



City of Ketchum
Planning & Building

STAFF REPORT
KETCHUM PLANNING AND ZONING COMMISSION
REGULAR MEETING OF APRIL 12, 2022

PROJECT: Bohica Multi-Use

APPLICATION TYPE: Design Review (File No. P21-001)
Condominium Subdivision – Preliminary Plat (File No. P21-012)

APPLICANT: Mike Brunelle, Brunelle Architects (Architect)
Sean Flynn, Galena Engineering (Engineer)

PROPERTY OWNER: Bohica Idaho, LLC

REQUEST: Design Review and Preliminary Plat application for the conversion of an existing 6,245 square foot restaurant space and the addition of 3,409 square feet for a 9,764 square foot three story mixed-use building

LOCATION: 131 N Washington Avenue - Ketchum Townsite: Block 39: Lot 3

ZONING: Community Core – Subdistrict 2 – Mixed Use (CC-2)

REVIEWER: Morgan R. Landers, AICP – Senior Planner

NOTICE: A public hearing notice for the project was mailed to all owners of property within 300 feet of the project site and all political subdivisions on March 23, 2022. The public hearing notice was published in the Idaho Mountain Express the on March 23, 2022. A notice was posted on the project site and the city’s website on March 23, 2022.

EXECUTIVE SUMMARY

The Applicant is proposing a 9,764 square foot three-story mixed-use development known as Bohica Multi-Use (the “project”), located at 131 N Washington Avenue (the “subject property”). The subject property contains a vacant 6,245 square foot two story building originally approved as a restaurant with second floor outdoor patio/dining space initially constructed in 2008. Prior to vacancy of the structure, the building was the location of the Rustic Moose, Bora Restaurant, Globus, and Boho Lounge. The space has been vacant for at least a year but used for special events intermittently. Sheet A-001 of Attachment C shows the existing building elevations and floor plans.

The subject property is zoned Community Core -Subdistrict 2 - Mixed Use (CC-2) which allows for various commercial uses and multi-family residential. As proposed, the project includes significantly reduced commercial space of approximately 1,400 square feet, a ground floor patio fronting Washington Ave, and three residential dwelling units:

- One 739 square foot community housing dwelling unit on the ground floor off the alley
- One 1,823 square foot dwelling unit on the second floor
- One 3,505 square foot dwelling unit with square footage on the second and third floors

To achieve this development program, the applicant proposes to:

- Ground Level – Convert the ground floor restaurant to retail space, parking, one community housing unit with patio, storage for all residential units, and common/mechanical areas. Retain the ground level façade of the building and ground floor patio fronting Washington Ave.
- Second Level – Convert the restaurant space to residential and expand the existing square footage to accommodate one full dwelling unit, a portion of a second dwelling unit and outdoor private patios for each. Retain a portion of the front outdoor patio for residential use and retain the southernmost portion of the façade. Removal of a semi-circle architectural element that encroaches into the public right-of-way.
- Third Level – Addition of a third floor to accommodate the second level of a dwelling unit and outdoor private patios.

Figures 1 and 2 below show the front elevation of the existing building and proposed building respectively for comparison. Attachment C show the floorplans for the proposed project.



Figure 2: Existing Building



Figure 1: Proposed Building (rendering)

Per the project plans, the commercial space is intended to be retail because it does not generate a parking demand per Chapter 17.125 of the Ketchum Municipal Code (KMC). The project proposes one surface parking space and two garage spaces accessed from the alley which meet the parking requirements for the residential uses proposed. The project is proposing to take advantage of the Floor Area Ratio (FAR) bonus for Community Housing, mitigating the additional floor area by dedicating one for-sale deed restricted unit on-site with no additional cash-in-lieu fee required. The proposed FAR for the project is 1.8, which is less than the maximum 2.25 FAR for density bonuses in the Community Core. See Attachment F for the FAR calculations for the project.

The project proposes to construct improvements to the right-of-way per the City of Ketchum improvement standards including, asphalt, curb and gutter, and sidewalks. All improvements to the right-of-way will be reviewed and approved by the City Engineer and Streets Department prior to issuance of a building permit. The project proposes to snowmelt the sidewalks adjacent to the project and all ground level patios adjacent to the alley and Washington Ave. An encroachment permit approved by the City Council will be required for the snow melt system.

Design Review Approval

The existing building received Design Review approval in 2008 (File No 08-001). As the proposed project is not the full demolition and reconstruction of a new building, staff reviews the partial demolition and expansion of the building against the original design review approval to ensure all conditions and restrictions are met with the new project. See below for information regarding the original design review approval.

Emergency Ordinance and Policy Statement

Prior to the submittal of the applications, staff met with the applicant to review the proposed project and provide feedback. Initial comments to the applicant indicated that the proposed project did not meet the goals

and objectives of the comprehensive plan related to diversity of housing and vibrancy in the downtown the community is trying to achieve. Specifically, staff expressed concerns related to the significant reduction in commercial space, the low number of total dwelling units, and the large size of the proposed dwelling units. The applicant elected to move forward with the proposed project with minimal changes. Through the processing of the applications, staff kept the applicant abreast of the activities of the Commission related to the pending emergency ordinance and policy statement for successful projects and provided opportunities for the applicant to revise the project. Under the proposed ordinance, the project would be required to provide five dwelling units instead of the three proposed. Keeping the existing residential square footage would mean an average unit size of 1,213 square feet. Larger unit sizes could be accommodated by increasing the proposed floor area as the proposed project is under the maximum FAR for density bonus projects.

The interim ordinance and policy statement recommended to City Council at the March 29, 2022, meeting of the Commission has not been approved as of the date of this report. Staff believe this project is a good example of what the city is hoping to limit with the proposed ordinance and policy statement and shows that the proposed ordinance is feasible for interior lots within the Community Core. Development projects of this program are not only contrary to the goals and objectives of the comprehensive plan, but they erode the vibrancy of the downtown by reducing active commercial uses and limiting high density residential development potential.

BACKGROUND

The City of Ketchum received an application for Pre-Application Design Review on January 3, 2022. During evaluation of the pre-application for completeness, the city passed Ordinance 1231 amending the types of projects that require pre-application design review. The proposed project did not fall under the amended project list and therefore staff gave the applicant the option to move forward with pre-application or resubmit for Final Design Review. The applicant resubmitted a Final Design Review and condominium preliminary plat application on February 14, 2022. The Design Review and Preliminary Plat applications have been reviewed concurrently and were deemed complete on March 30, 2022.

CONFORMANCE WITH DESIGN REVIEW APPROVAL 08-001

Development of the subject property began in 2007 with a pre-application design review request (P07-019) for a two-story restaurant with a significant glass solarium on the front building façade, surface parking in the rear, and minimal outdoor space. Comments from the Planning and Zoning Commission at the pre-application meeting resulted in a redesign of the building in 2008 when the final design review application was submitted for what exists today (P08-001). Prior to construction of the existing building, the property was vacant.

Design Review criteria in 2008 varies from today. The Design Review criteria was much more detailed by architectural element or component of the project, and included individual criteria for building facade, roofs, awnings, mechanical equipment and service areas, public open space, lighting, bicycle parking and streetscape. See Attachment A for the findings of fact for the existing building. As outlined above, the proposed project retains the full ground floor façade and public plaza. and much of the second-floor façade. As such, the project is retaining much of the character defining architectural elements reviewed and approved in the initial design review approval.

The design review application was approved with 14 conditions of approval as outlined in Attachment A. All conditions were related to items required prior to building permit application for the approved project or other elements of public improvements that have since been completed. No conditions of approval relate to elements of the project that would influence redevelopment or expansion of the building in the future.

CONFORMANCE WITH COMPREHENSIVE PLAN

The City of Ketchum's 2014 Comprehensive Plan is the guiding document to assist the city in decision making when addressing population growth and the systems that support that growth, such as housing, transportation, and the economy. The comprehensive plan contains the community's vision for Ketchum and sets goals and policies to guide future development. This vision is shaped by 10 core values identified by Ketchum residents as important to consider for all future land use decision. The community's core values include enhancing downtown vibrancy and protecting Ketchum's character.

- **VIBRANT DOWNTOWN** - Our downtown core is critical to the economic health and well-being of Ketchum. It functions as both an economic engine and the symbolic "heart and soul" of the City. We will preserve this vibrant commercial area as a place where local businesses can thrive and where people can congregate. Downtown must be a place that people can reach easily by foot, bike, and transit. We will continue to reinforce the downtown as the City's primary business district, retail core, and key gathering place for residents and visitors for shopping, dining, and entertainment. Enhancements and efforts to support events, the arts, and Ketchum's history and culture will make downtown an even greater community asset.
- **A VARIETY OF HOUSING OPTIONS** - Ketchum values a community where people who wish to work and live here can do so. With housing and land prices expected to grow and wages expected to remain relatively constant, the community must explore ways to ensure that citizens have a reasonable choice of housing. Ketchum strives to use creative solutions to housing diversity by looking to partnerships, evaluating zoning, density, and infill policies; removing barriers, and creating incentives to achieve our goals. In order to maintain a strong economy with a base of jobs and a diverse demographic of residents, it is important for the community to provide a varied supply of housing choices—both year-round work force housing and second homes for seasonal residents.

Housing and the economy are inextricably linked. The comprehensive plan states that one of the primary issues to achieving a strong and diverse economy is housing. "There are not enough affordable or varied housing options for existing employees and potential new workers" as noted on page 15. The comprehensive plan includes numerous goals and objectives related to achieving a vibrant downtown and housing options for the community including:

- **Goal E-1:** Ketchum will work to retain and help expand existing independent small local businesses and corporations.
- **Goal H-1:** Ketchum will increase its supply of homes, including rental and special-needs housing for low-, moderate- and median-income households.
- **Policy H-1.4 Integrated Housing in Business and Mixed-Use Areas:** Housing should be integrated into the downtown core and light industrial areas, and close to the ski bases. The resulting mix of land use will help promote a greater diversity of housing opportunities as well as social interactions.
- **Policy H-3.1 Mixture of Housing Types in New Development:** The City will promote the siting of higher density housing near public transportation, the ski base areas, shopping, and designated neighborhoods and districts.

The proposed project does not move the goals and objectives of the comprehensive plan forward. Specifically, the elimination of a large restaurant space for smaller retail space exchanges a vibrant and active evening use for less active day-time use. Locating and constructing restaurant space is known to be very difficult as land prices are high and restaurant equipment is extremely expensive. Losing an existing restaurant space eliminates the opportunity for another restaurant to locate there.

Although the project proposes to include one on-site community housing unit, the remaining use of the space is not well utilized to maximize commercial or residential potential of the site. The ground floor of the project dedicates significant available square footage to circulation and common areas, garage, and storage space for

the upper floor residential units rather than providing smaller units that require less parking and increased commercial space on the ground floor.

CONFORMANCE WITH ZONING AND DESIGN REVIEW STANDARDS

Per Ketchum Municipal Code (KMC) §17.96.010.A – *Applicability*, design review is required for all new multi-family dwellings. Before granting Design Review approval, the Commission must determine that the application meets two criteria: (1) the project doesn't jeopardize the health, safety, or welfare of the public, and (2) the project conforms to all Design Review standards and zoning regulations (KMC §17.96.050.A).

Conformance with Zoning Regulations

During department review, city staff reviewed the project for conformance with all applicable zoning code requirements including uses, dimensional limitations, signage, parking, development standards, and dark skies. The project is in conformance with all applicable zoning code requirements and standards. Please see Attachment F for a full review of dimensional standards.

Conformance with Design Review Improvements and Standards

During department review, city staff reviewed the project for conformance with all applicable design review improvements and standards outlined in KMC §17.96.060 – *Improvements and Standards*. Staff also review the project for conformance with KMC §17.96.070 – *Community Core (CC) Projects*. Finally, staff reviewed the project for conformance with all corresponding city code requirements related to right-of-way improvements including but not limited to sidewalks, street lighting, alleys, and on-street parking. Staff believes that either a requirement is not applicable due to the scope of the project, or requirements are met. Please see Attachment G for a review of all design review improvements and standards.

CONFORMANCE WITH SUBDIVISION STANDARDS

During Department Review, staff reviewed the preliminary plat application for conformance with KMC 16.04.030 – *Procedures for subdivision approval*, KMC 16.04.040 – *Development and Design*, and KMC 16.04.070 – *Condominiums*. Please see Attachment H for the review of all requirements and standards. Where "N/A" is checked, the standard is not applicable for one of two reasons:

- The standard applies to the creation of new subdivisions, not the subject property, which is an existing platted lot within the Ketchum Townsite.
- The standard applies to action that shall be taken at the final plat stage of the process and this application is for a preliminary plat.
- Per provisions of the standard, the City Engineer has determined that the standard does not apply.

STAFF RECOMMENDATION

Staff does not believe the project meets the goals and objectives of the comprehensive plan. The proposed project does conform with the design review improvements and standards and the requirements for a condominium preliminary plat. As such, staff recommends the Commission consider the project materials and staff analysis and provide direction to staff and the applicant on the applications.

Should the commission choose to support the application as proposed, staff recommends the following conditions of approval for each application as follows:

Design Review (P22-001)

1. This design review approval is based upon the project plan set dated March 15, 2022, as prepared by the project team outlined on the Cover Sheet (CS). Any change in use, square footage of uses, or

exterior facades must be reviewed and approved through the design review process and criteria as stipulated in the Ketchum Municipal Code at the time of design review application.

2. In exchange for an increase in FAR, a voluntary community housing contribution of 679 square feet is required. A Floor Area Ratio Exceedance Agreement between the applicant and the City to memorialize the community housing contribution shall be signed prior to approval of the condominium preliminary plat for the project.
3. A photometric study to determine whether a streetlight is required must be completed and submitted with the building permit application for the project to be reviewed and approved by the City Engineer.
4. Prior to issuance of a building permit for the project, an Encroachment Agreement shall be approved by the City Council addressing the snowmelt within the public right-of-way.
5. Final civil drawings prepared by an engineer registered in the State of Idaho which include specifications for right-of-way, utilities, and drainage improvements shall be submitted for review and approval by the City Engineer, Streets, and Utilities departments prior to issuance of a building permit for the project.
6. The term of Design Review approval shall be twelve (12) months from the date that the Findings of Fact, Conclusions of Law, and Decision are adopted by the Commission or upon appeal, the date the approval is granted by the Council subject to changes in zoning regulations.
7. In addition to the requirements set forth in this Design Review approval, this project shall comply with all applicable local, state, and federal laws.

Condominium Preliminary Plat (P22-012)

1. The preliminary plat is subject to all conditions of approval associated with Design Review approval P22-001. Changes to the design review approval may require changes to the preliminary or final plats filed for the project.
2. Failure to record a Final Plat within two (2) years of Council's approval of a Preliminary Plat shall cause the Preliminary Plat to be null and void.

ATTACHMENTS:

- A. Design Review Approval 08-012 Findings of Fact
- B. Application Materials – Design Review application and supplemental materials
- C. Application Materials - Design Review Plan Set
- D. Application Materials – Preliminary Plat application and supplemental materials
- E. Application Materials – Preliminary Plat Plan Set
- F. Zoning and Dimensional Standards Evaluation
- G. Design Review Standards Evaluation
- H. Preliminary Plat Requirements Evaluation