

City of Ketchum Planning & Building

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

INTRODUCTION

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

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

The goals of the permanent ordinance include:

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

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

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

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

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

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

The purpose of this discussion is for the Commission to:

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

BACKGROUND

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

- Minimum residential densities for projects that exceed a total Floor Area Ratio (FAR) of 1.0 within the Community Core, Tourist, and General Residential High-Density zoning districts.
- Additional standards and process changes for the review and approval of lot consolidations.
- Requirements that ensure redevelopment projects result in no net loss of residential units.
- Parking exemptions for retail and office uses.
- Permitted and conditionally permitted uses for certain properties along River Street in the Tourist Zone District.

Restrictions on the ground floor residential for certain properties within the Community Core.

- Development standards for the size of commercial uses and residential units, the location of community housing units, and restrictions for exceeding minimum parking requirements.
- Design Review criteria requiring conformance with the comprehensive plan.
- Terms for Pre-Applications requiring that applicants submit final Design Review applications within 6 months of the Commission's review.

ANALYSIS

Interim Ordinance Revisions

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

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

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

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

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

Permanent Ordinance Additions

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

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

Process Improvements

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

General Code Clarifications

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

Codification of Planning and Zoning Commission and Administrator Determinations and Interpretations

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

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

Removing Regulatory Barriers to Accessory Dwelling Unit (ADU) Development

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

Other Changes Considered

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

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

NEXT STEPS

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

Comprehensive Plan Audit/Update and Code Rewrite

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

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

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

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

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

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

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

STAFF RECOMMENDATION

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

ATTACHMENTS:

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

<u>Attachment A</u> Interim Ordinance 1234

ORDINANCE 1234

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

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

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

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

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

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

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

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

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

WHEREAS, in addition to the 475 housing units lost, the Housing Action Plan Summary and Findings identify the need to build, convert, or stabilize between 65 and 100 housing units annually in the City to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy; and

WHEREAS, from 1990 to 2009, approximately 290 units were constructed for an average of 15 units per year. From 2010 to 2020, only 92 units were constructed for an average of 9 units per year, a significant decrease from previous years; and

WHEREAS, the City is experiencing an increase in the redevelopment of property as more than half of the City's housing stock was built before 1980 and there are a limited number of vacant properties within city limits; and

WHEREAS, development permitted under the current zoning regulations result in lowdensity residential development in areas where the 2014 Ketchum Comprehensive Plan envisions medium to high density residential and vibrant mixed-use development; and

WHEREAS, staff presented options for addressing housing issues to the Planning and Zoning Commission at a special meeting on February 15, 2022. At that meeting, the Planning and Zoning Commission directed staff to prepare a draft emergency ordinance reflecting proposed changes for review; and

WHEREAS, the Planning and Zoning Commission met on March 8, 2022, and March 29, 2022, to discuss the draft emergency ordinance and obtain public input related to the proposed changes and recommended on March 29, 2022, the emergency ordinance be adopted by City Council; and

WHEREAS, the City Council met on April 18, 2022, to review the draft emergency ordinance and recommendation from the Planning and Zoning Commission. At said meeting, the City Council declined to approve the emergency ordinance as presented and directed staff to conduct additional community engagement and prepare an interim ordinance reflecting additional feedback from the community; and

WHEREAS, the City conducted a community workshop to gather additional feedback on the proposed changes June 28, 2022, attended by members of the City Council, Planning and Zoning Commission, and the public. Said workshop was followed by a community survey requesting feedback on the same topic; and

WHEREAS, the Planning and Zoning Commission held a public hearing on August 16, 2022 to review this interim ordinance, as prepared by staff, reflecting significant feedback from the community; and

WHEREAS, the Planning and Zoning Commission recommended approval of this interim ordinance at a special meeting on August 16, 2022; and

WHEREAS, the City Council held a public hearing on September 19, 2022 to review the interim ordinance, information from staff, and recommendations from the Planning and Zoning Commission; and

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

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

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

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

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

Section 2. All zoning districts referenced in this ordinance are pursuant to Ketchum Municipal Code (the "KMC") Chapter 17.18 – *Zoning Districts* and abbreviated as referenced. All terms in this ordinance are defined in Section 17.08.020 – *Terms Defined* and 16.04.020-*Definitions* of the KMC with the addition of the following:

- A. Consolidation the action or process of combining more than one lot or unit into a single lot or unit.
- B. Residential Density the number of dwelling units per square feet of lot area.

Section 3. Developments subject to Design Review approval pursuant to KMC 17.96 - DesignReview or 17.104 - Mountain Overlay Zoning District that have conducted a preapplication design review meeting with the Commission, as required or voluntary, must file a complete Design Review Permit application and pay all required fees within 180 calendar days of the last review meeting on the preapplication with the Commission, otherwise the preapplication review will become null and void.

Section 4. There shall now be minimum residential densities for new development projects or expansions of existing buildings that exceed a total floor area ratio (FAR) of 1.0 within Subdistrict 1 and Subdistrict 2 of the CC zone district and 0.5 FAR in the T, T-3000, T-4000, and GR-H zone districts as follows:

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

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

D. Minimum densities identified in Section 4 may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.

Section 5. There shall now be standards for the consolidation of lots. Additionally, there shall be a specific application type, process, and additional standards for the review and approval of the consolidation of lots as follows:

A. Consolidation of lots within the City shall be permitted in certain zone districts as follows:

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

*Additional Standards are outlined in Subsection F. The waiver process is as outlined in KMC Section 16.04.130.

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

3. The preliminary plat application is found to be in general conformance with the comprehensive plan in effect at the time the application was deemed complete.

Section 6. No demolition permit shall be issued pursuant to Chapter 15.16 of the KMC that results in the net loss in the total number of residential units currently existing on a property as of the effective date of this ordinance. The following standards apply to all properties within the City:

- A. Development of property, in any zone district, may not result in the net loss of dwelling units.
- B. Total number of dwelling units shall be calculated including all listed or defined dwelling unit uses and terms in the KMC such as, but not limited to, "dwelling, one family", "dwelling, multi-family", "dwelling unit, accessory", and "work/live unit".
- C. No demolition permit shall be issued for any structure until a building permit application for a replacement project on the property and required fees have been accepted by the City and deemed complete.
- D. Reduction in number of residential units may be permitted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission prior to submittal of a demolition permit application.
- E. In the event of imminent and substantial danger to the health or safety of the public due to neglect or condemnation of the building as determined by the building official or his/her designee, a building may be demolished prior to redevelopment pursuant to the requirements of KMC Section 15.16.030. Prior to demolition of the structure(s), a development agreement shall be entered into between the owner of the property and the City of Ketchum stipulating the total number of units required at the time of development of the property. Said development agreement shall be recorded against the property with the office of the Blaine County, Idaho, Clerk and Recorder.

Section 7. There shall be no parking required for individual retail spaces of 5,500 square feet or less within the Community Core (CC) and Tourist (T) zoning districts.

Section 8. There shall be no parking required for the first 5,500 square feet of office space of a project within the Community Core and Tourist zone districts.

Section 9. New developments on properties within the Tourist zone district that include frontage along River Street from S Leadville Ave to S 2^{nd} Ave, as shown in Exhibit A, shall be subject to the uses permitted and conditionally permitted and associated footnotes for the Community Core – Mixed Use subdistrict (CC-2) as outlined in KMC 17.12.020 – District Use Matrix.

Section 10. Properties within the Community Core – Mixed Use subdistrict (CC-2), as shown on Exhibit B, shall be subject to the following:

A. Ground floor residential with street frontage is not permitted.

Section 11. Developments within the CC Subdistrict 1 and 2, T (Leadville to 2nd Ave fronting River Street) not exempt from Design Review are subject to the following standards:

- A. For mixed-use developments, a minimum of 55% of the gross floor area, as defined in KMC 17.08.020, of the ground floor must be commercial use(s).
- B. Community housing units are not permitted within basements.
- C. Individual residential dwelling units cannot exceed a total square footage of 3,000 square feet. Total square footage shall be calculated as the total area of residential space within a single residential unit measured from the interior walls. For residential units with multiple floors, staircases and elevators shall be included in the calculation on the first level of the residential unit only.
- D. Developments shall not provide a total number of parking spaces above the minimum parking requirements per KMC 17.125.040 *Off Street Parking and Loading Calculations*, unless the additional parking spaces are designated for public parking use only or for deed restricted community housing units.

Section 12. Requirements outlined in Sections 10 and 11 of this ordinance may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.

Section 13. All development subject to Design Review pursuant to KMC Section 17.96.010, shall meet the following additional criteria:

A. The design and uses of the development generally conform with the goals, policies, and objectives of the comprehensive plan.

Section 14. This ordinance shall be in full force and effect from and after its passage and approval and shall remain in effect for a period not to exceed three hundred and sixty-five (365) days from its effective date, pursuant to Idaho Code Section 67-6524.

Section 15. SAVINGS AND SEVERABILITY CLAUSE: It is hereby declared to be the legislative intent that the provisions and parts of this Ordinance shall be severable. If any paragraph, part, section, subsection, sentence clause or phrase of this Ordinance is for any reason held to be invalid for any reason by a Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 16. REPEALER CLAUSE: All City of Ketchum Ordinances or resolutions or parts thereof which are in conflict herewith are hereby repealed.

Section 17. **PUBLICATION:** This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, substantially in the form annexed hereto as Exhibit "C" shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.

Section 18. EFFECTIVE DATE: This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

PASSED BY THE CITY COUNCIL and APPROVED by the MAYOR OF KETCHUM IDAHO, on this 4 day of 02. 2022.

APPROVED:

Neil Bradshaw, Mayor

ATTEST:

Lisa Enourato, Interim City Clerk

Interim Ordinance 1234 Exhibit A



Community Core Subdistricts



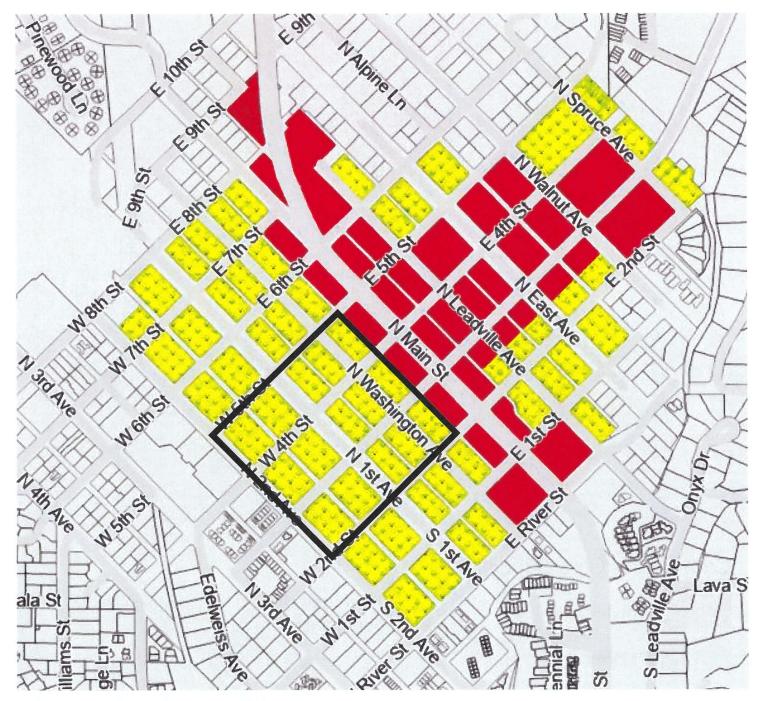
1-Retail Core

Permitted Uses to Match Mixed Use **Subdistrict**



2- Mixed Use

Interim Ordinance 1234 Exhibit B



Community Core Subdistricts



1-Retail Core

Ground Floor Residential with Street Frontage not permitted



2- Mixed Use

EXHIBIT C: PUBLICATION SUMMARY

ORDINANCE 1234

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

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

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

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

SECTION 17. Provides for publication of this Ordinance by Summary.

Establishes an effective date. SECTION 18.

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

ATTEST:

APPROVED:

Neil Bradshaw, Mayor

Lisa Enourato, Interim City Clerk

Attachment B Evaluations of New Development Projects for Interim Ordinance Conformance



THE 208 CONDOMINIUMS – 200 N LEADVILLE

COMPLIANCE WITH INTERIM ORDINANCE 1234

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

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

- Size of residential units (Section 11.C) The proposed development includes one unit (Unit 4) that exceeds the 3,000 square foot maximum as it is 3,514 net square feet.
- **Parking Maximums (Section 11.D)** the proposed development is only providing the number of parking spaces that are required for the proposed uses, therefore this standard is met.
- Comprehensive Plan Conformance (Section 13):
 - Staff provided feedback in the staff report as to the proposed uses and placement of those uses within the project. Staff believes that if the proposed project met the design review criteria and the requirements of the interim ordinance, many of the goals and objectives of the comprehensive plan would be met.



SAWTOOTH SERENADE – 260 N 1ST AVE

CONFORMANCE WITH INTERIM ORDINANCE 1234

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

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

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

- Development Standards within the CC-2 (Section 11):
 - % of gross floor area for commercial (Section 11.a) NOT MET No commercial is proposed for the project, however, the project would be required to comply with this requirement under the interim ordinance as Section 10 requires ground floor commercial facing the street. The current project would not meet this requirement.
 - Community Housing in basement (Section 11.B) N/A the proposed development does not propose on-site community housing, therefore this standard is not applicable.
 - Size of residential units (Section 11.C) NOT MET The proposed development includes two residential units that both exceed the 3,000 square foot maximum. One unit is 8,454 net square feet and the other is 8,819 net square feet. The proposed development does not meet this requirement.
 - Parking Maximums (Section 11.D) NOT MET The proposed development would require 4 parking spaces and 5 parking spaces are being proposed. The development would not meet this criterion as it is providing one additional parking space than what is required.
- Comprehensive Plan Conformance (Section 13) NOT MET
 - Staff provided feedback in the staff report as to the proposed uses and placement of those uses within the project. Staff believes that if the proposed project met the design review criteria and the requirements of the interim ordinance, many of the goals and objectives of the comprehensive plan would be met.



City of Ketchum Planning & Building

4TH & MAIN MIXED-USE DEVELOPMENT COMPLIANCE WITH INTERIM ORDINANCE 1234

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

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

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

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

City of Ketchum Downtown Development Examples Residential Unit Mix and Sizes

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

Attachment C 2023 Planning & Building Department Workplan



City of Ketchum Planning & Building

February 21, 2023

Mayor Bradshaw and City Councilors City of Ketchum Ketchum, Idaho

Mayor Bradshaw and City Councilors:

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

Recommendation and Summary

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

The reasons for the recommendation are as follows:

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

Introduction and History

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

Planning and Building Department - Role

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

Analysis - Department Work Plan

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

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

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

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

Administration and Communication

The following administration and communication activities will be conducted:

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

P&B Lead Projects

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

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

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

P&B Support Projects

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

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

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

Sustainability

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

Financial Impact

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