



City of Ketchum
City Hall

July 6, 2021

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation to adopt Emergency Ordinance 1222 and provide staff direction regarding potential ordinance related to Short-term Rental Units

Recommendation and Summary

The Council directed staff to return with an ordinance which would amend the Zoning Code to allow for limited duration occupancy of a recreational vehicle located on private property. The Council also supported staff investigating an ordinance to regulate short-term rentals based on the cities of McCall and Sandpoint. Staff is seeking guidance on a potential ordinance but is not requesting formal action.

Motion #1: "I move that portions of Idaho Code 50-902 requiring an ordinance to be read on three different days, be dispensed with; that the record show it has been read the third time"

Motion #2: "I move to approve emergency ordinance 1222"

Introduction and History

The Council hosted a community conversation on May 28th to solicit ideas associated with the current community housing crisis. Both of these topics were referenced by community members.

Utilization of RVs on Private Property

Currently, camping in residential zoning districts is not permitted. Ordinance 1222 would allow camping in all residential and tourist districts subject to approval of an administrative use permit. Conditions for obtaining a permit include:

1. RV must be located on private property and may not be within the public rights of way.
2. No more than six months in any calendar year; no occupancy November 30-March 15.
3. Occupant must be either an Idaho resident who is locally employed, a caregiver for the household or family member of the household. Locally employed can be further defined as individual who is dependent on the local economy for livelihood. This does not include remote or virtual work out of the area.
4. RV cannot be used for short-term rental occupancy.
5. Sewage must be disposed on a regular basis at designated RV dump stations.

The City Attorney has recommended the Council find the current need for interim housing as an emergency. If such determination is made, staff will implement the zoning change via a Temporary

Certificate of Occupancy. This would create a system for tracking the interim RV use and require the property owner to commit to the conditions outlined above. It is important to note that only one RV would be allowed per residential building. Staff recommends this change to the zoning code be on a trial basis in which staff would monitor utilization and any associated issues and return to the Council to provide updates.

Ordinance regulating Short-term Rental Units

Currently under city code, short-term rental units are required to obtain a business license and remit local option tax. Several Idaho resort cities have similar requirements. It is important to note, that we currently have very low compliance with owners obtaining a business license. Compliance enforcement is hampered by the lack of a third-party database. The city does receive remittance on LOT from both reservation platforms and individual owners. Staff has recently engaged several firms specializing in this field to determine if we can implement further enforcement best practices. In initial discussions, the following statistics apply to short-term rental activity within the city limits:

- 906 total listing and 721 unique rental units
- 41% are single family homes
- 57% are multi-family
- 2% unknown

In 2017, the Idaho Legislature enacted the following new state law which sought to restrict cities in their ability to regulate short-term rentals:

“67-6539. LIMITATIONS ON REGULATION OF SHORT-TERM RENTALS AND VACATION RENTALS. (1) Neither a county nor a city may enact or enforce any ordinance that has the express or practical effect of prohibiting short-term rentals or vacation rentals in the county or city. A county or city may implement such reasonable regulations as it deems necessary to safeguard the public health, safety and general welfare in order to protect the integrity of residential neighborhoods in which short-term rentals or vacation rentals operate. A short-term rental or vacation rental shall be classified as a residential land use for zoning purposes subject to all zoning requirements applicable thereto.

(2) Neither a county nor a city can regulate the operation of a short-term rental marketplace”

The City Attorney has reviewed the ordinances of McCall and Sandpoint who enacted additional regulations beyond the requirement of business licenses and LOT payment. Attached are the findings and policy discussion points for the Council to consider in order to provide guidance to city staff.

Sustainability Impact

Workforce housing has a direct correlation on the decrease of trip generation and the associated carbon footprint. A national best practice is to create local housing choices so as to limit total family budget impact between transportation and housing costs in order to address other needs such as health care, childcare, etc.

Financial Requirement/Impact

Staff is still completing due diligence on the short-term items to determine a reasonable cost estimate and the most appropriate funding source (in lieu housing fund, federal COVID funds, CIP).

Attachments

1. Emergency Ordinance 1222.
2. Draft ordinance regulating short-term rentals

**CITY OF KETCHUM
ORDINANCE NO. 1222**

AN EMERGENCY ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, FINDING AN IMMINENT PERIL TO THE PUBLIC WELFARE AND BUSINESS DUE TO A SIGNIFICANT WORKFORCE HOUSING SHORTAGE; APPROVING ON A TEMPORARY BASIS FOR USE OF RECREATIONAL VEHICLES AS HOUSING IN CERTAIN ZONES; PROVIDING AN ADMINISTRATIVE USE PERMIT SYSTEM FOR RECREATIONAL VEHICLE HOUSING/CAMPING ON PRIVATE PROPERTY; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING A POSTING AND PUBLICATION PROCESS AND EFFECTIVE DATE; AND PROVIDING FOR IMMEDIATE EFFECT AND AN EFFECTIVE PERIOD OF 182 DAYS.

A. FINDING OF IMMINENT HARM TO THE PUBLIC WELFARE.

The City Council hereby finds that an imminent harm to the public welfare exists caused by significant growth within the City that has had substantial impacts upon real property values. These property values have further impacted the already limited availability and affordability of workforce housing. These housing impacts detrimentally affect the local economy and public welfare as all sectors of business and government are challenged to sustain and retain their workforce.

Additionally, these housing impacts present harms to the public health and safety due to travel and traffic impacts when the workforce is in a situation of living in and traveling from areas substantially outside the City. For these reasons, the City is in immediate need of options to allow for increased provision and availability of housing to mitigate the impacts.

Currently the Ketchum Municipal Code does not permit or provide for the use of recreational vehicles as housing. The City Council hereby finds it desirable to immediately provide for the ability of recreational vehicles as housing, under specific circumstances and on a permit basis, to seek to ameliorate the current workforce housing shortage.

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

Section 1. AMENDMENT OF DISTRICT USE MATRIX OF TITLE 17, CHAPTER 12 OF KETCHUM MUNICIPAL CODE.

The Ketchum Municipal Code shall be amended as follows:

17.12.020 DISTRICT USE MARTIX, the table contained therein, shall be amended to add a new row under the “Residential” category designated “Recreational Vehicle Housing.” Such row shall designate that the “Recreational Vehicle Housing” use is permitted only upon issuance of an administrative use permit (to be designated “AUP”). “AUP” shall be designated in the “Recreational Vehicle Housing” row for the following zone columns: LR, LR-1, LR-2, GR-L, GR-H, STO-4, STO-1, STO-H, T, T-3000, T-4000. A footnote will be added to these designations noting that the AUP process is set forth in KMC 17.16.020.B.

Section 2. ADDITION OF ADMINISTRATIVE USE PERMIT TO TITLE 17, CHAPTER 116, SECTION 020 OF KETCHUM MUNICIPAL CODE

The Ketchum Municipal Code 17.116.020 be amended by the following additions:

17.16.020: OTHER CONDITIONAL USES; ADMINISTRATIVE USE PERMITS

- A. Swimming pools, tennis courts, and other similar nonprofit semipublic recreational centers, as a principal use in the GR-L, GR-H and T districts, shall be deemed conditional uses.

- B. ADMINISTRATIVE USE PERMIT FOR RV USE: A person desiring to make use of a recreational vehicle (RV, trailer, or camper) on private property for camping and/or as a temporary residence shall make application for and receive approval of an Administrative Use Permit (AUP).
1. Application. A complete application must be filed and approved prior to the date a person desires to begin such use. The City shall furnish an AUP application form containing all information relevant and necessary to determine whether a particular application may be approved.
 2. An AUP will not be approved unless the following conditions are met:
 - i. The RV must be located on private property and may not be within City rights of way.
 - ii. There shall be no more than six (6) months occupancy in any calendar year, with no occupancy from November 30 to March 15.
 - iii. The Occupant must either be an Idaho resident who is locally employed, a caregiver for the household, or a family member of the household.
 - iv. Locally employed may be further defined as an individual who is dependent on the local economy for livelihood. This does not include remote or virtual work out of the area.
 - v. No short-term rentals (any rental less than 30 days) of the RV or camper are permitted.
 - vi. Any and all sewage shall be disposed of regularly and at a designated RV Dump Station. Failure to appropriately manage and dispose of sewage may be deemed a nuisance.
 - vii. Only one (1) RV, trailer or camper is permitted per any residential parcel that has a dwelling on the parcel.
 3. Consideration of Application. Upon deeming an application complete, the Administrator shall have thirty (30) days to consider and approve or deny an AUP application. Upon a finding by the Administrator that the application conforms to the requirements of this chapter, the Administrator shall issue an AUP unless the Administrator finds the applicant has failed to answer or falsely answered a question or did not provide documentation to ensure compliance with the conditions for approval. If the Administrator finds that one or more of the required conditions are not true, the Administrator shall deny the application. Appeals of the Administrator determination to either approval or deny the application shall be processed in conformance with KMC 17.144.
 4. Revocation. Upon a finding that any one or more of the required conditions is no longer applicable or has been violated, the Administrator may revoke an AUP. Such revocation will be deemed an administrative determination that may be subject to appeal under the process of KMC 17.144.
 5. RVs, trailers and campers with an approved AUP will not be considered a nuisance.

Section 3. 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 4. REPEALER CLAUSE. All City of Ketchum ordinances or resolutions or parts thereof which are in conflict herein are hereby repealed.

Section 5. POSTING, PUBLICATION, AND EFFECTIVE DATE. Finding that there is an immediate harm and emergency necessitating immediate enforcement, this Ordinance shall take effect immediately by proclamation of the Mayor pursuant to Idaho Code §50-901. Such proclamation of immediate effect shall be posted in five public places. This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, shall further be published once in the official newspaper of the City.

Section 6. IMMEDIATE EFFECT; EFFECTIVE PERIOD. This Ordinance shall be in full force and effect immediately upon its passage by the City Council, and approval and proclamation by the Mayor with posting according to law. This Ordinance is designated as an emergency ordinance pursuant to Idaho Code §67-6523 and will be effective only for a period of one-hundred and eighty-two (182) days.

PASSED BY the CITY COUNCIL and APPROVED by the MAYOR of Ketchum, Idaho, on this 7th day of July 2021.

APPROVED BY the Mayor of the City of Ketchum, Idaho, this 7th day of July 2021.

APPROVED:

Neil Bradshaw
Mayor

ATTEST:

Tara Fenwick, City Clerk

POSTED in the following five public places on July __, 2021:

1. Ketchum City Hall
2. .
3. .
4. .
5. .

ACKNOWLEDGMENT OF POSTING

Tara Fenwick, City Clerk