

### 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;
  - O 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;
  - O 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.
  - 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 Smi	th
Physical Address: 471 E. 10th st. ui	nit 12-B. Ketchum, ID 83340
Property Legal Description: 10th Stre	et light industrial
Property Zoning District: LI - 1	
Contact Phone: 208 720 7990	Contact Email: cory@idarado.com
	PROJECT INFORMATION
Description of Proposed Conditional Us	e: Converting LI-1 unit into Live/work space.
Description of Proposed and Only on Existing Exterior Lighting:	e exterior light currently, this will remain the same.
	ADDITIONAL COMMENTS
Modifying existing office space into a live/wo I will add an additional bathroom upstairs and non-weightbearing walls.	rk space. Unit currently has a bathroom on lower level and a kitchen on the upper level.  If we have the kitchen to the NW corner. Lower bathroom will have a shower added. Only minor interior walls being moved,
ACCOMPAN	YING SUPPORTING INFORMATION REQUIRED
	● Landscape Plan ● Grading and Drainage Plan ● Exterior Lighting Plan es related to the social, economic, fiscal, environmental, traffic, and other required by the Administrator

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



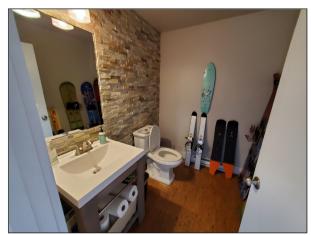
Upper Level Open Work Area



Upper Level Private Office



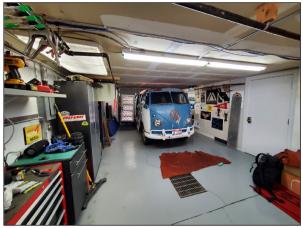
**Upper Level Office** 



Lower Level Half Bath



Lower Level Storage Room



Lower Level Garage

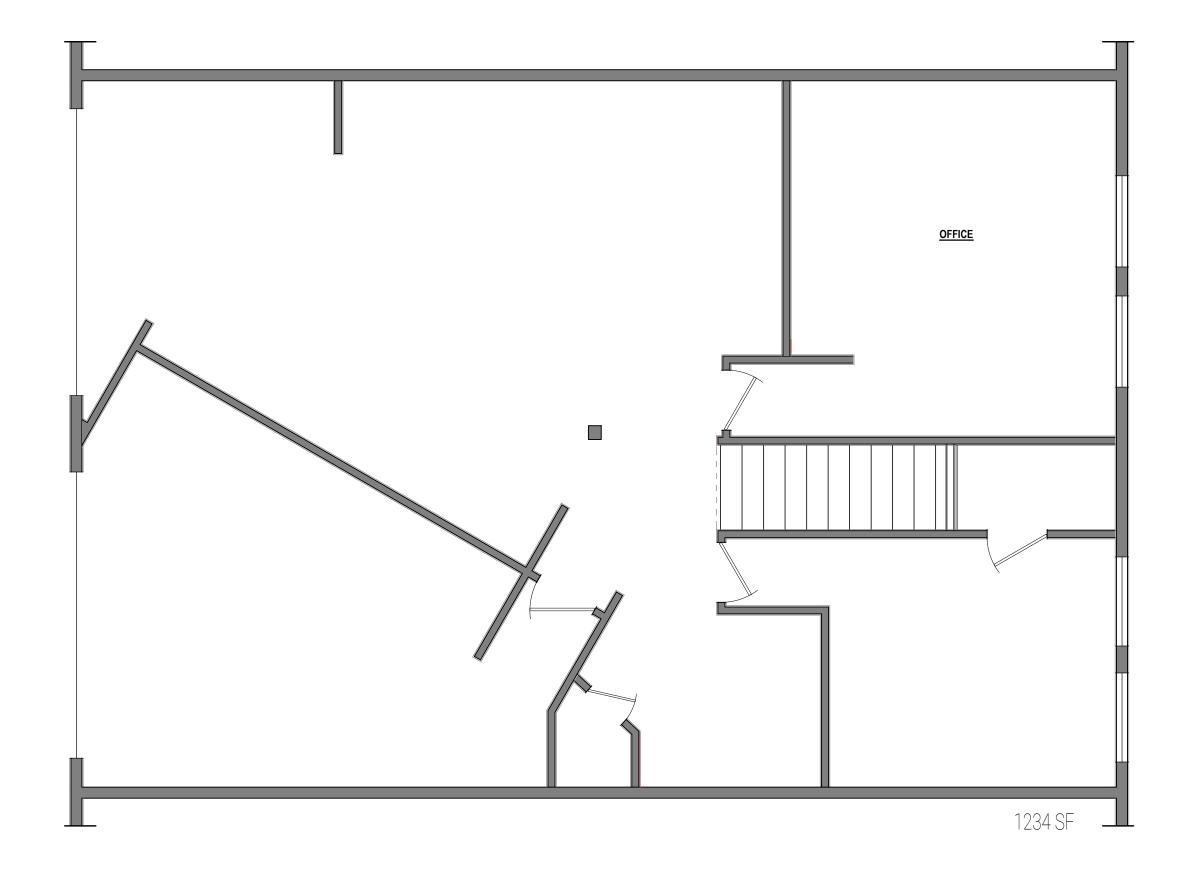


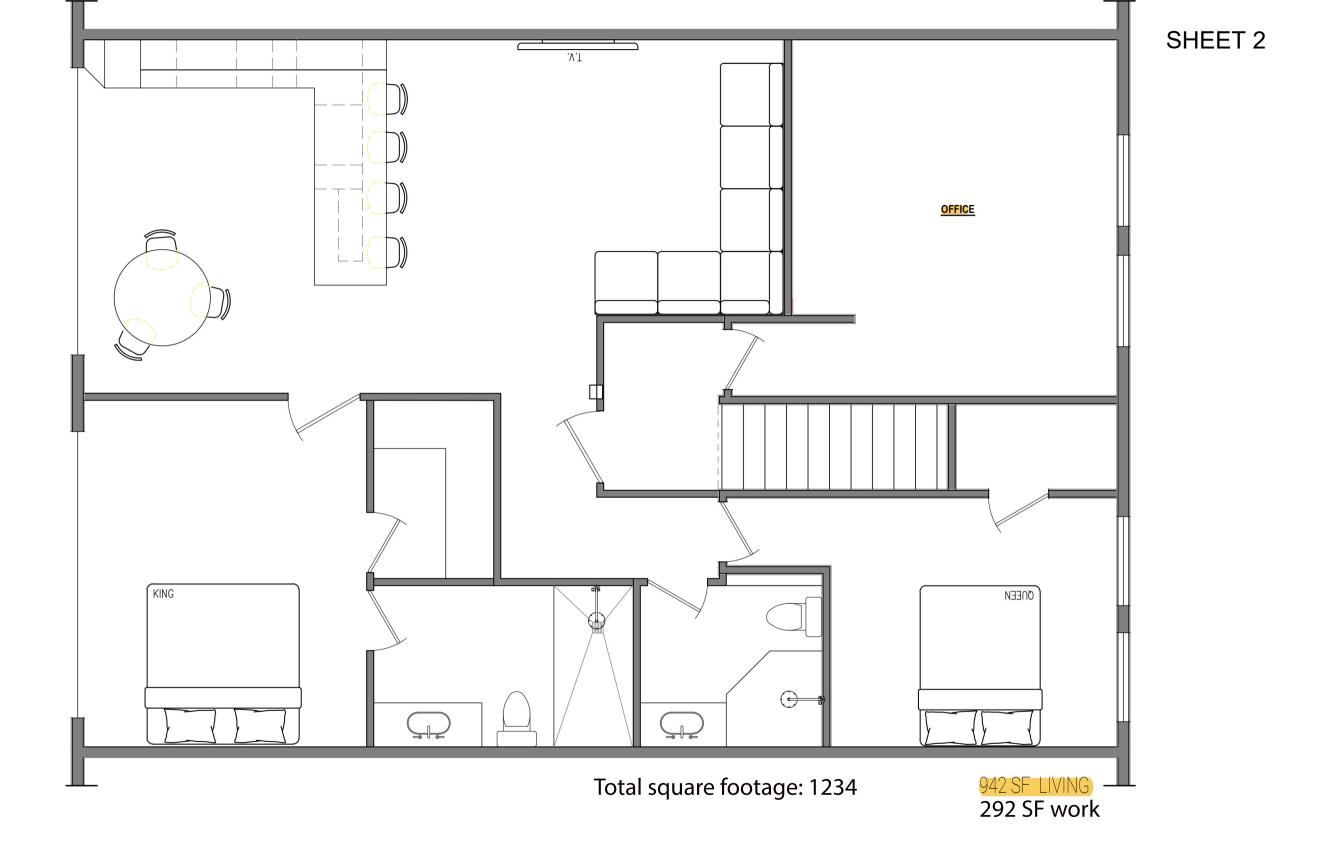
Front View (subject on 1st & 2nd Levels)



Rear View

# ATTACHMENT B: Plans

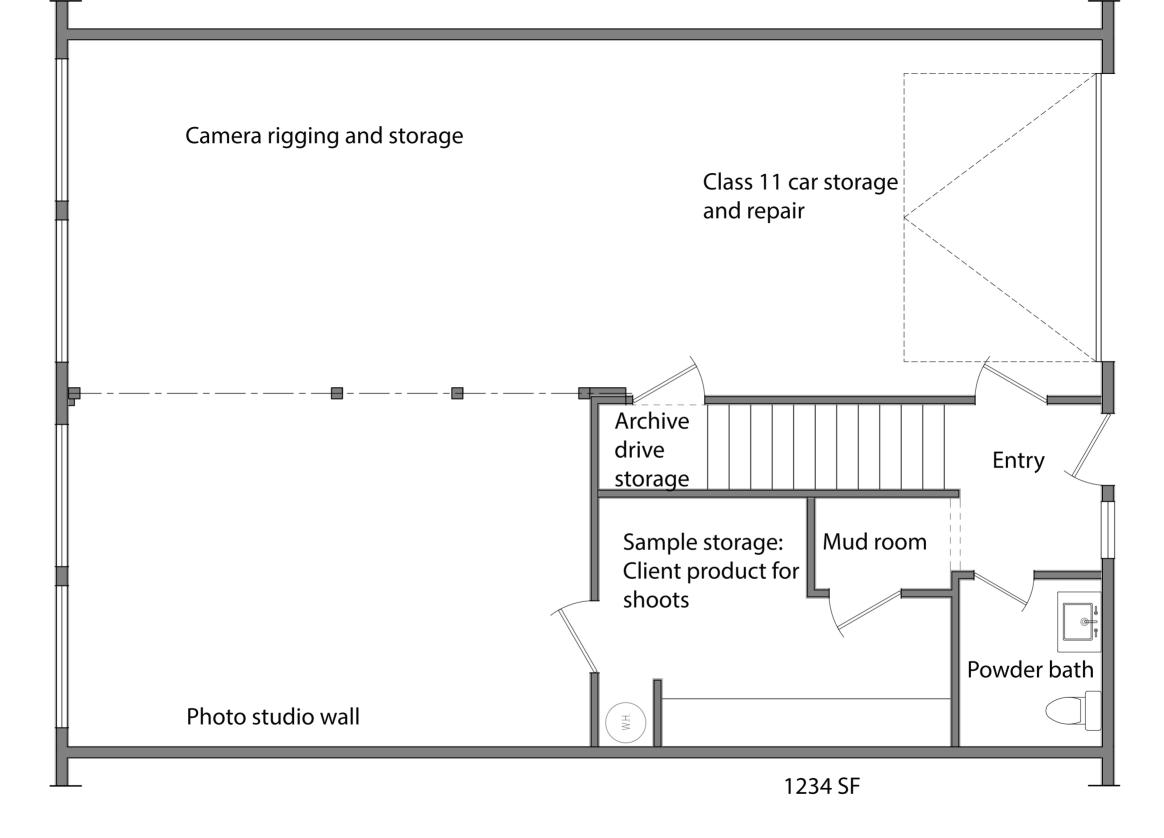




**SMITH** 

PROPOSED UPPER LEVEL





**SMITH** 

**EXISTING LOWER LEVEL** 

JANUARY 26, 2023

# ATTACHMENT C: Zoning and Work/Live Standards Analysis



#### 471 E 10<sup>th</sup> 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** 

Table 1.1. Toposea oses and Square Footage			
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
	е
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.
- 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.

Findings of Fact adopted this 8<sup>th</sup> day of March 2023.

Neil Morrow, Chair City of Ketchum Planning and Zoning Commission