



**Planning and Zoning Commission - Special Meeting MINUTES**

**Monday, September 28, 2020 at 4:30 PM**  
**Ketchum City Hall**  
**480 East Avenue North, Ketchum, ID 83340**

**CALL TO ORDER**

The meeting was called to order at 4:32 PM by Chairman Neil Morrow.

**PRESENT**

Chairman Neil Morrow  
Vice-Chair Mattie Mead  
Commissioner Jennifer Cosrove  
Commissioner Tim Carter  
Commissioner Brenda Moczygemba

**PUBLIC HEARINGS AND COMMUNICATIONS FROM STAFF – ACTION ITEMS**

- 1. ACTION ITEM - Ketchum Boutique Hotel Re-Hearing: 260 E River Street** Project Location:  
Includes three parcels (251 S. Main Street – Ketchum Townsite Lots 3, 21, FR 22 Blk 82 N 10' x 110' of alley S 20' x 230' of alley, 260 E. River Street – Ketchum Townsite Lot 2 Block 82 10' x 110' of alley, and 280 E. River Street – Ketchum Townsite Lot 1 Block 82)

**Joint Hearings Applications:**

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

**Motion to open public hearing as joint public hearing of the following matters:**

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

*Motion made by Commissioner Carter, Seconded by Vice-Chair Mead.*

*Voting Yea: Chairman Morrow, Vice-Chair Mead, Commissioner Cosgrove, Commissioner Carter, Commissioner Moczygemba*

Chairman Morrow recognized Clerk Maureen Puddicombe who presented the following to the Commission for acceptance into the record:

Affidavit of Publication  
Certification of Postings  
Certification of City Web and Social Media Postings  
Certification of Mailing.

**Motion to include the Affidavit and Certifications as part of the record for each of the joint public hearing matters.**

*Motion made by Commissioner Carter, Seconded by Vice-Chair Mead.*

*Voting Yea: Chairman Morrow, Vice-Chair Mead, Commissioner Cosgrove, Commissioner Carter, Commissioner Moczygemba*

Chairman Morrow called for disclosures from the Commission.

Commissioner Cosgrove disclosed 1) a site visit, 2) a conversation with a citizen regarding this hearing and the detrimental effects of the stalled project across the street, 3) communication staff comparing this project to the other hotel projects in town and how they relate to the Gateway Area of the Comprehensive Plan.

Commissioner Moczygemba disclosed 1) a site visit and 2) staff communication on history of the project.

Vice-Chair Mead disclosed 1) a site visit and 2) staff communication regarding procedure.

Commissioner Carter had no disclosures to report.

Chair Morrow disclosed incidental conversations with citizens.

Vice Chair Mead asked City Attorney Bill Gigray if new Commissioner Moczygemba should participate in voting since she had not participated in the original hearings. Attorney Gigray indicated that if she were familiar with the record, she could participate. Commissioner Moczygemba indicated she was familiar with the record.

**Motion to include in the record of the hearing File No. P19-062, File No. P19-064, File No. P19-063, File No. P20-015, and Permit Conditions Acceptance Agreement the entire record of the proceedings previously made in these matters, including oral testimony made before the Planning and Zoning Commission and the City Council, inclusive of April 6, 2020.**

*Motion made by Commissioner Carter, Seconded by Commissioner Cosgrove.*

*Voting Yea: Chairman Morrow, Vice-Chair Mead, Commissioner Cosgrove, Commissioner Carter, Commissioner Moczygemba*

**Motion to table and continue the hearing *In the Matter of the Permits Conditions Acceptance Agreement* to be held jointly with the continuance of the hearing *In the Matter of Design Review* subject to action by the City Council. On the *Application for Floodplain Development Permit File No. P19-062, Application for Lot Line Adjustment File No. P19-064, and the Application for Planned Use Development Conditional Use Permit File No. P19-063* and at which time the Chairman can set the date, time and location of the reconvened public hearing on these matters subject to the notice of hearing having been first given as required by law.**

*Motion made by Commissioner Carter, Seconded by Commissioner Cosgrove.*

*Voting Yea: Chairman Morrow, Vice-Chair Mead, Commissioner Cosgrove, Commissioner Carter, Commissioner Moczygemba*

Chairman Morrow announced *In the Matter of the Application for Waiver, File No. P20-069*, the following are included:

1. Minimum Lot Size for PUD's from 3 acres to approximately 1.05 acres
2. Side yard setbacks from 32 feet to 18 feet 5 inches on the Highway 75 / East side. and from 24 feet to 11 feet 8 inches on the interior/West side
3. Floor area ratio (FAR) from 0.5 to 1.57

4. Building Height from 35 feet to 72 feet (72 feet is the maximum height from finished grade if measured from the lower slope portion of the site, 48 feet is the height from grade at River Street)
5. Number of floors from 4 floors to 6 floors (6 floors is the number of floors if counted from the lower sloped portion of the site, 4 floors is the number of floors from above grade at River Street).

Chairman Morrow announced the subject matter of the *In the Matter of the Application for Waiver File P20-069*, which has been filed pursuant to KCC 16.08.070 and 16.08.080 of the City's Planned Unit Development Ordinance, involve factual and legal matters which have been previously addressed and are included in the record of the *Application for Planned Unit Development Conditional Use Permit File No 19-063*.

Vice-Chair Mead asked for clarification of the procedure on the waivers. City Attorney Bill Gigray stated there had not been a separate application for the waivers as the waivers were addressed in the Planned Unit Development. Due to a property owner's objection, the applicant submitted the waiver application. The waivers will not be addressed separately but as part of the Planned Unit Development.

Planning Director Suzanne Frick explained that all the past information is entered into the record. The past decisions are no longer in effect and are superseded by new decisions.

Vice-Chair Mead questioned the reason for accepting the prior record instead of starting the hearing over. Gigray said if you include the prior hearings, you do not have to start over. The noticing error did not change the substance of the applications.

The Commission discussed the merits of starting over vs accepting the prior record and adding to it. Commissioner Carter wanted the flexibility to accept the old record and still make new decisions. Gigray informed the Commission that by accepting the prior record, including all previous testimony, exhibits, comments, etc., that previous information, as well as any new information presented, can be used to make new decisions.

**Motion to include in the record of the hearing *In the Matter of the Application for Waiver, File No. P20-069*, the entire record of proceedings previously made in *In the Matter of the Application for Planned Unit Development Conditional Use Permit File No P19-063*, including oral testimony made before the Planning and Zoning Commission and the City Council inclusive of April 6, 2020.**

*Motion made by Commissioner Carter, Seconded by Chairman Cosgrove.*

*Voting Yea: Chairman Cosgrove, Commissioner Mead, Commissioner Morrow, Commissioner Carter, Commissioner Moczygemba*

Public Comments received since the Staff Report was published, were given to the Commission.

**Motion to incorporate the Public Comment received as outlined by Director Frick into the record.**

*Motion made by Commissioner Mead, Seconded by Commissioner Carter.*

*Voting Yea: Chairman Morrow, Commissioner Mead, Commissioner Cosgrove, Commissioner Carter, Commissioner Moczygemba*

## File # 20-015 Design Review

Chair Morrow recognized Senior Planner Brittany Skelton.

Senior Planner Brittany Skelton presented a brief overview of the application, including public amenities, landscaping, and setbacks.

Applicant Jason Heppler presented the Design Review application which was presented in March 2020. He presented the evolution of the massing of the building. He highlighted the amenities including an outdoor fireplace, restaurant, conference rooms, landscaping, and rooftop dining. He continued with the floor plan for each level, including parking, work force housing, guest rooms, elevator, meeting rooms, and roof top bar. The exterior materials were presented and the elevations from each direction were shown.

Debra Nelson, land use attorney, spoke on behalf of the applicant. She addressed the Commission's questions of accepting the prior record and noted since the error was one of noticing, there may be additional comments to consider. She noted most comments were in support of the hotel but were opposed to the waivers. Ketchum Code encourages waivers for Hotels. Title 16.08.030 of the Ketchum Municipal Code gives the Commission broad authority to grant waivers and this project meets the standards of Title 16.04.020. The Code gives more flexibility to Hotels than other uses. The waivers requested are for lot size, side setbacks, floor area ratio, height, and number of floors. She went over the FAR, setbacks, height, outdoor space, number of floors, and comparison to other buildings. She also addressed the public comment concerns regarding soundproofing, on-site work force housing, and discussed safety concerns of hotel access from Highway 75.

Commissioner Moczygemba asked the success of the on-site employee housing model. Heppler said it had been successfully used in Jackson Hole with very high employee retention and employee satisfaction.

Commissioner Cosgrove asked about traffic levels and patterns, expressing concern over the right/left turns at the entrance. Heppler replied they are open to changing that.

Vice-Chair Mead asked about the hardship claim on the physical characteristics of the site. Nelson replied the applicant did not cause the characteristics of the site and the hardship would be the same for any development on this site. Attorney Gigray pointed out hardship pertains to a variance. The applicant is requesting a waiver and not a variance.

Commissioner Moczygemba asked about the location of the generator and proximity to the neighboring property. Heppler said the design team will look at other options. She asked about the landscaping along Highway 75 and the height of the retaining walls. Commissioner Cosgrove agreed. Heppler was open to discussion/suggestions on landscaping.

Vice-Chair Mead read the definition of Waiver from Title 16.04.020. Gigray pointed out that definition is from the Subdivision chapter which is applicable to the Lot Line Shift. Nelson pointed out that the application meets both the Subdivision and the PUD ordinances. Vice Chair Mead asked about the Public Benefits of the project. Nelson emphasized the benefits of employee housing, the publicly accessible roof-top bar with view, the outdoor plaza called for in the Gateway Study, additional conference space, and an activated street scape.

Chairman Morrow opened the floor to Public Comment.

John Solhberg, property owner, was opposed to the height of the building. He noted the comparisons to the unbuilt Auberge Hotel. He noted there were 2500 signatures on an internet petition in opposition to the height of the hotel. He was opposed to the waivers. He thought this project was “railroaded” through and asked the Commission to take public opinion into account.

Ben Worst (appearing by video), representing the property owner to the west, requested the integrity of the limited setback be maintained. He expressed concerns over the generator location, retaining wall for the transformer platform in the setback, and requested the exhaust from the laundry be changed.

There were no further Public Comments and the floor was closed.

There were no additional comments from staff.

Commissioner Carter asked the applicant about the waivers and what it might look like without waivers. Debra Nelson replied that without a height waiver, the building at River Street would be less than 4 feet high. Any public benefit would not be possible without the waivers and there would be no employee housing. Attorney Gigray commented that without the waiver for the 3-acre minimum lot size, the project would not be a Planned Unit Development, but would be under the Zoning Code. Planner Skelton replied under the Zoning Code, a building could only be 35 feet tall so any building proposed could only be very tall and narrow.

Chair Morrow asked if a hotel without any public benefits would even be approved. Director Frick responded that would be a Planning and Zoning Commission decision. Other public benefits are the generation of taxes and support of restaurants and shops.

Commissioner Cosgrove did not think the public was concerned with tax revenue and wanted to see a comparison of waivers from the Limelight and Auberge hotels.

Vice-Chair Mead said without the waivers, nothing could be built, but questioned what if the waivers were not so great?

Chair Morrow commented that he thought the 3-acre requirement was not reasonable since there were no longer any parcels of land that size available.

Commissioner Carter wished to discuss the waiver for minimum lot size. Gigray replied Section 16.08.080 was ambiguous. It was dependent on the intent of the Commission. Nelson emphasized that historically hotels were not required to be on a 3-acre parcel.

Debra Nelson gave applicant's rebuttal to the public comments.

**Motion to close receipt of testimony and documents for each of these Matters and for the Commission to proceed to deliberation.**

*Motion made by Commissioner Carter, Seconded by Commissioner Moczygemba.*

*Voting Yea: Chairman Cosgrove, Commissioner Mead, Commissioner Morrow, Commissioner Carter, Commissioner Moczygemba*

File #P19-062 Floodplain Development Application

The Commission had no further discussion of the Floodplain Development Application.

**Motion to approve the application for Floodplain Development Permit file #P19-062.**

*Motion made by Commissioner Carter, Seconded by Commissioner Moczygemba.*

*Voting Yea: Chairman Cosgrove, Commissioner Mead, Commissioner Morrow, Commissioner Carter, Commissioner Moczygemba*

File #P19-064 Lot Line Shift Application

Commissioner Mead did not think the lots had a hardship prior to combination.

Commissioner Moczygemba thought the Lot Line Shift made sense to allow development of all three parcels, including the two corner lots.

Commissioner Cosgrove thought the public did not have an objection to the Lot Line Shift and was in support of approval. Chair Morrow agreed. Attorney Gigray pointed out that the Lot Line Shift application did not require a waiver.

**Motion to approve the application for Lot Line Adjustment File #P19-064.**

*Motion made by Commissioner Carter, Seconded by Commissioner Cosgrove.*

*Voting Yea: Chairman Cosgrove, Commissioner Mead, Commissioner Morrow, Commissioner Carter, Commissioner Moczygemba*

File # P19-063 Planned Unit Development Conditional Use Permit and File # 20-069 Application for Waiver

The Commission discussed the Planned Unit Development Conditional Use Permit. They discussed the waiver of the 3-acre lot size for a hotel.

Commissioner Carter was in favor of granting the minimum lot size waiver and believed the hotel was an asset for the town, as it would provide a variety of public uses as opposed to a townhouse project with no public vibrancy. He felt the public objected to the scale of the building and questioned if it was size appropriate. He questioned if these developments were helping to manage growth or contributing to overgrowth? He thought the hotel was valuable to the community and did not want to lose the development. He questioned how to balance the scale of the project with the benefits derived.

Commissioner Cosgrove thought the setbacks and the gradual height increase were a good transition to the Limelight Hotel, which is larger building. She thought it was a thoughtful, beautiful project. She appreciated the sensitivity to scale, surroundings, landscaping.

Vice-Chair Mead agreed with Carter and Cosgrove. He questioned how the waivers might be ranked in importance. He thought the height was jarring and the FAR was too high. He questioned if the huge exceedances were appropriate?

Commissioner Moczygemba was bothered by the height; she thought the shape of the property presented challenges. She thought the placement was right, but the zoning was not appropriate. Her only objection was the neighbor's concerns for the west side setback.

Chair Morrow thought this project was a good fit for the property, but the stalled Auberge Hotel was negatively influencing this project. He pointed out this project is half the square footage of the Limelight Hotel. He questioned the controversy regarding the height when the Limelight Hotel is five stories and the potential Auberge is approved for 75 feet in height at River Street. He liked the changes that were made since the first renderings and that it is smaller than the other hotels.

Vice-Chair Mead agreed but thought about our small-town character with four hotels at the same intersection. He questioned the Comprehensive Plan and the future of Ketchum.

Commissioner Cosgrove felt the small-town feel is being lost. She expressed her concerns over traffic and congestion.

The Commission discussed the granting of waivers and community input. The Commission asked Staff for a comparison of the waivers granted to other hotels, including public amenities.

Commissioner Carter wanted to have good solid reasons for the decisions the Commission makes and let the community know the reason behind those decisions.

Commissioner Cosgrove also wanted to inform the public about the PUD process and how waivers are part of that process.

Attorney Gigray told the Commission an analysis of the other projects would show how decisions are made according to the Standards for a PUD. Waivers are a part of PUDs which are allowed by the Idaho Land Use Laws.

Commissioner Moczygemba was hesitant about relying too much on past decisions.

Chair Morrow reopened the floor for hearing.

Commissioner Moczygemba asked if the last three units on the 4<sup>th</sup> floor could be eliminated to reduce the impact at the highest corner of the building. Heppler explained that the mass would have to be relocated elsewhere in the building.

**Motion to continue the Ketchum Boutique Hotel Re-Hearing to a Special Meeting on October 27, 2020 at 4:30 PM in the City Council Chambers.**

*Motion made by Chairman Cosgrove, Seconded by Commissioner Carter.*

*Voting Yea: Chairman Cosgrove, Commissioner Mead, Commissioner Morrow, Commissioner Carter, Commissioner Moczygemba*

**ADJOURNMENT**

**Motion to adjourn at 7:57 PM.**

*Motion made by Commissioner Morrow, Seconded by Vice-Chair Mead.*

*Voting Yea: Chairman Cosgrove, Commissioner Mead, Commissioner Morrow, Commissioner Carter, Commissioner Moczygemba*