative to design and relationship to
			light industrial uses, including suitable access consistent with adopted City
			standards;
			<ul> <li>b. Separation of residential and light industrial parking on the site to minimize conflicts;</li> </ul>
			c. Restrictions on exterior storage of personal property of tenants;
			d. Certificate of occupancy required prior to occupancy of units;
			e. Ketchum Fire Department and Ketchum Building Department
			requirements shall be met prior to occupancy;
			f. Snow removal required to ensure utility of residential spaces and non-
			interference with continuous LI operations;
			g. Any portion or all waived fees become due and payable upon
			conversion of resident housing unit(s) to light industrial uses;
			h. Construction techniques that aid sound proofing and limit externalities
			of LI noise and use impacts on residences is encouraged;
			i. Provision for and reasonable extension of sidewalks to assure safe
			pedestrian access; and/or,
			j. Any other condition deemed to enhance the purposes under this use, or
			to establish or promote the criteria referenced in subsections A1 through
			A10 of this section.
		Staff Comments	Conditions of approval have been included as noted in the last section of these
			Findings of Fact, Conclusions of Law, and Decision.

## Table 4. Conditional Use Permit Requirements

	Conditional Use Requirements				
EVAL	UATIO	N STAN	DARDS: 17.116.03	30 and § 67-6512 of Idaho Code	
				nted by the commission only if the applicant demonstrates the following:	
		<b>I</b>	0	Compliance and Analysis	
Yes	No	N/A	City Code	City Standards and Staff Comments	
$\boxtimes$			17.116.030(A)	The characteristics of the conditional use will not be unreasonably incompatible with	
				the types of uses permitted in the applicable zoning district.	
			Staff	The Light Industrial Number Two (LI-2) District allows for a variety of permitted and	
			Comments	conditionally permitted uses ranging from manufacturing to personal service to	
				wholesaling to automotive uses. Per KMC §17.18.150, the LI-2 zoning district is	
				established "with the foremost purpose of providing suitable land and environs for uses	
				that are not appropriate in other Commercial Zones due to their light industrial nature,	
				but which provide an essential or unique service to support the local economy and	
				permanent year-round employment base. Uses include: 1) light manufacturing; 2)	
				wholesale trade and distribution; 3) research and development; 4) service industries; 5)	
				limited bulk retail and; 6) offices related to building, maintenance and construction. A	
				secondary purpose of the LI-2 is to provide multiple-family dwellings, constructed to be	
				secondary and subordinate to the primary light industrial purpose of the LI-2. Uses in the	
				LI-2 are intended to generate traffic primarily from the industrial trades and secondarily	
				by other permitted uses that, due to the natures of the uses, are not reliant on pedestrian	
				traffic or high visibility, and/or are not permitted in other zoning districts, and/or are	
				characterized by sale, rental, or service of large, bulky equipment or materials,	
				necessitating location of such use in a Light Industrial Zone."	
				The work/live unit includes a permitted light industrial use, craft/cottage industry, and	
				the conditionally permitted residential use. Residential use is the secondary purpose of	
				the LI-2 zone.	
				The Redfish Building where the subject condominium unit is located is currently	
				comprised of a mix of commercial operations and work/live uses approved by	
				Conditional Use Permit in the past. As such, the work/live unit is compatible with the	
				types of uses permitted in the zoning district.	
$\boxtimes$			17.116.030(B)	The conditional use will not materially endanger the health, safety and welfare of	
				the community.	
			Staff	The unit recently received a Certificate of Occupancy for commercial use and the	
			Comments	commercial use, STITCH Studio, is currently operating within the unit with a valid city	
				business license. The nature of this craft/cottage industry involves sewing and	
				producing custom soft goods, upholstery, window furnishings, costumes, and so forth,	
				and the business is owner operated.	
				The city's Fire Marshal and Building Official have been consulted about a portion of the	
				unit being used for residential living and both officials have confirmed the unit is safe	
				for residential occupancy. As such, neither the commercial use nor the residential pose	
				health, safety, or welfare concerns to the community.	
$\boxtimes$			17.116.030(C)	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	
			Staff	neighborhood.	
			Staff Commonts	The Redfish Building has an adequately sized parking lot for the development; there are	
			Comments	ten (10) condominium units and 40 parking spaces located in a surface parking lot that is shown as Common Area on the development's plat (see Redfish Light Industrial	
				Condominiums plat, 1995, on file with the Blaine County Recorder).	
				condominants plut, 1999, on file with the bluine county recordery.	
				Per Ketchum's parking ordinance, chapter 17.125 of the zoning code, the work/live unit	
				requires two (2) parking spaces – one (1) for the residential unit, which has one	
				proposed bedroom, and one (1) for the commercial square footage.	

		The business is currently in operation and does not cause hazardous pedestrian or vehicular traffic. The one-bedroom residential component will not substantially increase vehicular or pedestrian traffic to the unit. As such, the residential use will not create pedestrian or vehicular use that will be hazardous or conflict with existing or anticipated traffic in the neighborhood.
	17.116.030(D) Staff Comments	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. The work/live unit is within an existing building that is adequately served by public services and facilities. The work/live operation will not adversely affect public services to the surrounding area.
	17.116.030(E) Staff Comments	The conditional use is not in conflict with the policies of the Comprehensive Plan or the basic purposes of this section. As described in Table 1 of this staff report and 17.116.030(A) of this table, the conditional use aligns with, rather than conflicts with, the policies of the Comprehensive Plan and the basic purposes of this section.
		Staff       Comments       Image: Comment s       Image: Comment s

## CONCLUSIONS OF LAW

- 1. The City of Ketchum is a municipal corporation organized under Article XII of the Idaho Constitution and the laws of the State of Idaho, Title 50, Idaho Code;
- Under Chapter 65, Title 67 of the Idaho Code, the City has passed a land use and zoning ordinance, Title 17;
- 3. The Commission has the authority to hear the applicant's Conditional Use Permit Application pursuant Ketchum Municipal Code Title 17;
- The Planning and Zoning Commission's June 8<sup>th</sup>, 2020 public hearing and consideration of the applicant's Conditional Use Permit application was properly noticed pursuant to the Local Land Use Planning Act, Idaho Code Section 67-6512;
- 5. The application meets the standards of approval under Chapter 17.116, Conditional Uses of Ketchum Zoning Code Title 17 and the 2014 Comprehensive Plan;

## DECISION

**THEREFORE**, the Ketchum Planning and Zoning Commission approves this Conditional Use Permit application allowing for the Cherp work/live unit on this 13<sup>h</sup> day of July, 2020 subject to the following conditions 1 - 10:

- 1. Hours of operation for the business shall be posted and remain posted;
- 2. This approval is based on the floorplan submitted and attached to the staff report dated June 8, 2020 and attached to the Findings of Fact, Conclusions of Law, and Decision, any increase in residential square footage is subject to an amendment to this Conditional Use Permit within one (1) year of approval of the Findings of Fact, Conclusions of Law, and Decision or is subject to a new Conditional Use Permit thereafter;
- **<u>3.</u>** The Conditional Use Permit is non-transferable and is valid only for residential occupancy by the applicant, Mia Cherp, for the duration that STITCH Studio is in operation. If the light industrial operation ceases this permit shall be void. If a new residential tenant or new light industrial use is proposed a new Conditional Use Permit shall be applied for.

- 4. This Conditional Use permit is non-transferrable to another location or another work/live use for the subject property; the approval is specific to STITCH Studio and residential owner/occupant Mia Cherp. Should a STITCH Studio cease operation or should Mia Cherp cease residential use or a different residential occupancy desire to operate a work/live use a new Conditional Use Permit for work/live use will be required to be approved by the Planning and Zoning Commission.
- 5. Because of the mixed-use nature of this space, and in order to ensure compliance with the zoning code requirements that the "live" portion of the work/live unit remains secondary in size to the "work" portion and the "live" portion does not exceed 1,000 square feet in the LI-2 zoning district, the Fire Marshal shall conduct routine inspections of the work/live building;
- 6. The applicant agrees to facilitate routine inspections of the work/live unit by Planning staff to ensure requirements of the zoning code and conditions of approval specific to the Conditional Use Permit are met, with the first inspection to occur six months after the signing of the Findings of Fact, Conclusions of Law, and Decision (on or about January 13, 2020) and an additional review by the Commission at the time of the applicant's business license renewal. During the review the Commission will consider supporting evidence for the commercial operation including sales tax collected in association with the business. During the Commission's review the Commission will decide whether subsequent annual reviews for this work/live unit will be required;
- 7. 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;
- **8.** All persons who rent or sublet any residential living unit within the light industrial zones 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;
- <u>9.</u> 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; and
- **10.** 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.

Findings of Fact **adopted** this 13<sup>th</sup> day of July, 2020.

Neil Morrow Chair Planning and Zoning Commission

Suzanne Frick Director of Planning and Building Attachment A.

Floorplan

