



City of Ketchum
Planning & Building

STAFF REPORT
KETCHUM PLANNING AND ZONING COMMISSION
SPECIAL MEETING OF February 24, 2020

PROJECT: PEG Ketchum Hotel, LLC or Ketchum Tribute Hotel or Ketchum Gateway Hotel

FILE NUMBER: P20-019

APPLICATION TYPE: Design Review

REPRESENTATIVE: AJC Architects, Eggers Associates Landscape Architecture, Galena Engineering

OWNER: PEG Ketchum Hotel, LLC

REQUEST: Design Review

LOCATION: 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 (Gateway site)

ZONING: Tourist (T) Zoning District

OVERLAY: Floodplain & Waterways Design Review Subdistricts

NOTICE: Notice was published for the February 24, 2020 public hearing in the *Idaho Mountain Express*, the official newspaper, on Wednesday February 5, 2020. On February 5th notice of the hearing was mailed to the property owners within 300 feet of the subject real property and affected agencies.

BACKGROUND

Commission Review. At the July 29, 2019 and July 30, 2019 hearings of the Planning & Zoning Commission (PZ or Commission), the PZ reviewed the project plans for a new hotel at the Gateway site. Subject plans consisted of five inter-related applications, including:

1. The Waterways Design Review application addressing the project's interface with Trail Creek
2. The Preliminary Plat to combine the three properties into one lot for the project site
3. The Pre-Application Design Review (P19-061) application for the hotel
4. The Planned Unit Development Conditional Use Permit (PUD) application for the hotel project
5. The draft Development Agreement to memorialize all conditions the developer is required to meet for the project

Council Review. In October the Ketchum City Council (KCC or Council) received the Commission's recommendation on the hotel project. After a series of public hearings between October 7, 2019 and February

3, 2020 the result is the conditional approval and/or continuation of each of the aforementioned inter-related applications. The status of each of these applications is as follows:

- The Waterways Design Review is approved as conditioned by the Commission (no additional action was required by Council)
- The Council conditionally approved the Preliminary Plat for the Property
- The Council conditionally approved the PUD for the Property
- The Council continued its review of the Project Development Agreement, ***pending receipt of the PZ's Design Review (DR) recommendation***

Four Design Iterations. To date, the City has reviewed four designs for the hotel project. These include the first master plan set of design drawings reviewed by the Commission with its pre-application DR in 2019, two iterations reviewed by KCC during various 2019/2020 hearings (more on this below), and the current February 24, 2020 drawing set. For the purpose of tracking, the February 24, 2020 Design Review drawings are referenced as Version 4^Ω of the Project Master Plan.

On August 12, 2019 the Planning and Zoning Commission issued its Findings of Fact, Conclusions of Law, Order of Decision and Recommendation (PZ Findings) inclusive of the approval to advance the developer's Pre-Application Design Review (P19-061) hotel application, a Reasoned Statement was provided to document PZ comments, concerns, and feedback. As noted, the purpose of the Pre-Application Reasoned Statement was (1) to provide an analysis of DR standards related to the proposed architectural and landscape designs as well as the preliminary design concept's compatibility with the adjacent neighborhood and the character of Ketchum, (2) to document the Commission's feedback to the applicant regarding the design concept, and (3) to memorialize the Commission's motion to recommend/advance the hotel project to final Design Review.

Pre-Application Design Review. In the PZ Findings, the Commission provided a Reasoned Statement moving the hotel project from pre-Application Design Review to full Design Review provided that the Applicant specifically address the following with the full Design Review submittal:

- The Landscape Plan shall provide a comprehensive strategy for the riparian area including public access to Trail Creek, provide a substantial buffer between land uses and particularly between the adjacent office buildings to the west, provide relief and soften the design of the building façade, and mitigate noise pollution;
- The submittal shall specifically address traffic, circulation, and pedestrian safety as well as associated mitigation measures and remedies;
- In order to soften the hotel's impact to the adjacent property located at 220 E River Street, the Applicant shall incorporate more undulation, relief, and material differentiation at the west façade;
- A detailed plan addressing lighting, noise, and signage shall be submitted for review with the final Design Review submittal;
- The submittal shall address sustainability measures related to building design and hotel operations as well as incorporate above code green standards; and
- The Applicant shall meaningfully address all feedback provided by the Planning & Zoning Commission, including critiques related to the bulk and mass of the building, the tiered outdoor terrace architectural feature at the northeast corner, and solar access with the final Design Review submittal package.

^Ω The February 24, 2020 Design Review drawings are referenced as Version 4 of the Project Master Plan. These drawings are the direct result of the KCC-approved PUD Findings, dated 2/3/20, which as noted in Condition No.1 of that decision required an increased west side yard setback totaling 16'.

The Applicant's Design Review (DR) application is intended to address each of the issues noted by the Commission in its reasoned statement from 2019, as well as further direction the Applicant has received from the Council as a result of its deliberations.

Council Direction to Commission. A number of provisions from KCC's approval of the Applicant's PUD application are material to the Commission's review of this DR application. Of particular note is the three-dimensional (3-D) building envelope granted with the project waivers for the PUD.

In summary, the Council has approved the following **3-D building envelope** for the Project:

- Maximum FAR: 1.57
- Maximum height: 72' (\leq 48' adjacent River Street and \leq 28' adjacent Trail Creek)
- Front yard setback: 15'
- Rear yard / Trail Creek setback: 25' + 10' (sewer easement)
- East-side / State Highway 75 setback: 20' (with an average side setback along the highway of \geq 31.3')
- West-side setback: 16'

Note 1: A number of changes have been made to Version No. 4 of the Project Master Plan since the PZ originally reviewed the Project in 2019 with Version No. 1. For instance, between Version 1 and Version 4 of the Project Master Plan, FAR has decreased from 1.9 to 1.57, front setback has increased from 0' to 15', and the building has shrunk to increase the west side property line from 4' to 16'. The roof top bar has also dropped a level.

Note 2: The project is subject to a host of conditions, such as council approval of an Encroachment Permit for the proposed River Street improvement as a pre-condition to building permit issuance.

See KCC-approved PUD Findings for the PEG Ketchum Hotel, dated 2/3/20 for details. This document is also referenced as **Attachment E.4.A.**

ANALYSIS

The February 24, 2020 Design Review drawings (Version No. 4 of the Project Master Plan) before the Commission comply with the above 3-D building envelope metrics adopted by Council on February 3, 2020. The building FAR is __, the building height does not exceed 72' and tapers from a maximum 4-story River Street Elevation of 48' to 28' adjacent Trail Creek. Further, the project complies with the setbacks specified by Council in the adopted PUD Findings, among other features, as set forth in **Attachment E.4.A.**

The applicant proposes to remove all the vacated buildings on site and construct a new 128,436 gross square foot building comprised, among other features, of the following:

- 92 "keys" for hotel rooms
- 23 beds of employee housing
- a rooftop bar with terrace and patio space
- a public outdoor plaza
- restaurant, lounge
- conference rooms
- fitness room, outdoor guest space with hot tubs

The project includes 84 underground parking spaces (53 spaces are dedicated to hotel operations, 18 spaces are dedicated to employee housing, and 13 spaces are devoted to public use), as set forth in the KCC-approved PUD Findings.

As determined by Council, direct project ingress/egress to State Highway 75 (SH75) for anything other than fire emergency staging is not allowed. In part, based on 3rd party review by the city’s traffic consultant (AECOM), River Street has been found by the Council to be the preferred solution for project access in terms of acceptable level of service, traffic flow, circulation, deliveries, parking, snow removal, and pedestrian access. Conditions of approval, such as a north bound left turn lane, as also stipulated by the Commission, are required to be constructed by the applicant as a condition of certificate of occupancy for the project.

A full copy of the applicant’s DR submittal drawings is attached.

Also attached is a copy of the KCC-adopted Planned Unit Development CUP Findings for the project, as well as a summary of City Department comments and an analysis of the Project Master Plan relative to the City of Ketchum 2014 Comprehensive Plan.

Pursuant to KMC §17.96.020, the purpose of Design Review is to maintain and enhance the appearance, character, beauty, and function of the City, to ensure that new development is complementary to the design of existing City neighborhoods, and to protect and enhance the economic base of the City of Ketchum.

As further identified in the 2014 Ketchum Comprehensive Plan, Design Review criteria and standards are intended to encourage new development to align with the community’s vision for Ketchum as an authentic mountain community with a world-class character, yet small town feel (p. 7).

Staff analysis of the application consistent with the aforementioned purpose and intent follows. Specifically, staff comments and preliminary findings are organized within two tables. Table 1 analyzes how the Version No. 4 Project Master Plan complies with the City’s Design Review Improvements and Standards Analysis and Considerations. Table 2 analyzes how the Version No. 4 Project Master Plan complies with the City’s PUD Project Waiver Consideration and Analysis / Tourist Zoning District Dimensional Standards. Where staff has outstanding questions of the applicant or the commission, such comments are demarcated in *red* and may be found interspersed throughout the Staff Comment / Draft Finding portions of each Table.

Table 1: Design Review Improvements and Standards Analysis and Considerations

Design Review Improvements and Standards Analysis and Considerations KMC § 16.08.080 G 1				
IMPROVEMENTS AND STANDARDS: 17.96.060				
Yes	No	N/A	Ketchum Municipal Code §	City Standards and Staff Comment / Draft Findings
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.050.A.1 Criteria	The project does not jeopardize the health, safety or welfare of the public.
			Staff Comment / Draft Finding	<i>As conditioned herein with controls on design, inclusion of employee housing, pedestrian circulation and improvements within public rights-of-way, among other provisions set forth in the PUD Findings adopted by Council, the Commission finds the project will not jeopardize the health, safety of welfare of the public.</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 G 1 & 17.96.050.A.2, Criteria	<p>The plan is in conformance with and promotes the purposes and goals of the comprehensive plan, zoning ordinance, and other applicable ordinances of the city, and not in conflict with the public interest:</p> <p>Pursuant to subsection 16.08.070D of this chapter, all of the design review standards in chapter 17.96 of this code shall be carefully analyzed and considered. This includes detailed analysis of building bulk, undulation and other design elements. The site plan should be sensitive to the architecture and scale of the surrounding neighborhood.</p> <p>The project conforms to all applicable standards and criteria as set forth in this chapter, this title, and any other standards as adopted or amended by the City of Ketchum from time to time.</p>
			Staff Comment / Draft Finding	<i>The Commission carefully analyzed and considered the standards of these sections and finds the project site plan to be sensitive to the architecture and scale of the surrounding neighborhood and is in harmony with the surrounding area. The Commission also finds that the Project conforms with applicable standards and criteria as set forth in KMC Chapter 96 and Title 17, as are applicable and not in conflict with the provisions of KMC Chapter 08 of Title 16 [the Planned Unit Development Ordinance].</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(A)(1) Streets	The applicant shall be responsible for all costs associated with providing a connection from an existing city street to their development.
			Staff Comment / Draft Finding	<i>The property is located at 260-280 E. River Street with approximately 334 linear feet (LF) of frontage along State Highway 75 (SH75) and approximately 170 feet of linear frontage adjacent along River Street. As stipulated by the Ketchum City Council approval of the associated Planned Unit Development application for the property, the project will not have direct access onto SH75 for anything other than emergency access staging. The applicant is responsible for all costs associated with connecting the project to River Street, including access to the parking garage, pick-up/drop-off, hybrid delivery/public parking, and various sidewalk and plaza improvement. The project is designed consistent with the recommendation of the city's 3rd party traffic consultant (AECOM) and subject to an encroachment permit by the city. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(A)(2) Streets	All street designs shall be approved by the City Engineer.
			Staff Comment / Draft Finding	<i>The final street design, including snowmelt, delivery parking, pick-up/drop off areas, plaza amenities, sidewalk width/locations, ADA ramps, and bulb out are subject to city engineer approval, as well as an encroachment permit by Council. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(B)(1)	All projects under 17.96.010(A) that qualify as a "Substantial Improvement" shall install sidewalks as required by the Public Works Department.
			Staff Comment / Draft Finding	<i>The project qualifies as a substantial improvement and 8' sidewalks along River Street and SH75 are required, totaling approximately 504 LF. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060 (B)(2)c	Sidewalk width shall conform to the City's right-of-way standards, however the City Engineer may reduce or increase the sidewalk width and design standard requirements at their discretion.
			Staff Comment / Draft Finding	<i>The project qualifies as a substantial improvement and 8' sidewalks along River Street and SH75 are required. The city ROW standards also require on-street parking, which is being mitigated with 13 public parking spaces within the Applicant's parking garage. As conditioned, the Project complies with this standard.</i>
			17.96.060 (B)(3)	Sidewalks may be waived if one of the following criteria is met:

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<p>a. The project comprises an addition of less than 250 square feet of conditioned space.</p> <p>b. The City Engineer finds that sidewalks are not necessary because of existing geographic limitations, pedestrian traffic on the street does not warrant a sidewalk, or if a sidewalk would not be beneficial to the general welfare and safety of the public.</p>
			Staff Comment / Draft Finding	N/A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060 (B)(4)	The length of sidewalk improvements constructed shall be equal to the length of the subject property line(s) adjacent to any public street or private street.
			Staff Comment / Draft Finding	<i>The applicant proposes to install a new 8' wide sidewalk along the north and east perimeter of the property. The new sidewalk will be approximately 504 total linear feet (LF) as follows: 170 LF along River Street and 334 LF along SH75. The River Street sidewalk will be snow melted by the applicant. The exact location of the sidewalk will be noted within the ITD and River Street Encroachment Permits. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060 (B)(5)	New sidewalks shall be planned to provide pedestrian connections to any existing or future sidewalks adjacent to the site. In addition, sidewalks shall be constructed to provide safe pedestrian access to and around a building.
			Staff Comment / Draft Finding	<i>The new sidewalk along the applicant's property connects to existing and future city sidewalk infrastructure. As conditioned, the Project complies with this standard.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17.96.060 (B)(6)	The City may approve and accept voluntary cash contributions in-lieu of the above described improvements, which contributions must be segregated by the City and not used for any purpose other than the provision of these improvements. The contribution amount shall be one hundred ten percent (110%) of the estimated costs of concrete sidewalk and drainage improvements provided by a qualified contractor, plus associated engineering costs, as approved by the City Engineer. Any approved in-lieu contribution shall be paid before the City issues a certificate of occupancy.
			Staff Comment / Draft Finding	<i>N/A. The project does not propose making a voluntary cash contribution in-lieu of improvements for this project.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(C)(1)	All storm water shall be retained on site.
			Staff Comment / Draft Finding	<i>All storm water shall be retained on site including water from roof drains. The applicant has submitted Storm Water Pollution Plan (Civil Drawing Sheet C2.0 from Galena Engineering), as well as a preliminary utility plan with drainage details on Civil Drawing Sheet C3.0 of the Design Review submittal. The proposed drainage plan includes a system of drywells. Prior to issuance of a Building Permit for the project, the applicant shall submit a final drainage plan indicating grading, catch basins, piping, and drywells (KMC §17.96.040.C.2b & KMC §17.96.060.C.1-4) prepared by a civil engineer licensed in the state to be submitted for review and approval by the City Engineer and Streets Department. See Attachment for City Department comments including City Engineer and Streets Department conditions. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(C)(2)	Drainage improvements constructed shall be equal to the length of the subject property lines adjacent to any public street or private street.
			Staff Comment / Draft Finding	<i>See above Staff Comment / Draft Finding for Ketchum Municipal Code §17.96.060(C)(1). All drainage improvements are required to meet City standards. All drainage improvements shall be indicated on civil plans stamped and Idaho licensed engineer and require review approval from the City Engineer & Streets Department prior to issuance of a Building Permit for the project. As conditioned, the Project complies with this standard.</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(C)(3)	The City Engineer may require additional drainage improvements as necessary, depending on the unique characteristics of a site.
			Staff Comment / Draft Finding	<i>A final drainage plan prepared by a civil engineer licensed in the state of Idaho shall be submitted with the Building Permit application to be reviewed and approved by the City Engineer. The City Engineer may require additional drainage improvements as necessary. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(C)(4)	Drainage facilities shall be constructed per City standards.
			Staff Comment / Draft Finding	<i>All drainage facilities on both private property and the City owned right-of-way shall meet City standards. Final drainage specifications shall be included with the civil drawings submitted with the Building Permit application to be reviewed and approved by the City Engineer & Streets Department. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(D)(1)	All utilities necessary for the development shall be improved and installed at the sole expense of the applicant.
			Staff Comment / Draft Finding	<i>The applicant is aware of this requirement and the preliminary plans indicated in the Galena Engineering set of Civil Drawings show utility connections and locations. Also, will serve letters have been received from all the major utility service providers for the project, including IMG, Idaho Power, City Water and Sewer, Cox, and Clear Creek. See Attached Public Works Department comments and other will serve letters. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(D)(2)	Utilities shall be located underground and utility, power, and communication lines within the development site shall be concealed from public view.
			Staff Comment / Draft Finding	<i>All utilities within the development site shall be underground and concealed from public view. The transformer for the Project is proposed in the Northwest Portion of the site with landscape screening. See above Staff Comment / Draft Findings for Ketchum Municipal Code §17.96.060(D)(1).</i> <i>Is the Commission comfortable with the proposed transformer screening and are any additional conditions of approval tied to this utility required?</i> <i>As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(D)(3)	When extension of utilities is necessary all developers will be required to pay for and install two (2") inch SDR11 fiber optical conduit. The placement and construction of the fiber optical conduit shall be done in accordance with city of Ketchum standards and at the discretion of the City Engineer.
			Staff Comment / Draft Finding	<i>The applicant is aware of this requirement and will comply with these standards. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(E)(1)	The project's materials, colors and signing shall be complementary with the townscape, surrounding neighborhoods and adjoining structures.
			Staff Comment / Draft Finding	<i>The Applicant notes the following about how the materials and colors selected for the project complement Ketchum's townscape, surrounding neighborhood, and adjoining structures:</i> <i>STONE – Located primarily along the base volume of the restaurant and lobby along River Street. Our stone selection is a dry-stack stone with natural buff / light gray tones and horizontal directionality. Natural stone tones intended to reflect the prevalent stone formations around Wood River Valley, and rustic residential architecture of the area.</i> <i>BOARD FORMED CONCRETE – The grounding base element of this building, as the site drops, the board formed concrete foundation walls and site terraces with the landscape. Horizontal board formed texture gives a</i>

				<p><i>more natural textured finish vs. a traditional smooth face concrete. This material is seen throughout the valley on residential and commercial projects.</i></p> <p>STOREFRONT GLAZING – <i>All windows, doors, and storefront glazing will be a simple dark bronze / black frame with high performance clear glazing. Dark frames tend to visually disappear from the architecture as other textures pop. Dark frames historically relate to old steel framed windows found throughout Western vernacular architecture, and are seen on most commercial and residential buildings in Ketchum.</i></p> <p>CHARWOOD VERTICAL SIDING – <i>This highly sustainable material is a low maintenance, fire resistant, textured gray wood to contrast / compliment the clear cedar siding throughout the project. Historically grey wood is achieved through staining or natural aging (see adjacent Korb property), but requires regular maintenance and sealing. Charred wood produces a natural gray wood aesthetic that doesn't require future staining or sealing. Gray finished wood is seen throughout Wood River Valley on historic structures, commercial structures, and all grades of residential projects.</i></p> <p>STEEL GUARDRAIL / STEEL PLATE FASCIA – <i>Similar to the dark bronze storefront, clean horizontal steel railings and perimeter roof detailing provides a subtle contemporary touch that ideally disappears from the overall project to let other elements pop. The black flat bar railings are visually lighter than a heavy wood railing or panel railing, and require less maintenance / upkeep than a clear glass railing would. Exposed steel details are common on much of the local architecture, and relates back to historic mining and ski tower structure.</i></p> <p>CEDAR WOOD HORIZONTAL SIDING – <i>Wood siding is probably the most commonly seen exterior material in the Wood River Valley and Ketchum. It's natural texture provides visual connection to surroundings as opposed to more commercial materials like flat metal panel or stucco. 'Clear' wood defines the grade of wood to have minimal knots or variation in the grain, so just denotes a higher finish grade of wood. This material will be sealed to maintain a more consistent finish, but color will change over time with exposure to the elements.</i></p> <p>VERTICAL WOOD SLAT W/ METAL PANEL BEHIND – <i>The wood slat siding will use the same clear cedar material as the building siding, but in a lighter slatted application to provide a more vertical structural appearance on a few select locations of the building. The intent of this material is to act as an lighter accent to the mass of the building itself. Dark bronze or black metal panel behind will contrast the clear cedar and make the wood stand out from it's background. Again, wood is one of the most common building materials in the area, and this is a creative use of a common material.</i></p> <p><i>Furthermore, the applicant has provided details of materials to be used on each elevation of the building.</i></p> <p><i>PZ input on the complementary nature of design requested.</i></p>
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				<p><i>The Applicant has also submitted a Master Signage Plan consistent with KMC §17.127.030.B. Because a name for the restaurant and hotel has not been determined, generic names (restaurant and hotel) are provided in the submittal package. Locations for four signs have been noted, as depicted in the submitted drawing set.</i></p> <p><i>The site is eligible for 56 square feet of wall signage on River Street and 60 square feet along its SH75 frontage. The proposed signs are less than the aforementioned allowable square footage areas available for signage on the property. As such, the signs are eligible for administrative approval.</i></p> <p><i>Any additional input from the Commission on the applicant's sign plan?</i></p> <p><i>As conditioned, the Project complies with this standard. The project materials, colors and signing are found to be complementary with the townscape, surrounding neighborhoods and adjoining structures.</i></p>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17.96.060(E)(2)	<p>Preservation of significant landmarks shall be encouraged and protected, where applicable. A significant landmark is one which gives historical and/or cultural importance to the neighborhood and/or community.</p> <p><i>N/A. There are no identified landmarks on the property.</i></p>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17.96.060(E)(3)	<p>Additions to existing buildings, built prior to 1940, shall be complementary in design and use similar material and finishes of the building being added to.</p> <p><i>N/A as the existing buildings on site will be demolished and the project will be new construction.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(F)(1)	<p>Building(s) shall provide unobstructed pedestrian access to the nearest sidewalk and the entryway shall be clearly defined.</p> <p><i>The proposed sidewalks will connect as required. The subject property is a corner lot with street frontage along River Street and State Highway 75/Main Street. As a substantial improvement, the hotel project is required to install sidewalks equal to the length of the subject property lines adjacent to River and Main Streets. All sidewalks shall be constructed to City standards contained in KMC §12.04.030.M as well as all applicable City right-of-way standards. The main entryway to the hotel lobby is from River Street. The pedestrian ways along River Street will include a snowmelt system, which serves to further activate the corner of River and Main Streets by enhancing the pedestrian streetscape. The proposed front façade has been designed with ground floor windows and glass doors, which invites the public and hotel guests into the hotel. As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(F)(2)	<p>The building character shall be clearly defined by use of architectural features.</p> <p><i>Congruous with the natural topography of the development parcel, the mass of the building steps up the sloping grade from the south corner of the parcel adjacent to Trail Creek to the front property line at River Street. The vertical mass at the east elevation fronting Main Street is broken up by variation in roof heights, material differentiation, and a combination of horizontal and vertical elements. Projecting balconies and canopy elements serve to articulate breaks within the vertical plane. The circulation corridor design at the center of building serves as a prominent architectural feature anchoring the hotel to the site. Characterized with window openings at the east elevation fronting Main Street, the fenestration proposed with the circulation corridor serves as a visual invitation welcoming the public inside the hotel in order to enjoy the rooftop bar, restaurant, and lounge. The rooftop bar overhang element echoes the overhangs proposed at the entry and the corner of Main & River</i></p>

			<p><i>Streets linking the public amenities proposed with the project including the restaurant, dining area, and lounge.</i></p> <p><i>With its reasoned statement at pre-application Design Review in 2019, the Commission requested the “Applicant meaningfully address ... critiques related to the bulk and mass of the building [including] the tiered outdoor terrace architectural feature at the northeast corner” of SH75 and River Street. This element of the hotel design now integrates with a public plaza, as recommended in the Gateway Study, at the corner of River Street and SH75. This public space adjoins the hotel entry as well as a canopy covered bar patio on Level 01 that is retained by a board formed concrete adjacent a new 8’ wide sidewalk along SH75 and landscape screened from SH75 (toward southeast). The architecture in this corner is tiered from the SH75 street level by a retaining wall, the top of first floor plate level roof overhang canopy above the public outdoor dining, and then three floors of patios that provide terraced outdoor living areas for certain suites. The Commission requested what was previously viewed as imposing and tower-like feature in the design be softened. The new pedestrian interface at this intersection and use of vertical wood slat with sheet metal behind, steel guardrail, and use of thermally broken windows have been specified to address the Commission’s previous concerns.</i></p> <p><i>During the Commission’s pre-application design review hearing, concern was expressed regarding the rooftop bar in relation to noise and light pollution. KMC §17.132.030.H requires all exterior lighting be full cutoff fixtures with the light source fully shielded. Fixtures shielded underneath canopies must be flush mounted or side shielded. KMC §9.08.040.8 enumerates standards for noise levels permitted in the nighttime, daytime, and evening. The Commission encouraged the applicant to consider treatments to mitigate the impact of noise and light emanating for the proposed rooftop bar. The applicant has addressed the previous concerns raised by moving subject rooftop bar one story lower in the overall design of the building (now at Level 03, versus previously at Level 04), by extending the roof canopy over the bar patio space, complying with city lighting specifications, and adding green roof landscaping to the Level 02 terrace that is one story below and accessible by an outdoor stairway from the rooftop bar/patio.</i></p> <p><i>The building character is clearly defined by the combined use of vertical elements, such as char wood vertical siding and wood slats with sheet metal behind panels, and horizontal elements, such as cedar wood horizontal siding. Also characterizing the building is its transparency, including thermally broken windows and accessible balconies with steel guardrails for the hotel rooms, as well as canopies and steel plate knife edge fascia to offset architectural elements.</i></p> <p><i>Questions of applicant?</i></p> <p><i>As conditioned, the Project complies with this standard.</i></p>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>17.96.060(F)(3)</p> <p>There shall be continuity of materials, colors and signing within the project.</p> <p>Staff Comment / Draft Finding</p> <p><i>Applicant has provided a materials board consisting of Clear Cedar Screen, Clear Cedar T&G, Shou-sugi Ban Wood, Board-formed Concrete, Dry-stacked Stone, Black Steel Trim, Sand-Blasted Concrete and Flat-Bar Railing. Subject material board is characterized by natural materials including stone, steel, and wood with fenestration to celebrate the outside environment within interior common areas and living space.</i></p>

				<p><i>Notably, each of the 92 hotel rooms has access to outdoors with either a Juliet or full walk-out balcony. The materials are carried around the periphery of the building to create design continuity. Additionally, a sign master plan has been submitted by the applicant and will be subject to future administrative approval. As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(F)(4)	<p>Accessory structures, fences, walls and landscape features within the project shall match or complement the principal building.</p>
			Staff Comment / Draft Finding	<p><i>The applicant has proposed a landscape buffer southward of the front plaza bar patio characterized by a mix of landscaping, planter beds, and board-formed concrete and/or stone retaining walls. These improvements create a tiered, low to high, stepped back design complementary of the principal building. The Applicant has provided a more detailed landscape plan that softens the building façade, mitigates SH75 noise, and gives vitality to the 45% project open space. As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(F)(5)	<p>Building walls shall provide undulation/relief, thus reducing the appearance of bulk and flatness.</p>
			Staff Comment / Draft Finding	<p><i>As the building form terraces down towards Trail Creek following the contours of the development parcel, the façade is distinguished by a combination of horizontal and vertical elements, such as the balcony railing and window openings, providing additional relief to the staggered facade. Horizontal elements terminate at the southernmost portion of the building, which is characterized by ample transparency and windows providing views of adjacent Trail Creek. The proposed staggered façade design at all elevations incorporates fenestration through window and door openings, varying roof heights, and material differentiation to provide relief the bulk and mass of the hotel.</i></p> <p><i>With the original project master plan in 2019, the Commission expressed concern about the proposed bulk and mass of the building and the associated impact to view corridors, appropriateness of the proposed scale of the hotel and compatibly with the surrounding neighborhoods. In order to mitigate these impacts, the Commission encouraged the Applicant to step back the building in order to improve solar access and view corridors.</i></p> <p><i>The Council agreed with the Commission’s bulk assessment and the proposed project FAR has decreased significantly to less than 1.6 as represented in the attached Design Review Drawings. Additional steps to reduce the appearance of bulk and flatness from River Street and along the highway are noted in the staff comment / draft finding of subsection (E)(1) above. Notably, the façades now combine horizontal and vertical elements through the variation of natural siding materials, the placement of balconies and associated railings, the steel panels, as well as the fenestration. The entryway and circulation corridor are distinguished through the use of steel siding and the roofing forms at varying elevations. The front elevation is defined by thermally broken storefront glazing and cladding feature integrated with the proposed planters at the ground level and various green roof elements.</i></p> <p><i>Additionally, the Commission requested increased setbacks, landscaping and design considerations at the northwest corner of the building due to the reduced side yard setback. The Commission requested the Applicant provide more undulation and relief to the façade design including more steps and terraced elements. The Commission critiqued the design along this elevation for its lack of modulation and monolithic</i></p>

				<p>appearance and encouraged more undulation, stepping of the facades, and material differentiation.</p> <p>The Council agreed with the aforementioned west setback concern of the Commission and increased the 3-D building envelope as previously noted. Notably, Version No. 4 of the Master Plan is setback 16' from the west property line. The building steps back at its upper floor and significant landscaping has been added.</p> <p><i>PZ direction on board formed concrete terrace features adjacent SH75 is needed. Questions pertain to: proposed heights, mass (breaking up the mass), materials (living walls?), colors, and heights (appear to be +/- 8' high).</i></p> <p><i>Other design or materials questions by Commission of applicant?</i></p> <p>As conditioned, the Project complies with this standard.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(F)(6)	<p>Building(s) shall orient towards their primary street frontage.</p> <p><i>River Street has been analyzed by the design team, AECOM, city staff and the Council and determined to be the preferred solution for project access in terms of level of service, traffic flow, circulation, deliveries, parking, snow removal, and pedestrian access. Additionally, as determined by Council, direct access to the project from SH75 shall be limited to fire emergency staging only. The hotel is oriented towards River Street as the primary street frontage. As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(F)(7)	<p>Garbage storage areas and satellite receivers shall be screened from public view and located off alleys.</p> <p><i>The project has no access to any public alleyway and, as such, this portion of the DR standard (F)(7) is not applicable. However, garbage storage for the project will be screened from public view. As set forth on the Level 01 Floor Plan, a trash / loading area is located just inside the parking garage off the garage vestibule. The applicant has obtained a will serve letter from Clear Creek Disposal for the project. Furthermore, any satellite receivers for the project or on the property shall be screened from public view. As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(F)(8)	<p>Building design shall include weather protection which prevents water to drip or snow to slide on areas where pedestrians gather and circulate or onto adjacent properties.</p> <p><i>The building design includes at the entrance to the hotel lobby a cantilevered canopy that terminates at the applicant's property line along River Street. The restaurant bar patio also is covered. Both features will prevent water from dripping or snow from sliding on areas where pedestrians gather and circulate. Furthermore, the applicant proposes to snow melt the front drop off, plaza, public sidewalk areas as part of its River Street Encroachment Permit with the City. As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(G)(1)	<p>Pedestrian, equestrian and bicycle access shall be located to connect with existing and anticipated easements and pathways.</p> <p><i>Approximately 500 linear feet of new sidewalk will be built within the River Street and SH75 public ROW abutting the property. The sidewalks will be 8' in width to comply with city standards. The sidewalk along the north-side of the hotel is proposed to be snow melted. Additional pathways are proposed on the applicant's property that wrap the southwest, southern and southeast parts of the building. These are internal walkways that connect to hotel ingress/egress points, various public entries, the dedicated fisherman's easement noted on the subdivision plat for</i></p>

				<i>Trail Creek, required hotel emergency evacuation routes, and the aforementioned public ROW sidewalks. Bike racks are also proposed consistent with hotel requirements. As conditioned, the Project complies with this standard.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17.96.060(G)(2)	Awnings extending over public sidewalks shall extend five (5') feet or more across the public sidewalk but shall not extend within two (2') feet of parking or travel lanes within the right of way.
			Staff Comment / Draft Finding	<i>N/A as the applicant has not proposed any awnings that project over a public sidewalk. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(G)(3)	Traffic shall flow safely within the project and onto adjacent streets. Traffic includes vehicle, bicycle, pedestrian and equestrian use. Consideration shall be given to adequate sight distances and proper signage.
			Staff Comment / Draft Finding	<i>As noted in the City Council-adopted PUD Findings set forth in Attachment E.4.A, including in part §17.116.030(C), the City finds the Project will be adequately served by necessary vehicular and nonmotorized transportation systems. This finding was made after reviewing the detailed traffic impact study (TIS) prepared by Hales Engineering, which AECOM (on behalf of the city) provided a peer analysis. As conditioned herein, the Commission finds that traffic shall flow safely within the project and onto adjacent streets. Traffic includes vehicle, bicycle, pedestrian and equestrian use. In making this finding, consideration was given to assuring adequate sight distances and proper signage.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(G)(4)	Curb cuts and driveway entrances shall be no closer than twenty (20') feet to the nearest intersection of two or more streets, as measured along the property line adjacent to the right of way. Due to site conditions or current/projected traffic levels or speed, the City Engineer may increase the minimum distance requirements.
			Staff Comment / Draft Finding	<i>No curb cuts or driveway entrances are proposed that are closer than twenty (20') feet to an intersection of two or more streets, as measured along the property line adjacent to the right of way. Improvements to River Street are subject to a city encroachment permit. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(G)(5)	Unobstructed access shall be provided for emergency vehicles, snowplows, garbage trucks and similar service vehicles to all necessary locations within the proposed project.
			Staff Comment / Draft Finding	<i>Significant attention has been given to the project by the city engineer, fire, streets and planning departments to assure that unobstructed emergency access, snow plowing needs, and other city design considerations are properly addressed with the project. See department comments in Table 2. Furthermore, the applicant has received a will serve letter from Clear Creek Disposal for the project. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(H)(1)	Snow storage areas shall not be less than thirty percent (30%) of the improved parking and pedestrian circulation areas.
			Staff Comment / Draft Finding	<i>This standard applies to on-site parking and circulation areas, not pedestrian and parking circulation areas within the public right-of-way. All on-site parking is located within the parking garage and the entrance to the parking garage is within the boundary the applicant plans to snowmelt. An extensive sidewalk network is proposed on-site for the public and guests. Portions of this sidewalk network need to remain free of snow for hotel evacuation purposes. As a result, the applicant walkways along the southwest and south portions of the project that are associated with hotel ingress/egress points will be snow melted. With 45% open space on-site and a network of snowmelt sidewalks, the applicant's pedestrian circulation area is greater than 30%. As conditioned, the Project complies with this standard.</i>
			17.96.060(H)(2)	Snow storage areas shall be provided on-site.

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Staff Comment / Draft Finding	<i>See above Staff comment for Ketchum City Code §17.96.060(H)(1).</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(H)(3)	A designated snow storage area shall not have any dimension less than five (5') feet and shall be a minimum of twenty five (25) square feet.
			Staff Comment / Draft Finding	<i>See above Staff comment for Ketchum City Code §17.96.060(H)(1).</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(H)(4)	In lieu of providing snow storage areas, snow melt and hauling of snow may be allowed.
			Staff Comment / Draft Finding	<i>The applicant proposes a snowmelt system for the project. As conditioned, the Project complies with this standard.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(I)(1)	Landscaping is required for all projects.
			Staff Comment / Draft Finding	<p><i>Pursuant to KMC §17.96.060.I, landscaping shall serve to enhance and complement the neighborhood and townscape as well as provide a buffer between land uses. The landscape plan incorporates a landscape buffer separating the hotel from Main Street. The landscape plan is comprised of a mixtures of trees, bushes, grasses and flowers appropriate to the environment. Street trees are proposed to be incorporated into the streetscape design adjacent to River Street. All proposed street trees will require electrical outlets and irrigation and must maintain a minimum of 6 ft of clearance within the public sidewalk. Materials and vegetation types are required to be readily adaptable to the site's microclimate, soil conditions, and orientation. All trees, grasses, and perennials must be drought tolerant and native species are recommended.</i></p> <p><i>Due to the requested waiver to reduce the west side setback, the Commission requested the applicant enhance the landscape design in order to provide a buffer between the hotel and the adjacent office buildings located at 220 E River Streets. A 16' building setback and landscape buffer have been provided.</i></p> <p><i>The Commission called for the proposed landscape design to include a comprehensive strategy for the riparian area including a point of access for the public to access Trail Creek. This has been provided, inclusive of public access.</i></p> <p><i>PZ input on Trail Creek Access – Landscape Plan is desired. If the PZ desires an amended riparian interface, the Floodplain Development/Waterways Design Review approval previously approved by the Commission can be amended administratively to reflect the final Design Review landscape plan.</i></p> <p><i>The Commission noted the landscape plan should provide details for the proposed rooftop garden.</i></p> <p><i>Commission input on the rooftop garden and particularly the Level 02 Terrace is desired.</i></p> <p><i>The final landscape plan submitted with the final Design Review application shall be reviewed and approved by the City Arborist.</i></p> <p><i>Two landscape plans are included in the Design Review submittal. The landscape plan includes Aspen Trees, understory shrubs and wildflowers, native trees, shrubs, and grasses, as well as planters comprised of ornamental grasses and perennial flowers.</i></p> <p><i>As conditioned, the Project complies with this standard.</i></p>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(1)(2)	Landscape materials and vegetation types specified shall be readily adaptable to a site's microclimate, soil conditions, orientation and aspect, and shall serve to enhance and complement the neighborhood and townscape.
			Staff Comment / Draft Finding	<p><i>The landscape materials and vegetation types shall be readily adaptable to the site's microclimate, soil conditions, orientation, and aspect. The proposed landscaping will soften the mass of the building and complement the neighborhood and entry into town. The planters integrated within the front façade enhance the building design and facilitate the creation of inviting outdoor gathering areas.</i></p> <p><i>Do the plantings along Main Street complement the building and Gateway entrance into the City as desired?</i></p> <p><i>Does the Commission want further detail on compatibility of the landscaping with microclimate, soil conditions, orientation and aspect?</i></p> <p><i>As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(1)(3)	All trees, shrubs, grasses and perennials shall be drought tolerant. Native species are recommended but not required.
			Staff Comment / Draft Finding	<p><i>The landscaping plan indicates native trees, shrubs, and grasses to conserve water will be installed.</i></p> <p><i>Does the Commission want further detail on plan species, caliper sizes, etc?</i></p> <p><i>As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(1)(4)	Landscaping shall provide a substantial buffer between land uses, including, but not limited to, structures, streets and parking lots. The development of landscaped public courtyards, including trees and shrubs where appropriate, shall be encouraged.
			Staff Comment / Draft Finding	<p><i>The proposed landscaping will provide a buffer between office building to the west and SH75 to the east. The natural riparian landscaping along Trail Creek is retained. As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.96.060(J)(1)	Where sidewalks are required, pedestrian amenities shall be installed. Amenities may include, but are not limited to, benches and other seating, kiosks, bus shelters, trash receptacles, restrooms, fountains, art, etc. All public amenities shall receive approval from the Public Works Department prior to design review approval from the Commission.
			Staff Comment / Draft Finding	<p><i>Public amenities are required to be provided wherever sidewalks are installed. Amenities may include, but are not limited to, benches and other seating, kiosks, bus shelters, trash receptacles, or art. The applicant proposes these amenities along River Street. All public amenities proposed to be installed shall meet all applicable City right-of-way standards and receive approval from the City Engineer and Streets Department.</i></p> <p><i>Additional public amenities where the applicant proposes public access from SH75 toward the south portion of the hotel site seem warranted (see Trail Creek Access – Landscape Plan). PZ thoughts?</i></p> <p><i>As conditioned, the Project complies with this standard.</i></p>

**Table 2: PUD Project Waiver Consideration and Analysis/
Tourist Zoning District Dimensional Standards.**

For purposes of consistency Staff has reviewed the standards set forth in Table 2 (herein below), as well as Attachment E.4.A Section 2.5, as approved by KCC on February 3, 2020 and recommends that the Commission find the Project in compliance with the Tourist Zoning District findings as follows.

Tourist Zoning Standards				
Compliant			City Standard & Staff Comment / Draft Staff Comment / Draft Findings	
Yes	No	N/A	KMC Section	City Standard & Staff Comment / Draft Findings
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.12.030	Minimum Lot Area: 9,000 square feet minimum.
			<i>Staff Comment / Draft Finding</i>	<i>The property is 47,249 square feet in size and has a lot width with the one-lot subdivision application that exceeds the minimum lot size and widths required in the Tourist Zone. The City finds that this standard has been met.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.12.030	Building Coverage
			<i>Staff Comment / Draft Finding</i>	<i>Approximately 21,362 square feet of the property will remain open space, which is approximately 45% of the 47,249 square foot site. The Project has greater than the required thirty-five percent (35%) minimum open space set forth in the KMC for the Tourist Zoning District. The City finds that this standard has been met.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.124.040	Setbacks Front: 15' Riparian: 25' SH75: 25' / 32' Side: the greater of 1' for every 3' in building height, or 5'
			<i>Staff Comment / Draft Finding</i>	<i>Front & Riparian Setbacks: The project as set forth in the attached Design Review Drawings complies with the city's 25' riparian and 15' front setback requirements. In accordance with KMC 17.88.050.E.3 the proposed pathway through the riparian zone and providing access to Trail Creek is approvable. Side Yard Setbacks: The Design Review drawings comply with the waivers conditionally approved as part of the PUD process by the City. Notably, the DR drawings show that the average setback of the proposed hotel along SH75 is greater than thirty-one feet (31') and only one section of the building near River Street, as stipulated in the Council approval of the side setback PUD waiver, is within the 25' setback. In this instance, the minimum east side setback of twenty feet (20') is maintained. The project drawings also show that the building sixteen (16') from the west side property line consistent with KCC approval of the PUD. The City finds that this standard has been met.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.124.040	Permitted Gross Floor Area Ratio: 0.5 or greater for hotels
			<i>Staff Comment / Draft Finding</i>	<i>Floor Area Ratio (FAR): The Design Review drawings comply with the FAR waiver conditionally approved as part of the PUD process by the City. The Project has a FAR of less than 1.6. The City finds that this standard has been met.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.12.040	Building Height Maximum Permitted: 35' or greater for hotels
			<i>Staff Comment / Draft Finding</i>	<i>The Project proposes a maximum height of 72', which is permissible consistent with the City's PUD approval. Evidence in support of the Project's conditionally permitted allowance has been included in the 2/3/20 PUD approval of the Council. The City finds that this standard has been met, further noting that: (A) The Project site has a large slope from Trail Creek at the south end of the lot to the north end along River</i>

				<p><i>Street. The hotel is proposed as a four-story structure on River Street, and step / terrace down to three and then two stories nearest Trail Creek. (B) The KMC does not specify the maximum height of a four-story building. Historic references in the KMC, as well as the top floor plate of the adjoining Limelight Hotel show the hotel fourth floor to equal approximately forty-eight feet (48') while the top of the Limelight hotel penthouse parapet is 73.5' (C) Maximum height of the building shall not exceed 48' when the building is measured from the highest elevation of the property (along River Street) or 72' when building height is measured from the lowest elevation of the property (along Trail Creek). (D) During the transition where the four-story building along River Street steps down approximately thirty feet (30') toward Trail Creek, the forty-eight foot (48') high 4-story building reads like 6-stories at seventy-two feet (72') high. This is permissible consistent with KMC §16.08.020.B and desirable as follows: first, the height of the building at subject central location is below the forty-eight (48') 4-story horizontal plane established by precedent and with the top of the fourth floor at the adjacent Limelight; second, the City recognizes that in this central location of the structure, that the 4-stories of hotel use are sandwiched between two public amenities (employee housing and a roof top bar for the public). The unique characteristics of the site at this location, where the existing grade drops quickly in the center of the site, result in a portion of the building having a taller element of seventy-two feet (72') as measured from existing grade. The City finds this consistent with KMC §16.08.020.B, "[i]n the event of conflict between this PUD chapter and any other ordinance of the city, this PUD chapter shall control." (E) In comparison to both the Limelight and approved Bariteau hotels on opposing corners, the height of the proposed Hotel is lower and more closely aligned to the fourth floor of each building. (F) The Gateway Study and Subarea Analysis indicate that the proposed hotel is both by design and use consistent with envisioned plans for the corner of SH75 and River Street. and, (G) Further, the proposed hotel project is consistent with current Tourist Zoning District zoning allowances for hotels. Each of the attendant uses, including restaurant/bar, meeting rooms, and employee housing are also permitted in the Tourist Zoning District.</i></p> <p><i>As conditioned, the Project complies with this standard.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.125.030.H	<p>Curb Cut Permitted: <i>A total of 35% of the linear footage of any street frontage can be devoted to access off street parking.</i></p> <p>Staff Comment / Draft Finding <i>There are no curb cuts proposed along State Highway 75. The new configuration results in less than thirty-five percent (< 35%) of the linear footage of street frontage devoted to access the off street parking within the parking garage. The City finds that this standard has been met.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.125.020.A.2 & 17.125.050	<p>Parking Spaces <i>Off-street parking standards of this chapter apply to any new development and to any new established uses.</i></p> <p>Staff Comment / Draft Finding <i>As analyzed by staff and consistent with KMC §17.125, the Project has adequate parking for the proposed uses on the property. The project is parked with 84 on-site garage parking spaces. Of the 84 spaces provided for the Project not less than 13 spaces are reserved for public use, 18 spaces are reserved for employee housing use, and the remaining 53 spaces are needed for hotel operations. As conditioned, the Project complies with this standard.</i></p>

STAFF RECOMMENDATION

Staff recommends the Planning & Zoning Commission make the following motion:

Move to approve PEG Ketchum Hotel, LLC's building Design Review application for Version No. 4 of the Project Master Plan, subject to conditions 1-15 [please note any changes to the list of conditions noted below]

RECOMMENDED CONDITIONS

1. This Design Review approval is subject to the PUD Findings adopted by the KCC on 2/3/20 for the PEG Ketchum Hotel (also referenced as **Attachment E.4.A**).
2. This Design Review approval is subject to the conditions as set forth in Tables 1 and 2.
3. This Design Review approval is subject to all departmental comments and conditions (see Table 1 of Attachment).
4. The applicant shall submit final civil drawings prepared by an engineer registered in the State of Idaho including the utilities and drainage plans to be reviewed and approved by the City Engineer, Streets, and Utilities departments prior to issuance of a Building Permit for the project.
5. This Design Review approval is based on the plans and information presented and approved at the meeting on the date noted herein. Building Permit plans for all on-site improvements must conform to the approved Design Review plans unless otherwise approved in writing by the Planning and Zoning Commission or Administrator. Any building or site discrepancies which do not conform to the approved plans will be subject to removal.
6. All governing ordinances, requirements, and regulations of the Fire Department (2012 International Fire Code and local Fire Protection Ordinance No.1125), Building Department (2012 International Building Code, the 2012 International Residential Code, and Title 15 of Ketchum Municipal Code), Utilities Department, Street Department (Title 12 of Ketchum Municipal Code), and the City Engineer shall be met prior to Certificate of Occupancy.
7. 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 (KMC §17.96.090).
8. All Design Review elements shall be completed prior to issuance of a Certificate of Occupancy for the building.
9. All exterior lighting on the property shall be in compliance with Ketchum Municipal Code, Chapter 17.132, Dark Skies, and shall be inspected by Planning Staff and approved prior the issuance of a Certificate of Occupancy for the building.
10. Any satellite receivers located on the hotel property shall be screened from public view.
11. The hotel project is required to install 8' wide sidewalks equal to the length of the subject property lines adjacent to River and Main Streets or 504 linear feet, whichever is greatest. All sidewalks shall be constructed to City standards
12. Lighting and noise related to the rooftop bar shall be in compliance with the following city code requirements: KMC §17.132.030.H requires all exterior lighting be full cutoff fixtures with the light source fully shielded. Fixtures shielded underneath canopies must be flush mounted or side shielded. KMC §9.08.040.8 enumerates standards for noise levels permitted in the nighttime, daytime, and evening.
13. Any modification to the existing Floodplain Waterways Design Review permit is subject to administrative approval.
14. Any modification to the proposed Sign Plan is subject to administrative approval.

15. Sidewalks that are required for the hotel evacuation plan shall be part of the hotel snowmelt system and kept free of snow. A snow melt diagram shall be incorporated into the drawing set approved at the time of building permit issuance to assure areas proposed for snowmelt are constructed as such and found operational as a condition of certificate of occupancy.
16. Other?
 - ⇒ Transformer screening
 - ⇒ Project signage
 - ⇒ Additional rooftop garden features at Level 02 Terrace
 - ⇒ Concrete terrace features / landscaping adjacent SH75
 - ⇒ Additional landscape plan call-outs
 - ⇒ Trail Creek Public Access Plan
 - ⇒ South lawn public amenities
 - ⇒ Architectural, design, materials
 - ⇒ Sustainability measures

ATTACHMENTS

- 2/24/20 Design Review Submittal Drawings – click on following link:
https://ketchumidaho.org/sites/default/files/fileattachments/planning_amp_building/project/37921/200212_-_ketchum_hotel_-_design_review_application_drawings.pdf
- Planned Unit Development CUP Findings (**Attachment E.4.A**)
- Staff Highlighting of PUD Conditions of Relevance to Commission Design Review
- Summary of City Department comments
- Analysis of the Project Master Plan relative to the City of Ketchum 2014 Comprehensive Plan

ATTACHMENT

- 2/24/20 Design Review Submittal Drawings – click on following link:
https://ketchumidaho.org/sites/default/files/fileattachments/planning_amp_building/project/37921/200212_-_ketchum_hotel_-_design_review_application_drawings.pdf

ATTACHMENT

- Planned Unit Development CUP Findings (**Attachment E.4.A**)

**BEFORE THE CITY COUNCIL
OF THE
CITY OF KETCHUM**

IN RE:)	FILE NO. P19-063
)	
PEG KETCHUM HOTEL, LLC)	CITY CLERK
)	CERTIFICATE OF SERVICE
Applicant for)	
Planned Unit Development)	
Conditional Use Permit)	
)	

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the *Findings of Fact, Conclusions of Law, Order of Decision of the City Council* in the above entitled matter dated the 3rd day of February, 2020 was served on the date referenced below upon the Applicant and persons herein named by the method indicated:

Applicant:

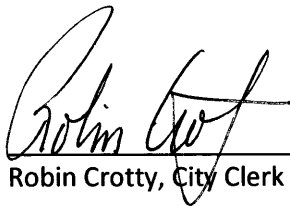
PEG Ketchum Hotel, LLC

Nick Blayden

U.S. Mail
 Overnight Mail
 Hand Delivery
 Facsimile
 E-mail

U.S. Mail
 Overnight Mail
 Hand Delivery
 Facsimile
 E-mail

DATED this 5th day of February, 2020



Robin Crotty, City Clerk of the City of Ketchum

**BEFORE THE CITY COUNCIL
OF THE
CITY OF KETCHUM**

IN RE:)	FILE NO. P19-063
)	
PEG KETCHUM HOTEL, LLC)	FINDINGS OF FACT, CONCLUSIONS
)	OF LAW, ORDER OF DECISION OF
Applicant for)	THE CITY COUNCIL
Planned Unit Development)	
Conditional Use Permit)	
)	

THE ABOVE ENTITLED MATTER coming before the City Council of the City of Ketchum (the "Council") pursuant to the receipt of the *Findings of Fact, Conclusions of Law, Order of Decision and Recommendation to the City Council* from the Planning and Zoning Commission of the City of Ketchum dated August 12, 2019 (the "P & Z FCDR") which is a Decision and Recommendation of approval of PEG Ketchum Hotel, LLC PUD Project Master Plan (the "PEG PUD Conditional Use Permit Application") subject to terms and conditions of approval as set forth in Section IV therein. Upon receipt of the P & Z FCDR the PEG PUD Conditional Use Permit Application has been processed and was first placed upon the agenda of the Council regular meeting of September 16, 2019 pursuant to Ketchum Municipal Code ("KMC") § 16.08.120 A. The Council having reviewed the entire record before the Ketchum Planning and Zoning Commission (the "P&Z") of the P & Z FCDR and sought additional information and processed the PEG PUD Conditional Use Permit Application and does hereby make and set forth the Record of Proceedings, Findings of Fact, Conclusions of Law, and Order of Decision as follows:

**SECTION 1
SUBJECT APPLICATIONS and RECORD OF PROCEEDINGS**

- 1.1 PEG Ketchum Hotel, LLC (the "Applicant") submitted an Application for a Planned Unit Development (a "PUD Conditional Use Permit") of a Master Plan inclusive of a request for waivers to minimum lot size, setback (side yards), height, and floor area ratio (FAR) limitations for a hotel development to be constructed and operated on a 1.09-acre site located at the southwest corner of the State Highway 75 and River Street intersection at 280 E. River, (the "Project Site").
- 1.2 The Project Site is located within the Tourist District Zone as designed by KMC § 17.12.010
- 1.3 Applicant originally submitted a Master Plan and, during the course of the proceedings before the Council, subsequently on December 2, 2019 submitted Master Plan Version 2 and subsequently on January 21, 2020 submitted Master Plan Version 3 as part of its PUD Application.

RECORD OF PROCEEDINGS

The record of the proceedings of the above-referenced matter consists of the following, to-wit:

1.1 Exhibits and documents included in this proceeding:

<i>DESCRIPTION OF EXHIBITS AND DOCUMENTS</i>	
A	P&Z FCDR (true and correct copy of which is attached as Exhibit A)
B	All exhibits identified in the P&Z FCDR and all documents received by the P&Z in the P&Z FCDR and those posted on or before September 11, 2019 to: https://ketchumidaho.org/sites/default/files/fileattachments/planning_amp_building/project/37921/all_comments_received_by_pz_7.15.19_to_9.11.19.pdf
C	All exhibits and documents hereinafter identified were received by the City Council in addition to A and B above stated and are identified by the letter C followed by a number.
C-1	<p>Notice of hearing documents:</p> <p>C-1 Public Hearing September 16, 2019 and October 7, 2019</p> <p>C-1.1 Notice of Public Hearing Before the Ketchum Planning and Zoning Commission on Monday, September 16th, 2019, at 4:00 p.m.</p> <p>C-1.2 Mailing Public Notice Public Hearing Meeting of Ketchum City Council set September 19, 2019</p> <p>C-1.3 Mailing Public Notice Public Hearing meeting of the Ketchum City Council September 16th and October 7, 2019</p> <p>C-1.4 2nd Mailing Public Notice Public Hearing Meeting of Ketchum City Council September 16th and October 7, 2019</p> <p>C-1.5 Planned Unit Development Noticing Checklist/Certification Meeting date 9-16-19 and 10-7-19</p> <p>C-1.6 Development Agreement Noticing Checklist/Certification Meeting date 10-7-19</p> <p>C-1.7 Public Notice – Public Hearing October 7, 2019 Design, Review, Planned Unit Development, Conditional Use Permit, Development Agreement, Readjustment of Lot Lines, and Flood Plain Development</p> <p>C-1.8 Copy of legal notice published Mountain Express on August 28, 2019 for September 16, 2019 public hearing Design, Review, Planned Unit Development, Conditional Use Permit, Development Agreement, Readjustment of Lot Lines, and Flood Plain Development</p> <p>C-1.9 Copy of legal notice published Mountain Express on September 18, 2019 for public hearing on October 7, 2019 Design, Review, Planned Unit Development, Conditional Use Permit, Development Agreement, Readjustment of Lot Lines, and Flood Plain Development</p> <p>C-1.10 Affidavit of Publication Idaho Mountain Express of Legal Notice for publication on the 28th day of August, 2019 for the hearing on September 16th</p>

	C-1.11 Affidavit of Publication Idaho Mountain Express of Legal Notice for publication on the 18 th day of September, 2019 for the hearing on October 7
C-2	<p>C-2 Documents submissions by the Applicant;</p> <p>C-2.1 Owner's Revised Project Master Plan and Submittal Documents as documented in the staff report dated October 7, 2019 and December 2, 2019, as well as the following January 21, 2020 Ketchum Tribute design updates</p> <p>C-2.2 Top Ten – Project Updates</p> <p>C-2.3 New Maps and Information (since PZ approval on 8/12/19)</p> <ul style="list-style-type: none"> • Hales Engineering Access Memorandum, Dated 8/13/19 • In-Group Hospitality Parking Plan, Dated 8/26/19 <p>C-2.4 Following Ketchum Tribute Design Update Drawings, Dated 10/7/19</p> <ul style="list-style-type: none"> • Tribute Portfolio • Council Update • Architectural Site Plan • Landscape Plan • Floor Plans (Each Level) • Contextual Elevations (5 Drawings) • Project Perspectives from NE, NW, SE, NE, N & Rooftop Bar • Waiver Supporting Exhibits <ul style="list-style-type: none"> ○ Minimum Lot Size for PUD ○ Floor Area Ratio ○ Average Setbacks ○ Height / Contextual Elevations • Planning & Zoning Comments • PZ Response <p>C-2.5 Master Plan Version No. 1 Submitted with the Applicant's Application and approved by the Planning and Zoning Commission on August 12, 2019</p> <p>C-2.6 Master Plan Version No. 2: dated December 2, 2019 with changes summarized in Staff Report submitted by Applicant for Council hearing on December 2, 2019 and including in the December 2, 2019 Council Packet</p> <p>C-2.7 Master Plan Version No. 3: Summary in Staff Report and in Exhibits January 21, 2019 submitted by Applicant for Council hearing on January 21, 2020 posted at: https://ketchumidaho.org/planning-building/project/ketchum-boutique-hotel inclusive of the following:</p> <p>C-2.8 Waiver Supporting Exhibits (15 Sheets)</p> <ul style="list-style-type: none"> • Waiver 1 – Minimum Lot Size for PUD • Waiver 2 – FAR = 1.57 <ul style="list-style-type: none"> ○ Before & After – Building Mass Revision • Waiver 3 – Average Setbacks <ul style="list-style-type: none"> ○ Front = 15' ○ West Side = 17.5' (avg), 12' at closest point to property line ○ East Side = 31.3' (avg), +/- 20' at closest point to SH75 property ○ Rear = > 35' from Trail Creek

	<ul style="list-style-type: none"> • Waiver 4 – Height / Contextual Elevations • River Street Entry Plaza (4 Sheets) <ul style="list-style-type: none"> ○ Option 1 with Rendering ○ Option 2 • SH-75 Service Access Study (2 Sheets) • Sustainability Integration (4 Sheets) <ul style="list-style-type: none"> ○ Building Systems / Geothermal ○ High Performance Building & Site ○ Material & Product Sustainability Assessment ○ Updated Site & Floor Plans (16 Sheets) <ul style="list-style-type: none"> ▪ Landscape Plan ▪ Building Perimeter Before / After ▪ Level -03, -02, -01 Floor Plans (Below River Street) ▪ Level 01, 02, 03, 04 Floor Plans ○ Project Perspectives <ul style="list-style-type: none"> ▪ NE, NW, N, NE, SE, SW ○ Employee Housing Plans (6 sheets) <ul style="list-style-type: none"> ▪ 12 one-bedroom studios (2 different designs) – 12 employees housed ▪ two-bedroom suites (1 design) – 4 employees housed ▪ 1 four-bedroom suite (1 design) – 7 employees housed ○ Setback Analysis <ul style="list-style-type: none"> ▪ 5 Sections ○ River Street Encroachment (2 Sheets) ○ Architectural Site Plan (5 Sheets) <ul style="list-style-type: none"> ▪ Contextual ▪ E, N, W, S
<p>C-3</p>	<p>Staff Reports</p> <p>C-3.1 October 7, 2019</p> <ul style="list-style-type: none"> • Staff Report <ul style="list-style-type: none"> ○ Note 1. The following link includes PEG survey response summary and public comment letters reviewed by the PZ through 8/12/19 and submitted to KCC through 9/11/19 ○ https://ketchumidaho.org/sites/default/files/fileattachments/planning_amp_building/project/37921/all_comments_received_by_pz_7.15.19_to_9.11.19.pdf ○ Note 2. The following link includes letters, petitions, emails and other public comments submitted to KCC: ○ https://ketchumidaho.org/citycouncil/page/ketchum-boutique-hotel <p>C-3.2 December 2, 2019</p>

	<p>C-3.3 January 21, 2020</p> <ul style="list-style-type: none"> • Staff Report • Proposed Findings of Fact, Conclusions of Law and Decision
C-4	<p>City Department, Agency & peer Review letters/Memos;</p> <p>C-4.1 Ketchum Fire Department Preapplications Requirements dated June 24, 2019 Ketchum Boutique Hotel</p> <p>C-4.2 E-mail to John Gaeddert dated July 22, 2019 from Sherri Newland, PE, CPESC Principal Engineer/Owner S&C Associates LLC Acting as consulting engineer for the City of Ketchum.</p> <p>C-4.3 E-mail to Suzanne Frick dated December 2, 2019 from Sherri Newland, PE, CPESC Principal Engineer/Owner S&C Associates LLC Acting as consulting engineer for the City of Ketchum.</p> <p>C-4.4 E-mail and attachment to Suzanne Frick dated January 3, 2020 from Sherri Newland, PE, CPESC Principal Engineer/Owner S&C Associates LLC Acting as consulting engineer for the City of Ketchum.</p>
C-5	<p>Public Comment Sign-up Sheets</p> <p>C-4.1 October 7, 2019 Public Hearing</p> <p>C-4.2 December 2, 2019 Public Hearing</p> <p>C-4.3 January 21, 2019 Public Hearing</p>
C-6	<p>Minutes of Council Meetings</p> <p>C-5.1 October 7, 2019</p> <p>C-5.2 December 2, 2019</p> <p>C-5.3 January 21, 2020</p>
C-7	<p>City Council Hearing Packets posted for public hearings held on:</p> <p>October 7, 2019 Posted at: https://mccmeetingspublic.blob.core.usgovcloudapi.net/ketchid-meet-f374e29900a74b108ca2d3560c836ce0/ITEM-Attachment-001-3abc66dc1caf4df39a96255157b5fd32.pdf</p> <p>December 2, 2019 Posted at: https://mccmeetingspublic.blob.core.usgovcloudapi.net/ketchid-meet-a8da33b7685c429c83f5f788dc6b0a06/ITEM-Attachment-001-8fb4f20629724aa69a20fb83918814a8.pdf</p> <p>January 21, 2020 Posted at: Staff report: https://mccmeetingspublic.blob.core.usgovcloudapi.net/ketchid-meet-fccaf6b775254eb2abab6768479876fd/ITEM-Attachment-001-25e632e69d32409eb1d63b0114fb156f.pdf</p>
C-8	<p>Public written comment submitted [inclusive of written public comment submitted on or before 9/11/19 which is also identified in Public Comment C- 9] posted at: https://ketchumidaho.org/citycouncil/page/ketchum-boutique-hotel</p>

C-9	Public Written Comment <ul style="list-style-type: none"> • Public Comment to Planning and Zoning Commission 7/15/19 to on or before 9/11/19 posted at: https://ketchumidaho.org/planning-building/project/ketchum-boutique-hotel
D	Exhibits to these Findings of Fact, Conclusions of Law and Order of Decision: <ul style="list-style-type: none"> • Exhibit A or Attachment A: <ul style="list-style-type: none"> ○ Planning and Building Staff Reports, Analysis and Presented to Council [also see Exhibit C-3] • Exhibit B or Attachment B: <ul style="list-style-type: none"> ○ Applicant Submissions • Exhibit C or Attachment C: <ul style="list-style-type: none"> ○ City consultant or City Department Comments other than the Planning and Building Department • Exhibit D or Attachment D: <ul style="list-style-type: none"> ○ Written Public Comment [also see Exhibit C-8] • Exhibit E or Attachment E: <ul style="list-style-type: none"> ○ P&Z Findings of Fact Conclusions of Law and Recommendations of P&Z inclusive of: <ul style="list-style-type: none"> ▪ E-1 Waterways Design Review, ▪ E-2 Plat Approval Recommendation, ▪ E-3 Preapplication Plan Review Approval, ▪ E-4 PUD Findings of Fact, Conclusions of Law and Recommendation of Approval; and ▪ E-5 Findings and Recommendation of Approval of the 8/12/19 draft dated "<i>Permits Conditions Acceptance Development Agreement.</i>" ○ City Council inclusive of: <ul style="list-style-type: none"> ▪ E-2A Plat Approval

1.2 Initial Proceeding Conducted on September 16, 2019:

The Public Hearing notice for the September 16, 2019 hearing at 4:00 p.m. due to a notice error it was announced by the Mayor that the hearings on the Ketchum Boutique Hotel at 260 and 280 River Street and 251 S. Main Street applications for Planned Unit Development, Conditional Use Permit, and Development Agreement will not be commenced until October 7, 2019 at 4:00 p.m. No presentation was made by the applicant or staff, and no deliberations or discussion on the matter was held by the Council. However, those members of the public who were in attendance at the hearing and unable to attend the re-noticed public hearing for October 7, 2019 were allowed to provide public comment with said public comment to be included as part of the record of October 7th hearing which included the following:

1.2.1 The following persons making statements before the City Council [paraphrased] are as follows:

- **John Sahlberg**, 321 Leadville, Ketchum who expressed concern and frustration that the P & Z was relying upon a study from 2002 and that it was old and not useful and that the P & Z is recommending the granting of waivers because they have done it before. Referenced the Barriteau project.

- **Gary Hoffman**, 235 Spur Lane in Ketchum, found it refreshing that a large company is coming to Ketchum but would prefer they purchase the Barriteau Hotel property. Discussed proposed construction by ITD and positives and negatives of the proposal. He also mentioned housing and tourism and zoning, rentals and zoning laws need to be changed and would like to see a City stand against oversized construction.
- **Dr. Alexander**, 110 Sweetbrier in Blaine County wanted information as to why the Council and P & Z got to the root of why they recommend this project.
- **Vicky Graves**, resident of Ketchum concerned about safety at the corner and opposed to the hotel.
- **Kevin Livingston**, 115 S. Leadville started the digital petition and no one understands what is being proposed and that the Council needs to uphold with the public wants. He expressed concerns about the waivers granted to the Barriteau project.
- **Penelope Street**, born and raised in Ketchum currently works with homeowners and is concerned about high costs of living and working in Ketchum and concerned about project employee housing.
- **John Heaney**, 110 Williams St. is opposed to the height of the project.
- **Lisa Leach**, Blaine County resident Did not want to see variances granted. Recommended that an industrial psychologist be hired to study the proposed housing and was concerned about the adequacy of employee parking.
- **Pamela Sabel**, business owner at 180 Leadville Ave. N. concerned with the whole in the ground unfinished hotel project across Highway 75 and would like to see that project completed before starting another one and wanted more information.
- **Emily Nardel**, resident since 1983 and resides at the corner of River Street and 1st Ave. S. stated that the building will impact her ability to get out of her home and had concern with zoning changes.
- **Susan Scovell** has served on P & Z and urged Council to support P & Z recommendation.
- **Frank Dressman**, Blaine County Resident was frustrated by the P & Z waivers and recommended that the Marriott possibly build a building that blends with the community.
- **Susan Sahlberg**, 321 Leadville, Ketchum that the project does not fit in the space and that a smaller hotel could fit in the space.

1.3 Hearing Conducted On October 7, 2019:

The Public Hearing correctly noticed October 7, 2019. The public hearing was commenced by the Council, at 4:00 p.m. on October 7, 2019 at 4:00 p.m. for the receipt of testimony and comment from City Staff, the Applicant and the public.

1.3.1 Applicant Representatives [paraphrased]:

- **Cameron Gunter**, CEO of PEG Development. Presented his background information and discussed the benefits of the hotel brand {Marriot} which can be modeled to the community and can bring more people to the area and that onsite employee housing is critical to the success of the hotel project.
- **Nick Blayden**, Applicant Project Manager, presented the site plan provided information on what is currently on the site, the economics of the project and reviewed market study and estimated property tax and sale tax benefits. Stated that the project will have 30 beds for employee housing on site with some employees coming from off site.
- **Justin Heppler**, Applicant Architect, discussed that the Applicant allows design to cater a project to the local community. Discussed who they are trying to attract to the area and their process for creating the hotel. He reviewed the project design, public amenities for each level and the employee housing component of 30 beds for employees. That the project supports the City's comprehensive plan and clarified the height of the project and that it is lower than the neighboring hotel Limelighter and the Bariteau project. He stated the designs are not complete. He reviewed the waivers requested, size of the acreage, floor area ration waiver for employee housing and set back waivers on three sides. He also discussed changes made to the project based upon P & Z review process. Responded to Council questions and concerns.
- **Ryan Hales**, Hales Engineering for Applicant discussed the traffic study, liver of service and how they calculated traffic conditions, signalized, and stop controlled intersections. He also discussed existing conditions and future growth estimates and reviewed the traffic count and River St. and Maine Street intersections.

1.3.2 Public Comment [paraphrased]:

- **Scott Hanson**, Homeowner Trail Creek Crossing. He helped with the online petition. He is not opposed to hotels but objects to location of the Application. That the project is not in scale and would detract from the City's entrance and was concerned about traffic and waivers. That people rely upon zoning and waivers should not be granted. He discussed the survey's and petitions that have been circulated and that the project should not go forward.

- **Elaine Harks**, resident of Ketchum stated she is not anti-hotel concern is zoning are laws standards for only suggestions
- **Pat Duggan**, resident and property owner is Ketchum. She discussed her concerns about waivers granted in the past and that granting waivers needs to stop. Wants projects brought to the public in earlier time frame and references the petitions and other public comments.
- **Tom Benson**, Ketchum resident and property owner. Did not want exceptions to be made and not to grant waivers and discussed the number of employee housing needed and that the employee housing be moved to another location and how to change the design to fit the land.
- **Lars Guy**, Is a tenant in the building on the west side of the Project. He was concerned about the height of the building and was concerned about parking wanted continued review.
- **Jima Rice**, Blaine County resident. Recommended that the project be sent back to Planning and Zoning.
- **Gene Abrams** discussed the variances given to the Limelighter Hotel that should not be precedence for variances for this project. Questioned the occupancy and need for another hotel. Referenced another Marriot down the road and questioned employee housing did not make sense and questioned the tax income benefit to the City.
- **Dick Clotfelter**, resident of 151 S. Main lives on the top floor of the neighboring Limelighter Hotel. He was concerned with the plan and design of the project that he had hired and architect. He was concern with the traffic that will occur on River Street, fire safety on River Street due to the road being closed and that the project plan for parking, loading and garbage removal will cause problems.
- **Sally McCollum**, Ketchum resident, used to own the building to the west of the project. That the project is too large for the site and is too big along with the Limelighter Hotel for the City entrance.
- **Heidi Scherthanner**, Ketchum resident, complained about the City continuing to offer waivers for private homes and hotels and that traffic was a large problem.
- **Mark Penn**, President of East Fork concern that the application ignores the zoning by applying for variances. Wanted the T zone standards maintained. That the building height waiver request was not appropriate and voiced concerns about parking. He was not opposed to the project but wanted it designed to fit in the neighborhood better.
- **Pam Bailey**, Sun Valley Resident voiced concern over traffic and economic development impact.

- **Dell Ann Benson**, Trail Creek Crossing, was concerned about construction and noticing issues and object to the project across the street to the east as the hole in the ground at the entrance to the City and was opposed to the project.
- **Mickey Garcia** referenced the history of Ketchum, and was in favor of the development and the height no worse than the Limelighter across the street and that the public here does not want to let any other development in Ketchum.
- **Michael Brown**, from Aspen Colorado, He owns the Tamarack and Ketchum Hotel. He was against the project and that Ketchum was eclectic and that it should stay that way.
- **Jim Laski**, attorney representing the Limelighter Homeowner's Association, that his client objected to the design and was concerned with traffic. He discussed ITD's plan and not knowing when it would be implemented That the Limelighter did not have any waivers but employee housing and was concerned about traffic circulation plan.
- **Gary Slette**, represents Jan Clotfelter, his client is not against a hotel but concerned about traffic and circulation. He referenced his letter to the Council about River St. access and Main Street road closures.
- **Gary Lipton**, Resident of Ketchum, He is for the Hotel but wants waivers addressed appropriately. If this does not go forward will affect future investors.
- **Melissa Lipton** is against waivers being issued for the project. Concern over character of the entrance to Ketchum.
- **Ben Worst**, 220 River St., LLC His client is in support of a hotel at that location but concern of PUD's waivers and that these waivers make the zoning meaningless. Wants the hotel to be best it can be and was concerned about traffic, parking issues, view corridors.
- **Jerry Seifert** voiced support for the project
- **Ed O's Gara** on River Street, he is the closest resident to the project and the Limelight Hotel. Concern with parking.
- **Brian Barsotti**, Ketchum resident, discussed history of trying to put a hotel in Ketchum that slack is very hard for in this area and hospitality has changed. This is due to competition with Air BnB and other rentals in the area. Concern is waivers given to this project will have to be given everywhere.

1.3.3 Planning and Building Department Staff:

- **John Gaeddert**, Director of the City of Ketchum Planning and Building Department (the "Director") provided the Staff Report, discussed the history of the project Application and a study that had been done.

1.3.4 Mayor and Council issues of concern:

- **The Mayor and members of the Council** questioned the Applicant Representatives regarding the following issues related to the impact of the Application:
 - Traffic circulation and pedestrian safety; and
 - Employee housing and affordable housing; and pedestrian crossing. Responded to the Mayor's and Council's questions and concerns about affordable housing
 - Setbacks and height
- **The Mayor and members of the Council** questioned the Director regarding the following issues related to the impact of the Application:
 - Bulk reduction
 - What the Idaho Transportation Department's plans are for Highway 75 and road improvements
 - Height and traffic flows

1.3.5 Mayor and Council action: Approved a motion to continue the hearing to December 2, 2019 at 4:00 p.m. due to the complexity of this project and the need for more information to be presented.

1.4 Hearing Conducted on December 2, 2019:

The Public Hearing was continued to receive more information by motion of the City Council during the October 7, 2019 public hearing. The public hearing was commenced by the Council, at 4:00 p.m. on December 2, 2019 at 4:00 p.m. for the receipt of testimony and comment from City Staff, the Applicant and the public.

1.4.1 Applicant Representatives [paraphrased]:

- **Nick Blayden**, Applicant Project Manager discussed the Applicant's open house and had heard from the public and were show the changes they have made to the project contained in Applicant's Master Plan Version 2.
- **Justin Heppler**, Applicant Architect presented a power point showing 10 things they changed in the project design since the hearing of October 7th contained in Applicant's Master Plan Version 2. These included changes in the delivery and loading zone area as requested by Sherri Newlands P.E. City Engineering, access from Highway 75, sustainability, updated floor plans and the massing of the building and employee housing plans.

1.4.2 Public Comment [paraphrased]:

- **Heidi Scherthanner:** thanked applicant for improvements in the plans.
- **Jima Rice:** Thanked applicant for improvement in plans, was critical of the P & Z Commissioners review of this application. That the size of the project not small enough in mass and recommended eliminating the

employee housing and that the Applicant make a contribution in lieu of providing housing in the project and eliminate the roof top bar. Discussed the 2014 Comprehensive Plan.

- **Harry Griffith**, Executive Director of Sun Valley Economic Development: Spoke about the economic benefits of this project as being worth \$1.6 million to the community. That it directly impacts tourism and that it was an important project in that regard. He discussed the jobs the project will create and the number of new visitors it will bring to town. He stated that the 23-employee housing units is significant. He discussed the contribution to Local Option Sales Tax (“LOT”) that the project will bring. He referenced that the Marriott brand helps put Ketchum on the map. He obtained his information from the Applicant and found it consistent with the input and output model that has been used in the community.
- **Lucy Barrett**, expressed concern about the City’s infrastructure and if the City has addressed this concern. Expressed concern over parking and the conditions of the City’s Roads. Concern over the number of people this could bring and the ability of the hospital to hand it.
- **Mickey Garcia**, stated the P & Z did a wonderful job on this project, he is pleased with the design and that the people who are against it are selfish.
- **John Sahlberg**, lives in Trail Creek Crossing and was affected by the project and expressed is not wanting Ketchum to be like Jackson, Wyoming or Park City, Utah and opposes granting any waivers and respect for Ketchum’s values.
- **Susan Niemann**, 40 years of residency in Ketchum and agrees with John Sahlberg, and concerns about the Applicant’s renderings and that the project be build and landscaping consistent with project renderings.
- **Lars Guy**, immediate neighbor, questions regarding the T zone and setbacks and concerned about the relative scale and how it will look to the surrounding residents and that it is dangerous to grant waivers.
- **Dick English**, Ketchum resident concerned with utilities and natural resources. Questioned the City’s ability to provide water and accommodate the wastewater and was concerned about electrical power and natural gas needed for the Project effect on these systems.
- **Kevin Livingston**, Concern about transparency and there has been an overwhelming opposition response to the number of waivers applied for. He again discussed his opinion and that it cannot be good for Ketchum. That the people will be paying a lot more taxes that what the project will bring in. Stated the project needs to be scaled back.
- **Tom Benson**, Ketchum resident, opposed to the height variance and that it will devalue the property that surrounds the Project and discussed a

review that praised the Ketchum area and does not want Ketchum to turn into a Jackson, Wyoming or Park City, Utah.

- **Susan Sahlberg** liked the changes to the project that have been made but the waivers are still of concern and she opposed the height waivers.
- **Grace Summers.** She moved to Ketchum for the economy. That for young people this Project is a great opportunity to grow the economy. Discussed how Marriot is involved with corporate travel and how corporate employees then use Marriot hotels with they do personal travel. She was concerned that if this Project is turned down then Ketchum will not be attractive for other major brands of hotels. She also was in favor of the Roof Top bar which the Community could use.
- **DelAnn Benson,** Commended the Applicant on the amount of work they have done but not enough and that the project should meet the standard set for the zone. She questioned the statements of the Executive Director of Sun Valley Economic Development and the jobs this Project will bring. That the Project looks better than what is there now is no reason to grant this Application.
- **Pat Duggan,** stated that the Applicant needs to find another location, that the proposal is in the wrong spot and the P & Z Commissioners should have more thoroughly looked at the location.
- **Jim Laski,** Representing the Limelight Residents HOA. Their major concern is Highway 75 and River St. They oppose the angle parking scenario and the loading zone proposal. Concern about semi-trucks and the timing of deliveries and backing in and out for deliveries and expressed concern that the housing proposed as referenced at this hearing was different than what was in the Council Packet and that the biggest concern was traffic and vehicular use of Highway 75 and River St.
- **Ed Johnson,** Ketchum resident, stated no reason the housing should be on site and wanted the housing off site.
- **Mark Penn,** stated that the Applicant's current design was in response to public concerns but more work needs to be done to address those concerns. Discussed concern over P & Z Commissioners and zoning and concern about approval of the Project as presented creates a bad precedent in Ketchum.
- **Gary Slette,** represents Mr. & Mrs. Clotfelter. They are not opposed to the use if it fits and complies with the Zoning criteria. They are concerned with River St. right-of-way for delivery truck parking and that the Council look at River St. plan to come up with alternatives.

1.4.3 City Engineering Consultant:

- **Kordel Brayley,** Independent Engineer hired by the City of Ketchum, was introduced by the Mayor to discuss traffic circulation issues presented by

this Project. Mr. Brayley recommended the access to the Project be off of River St. He responded to Council question about elimination of the left turn regarding Highway 75 which he has not reviewed.

1.4.4 Mayor and Council issues of concern:

- Concerns about left turning regarding the intersection of River St. and Highway 75; and
- Access to the Project needing to be off of River St. not Highway 75; and
- Discussed encroachment proposals at page 86 and 87 of the Council Packet; and
- Discussion of retaining the middle of River St. where it is and not having diagonal parking move it which will reduce the size of the plaza and the effect on the length of the cross walk over River St.
- Discussion regarding the height waiver; and
- Discussion of benefits of employee housing and discussion of building affordable housing at another location and the need to see the Applicant comply with 1.6 Floor Area Ratio ("FAR") and had concern with the FAR waiver request; and
- Discussion of the setback waiver on the west side.

1.4.5 Mayor and Council action: Approved a motion to continue the hearing to January 21, 2020 at 4:00 p.m. due to the complexity of this project and the need for more information to be presented.

1.5 Hearing Conducted on January 21, 2020:

The Public Hearing was continued to receive more information by motion of the City Council during the December 2, 2019 public hearing. The public hearing was commenced by the Council, at 4:00 p.m. on January 21, 2020 at 4:00 p.m. for the receipt of testimony and comment from City Staff, the Applicant and the public.

1.5.1 Applicant Representatives (paraphrased):

- **Nick Blayden** Applicant Project Manager discussed that this was their third presentation of the Application. the Applicant's open house and had heard from the public and were show the changes they have made to the project contained in Applicant's Master Plan Version 2.
- **Justin Heppler**, Architect who referenced the Applicant's Master Plan Version 3 and discussed the 4 waivers that are being requested by the Applicant as a part of Applicant's PUD Application
 - #1 – Minimum Lot Size for PUD waiver is necessary in order to build a hotel on the site; and
 - #2 – Floor Area Ratio – The Master Plan Version 3 maintains the employee housing component but have reduce the FAR to 1.57 as

compared with the original Master Plan of 1.9. He used a power point to assist his statement about how they were able to make that reduction. He also referenced that the FAR 1.57 is lower than the request by the Council at the December 2nd hearing to reduce it to 1.6.

#3 – Average Setbacks – The Applicant was still seeking set back waivers on 3 sides and then described the Master Plan Version 3 on each of the 3 sides.

#4 – Height/Contextual Elevations – He explained showed that the elevations of the building in the Master Plan Version 3 is 27’ lower than the Barriteau project across Highway 75 and 25’ feet lower than the Limelight hotel. He talked about the Right of Way Waivers and outlined the curb lines.

He also referenced that the Applicant in discussion with Idaho Transportation Department on Highway 75 and making some headway.

He also discussed the sustainability facets of the project and briefly reviewed the floor plan and the views of the project and employee housing component.

1.5.2 City Attorney (paraphrased):

- **Bill Gigray**, Reviewed with the Council Planned Unit Development Standards and Process as it applies to the pending application.

1.5.3 Planning and Building Department Staff (paraphrased):

- **Abby Rivin Associate Planner**, Discussed the waivers and how the FAR is calculated and how setbacks and height is calculated for waiver purposes and what the standards were without waivers.

1.5.4 Public Comment (paraphrased):

- **Ben Worst**, Attorney representing 220 East LLC, neighboring property owner to the west of the Project. Stated that the waivers being requested are huge. Stated that Ketchum has never had average setbacks. That the formulas used to determine the setbacks that it is only 11’8” from the Project to his client’s property line. He requested the Council to increase that distance as much as possible up to 24’. He questioned what the undue hardship was for the Applicant. He stated under the PUD ordinance there is a need to set conditions and the need to meet the standard by reducing the height, increase setback and primarily meet the City’s standards and compatibility with the neighboring properties.
- **Scott Hanson**, homeowner at Trail Creek Crossing stated the City has misinterpreted its code. That the Applicant was aware of the Code requirements prior to the purchase of the subject property and that the waivers requested are detrimental to public health & safety and referenced the signed petitions and letters posted. He has concerns about

traffic and the traffic study and problems that will be created by the Project. He stated this project would decrease the value of property around the project. He stated the property owners have hired an attorney and will fight for their rights. He stated the Project is inconsistent with the Tourist zone it is in and inconsistent with the neighborhood. That granting the waivers constitutes spot zoning without a rezone of the property and requested the Council to deny the requests for waivers.

- **Jima Rice**, Complained that the Mayor and the head of P & Z had solicited the hotel and those communications were not given to the Council or the P & Z Commissioners and this was Open Meeting Law violation. She requested that the Council deny waivers that were defacto approved and if the Applicant cannot meet those standards then must withdraw the application.
- **Dick Clotfelter**, 151 S. Main St. Ketchum requested that the zoning standards of the Tourist Zone be followed and that the Council reject the application. He recommended that new plans be brought back to P & Z accordingly.
- **John Sahlburg**, homeowner at Trail Creek Crossing stated the height waiver requests are monumental and the process is frustrating the public. Concerned the project would forever change Ketchum. This project and waiver will be detrimental to the public welfare and referenced all the letters and petitions that have been submitted. He stated there is nothing being proposed that is for the public welfare and that the property owners on 3 of 4 sides have stated it will be detrimental to the surrounding are. He requested the Council to deny the application.
- **Sharon Patterson Grant**, representing the KSEAC discussed the groups support (not inclusive of City members) of the sustainability measures the Applicant has incorporated in the Master Plan Version 3 that reflect the group's goals. She recommended getting some level of 3rd party certifications to guarantee energy efficiency such as Lead Certification and that they are proceeding with Green House Inventory in Blaine County with all jurisdictions including Ketchum. She is only speaking for water/waste and energy reduction.

1.5.5 **Mayor and Council action:**

- Closed public comment
- Proceed to deliberate:
 - Sought legal clarifications from Bill Gigray City Attorney
 - Sought clarification on the procedure for design review of this Application and Project and average setbacks from John Gaeddert
 - Continued their deliberations

- Sought clarification from the Applicant's architect on setbacks
- Motion made by Councilor Hamilton, Seconded by Council President Breen to approve the Planned Unit Development Conditional Use Permit and CUP for the PEG Ketchum Hotel for Master Plan Version 3 as recommended in the Staff Report Findings with the condition in section 2.2.11 of the recommended Staff Report findings be revised for the west setback to be not less than 16' and that section 4.5.2 of the recommended Staff Report findings include that the building be LEED Silver Certified and to direct the City Engineer, consistent with condition 4.2.4 of Attachment E.4.A, to work with the Applicant to complete the State Highway 75 (SH75) Encroachment Permit with the Idaho Transportation Department (ITD) that excludes (other than emergency Access) and direct approach into the project; and Direct the City Attorney and Planning Staff to Prepare Findings of Fact, Conclusions of Law, Order of Decision of the City Council for the City Council's consideration, approval and adoption at the continuance of this hearing.
 - Voting Yea: Council President Breen, Councilor David, Councilor Hamilton
 - Voting Nay: Councilor Slanetz
- Motion to continue the public hearings to the Ketchum City Council meeting to be held on February 3, 2020 at 4:00 pm as follows:
 - Regarding the development agreement, to receive applicant reports, staff reports and public testimony for City Council consideration and action; and
 - Regarding the application for Planned Unit Development Use Permit and CUP in order, to receive the city attorney's and planning staffs prepared Findings of Fact, Conclusions of Law, Order of Decision as directed in first Motion for City Council consideration, approval and adoption and final action.
 - Regarding the application for Preliminary Plat in order, to receive prepared Findings of Fact, Conclusions of Law, Order of Decision as directed in second Motion for City Council consideration, approval and adoption and final action.

1.6 Hearing Conducted on February 3, 2020:

The Public Hearing was continued by motion of the City Council during the January 21, 2020 public hearing to receive the draft Findings of Fact, Conclusions of Law and Order of Decision presented by Staff and City Attorney and continue deliberation and review of the same. The public hearing was commenced by the Council, at 4:00 p.m. on February 3, 2020 at 4:00 p.m.¹

1.6.1 Mayor and Council action:

- Reviewed and considered the draft Findings of Fact, Conclusions of Law and Order of Decision presented by Staff and City Attorney.
- Motion to approve and authorized the Mayor to sign these submitted Findings of Fact, Conclusions of Law and Order of Decision.

DECISION

WHEREUPON THE COUNCIL being duly informed and having reviewed the record, evidence, and testimony received and being fully advised in the premises, DO HEREBY MAKE THE FOLLOWING FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER OF DECISION, to-wit:

¹ *Added to section 1.1 Exhibits and documents included in this proceeding as a part of Exhibit C-8 is Letter posted by Gary D. Slette attorney for Mr. & Mrs. Clotfelter posted and dated January 27, 2020

***City Attorney** (paraphrased): Bill Gigray presented to the Mayor and City Council an overview of the legal issues presented by the Letter posted by Gary D. Slette on January 27, 2020 as being and in the context of an issue of the City Council's construction of KMC §§ 16.08.080 A, 17.18.100, 17.124.040 and 17.124.050 as it related to the PUD Application which is the subject of the above entitled matter and provided the Mayor and Council with copies of these KMC ordinance provisions. He also responded to question on where the subject application is in the process.

***Public Comment** (paraphrased):

- **Jim Hunglemann** objected to the hotel application as not needed and incompatible with the space around it and urged the Council to play by the rules.
- **Ben Worst** attorney for owner of 220 River Street property expressed gratitude for changes in the master plan and wanted assurance there would be a full 16' setback. He also asked for clarification on where the subject application was in the process.
- **Ananda Kriya** expressed concern with the speed of the project application process does not see the need in another hotel.
- **Pamela Zabel** was concerned with the construction of the project and the streets. Did not believe the existing hotels were overcrowded and does not see the need for another hotel.

II. FINDINGS OF FACT and CONCLUSIONS OF LAW

[As set forth in this section are findings of fact and corresponding citations to KMC provisions which are also Conclusions of Law]

2.1 Findings Regarding Notice:

2.1.1 **Notice Required:** Notice has been given in accordance with the Law as required by KMC Sections 16.08.110 and 17.116.040.

2.1.2 **Notice Provided:**

2.1.2.1 Notice was published for the October 7, 2019 public hearing in the Idaho Mountain Express, the official newspaper, which has general circulation within the boundaries of the City of Ketchum.

Newspaper	Date Published
Idaho Mountain Express	Wednesday, September 18, 2019

2.1.2.2 Notice of the October 7, 2019 hearing was mailed on Friday, September 18, 2019 to the property owners within 300 feet of the subject real property and affected Agencies and was posted on the subject property on September 30, 2019.

2.2 Findings Regarding Applications Filed:

2.2.1 PEG Ketchum Hotel, LLC has submitted and completed an Application for a Planned Unit Development of a Master Plan for a hotel development on a 1.09-acre site located at the southwest corner of the State Highway 75 and River Street intersection at 280 E. River, (the "Project Site") inclusive of a request for waivers to minimum lot size, setback (side yards), height, and floor area ratio (FAR) limitations.

2.2.2 The Application is made pursuant and is subject to the provisions of the Ketchum Planned Unit Development (PUD) Ordinance Codified at Chapter 16.08 Ketchum Municipal Code as a PUD conditional use permit within in the City Tourist District Zone (KMC § § 16.08.050 and 16.08.060.)

2.2.3 KMC §16.08.020 provides:

A. *This chapter is adopted pursuant to authority granted by Idaho Code section 67-6501 et seq., and article 12, section 2 of the Idaho constitution. It is enacted for the purpose of protecting and promoting the public health, safety and welfare; to secure the most appropriate use of lands, to encourage flexibility and creativity in the development of land in order to improve the design, character and quality of new development, and to provide usable open space; to preserve the scenic and aesthetic qualities of lands; to protect property rights and enhance property values; to ensure that adequate public facilities and services are provided; to ensure that the local economy is protected and*

enhanced; to encourage and promote the development of affordable housing; to ensure that the important environmental features are protected and enhanced; to avoid undue concentration of population and overcrowding of land; to ensure that the development on land is commensurate with the physical characteristics of the land; to protect life and property in areas subject to natural hazards; to protect fish, wildlife and recreation resources; to avoid undue water and air pollution; and to protect the quality of life offered by the city and surrounding resources enjoyed by residents and visitors alike.

- B. The provisions for planned unit developments contained in this chapter are intended to encourage the total planning of developments. In order to provide the flexibility necessary to achieve the purposes of this chapter, specified uses may be permitted subject to the granting of a conditional use permit. Because of their unusual or special characteristics, PUD conditional uses require review and evaluation so that they may be located properly with respect to the purposes of this chapter, the comprehensive plan, and all other applicable ordinances, and with respect to their effects on surrounding properties and the community at large. In the event of conflict between this PUD chapter and any other ordinance of the city, this PUD chapter shall control. The review process prescribed in this chapter is intended to assure compatibility and harmonious development between conditional uses and surrounding properties and the city at large. The provisions for planned unit developments contained in this chapter are intended to encourage the total planning of developments. In order to provide the flexibility necessary to achieve the purposes of this chapter, specified uses may be permitted subject to the granting of a conditional use permit. Because of their unusual or special characteristics, PUD conditional uses require review and evaluation so that they may be located properly with respect to the purposes of this chapter, the comprehensive plan, and all other applicable ordinances, and with respect to their effects on surrounding properties and the community at large. In the event of conflict between this PUD chapter and any other ordinance of the city, this PUD chapter shall control. The review process prescribed in this chapter is intended to assure compatibility and harmonious development between conditional uses and surrounding properties and the city at large.*

- 2.2.4 Applicant Master Plan Submittals:** Applicant originally submitted a Master Plan and subsequently on December 2, 2019 submitted Master Plan Version 2 and subsequently on January 21, 2020 submitted Master Plan Version 3 as part of its PUD Application, pursuant to Title 16, Chapter 16.08. KMC Subject Master Plan (also herein referred to as the “Project”) includes a request for waiver or deferral of requirements pursuant to (KMC §16.08. 070.F).

- 2.2.5 **Waiver Requests:** As set forth in the Applicant's PUD Application and Master Plan, Master Plan Version 2 dated December 2, 2019 and Master Plan Version 3 dated January 21, 2020, waivers are requested to the following dimensional standards: Floor Area Ratio (FAR), side yard setbacks, and height requirements. Additionally, a waiver is requested for the PUD to occur on a Project Site with a minimum lot size of less than three (3) acres, which is permissible subject to stipulations set forth in KMC §16.08.080. A.
- 2.2.6 **Minimum Lot Size:** The Council may waive the three (3) acre minimum lot size requirement consistent with KMC §16.08.080. A.4 as allowed for hotels. To do so, the Council must find the Project meets the definition of hotel as set forth in KMC §17.08.020 and complies with the purpose of the Tourist zone as set forth in KMC §17.180 by providing the opportunity for tourist use. Additional relevant analysis is consistency of the Project with the Subarea Analysis and Gateway Study Excerpts, as set forth in **Attachment A**.
- 2.2.7 **Waivers Part of PUD Ordinance:** Title 16, Chapter 16.04.020 defines Waiver as a:

Modification of a relevant provision and regulation of this chapter not contrary to public interest or public health, safety or welfare, and due to physical characteristics of the particular parcel of land and not the result of actions of the subdivision where literal enforcement of this chapter would result in undue hardship. The granting of waiver(s) ... rests with the sound discretion of the commission and council, on a case by case basis.

Similarly stated relevant standards for the analysis of waiver requests are set forth in KMC §16.08.070.L and KMC §16.04.120.

- 2.2.8. **Four (4) waivers are submitted for the Project:** These include waivers to minimum lot size, setback (side yards), height, and floor area ratio (FAR) limitations. These waivers were requested by the Applicant consistent with KMC §16.04.120, §16.08.080 and §17.124.050, in part, as the literal enforcement of city code in the context of the special physical characteristics and conditions affecting the property would result in undue hardship. In particular, the Hotel site has a large slope with a grade differential of approximately thirty-seven feet (37') from Trail Creek at the south end of the lot to the north end along River Street. The site is constrained by the river to the south and the City desires to setback structures from riparian and flood areas. The City also desires to setback structures from State Highway 75 (SH75) in this location to help preserve the entry to town and minimize shading of the highway during winter months. Further, the grade along SH75, future Idaho Transportation Department (ITD) bridge and highway expansion plans, and a desire for no access onto SH75 in this location create unique conditions for development.

- 2.2.9 **Floor Area Ratio:** KMC §17.124.050.A states: “Hotels may exceed the maximum floor area [0.5] ... requirements of this title subject to ... [a] Planned Unit Development ... which specifically outlines the waivers to bulk regulations requested.” A subarea analysis is also required in the review process (KMC §17.124.050. A.2). The total developed gross floor area of the Project, as defined in KMC §17.08.020, is proposed to not exceed a FAR of 1.57 exclusive of basement areas and underground parking as shown in **Attachment B**. Total building area when each of the three (3) basement and parking garage levels and four (4) hotel stories are calculated in aggregate, as set forth in the PUD Findings and **Attachment B**, total approximately 131,881 square feet for the Project.
- 2.2.10 **Height:** KMC§17.124.050.A states: “Hotels may exceed the ... height ... requirements of this title subject to ... [a] Planned Unit Development ... which specifically outlines the waivers to bulk regulations requested.” A subarea analysis is also required in the review process (KMC §17.124.050.A.2). As noted, the Project Site has a large slope from Trail Creek at the south end of the lot to the north end along River Street. The hotel is proposed as a four-story structure on River Street that then stair steps and terraces down to three floors near Trail Creek. As depicted in the **Attachment B** Height Analysis, the maximum height of the building along River Street does not exceed forty-eight feet (48’) and the building scales down to approximately twenty-eight (28’) closer to the river on the south end of the property. The exception to this height analysis is in the center of the structure where 4-stories of hotel use are sandwiched between two public amenities (employee housing and a roof top bar for the public). At this more central site location, the existing grade drops at a fairly acute angle resulting in a portion of the building having a maximum height of seventy-two feet (72’) as measured from existing grade. In comparison to both the built Limelight hotel and approved Bariteau / Harriman Hotel on opposing corners, the height of the proposed Project will be lower and more closely align to the fourth-floor elevation of each of these buildings.

2.2.11 Setback: No rear/river or front setback waivers are requested. However, a waiver of the side yard setbacks is requested. KMC §17.124.050.A, subsections 1 and 2, specifies that a PUD and Subarea Analysis process shall be used in the granting of waivers to bulk regulations for hotels. KMC §17.12.030 sets forth the following minimum side yard setbacks: (A) the greater of one-foot (1') for every three-feet (3') of building height, or five feet (5') for the west side setback; and (B) Twenty-five foot (25') to thirty-two foot (32') setbacks adjacent to State Highway 75 (SH75), as calculated based on the adjacent right of way width. The Project, as amended, proposes a 31.3' average setback along SH75 with portions of the building as close as 20' from edge of SH75 ROW. See the Setback Analysis in **Attachment B** for exact details on subject building setback intrusion adjacent SH75. On the west-side of the structure, portions of the building are proposed as close as 11.8' from the neighboring west property line. Council approves the following side setback waivers: a minimum of sixteen feet (16') west side yard setback waiver and a minimum east side setback of twenty feet (20') consistent with **Attachment B** provided the average east side setback is greater than thirty-one feet (31').

2.2.12 Project Details: Details of the Project are set forth in **Attachment B** and include both narratives and maps. Narratives include a written project description, development plan, project analysis, social impact study, schedule, parking analysis, traffic study, employee housing plan, Subarea Analysis, and contextual hotel component analysis. Exhibit maps include plans, elevations, sections, sun study, height analysis, civil drawings, landscape plan, exterior color palate, dark sky compliant fixtures, traffic study diagrams, plat map, and public way improvements. Also provided are application forms, analyses of code compliance, soils report, and a waiver list.

2.3 Findings Summarizing Public Comment Concerns and Objections to and Benefits of the Application:

The Council having reviewed the written comment and having listened to the oral comments presented by the public summarizes the same as follows:

- Objections to the granting of waivers to the regulations and standards of the subject Tourist zone; and
- Objections to Building edifice bulk, setback location and height
- Concerns for traffic circulation and safety regarding Project access to and use of River Street on the north, Highway 75 on the east and the intersection of Highway 75 and River Street and concern with the unknown improvements Idaho Transportation may make to Highway 75; and
- Concerns with parking, loading and vehicular access when the Project is operational; and
- Concerns regarding the look of the Gateway entrance to the City; and

- Concern about the character of the City
- Benefit of increase in tourism
- Benefit of additional employment opportunities and on-site employee housing
- Benefit of increased tax revenue
- Benefit of the addition to this tourist community of well-designed and landscaped hotel facility with natural area enhancements and public use availability features.

City Council Standards Findings Planned Unit Development Conditional Use Permit:

The Council having reviewed the Project Master Plan Version 3, as set forth in **Attachment B** to these Findings, as well as public comment, staff analyses, and agency/peer review/department inputs as set forth in **Attachments A, C and D** to these Findings and makes the findings as set forth in Sections 2.4, 2.5 and 2.6 below regarding the Planned Unit Development Conditional Use Permit standards:

2.4 PUD Ordinance Standards and City Council Evaluation Compliance Analysis and Findings:

EVALUATION STANDARDS: 16.08.080

The standards set forth in this section shall apply to review of all PUD conditional use permit applications. The standards shall be used to review and evaluate the proposal in comparison to the manner of development and effects of permitted uses and standard development allowed on the property in question. Modification or waiver from certain standard zoning and subdivision requirements may be permitted subject to such conditions, limitations and/or additional development standards, pursuant to section 16.08.130 of this chapter, as the city council may prescribe to mitigate adverse impact at the proposed planned unit development, or to further the land use policies of the city, or to ensure that the benefits derived from the development justify a departure from such regulations. Where the city council determines that conditions cannot be devised to achieve the objectives, and/or the standards contained in this chapter are not met, applications for conditional use permits shall be denied. The city council shall make findings that each of the following evaluation standards have been met. The evaluation standards are as follows:

KMC § 16.08.080.A

Minimum lot size of three (3) acres. All land within the development shall be contiguous except for intervening waterways. Parcels that are not contiguous due to intervening streets are discouraged. However, the commission and the council may consider lands that include intervening streets on a case by case basis. The commission may recommend waiver or deferral of the minimum lot size, and the council may grant such waiver or deferral only for projects which:4. For a hotel which meets the definition of "hotel" in section 17.08.020, "Terms Defined", of this code, and conforms to all other requirements of section 17.18.130, "Community Core District (CC)", or section 17.18.100, "Tourist District (T)", of this code. Waivers from the provisions of section 17.18.130 of this code may be granted for hotel uses only as outlined in section 17.124.040 of this code. Waivers from the provisions of section 17.18.100 of this code may be granted for hotel uses only as outlined in section 17.124.040 of this code.

City Council Findings: The Project Site is approximately 1.09 acres and does not meet the minimum standard of (3) acres for a PUD. However, as noted herein below, the Council finds that this requirement may be waived consistent with KMC §16.08.080.A.4 as allowed for hotels. Specifically, this Project:

(A) Meets the definition of hotel as set forth in KMC §17.08.020. The Project consists of ninety-two (92) rooms, includes on site food and beverage service with kitchen facilities, common reservation and cleaning services, meeting room space, combined utilities, on site management and reception services, access to all sleeping rooms through an inside lobby supervised by a person in charge no less than eighteen (18) hours per day, and adequate on site recreational facilities. There are no other residential uses proposed in connection with the hotel operation, other than the proposed 23 beds of employee housing.

(B) Complies with the purpose of the Tourist zone as set forth in KMC §17.180 by providing the opportunity for tourist use. Consistent with the sub-area analysis and Gateway Study Excerpts, as set forth in Exhibit A, the Project is compatible both in design and use with the surrounding uses and development.

(C) Allows the granting of waivers for hotel-related Tourist District Floor Area Ratio (FAR), setback, and height dimensional standards as outlined in KMC §17.124.040. The Project proposes to exceed the 0.5 Tourist Zone permitted Gross FAR as set forth in KMC §17.124.040.A and may exceed its FAR maximum in accordance with the pertinent code provisions allowing for fourth floor hotel uses, as set forth in KMC §17.124.040.B.3 and by reference KMC §17.124.050. In accordance with the aforementioned and also precedent (e.g., entitled Bariteau / Harriman Hotel site at 300 E. River Street across SH75 was also approved as a PUD on an approximately 0.9-acre site and the Limelight was approved as a PUD on an approximately 1.09-acre site), the Council finds this evaluation standard to have been met.

The City Council further finds: That it is the intent of the Council that paragraph 4 of subsection A of KMC Section 16.08.080 exclusively and directly applies to Hotel planned unit development waivers. That paragraph 4 of subsection A of KMC Section 16.08.80 requires that developments which meet the definition of a Hotel in KMC section 17.08.020 and conform to the requirements of KMC section 17.18.100 be granted waivers of the three (3) acre minimum lot size for their PUD Development. That KMC Section 17.18.100.A is a statement of purpose of the City's Tourist District and as such states the purpose of the district to provide the opportunity for high density residential and tourist use and development which can be justified as a primary use within the district. There is a general but not specific reference to the specific dimensional requirements of the Zoning ordinances in KMC Section 17.18.100. The zoning ordinance requirements of KMC section 17.124.040, which refers to KMC section 17.124.050, are not mandated by KMC Section 17.18.100 unless a waiver of 17.18.100 is required. In this instance the subject PUD application is a hotel use only, a waiver of 17.18.100 is not required, and the PEG Ketchum Hotel complies with the intent, purpose, and use requirements of the Tourist Zone set forth in KMC Section 17.18.100.

KMC § 16.08.080.B and KMC § 16.08.080.D

KMC § 16.08.080.B: *The proposed project will not be detrimental to the present and permitted uses of surrounding areas.*

KMC § 16.08.080.D: *The development shall be in harmony with the surrounding area.*

City Council Findings: As set forth in the Attachment A Gateway Study and the Attachment B Subarea Analysis, the proposed hotel is both by design and use consistent with envisioned plans for the corner of SH75 and River Street. Further, the proposed hotel project is consistent with current Tourist Zoning District zoning allowances for hotels. Each of the attendant uses, including restaurant/bar, meeting rooms, and employee housing are also permitted in the Tourist Zoning District. The site was defined as Site 2 in the 2007 Gateway Scale and Massing Study and was identified as a priority urban infill site for a potential hotel development, inclusive of a public plaza near the project intersection with SH75. As such, the Property is in the Ketchum Urban Renewal District (KURA) Revenue Allocation Area. The Project Site borders three other hospitality focused uses. The Limelight Hotel is located directly across River Street to the North. The Best Western Hotel is located diagonally across Main Street from the Project Site. The Planned Future Harriman Hotel by Bariteau is located directly across Main Street to the East. The two closest properties to the West are commercial office buildings, (220 and 200 East River Street). The site is bordered by commercial uses to its North, East, and West and is separated from the multifamily residential uses to the South by Trail Creek. Accordingly, the Council finds this Project will (A) not be detrimental to the present and permitted uses of surrounding areas and (B) be in harmony with the surrounding area.

KMC § 16.08.080.C

The proposed project will have a beneficial effect not normally achieved by standard subdivision development.

City Council Findings: The proposed hotel will benefit the city in ways not normally achieved by standard subdivision. These include public access to the river and, open space in excess of thirty-five percent (35%), and access to a 3,000 square foot bar patio terrace, which features landscaping and solar exposure unique for a built project. The Project will have significant economic and public amenity benefits to Ketchum that would not be achievable on this site without the PUD process due to the constraints created by the topography of the site (37' differential in grade between front property line on River and rear property line along Trail Creek), access constraints on the east side due to the east side bordering SH 75, and development constraints due to the south side of the property being Trail Creek. The provision of waivers through the PUD process allows the design of the building, interior layout, operations and programmatic aspects of the hotel to infuse economic and public benefits beyond what would be accomplished by hotel rooms alone.

Economic benefits of the development include local option taxes generated by the 92 new hotel rooms that will be booked through the international reach of the internationally recognized hotel brand's reservation network. The hotel will feature a number of public amenities, including a street front restaurant and lounge, banquet/meeting rooms, and a roof top bar with panoramic views of Bald Mountain and Dollar Mountain; there is no other publicly accessible rooftop space in Ketchum city limits with a similarly large footprint (approximately 2,035 net square feet of roof-top Bar Patio on Level 03 and 1,425 net square feet of roof-top Bar Terrace on Level 03 02) or that has 280-degree views and is operational in all four seasons. The hotel will also provide on-site employee housing, with a minimum of 23 beds, in a mix of traditional apartments and dorm style apartment units.

The hotel's inclusion of on-site employee housing will result in the project providing more on-site for employees than any other development in Ketchum city limits and the mix of housing unit styles will, as conditioned herein in §4.10, accommodate employees at different life stages and career stages (seasonal vs. long-term, full-time). Further, although the employee units are located on Lower Level 3 and Lower Level 2, which are partially below grade on the River Street portion of the building, because the grade of the site drops toward the south.

If the rooftop bar and lower floor employee housing units were removed from the project (or if the employee housing were located in a basement) the benefits of this project to the community would be lessened; the employee housing and roof-top amenity comprise approximately 12,883 square feet of the approximately 131,881 gross square foot development. Due to the site constraints, the allowance for waivers from the typical standards of the code is what makes inclusion of these public benefits truly benefits and is what makes these benefits possible.

Accordingly, the Council finds the PUD process as having a beneficial effect not normally achieved by standard development.

KMC § 16.08.080.D

The development shall be in harmony with the surrounding area.

City Council Findings: The Council finds this Project to be in harmony with the surrounding area. Details of this finding are presented jointly with KMC §16.08.080.B findings above stated.

KMC § 16.08.080.E

1. *Densities and uses may be transferred between zoning districts within a PUD as permitted under this chapter, provided, the aggregate overall allowable density of units and uses shall be no greater than that allowed in the zoning district or districts in which the development is located. Notwithstanding the above, the commission may recommend waiver or deferral of the maximum density and the council may grant additional density above the aggregate overall allowable density only for projects which construct community or employee housing and which:
 - a. *Include a minimum of thirty percent (30%) of community or employee housing, as defined in section 16.08.030 of this chapter; and*
 - b. *Guarantee the use, rental prices or maximum resale prices thereof based upon a method proposed by the applicant and approved by the Blaine County housing authority and/or the Ketchum city council.**
2. *Application for waiver or deferral of this criteria shall include a description of the proposed community or employee housing and the proposed guarantee for the use, rental cost or resale cost.*

City Council Findings: N/A. The Applicant is not requesting any density transfers.

KMC § 16.08.080.F

The proposed vehicular and nonmotorized transportation system:

1. *Is adequate to carry anticipated traffic consistent with existing and future development of surrounding properties.*
2. *Will not generate vehicular traffic to cause undue congestion of the public street network within or outside the PUD.*
3. *Is designed to provide automotive and pedestrian safety and convenience.*
4. *Is designed to provide adequate removal, storage and deposition of snow.*
5. *Is designed so that traffic ingress and egress will have the least impact possible on adjacent residential uses. This includes design of roadways and access to connect to arterial streets wherever possible, and design of ingress, egress and parking areas to have the least impact on surrounding uses.*
6. *Includes the use of buffers or other physical separations to buffer vehicular movement from adjacent uses.*
7. *Is designed so that roads are placed so that disturbance of natural features and existing vegetation is minimized.*
8. *Includes trails and sidewalks that create an internal circulation system and connect to surrounding trails and walkways.*

City Council Findings: **Attachment B** includes documents from the Applicant that address how vehicular and pedestrian traffic will circulate in and around the proposed Project. Included in **Attachment B** is an SH75 ingress/egress diagram and associated access analysis addressing safety, aesthetics, grading limitations, and Trail Creek Impacts, which was requested by a member of the public, duly analyzed by the Council, and determined by the Council after hearing from the project engineer, as well as the city independent traffic engineering consultant as not being in the public interest. No operational issues are found to exist with Project vehicular ingress / egress being on River Street with acceptable level of service (LOS) noted for each circulation component (parking garage access, hotel pick-up/drop-off, and SH75 approaches). See AECOM memo in **Attachment C**. Foremost of these exhibits is the detailed traffic impact study (TIS) prepared by Hales Engineering, which AECOM (on behalf of the city) has provided a peer analysis. **Attachment B** also includes River Street Public ROW Civil Plan Encroachment Options 1 and 2 that feature the Applicant's circulation plan, sidewalk improvements, and proposed snowmelt system for the Project. Finally, **Attachment A** includes two excerpts of professional studies. The first is an excerpt from the Idaho Transportation District (ITD) Record of Decision (ROD) and proposed Fiscal Year 2025 (FY25) road improvements to State Highway 75 (SH75) adjacent the property between the Trail Creek Bridge and River Street. These include a 3-lane urban section with curb, gutter and sidewalk. Importantly, the middle lane features a left turn lane for north bound traffic on SH75 that would permit adequate queuing and protected westbound (WB) turning movement onto River Street and the Project. The second excerpt is from Vitruvian and references a city-sponsored recommendation to upgrade the unsignalized crossing at SH75/River Street (north-side of intersection between Limelight Hotel and the Best Western) with a Rectangular Rapid Flashing Beacon (RRFB) to enhance pedestrian safety. After receiving input from ITD, as shown in Attachment A.4., including the August 8, 2019 Minutes of the Ketchum Transportation Authority, KCC recommends that enhancements to pedestrian safety are better accommodated with a HAWK system on River Street than an RRFB system. Also proposed to improve vehicular LOS movements is making east bound (EB) and WB River Street at the intersection with SH75 right turn only movements (signing and striping required). To further reduce traffic and to meet City sustainability goals, as expressed throughout the Ketchum Comprehensive Plan, the operation of the hotel will integrate strategies to reduce vehicular impact on Ketchum's streets from this Project. These include strategies such as a Guest Shuttle (airport and to local destinations), Employee Car Share Program, and Employee Transit Passes. As conditioned herein, the Council finds this standard to have been met. The Project will be adequately served by necessary vehicular and nonmotorized transportation systems.

KMC § 16.08.080.G

The plan is in conformance with and promotes the purposes and goals of the comprehensive plan, zoning ordinance, and other applicable ordinances of the city, and not in conflict with the public interest:

1. Pursuant to subsection 16.08.070D of this chapter, all of the design review standards in chapter 17.96 of this code shall be carefully analyzed and considered. This includes detailed analysis of building bulk, undulation and other design elements. The site plan should be sensitive to the architecture and scale of the surrounding neighborhood.
2. The influence of the site design on the surrounding neighborhood, including relationship of the site plan with existing structures, streets, traffic flow and adjacent open spaces, shall be considered.
3. The site design should cluster units on the most developable and least visually sensitive portion of the site.

City Council Findings: As previously set forth in the findings for KMC §16.08.080 subsections B, D and F (above), the Project as conditioned, will be adequately served by necessary vehicular and nonmotorized transportation systems and will be in harmony with the surrounding area. The Project will pay applicable fees, from Local Option Taxes (LOT) for construction materials to applicable building permit fees and connection fees for such items as water and sewer connections. The Conditionally Granted Project shall pay the plan check and building permit fees that are in effect at the time of plan check and building permit submittal and all fees required by law prior to issuance of building permit. Further, details have been added as conditions of approval to assure that Marriott or other reward stays pay LOT to the city. Pursuant to KMC §16.08.070.D, all of the design review standards set forth in KMC §17.96 are conditionally attached to the City's approval of the Planned Unit Development and are memorialized in the Project Development Agreement. Staff has analyzed and the Council has found, as noted in **Attachment A**, Staff Analysis Project Compliance with the Ketchum Comprehensive Plan subsection, that the Project both conforms with and promotes the purposes and goals of the comprehensive plan. As noted in **Attachment B** and the Applicant's site design drawings, Project massing has been carefully designed with a four-story bench design on River Street that terraces down (southward) to follow the topography drop from River Street to Trail Creek. Subject terraces then become gathering spots for guests and the public to enjoy the outdoor and take in the scenic views from the hotel. As noted by the Applicant, "the massing also provides for a façade that steps in and out of plane, which is enhanced by a layer balconies and articulation of those forms. The building pulls back over 35' from Trail Creek and has minimal visual impact on Forest Service Park." The building footprint near the front property line is setback 15' from the River Street frontage where it has an appropriate relationship to the sidewalk and street scape. The footprint is then pulled back to respect the riparian setback along Trail Creek to minimize the impact of the new building adjacent to a natural feature. Site landscape design has been designed to complement the bench topography and creek bank features of the site." As conditioned herein, this standard has been met.

KMC § 16.08.080.H

The development plan incorporates the site's significant natural features.

City Council Findings: Three significant natural features are recognized by the Council, including: the site's location on a bench; Trail Creek along the south property line; and, the 360-degree scenic views from the site including Bald Mountain and Dollar Mountain. The hotel has been designed to step down, following the bench topography, creating rooftop terraces and public spaces that take advantage of solar orientation and available views. The landscape plan includes pedestrian pathways for hotel guest and the public to access Trail Creek viewpoint areas set outside of the riparian zone setback. As conditioned herein, this standard has been met and the Master Plan is found to properly incorporate the site's significant natural features.

KMC § 16.08.080.I

Substantial buffer planting strips or other barriers are provided where no natural buffers exist.

City Council Findings: As noted in KMC §17.12.040, 21,362 square feet of the property will remain open space, which is forty-three percent (45%) of the 47,591 square foot site. The Project has greater than the required thirty-five percent (35%) minimum open space set forth in the KMC for the Tourist Zoning District. Three notable buffer strips that benefit the public are proposed. The first is the twenty-five foot (25') setback from SH75/Main Street that will be landscaped. Subject setback, as set forth in **Attachment B**, averages 31.3'. Portions of this area are proposed to include an outdoor dining patio toward the intersection of Main Street and River Street and will have landscape and architectural barriers such as raised planters, raised water features, and architecturally integrated railings separating the dining patio from the street. The second buffer is a twenty-five foot (25') Riparian Easement along with a ten foot (10') Utility Easement that combine to create a thirty-five foot (35') setback from the property line adjacent Trail Creek. The third design element includes the placement of a buffer landscape island between the hotel's Porte Cochere drive along River Street. Given the significant public amenities integrated into the hotel design and invitation of the public into the building, the Council finds a favorable exchange to exist with details to be enumerated in the pending River Street encroachment permit request by the applicant. This design element is subject to a separate Encroachment Permit application that will be reviewed by Council concurrently with the PUD. As conditioned herein, this standard has been met.

KMC § 16.08.080.J

Each phase of such development shall contain all the necessary elements and improvements to exist independently from proposed future phases in a stable manner.

City Council Findings: As set forth in **Attachment B**, the Applicant proposes to develop the Project in a single phase. To assure that that the development contains all the necessary elements and improvements to exist in a stable manner, the Council finds this standard (KMC §16.08.080.J) to be met, provided as a conditioned of the issuance of any Building Permit for the construction of the Project that an appropriate project completion assurance (e.g., an irrevocable letter of credit on a bank acceptable to the City in an amount equal to 130% of engineering estimates of the Master Plan) and all fees required by law prior to and for issuance of a building permit.

KMC § 16.08.080.K

Adequate and usable open space shall be provided. The applicant shall dedicate to the common use of the homeowners or to the public adequate open space in a configuration usable and convenient to the residents of the project. The amount of usable open space provided shall be greater than that which would be provided under the applicable aggregate lot coverage requirements for the zoning district or districts within the proposed project. Provision shall be made for adequate and continuing management of all open spaces and common facilities to ensure proper maintenance.

City Council Findings: As previously noted, 21,362 square feet of the property will remain open space, which is approximately 45% of the 47,591 square foot site. Further, subject rooftop bar also includes patio space plus an additional 1,425 net square feet of landscaped terrace area devoted to public use. The open space, green roofs and patios that are provided exceeds the requirement by more than 8%, which is an amount “greater than that which would be provided under the applicable aggregate lot coverage requirements for the zoning district or districts within the proposed project.” The Council finds that subject open space is both adequate and useable and complemented by the Project’s addition of the outdoor roof top bar space with adjacent living garden terrace, which is available to the public and managed and maintained by the Project.

KMC § 16.08.080.L

Location of buildings, parking areas and common areas shall maximize privacy within the project and in relationship to adjacent properties and protect solar access to adjacent properties.

City Council Findings: The Council has reviewed the Applicant's response to this standard of evaluation, including reference to its sun study and height analysis/compatibility view drawings as set forth in **Attachment B**, and generally concurs with the finding that "The Ketchum Boutique Hotel is configured along a northwest spine that has allowed for the building's mass to be pulled back from the roadway view corridor leading to Main Street. All onsite parking is contained below grade and will have no visual impact on the site. The hotel features an interior courtyard located on level 2 that faces south, the courtyard will be hotel's 'private' exterior amenities space that is reasonably shielded from the view of most adjacent properties. The hotel features many architectural balcony elements that serve to create another layer of structure between the guests and the exterior, enhancing a sense of a perimeter of privacy in those guest rooms. The Sun Studies provided ... demonstrate that the massing of the hotel will have very minimal shade impact on adjacent buildings, only during the December studies do any shadows from the hotel intrude appreciably on any adjacent properties, and in those cases the shadow impacts from [the PEG Ketchum] hotel are not any more intrusive than the affected buildings have on their adjacent neighbors." As conditioned herein, the Council finds this standard to have been met.

KMC § 16.08.080.M

Adequate recreational facilities and/or daycare shall be provided. Provision of adequate on site recreational facilities may not be required if it is found that the project is of insufficient size or density to warrant same and the occupant's needs for recreational facilities will be adequately provided by payment of a recreation fee in lieu of such facilities to the city for development of additional active park facilities. On site daycare may be considered to satisfy the adequate recreational facility requirement or may be required in addition to the recreational facilities requirement.

City Council Findings: Programmed recreation facilities within the Project, as depicted in **Attachment B**, include a 1,002 square foot fitness center and a 3,301 square foot outdoor terrace, including hot tubs. The Council finds these on-site guest amenities to adequately meet the recreational needs appropriate to the scale of the Project. In addition, the Council finds that the proposed use, inclusive of the employee housing units, does not warrant the provision of on-site daycare services.

KMC § 16.08.080.N

There shall be special development objectives and special characteristics of the site or physical conditions that justify the granting of the PUD conditional use permit.

City Council Findings: As noted in the Gateway Study set forth in **Attachment A**, the City of Ketchum has established special development objectives for the four corners surrounding the intersection of River Street/SH75. The Council has reviewed and analyzed this Study and recognizes subject Project Site is on a bench with approximately 37 feet of grade change and without the PUD process would unlikely be developable as a hotel as it would have to have one building along River Street, and a second building at the bottom of the hotel accessible via SH75 Street. This latter access is not desirable for site visibility and safe ingress/egress as attested to by the city's independent traffic consultant upon review of project development drawings, Hales access memorandum, and ITD highway specifications. Accordingly, the Council finds there to be special development objectives and special characteristics of the site and its physical conditions that justify the granting of the PUD conditional use permit.

KMC § 16.08.080.O

The development will be completed within a reasonable time.

City Council Findings: As set forth in the Applicant's submittal, as set forth in **Attachment B**, a Spring 2020 construction start and an Autumn 2021 opening are proposed. Similar to the Council's finding on KMC §16.08.080.J, the Council finds this standard is met; provided that a project completion assurance agreement is entered into between the Applicant and City Council for the Project prior to the issuance of any Building Permit for the construction of the Project.

KMC § 16.08.080.P

Public services, facilities and utilities are adequate to serve the proposed project and anticipated development within the appropriate service areas.

City Council Findings: Street, water, sewer, and fire personnel have met with the Applicant and found that adequate city services are available to serve the Project. See **Attachment C** for details on various departmental reviews. The Applicant and the City have also met with ITD regarding the Project and, as conditioned herein, is requesting improvements be installed by the Applicant at the intersection of SH75/River Street as a condition of Certificate of Occupancy. Formally, this will occur upon acceptance by ITD of a specific Encroachment Permit application submitted by the Applicant in conjunction with city recommendations to ITD for approval. Prior to building permit issuance, the Applicant will need will-serve letters from other utility providers (gas, electric, waste and recycling). To date, no issues of service have been identified. The payment of impact, local option tax, and building permit fees pursuant to approved city schedules are required. The Council finds this standard has been met. Subject to the conditions set forth herein, public services, facilities and utilities are adequate to serve the Project and anticipated development within this area.

KMC § 16.08.080.Q

The project complies with all applicable ordinances, rules and regulations of the city of Ketchum, Idaho, except as modified or waived pursuant to this section

City Council Findings: KMC §16.08.080 Subsections G and Q both stipulate that the Project conform with and promote the purposes of applicable ordinances and not conflict with the public interest. This Project involves six (6) interrelated permits (floodplain, subdivision, design review, PUD, CUP, and a development agreement), as well as encroachment permits that will be required for SH75 from ITD and for River Street from the Ketchum City Council. Each of these eight (8) sets of approvals, as well as future compliance of Project construction drawings with other city regulations, such as Building, Fire, and Green Building Codes are required of the Applicant. As conditioned herein, the Council finds that this Project complies with all applicable rules and regulations of the City. The Council makes this finding in recognition of its previous finding in favor of waiving the three (3) acre minimum PUD eligibility criteria as detailed under KMC §16.08.080.A as allowed for hotels. Further, the Council makes this finding in recognition of the following dimensional standard and project waiver analysis for the proposed FAR, height/story, and setbacks proposed for the Project. Further, as noted in general finding 2.2.3 herein, Ketchum's planned unit development ordinance is intended to encourage the total planning of developments, provide flexibility, and work with unusual or special characteristics of the land or a development project. Notably, KMC §16.08.020.B states, "[i]n the event of conflict between this PUD chapter and any other ordinance of the city, this PUD chapter shall control."

2.5 Tourist Zoning District Dimensional Standards and Project Waiver Analysis and City Council Evaluation Compliance Analysis and Findings:

KMC § 17.12.030

Minimum Lot Area & Lot Width: 9,000 square feet minimum & 80' average.

City Council Findings: The property is 47,249 square feet in size and has a lot width with the one-lot subdivision application that exceeds the minimum lot size and widths required in the Tourist Zone.

KMC § 17.12.030

Minimum Open Space

City Council Findings: As set forth in **Attachment B**, 21,362 square feet of the property will remain open space, which is approximately 45% of the 47,249 square foot site. The Project has greater than the required thirty-five percent (35%) minimum open space set forth in the KMC for the Tourist Zoning District. The Council finds that this standard has been met.

KMC § 17.12.030

Setbacks

Front: 15'

Riparian: 25'

SH75: 25' / 32'

Side: the greater of 1' for every 3' in building height, or 5'

City Council Findings: The project as set forth in **Attachment B** complies with the city's 25' riparian and 15' front setback requirements. A waiver of the side yard setbacks is requested. KMC §17.124.050.A, subsections 1 and 2, specifies that a PUD and Subarea Analysis process shall be used in the granting of waivers to bulk regulations for hotels. KMC §17.12.030 sets forth the following minimum side yard setbacks: (A) the greater of one-foot (1') for every three-feet (3') of building height, or five feet (5') for the west side setback; and (B) Twenty-five foot (25') to thirty-two foot (32') setbacks adjacent to State Highway 75 (SH75), as calculated based on the adjacent right of way width. The Project, as amended, proposes a 31.3' average setback along SH75 with portions of the building as close as 20' from edge of SH75 ROW. See the Setback Analysis in **Attachment B** for exact details on subject building setback intrusion adjacent SH75. On the west-side of the structure, portions of the building are proposed as close as 11.8' from the neighboring west property line. Council approves the following side setback waivers: a minimum of sixteen feet (16') west side yard setback waiver and a minimum east side setback of twenty feet (20') consistent with **Attachment B** provided the average east side setback is greater than thirty-one feet (31').

KMC § 17.12.030

Permitted Gross Floor Area Ratio: 0.5 or greater for hotels

City Council Findings: The Council finds the Project meets the definition of hotel as set forth in KMC §17.08 and, as a consequence, is eligible to exceed listed FAR consistent with the Council's previous finding within KMC §17.08.080, subsections B and D. A FAR of 1.57 is proposed for the hotel, which incorporates employee housing and other public amenities within the Project. Significantly, the Council has reviewed the **Attachment B** Subarea Analysis and two **Attachment A** documents - the Gateway Study and a Comparative Hotel PUD Summary Chart. The Council finds the proposed hotel is both by design and use consistent with envisioned plans for the corner of SH75 and River Street. The FAR of the Project is significantly less than the CC-Limelight Hotel and Tourist Zone Harriman Hotel Project - neither of which incorporate community housing on the hotel site. The Project Site was defined as Site 2 in the 2007 Gateway Scale and Massing Study and was identified as a priority urban infill site for potential hotel development. As such, the Property is in the Ketchum Urban Renewal District (KURA) Revenue Allocation Area. The allowance of a 1.57 FAR, as herein conditionally approved by the Council, is warranted due to special development objectives and special characteristics of the site and its physical conditions. In reaching this finding, the Council finds that the proposed FAR, as stipulated, will not be detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area.

Subject to the approval of the PUD application with conditions as noted herein, the Council finds that the Project FAR warrants a waiver and, as a result, complies with this provision of the Tourist Zoning District.

KMC § 17.12.030

Building

Height

Maximum Permitted: 35' or greater for hotels

City Council Findings: The Project proposes to exceed the thirty-five foot (35') height limit, which is permissible subject to the city's fourth floor hotel use allowance in the Tourist Zoning District provisions, as set forth in KMC §17.124.040.B.3 and by reference KMC §17.124.050.A and B.6. Evidence in support of the Project height waiver up to seventy-two feet (72') from existing grade and an interpretation that the "hotel" does not exceed four floors are as follows:

- (A) The Project site has a large slope from Trail Creek at the south end of the lot to the north end along River Street. The hotel is proposed as a four-story structure on River Street, and step / terrace down to three and then two stories nearest Trail Creek.
- (B) The KMC does not specify the maximum height of a four-story building. Historic references in the KMC, as well as the top floor plate of the adjoining Limelight Hotel show the hotel fourth floor to equal approximately forty-eight feet (48') while the top of the Limelight hotel penthouse parapet is 73.5'.
- (C) Maximum height of the building shall not exceed 48' when the building is measured from the highest elevation of the property (along River Street) or 72' when building height is measured from the lowest elevation of the property (along Trail Creek), as depicted in the **Attachment B** Height Analysis.
- (D) During the transition where the four-story building along River Street steps down approximately thirty feet (30') toward Trail Creek, the forty-eight foot (48') high 4-story building reads like 6-stories at seventy-two feet (72') high. This is permissible consistent with KMC §16.08.020.B and desirable as follows: first, the height of the building at subject central location is below the forty-eight (48') 4-story horizontal plane established by precedent and with the top of the fourth floor at the adjacent Limelight; second, the Council recognizes that in this central location of the structure, that the 4-stories of hotel use are sandwiched between two public amenities (employee housing and a roof top bar for the public). The unique characteristics of the site at this location, where the existing grade drops quickly in the center of the site, result in a portion of the building having a taller element of seventy-two feet (72') as measured from existing grade. The Council finds this consistent with general finding 2.2.3 herein and KMC §16.08.020.B, "[i]n the event of conflict between this PUD chapter and any other ordinance of the city, this PUD chapter shall control."
- (E) In comparison to both the Limelight and approved Harriman Hotels on opposing corners, the height of the proposed Boutique Hotel is lower and more closely aligned to the fourth floor of each building.

(F) The **Attachment A** Gateway Study and **Attachment B** Subarea Analysis indicate that the proposed hotel is both by design and use consistent with envisioned plans for the corner of SH75 and River Street.

(G) Further, the proposed hotel project is consistent with current Tourist Zoning District zoning allowances for hotels. Each of the attendant uses, including restaurant/bar, meeting rooms, and employee housing are also permitted in the Tourist Zoning District. The Project proposes a height waiver for hotels in the Tourist Zone District and, subject to approval of the PUD application with conditions as noted herein, complies with this zoning standard.

KMC § 17.125.030.H

Curb Cut Permitted: *A total of 35% of the linear footage of any street frontage can be devoted to access off street parking.*

City Council Findings: There are no curb cuts proposed along State Highway 75. The new configuration results in less than thirty-five percent (< 35%) of the linear footage of street frontage devoted to access the off street parking within the parking garage.

KMC § 17.125.020.A.2 and KMC § 17.125.050

Parking Spaces: *Off-street parking standards of this chapter apply to any new development and to any new established uses.*

City Council Findings: As analyzed by staff and consistent with KMC §17.125 and the revised Project parking analysis, a minimum of eighty-four (84) parking spaces in the underground parking garage are required. The Project proposes eighty-four (84) spaces in the parking garage. Of the 84 spaces provided for the Project not less than thirteen (13) spaces are reserved for public use and eighteen (18) spaces are reserved for employee housing use. As conditioned herein, the Project complies with this standard.

2.6 Conditional Use Permit Standards Analysis and City Council Evaluation Compliance Analysis and Findings:

KMC § 17.116.030 (A)

The characteristics of the conditional use will not be unreasonably incompatible with the types of uses permitted in the applicable zoning district.

City Council Findings: The proposed hotel and each of the attendant uses within the Project, including restaurant/bar, meeting rooms, and employee housing, are permitted uses in the Tourist Zoning District. The characteristics of the conditional use for the Planned Unit Development CUP and the waivers approved herein pursuant to KMC §17.124.050 are compatible with the types of uses permitted in the Tourist Zoning District. The Council finds this standard of evaluation has been met.

KMC § 17.116.030 (B)

The conditional use will not materially endanger the health, safety and welfare of the community.

City Council Findings: The Project will be served with essential public services and facilities, an acceptable level of service for traffic operations and pedestrian safety as set forth in the applicable findings noted in §16.08.080.F and §17.116.030 (B). As conditioned herein, the Council finds this standard has been met.

KMC § 17.116.030 (C)

The conditional use is such that pedestrian and vehicular traffic associated with the use will not be hazardous or conflict with existing and anticipated traffic in the neighborhood.

City Council Findings: The Council found in KMC §16.08.080.F herein above that the Project will be adequately served by necessary vehicular and nonmotorized transportation systems. This finding was made after reviewing **Attachment B**, which includes documents from the Applicant that address how vehicular and pedestrian traffic will circulate in and around the proposed Project. Foremost of these exhibits is the detailed traffic impact study (TIS) prepared by Hales Engineering, which AECOM (on behalf of the city) has provided a peer analysis. **Attachment B** also includes River Street Public ROW Encroachment details that feature the Applicant's circulation plan, sidewalk improvements, and proposed snowmelt system for the Project. Finally, **Attachment A** includes two excerpts of professional studies. The first is an excerpt from the Idaho Transportation District (ITD) Record of Decision (ROD) and proposed Fiscal Year 2025 (FY25) road improvements to State Highway 75 (SH75) adjacent the property between the Trail Creek Bridge and River Street. As conditioned herein, the Council finds this standard to have been met. In particular, three off-site mitigation measures that will be required as a condition of development, including:

- (A) Developer to accommodate a northbound left-turn lane plus taper at River/Main. The developer will need to coordinate with ITD to determine where the west edge of SH-75 will be and whether ITD will accept temporary paving. The developer would install sidewalk, curb and gutter to the city's standard. As noted in **Attachment C**, AECOM suggests that "ITD and the City consider creating an opposing left-turn lane and better aligning the approach and departure lanes through the intersection. In addition, it's understood that this will help prevent queuing and also be a safety improvement.
- (B) Developer to install "right-turn only" signs on the eastbound and westbound approaches (City would likely pay for the cost on the westbound approach).
- (C) At the discretion of the Ketchum City Council, the developer shall install a HAWK system on the crosswalk on the north leg. No crosswalk required on the south leg. However, as noted by AECOM in **Attachment C**, "Before constructing a HAWK signal at River Street, an engineering study should be performed using the guidance provided in Section 4F.01 of the MUTCD."

KMC § 17.116.030 (D)

The conditional use will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area or conditions can be established to mitigate adverse impacts.

City Council Findings: Consistent with the findings made for KMC §17.116.03 subsections B and C, the Council finds this standard to have been met.

KMC § 17.116.030 (E)

The conditional use is not in conflict with the policies of the Comprehensive Plan or the basic purposes of this Section.

City Council Findings: The proposed conditional use is supported by the following goals and policies of the 2014 Comprehensive Plan. Specific findings and analysis are as set forth in **Attachment A**. As noted herein, the proposed conditional does not conflict with the policies of the Comprehensive Plan or the basic purposes of Chapter 17.116 Conditional Uses.

2.7 Findings Regarding Applicant's PUD Bulk Area Waivers:

- 2.7.1 The Applicant's Project includes waivers to the floor area ratio, side yard setbacks, and height requirements and, subject to compliance by the Applicant with conditions as noted herein, the Project complies with each of the Tourist Zone dimensional standards for hotels.
- 2.7.2 The proposed Planned Unit Development and Conditional Use Permit Application meets the standards of approval under KMC Title 16 and Title 17, subject to conditions of approval.
- 2.7.3 The Project may exceed the maximum floor area, height, setback or minimum lot size requirements of Title 17 KMC, subject to a planned unit development having been prepared for the Project's proposed hotel and subject to approval by the City Council which outlines the waivers to bulk regulations requested.
- 2.7.4 All height and bulk Project limitations shall be in accordance with Tourist District except those items waived as an incident of the PUD Development Plan approval. The approved Project plans illustrate areas where buildings may exceed height and bulk limitations. As conditioned herein, the Council refers to the zoning and subdivision waivers set forth in these PUD Findings.

**III.
CONCLUSIONS OF LAW**

The following are the legal principles that provide the basis for the Ketchum City Councils' decision which the Councilors have applied to the facts presented at the hearing of the above entitled matter:

- 3.1 The City is a municipal corporation established in accordance with Article XII of the Constitution of the State of Idaho and Title 50 Idaho Code and is required and has exercised its authority pursuant to the Local Land Use Planning Act codified at Chapter 65 of Title 67 Idaho Code; and
- 3.2 The City pursuant to Chapters 3, 9 and 13 of Title 50 Idaho Code has the authority to enact the Ordinances and regulations which the City has exercised and approved Ordinances codified in the Ketchum City Code (“KMC”), and which are identified in Section II of these Findings of Fact, and which are herein restated as Conclusions of Law by this reference, and which City Ordinances govern the Applicant’s Project Applications for the Development and use of the Project Site.
- 3.3 The City pursuant to Idaho Code Section 67-6515 has the authority, which it has exercised by ordinance, codified at Chapter .08 of Title 16 of the KMC, which is separate from its zoning ordinance for the processing of applications for planned unit development permits.
- 3.4 KMC section 16.08.120 C provides that prior to final approval of a PUD conditional use permit, the City Council may require a written agreement executed by the Applicant to secure performance of any requirement or condition to be imposed as part of the approval, including, but not limited to Development and may also require recordation of documents establishing and guaranteeing the operation and maintenance of the Project; and
- 3.5 The Project Applications, which includes waivers to the floor area ratio, side yard setbacks, and height requirements is governed under KMC Sections 16.08.020 B, 16.08.030, 16.08.040, 16.08.070, 16.08.080 and 17.124.050 are reviewed and considered by the Council in accordance with the following:
 - 3.5.1 In the event of a conflict Chapter 8 of Title 16 KMC controls over any other City ordinance; and
 - 3.5.2 A planned unit development involves a development of land in which the standard land use regulations of the City may be modified or waived in order to promote beneficial development of an entire tract of land in conformance with an approved planned unit development conditional use permit accentuating usable open space, recreational uses, public amenities, community housing, and harmonious development with surrounding properties and the city at large; and
 - 3.5.3 Any person wishing to develop a planned unit development shall comply with the requirements of chapter 8 of Title 16 KMC in addition to the zoning, subdivision and other applicable laws, ordinances, regulations and rules, subject to any modification or waiver granted as part of the planned unit development (PUD) conditional use permit; and

- 3.5.4 The Planning and Zoning Commission can make recommendations and the City Council has authority to grant waivers or deferrals of any of the requirements of sections 16.08.070 and 16.08.080 KMC on a case-by-case basis when the waiver or deferral will not be detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area; and
- 3.5.5 The proposed Planned Unit Development and Conditional Use Permit meets the standards of approval under Title 16 and Title 17 KMC, subject to conditions of approval.

IV. ORDER OF DECISION

Based upon the above and foregoing Findings of Fact/Conclusions of Law and good cause appearing from the record, IT IS HEREBY ORDERED AND THIS DOES ORDER THAT:

Order No. 1 PEG Ketchum Hotel, LLC Application for a Planned Unit Development Conditional Use Permit Version 3 Master Plan (“Project”) for a hotel development on a 1.09-acre site located at the southwest corner of the State Highway 75 and River Street intersection at 280 E. River, (the “Project Site”) inclusive of a request for waivers to minimum lot size, setback (side yards), height, and floor area ratio (FAR) limitations as set forth in **Attachment B** (the “Conditionally Granted Project”) is granted subject to and contingent upon the following terms and conditions:

Condition No. 1 Revised Master Plan West Side Set Back: Applicant shall revise the Version 3 Master Plan with a redesign of the subject Hotel structure within the same locations on the north, east and south with an additional setback on the west side of four feet four inches (4’-4”) from the property line than is shown in Version 3 Master Plan; and

Condition No. 2 Emergency Services Conditions: The following are emergency services and safety terms and conditions:

- 2.1 **Completion of Fire Improvements:** The City Building Official or the City Fire Marshal may withhold building and/or fire inspection approval for any phase of construction until all necessary components of the water and/or fire alarm system sufficient to provide protection for that portion of the Conditionally Granted Project are complete.
- 2.2 **Fire Access During Construction:** Vehicle parking and material storage during Conditionally Granted Project construction shall not restrict or obstruct public streets or access to any building. Emergency vehicle access shall be maintained as required by the Fire Chief. Once construction begins on the second floor and above, 26-foot aerial ladder truck access is required along one entire side of the building, in a location approved by the Fire Marshal, for evacuation of injured persons from upper floors. All required Fire Lanes, including within 15 feet of fire hydrants, shall be maintained clear and unobstructed at all times.

- 2.3 **Fire Code Requirements:** The Conditionally Granted Project shall comply with all the terms and conditions set forth in the Ketchum Fire Department Pre-application Requirements Memo dated June 24, 2019 from Tom Ancona, Assistant Chief & Fire Marshall, inclusive of subsequent amendments thereto, as well as all 2012 International Fire Code requirements and any additional specific City Building (Chapter 15.04 and 15.06) and Fire Ordinances (Chapter 15.08).

Condition No. 3 ROW Improvements Conditions: The following ROW Improvements are required of the Applicant:

- 3.1 **DIG:** The Applicant shall submit a Street and Alley Digging, Excavation, and Trenching (“DIG”) Permit application with an associated traffic control plan for all construction work within the City ROW to be reviewed and approved by the City Streets Department.
- 3.2 **TURP:** The use of City right-of-way for construction which includes the closure of adjacent streets or sidewalks requires a Temporary Use of Right-of-Way Permit (“TURP”).
- 3.3 **River Street Encroachment Permit Improvements:** KMC §17.96.030.C states: “The City Council shall approval all permanent encroachments within the City-owned ROW associated with a development Conditionally Granted Project.” Applicant has made application as a part of the Conditionally Granted Project to the City for a license to encroach into the River Street Public Right of Way (“River Street ROW”) with a preference for Civil Plan Option 1, as set forth in the 1/21/20 design update **Attachment B**, which includes the following improvements: guest pick-up/drop-off, underground utilities, landscaping, street trees with decorative tree grates, public art, bike racks, sidewalks, pedestrian walkway lighting, and street lighting, and related improvements along River Street, pursuant to KMC §12.08.040. Further, the Applicant proposes that all walkway and driving surfaces within this encroachment area be hooked into its private boiler or similar snowmelt system within the Conditionally Granted Project mechanical room. The snow melt system is proposed to be operational every winter after the Hotel Operations begins operations. Final approval of the River Street ROW improvement plans is required and is subject to review and approval by the Ketchum City Council through a separate encroachment agreement. If approved via separate City encroachment process, such order or decision on encroachment, including any and all conditions thereon, is hereby incorporated by reference and made a part of these findings.
- 3.4 **SH75 Encroachment Permit:** ITD has an approved Record of Decision (“ROD”) that includes a 3-lane section with a six-foot (6’) wide sidewalk abutting the Subject Real Property. Subject ITD improvements to the SH75 ROW are proposed to be installed by ITD in Fiscal Year 2025 with road work in the vicinity, at the earliest, occurring in October of 2025. The installation of these SH75 Improvements by ITD and, particularly, the striping of a dedicated left turn lane West Bound onto River Street with adequate queuing for cars turning onto River Street is important to traffic flow both along SH75 and into the Conditionally Granted Project.

- 3.4.1 Given the Applicant's timeframe for construction and Certificate of Occupancy, subject SH75 work will not be conducted by ITD prior to the Developed Conditionally Granted Project and the commencement of Hotel Operations opening. Given that the City finds that a center turn lane with adequate queuing of approximately fifty to one hundred feet (50' – 100') is necessary for the SH75/River Street intersection to retain its current Level of Service ("LOS") for vehicular car movement, therefore the Applicant shall file with ITD an application for an encroachment permit. The Applicant and City shall work together to attain approval from ITD for the construction and striping of a partial center turn near the River Street intersection north of the Trail Creek bridge. The Applicant shall pay for engineering, traffic control and construction costs for subject SH75 improvements adjacent to the Conditionally Granted Project.
- 3.4.2 Further, to avoid excessive delays for East Bound traffic on River Street, the Applicant shall work with the City and ITD to install appropriate signage and improvements to allow only a right turn onto southbound SH75 at this intersection.
- 3.4.3 **Pedestrian Safety:** To help assure pedestrian safety and consistent with KMC, at the discretion of the Ketchum City Council upon the recommendation of the Ketchum Transportation Authority and the city's peer review engineering firm (AECOM), the Applicant shall work with the City and ITD to upgrade the unsignalized SH75 and River Street crossing (on north-side) to include a HAWK system. The circulation design shall meet all standards as specified in KMC §17.96.060.G. Further, as recommended by AECOM, "Before constructing a HAWK signal at River Street, an engineering study should be performed using the guidance provided in section 4F.01 of the MUTCD."
- 3.5 **Letter of Credit:** The Applicant shall provide an irrevocable letter of credit to the City for the aforementioned ROW Improvements affecting both the SH75 and River Street ROWs.

Condition No. 4 Terrace Walls: Construction of terrace walls or features of the outdoor dining patio with landscaping and architectural features adjacent to SH75 may be subject to future design review at the time the application is filed for approval at the discretion of the Administrator.

Condition No. 5 Time Limits: The following are the time limits that govern this Conditionally Granted Project:

- 5.1 Pursuant to KMC §17.96.090, a design review permit is valid for twelve (12) months from the date of final decision on the associated Findings of Fact, Conclusions of Law, and Decision. The Application for the Conditionally Granted Project building permit must be filed within the time as specified in KMC §17.96.090(A)(2). Any extension shall only be as allowed and specified in KMC §17.96.090.

- 5.2 Unless extended by the Ketchum City Council, a building permit shall be issued within twelve (12) months from the date of the last issued Permit.
- 5.3 A certificate of occupancy shall be issued for the Conditionally Granted Project no later than 18 months after the building permit is issued unless the time for completion of the Conditionally Granted Project is extended by the City Council.

Condition No. 6 Certificate of Occupancy: No Certificate of Occupancy shall be issued for the use and occupancy of this Conditionally Granted Project until the following items are complete:

- 6.1 All Design Review elements of the Conditionally Granted Project have been completed and approved by the Planning & Building Department; and
- 6.2 All occupancies in the Conditionally Granted Project (residential, commercial, etc) shall meet the Leadership in Energy and Environmental Design (LEED) Silver or equivalent standards consistent with (A) representations of the Applicant as set forth in **Attachment B** and its 1/21/20 design update Sustainability Integration representations (building system / geothermal, high performance building and site, material and product sustainability assessment) and (B) provisions of the City of Ketchum Green Building Code as set forth in KMC §15.20, inclusive of additional recommendations of the Planning & Zoning Commission during Conditionally Granted Project Design Review; and
- 6.3 All proposed encroachments within the City's River Street right-of-way have been installed in accordance with the Conditionally Granted Project Master Plan and approved by the City Engineer; and
- 6.4 All rooftop mechanical and electrical equipment is fully screened from public vantage points and approved by the Planning & Building Department; and
- 6.5 The City's Fire, Utilities, Building, Arborist, Streets, and Planning Departments have conducted final inspections and authorized issuance of Certificate of Occupancy; and
- 6.6 Prior to Certificate of Occupancy, a Parking Plan verifying free public use, the thirteen (13) displaced public parking spaces, and other details at the discretion of the City, shall be provided and approved by Ketchum City Council for the Conditionally Granted Project Parking Garage.

Condition No. 7 City Permit Performance Fees: The Applicant shall be charged and shall pay the City Permit Performance Fees for the administration of the City's performance of the Permit Conditions Acceptance Development Agreement.

Condition No. 8 Conditions to Applicant's Obligations: The Applicant's obligations hereunder are conditioned upon (1) receiving all the referenced approvals from the City and (2) securing financing as provided in the Permit Conditions Acceptance Development Agreement.

Condition No. 9 Drainage: Conditionally Granted Project Drainage system plans shall be submitted to the City Engineer for review and approval. Pursuant to KMC §17.96.060.C, all

storm water shall be retained on site, drainage improvements constructed shall be equal to the length of the Subject Real Property boundary lines, and all drainage facilities shall be constructed per City standards. All drainage improvements shall meet the applicable design criteria as specified in KMC §12.04.030.

Condition No. 10 Utilities Plan: The Applicant shall submit a Conditionally Granted Project Utility Plan indicating the location and size of water and sewer mains as well as gas, electric, TV and phone services (KMC §17.96.040.C.2c & KMC §17.96.060.D.1-3). Per KMC §17.96.060.D.2, utilities shall be located underground and utility, power, and communications lines within the Conditionally Granted Project Site should be concealed from public view.

Condition No. 11 Employee Housing Units: The Applicant shall either maintain or enter into a master lease with the Hotel Operator for apartment units within the Developed Conditionally Granted Project containing not less than 23 beds, as materially set forth in the 1/21/21 employee housing plan design update set forth in **Attachment B**, and thereby fulfill and satisfy the employee housing obligation of this Conditionally Granted Project consistent with the KMC.

- 11.1 Notwithstanding, consistent with the recommendations of the BCHA and the Commission, the Applicant may as part of the Design Review process seek to amend the employee housing plan configurations to have fewer shared bedroom configurations, improved bathroom to bed ratio, and more individual or couple employee housing suites; and
- 11.2 All leased apartment units must be subleased, assigned or otherwise made available to employees of the Hotel Operator on terms and conditions that emphasize the retention of a local workforce consistent with Blaine County Housing Authority (BCHA) community housing guidelines, and providing employee housing at a price point that is commensurate with its employees' ability to pay. The Applicant may enter into a master lease with the Hotel Operator for apartment units containing twenty-three (23) beds and thereby fulfill and satisfy the employee housing obligation of this Conditionally Granted Project consistent with KMC §17.124.050.
- 11.3 All leased apartment units must be subleased, assigned or otherwise made available to employees of the Hotel Operator on terms and conditions determined by it in the exercise of its discretion consistent with the goals of retaining a local workforce and adhering to the BCHA community housing guidelines.
- 11.4 Apartment leases and the management of this covenant of the developer to provide employee housing in the hotel are subject to annual recertification audits by the City and / or its designee. A fee established by resolution of the City may be charged for this service and associated compliance and monitoring activities.

Condition No. 12 Hotel Operations: The core feature of the Conditionally Granted Project is a hotel building operated at an industry acknowledged Four Star Hotel Operations Standard. Adherence to a Four-Star Hotel Operations Standard, particularly during Peak Travel Season, affects the sufficiency of on-site parking and traffic circulation in the

immediate vicinity of the Conditionally Granted Project and is a requirement of the occupancy and use of the Developed Conditionally Granted Project.

Condition No. 13 Lower Parking Demand and Traffic Impacts: To assure that the Applicant and/or Hotel Operator provides guest shuttle, employee shuttle, car share program, transit passes, carpool program, alternative transportation (such as bike storage for employees), and strict monitoring and management of deliveries and garbage pick-up, as set forth in §4.13, the Applicant and/or Hotel Operator shall include in the irrevocable letter of credit a Lower Parking Demand and Traffic Impacts amount of fifty thousand dollars (\$50,000) for a period of not greater than five (5) years upon which the City Council may request a draw to cover the City's costs in the mitigation of lowering traffic impacts and/or parking demands associated with the Applicant and/or Hotel Operator's failure to comply.

Condition No. 14 Parking & Loading: The Applicant shall present a Conditionally Granted Project Parking Plan for review and consideration by the Commission as part of its full Design Review Submittal. Prior to Certificate of Occupancy, a Conditionally Granted Project Parking Plan verifying public use, validation processes for determining parking charges (if any) for the public and the thirteen (13) displaced public parking spaces, and other details at the discretion of the City, shall be provided and approved by Ketchum City Council for the Conditionally Granted Project Parking Garage. The Conditionally Granted Project is required to have a minimum of eighty-four (84) parking spaces in the underground parking garage. Of these spaces, 53 spaces are required for the Four-Star Hotel Operations Standard, 18 spaces are required for employee housing, and 13 are required for the public to mitigate displaced public parking spaces from River Street. Of this total, not less than:

- 14.1 Eighteen (18) stalls shall be allocated for employee housing, inclusive of at least one (1) car share vehicle; and
- 14.2 Thirteen (13) underground parking stalls will be available to the general public at no charge to the public while visiting the property or using the conference center, spa, restaurant and bar. Subject to city final approval, a validation system may be employed by the Applicant and/or Hotel Operator with regard to the monitoring of public use of the thirteen, free-of-charge, underground public spaces located in the Conditionally Granted Project Parking Garage; and
- 14.3 Guest shuttle, employee shuttle, car share program, transit passes, and bike storage shall be provided as a part of the Four-Star Hotel Operations Standard.
- 14.4 During and upon completion of the construction of the Conditionally Granted Project, delivery vehicles associated with the Conditionally Granted Project shall not interfere with the regular flow of traffic surrounding the Conditionally Granted Project Site. Delivery vehicles shall not block the regular flow of traffic along River Street. Accordingly, deliveries will be made (a) preferably with single-unit trucks, not large tractor-trailer trucks; (b) during off-peak hours; and, (c) with hand trucks from the designated on-street loading zone. The Applicant shall strictly monitor and manage deliveries and garbage pick-up to ensure these activities do not occur during peak traffic periods, and that they do not occur simultaneously.

Condition No. 15 Local Option Tax: The Conditionally Granted Project shall be subject to the provisions of KMC Section 3.12, relating to local option taxes.

- 15.1 **Beverage, Food & Retail Sales:** All retail, food and beverage sales on the Conditionally Granted Project Site and in the Conditionally Granted Project shall be subject to the local option tax.
- 15.2 **Building Materials:** The Conditionally Granted Project and Conditionally Granted Project Site shall be subject to the local option tax on building materials.
- 15.3 **Employee Housing:** The obligation to pay local option tax shall not apply to the rental of employee housing units.
- 15.4 **Future Amendments to LOT Ordinance:** Any amendments to or repeal of Ketchum's Local Option Tax Ordinance and/or Idaho law relating to such local option taxes shall also apply to and modify this Section to the extent of such amendment(s) and/or repeal.
- 15.5 **Hotel Rooms:** All hotel rentals in the Conditionally Granted Project Four-Star Hotel Operations Standard shall be subject to the local option tax, regardless of who makes the reservation, including independent third-party travel agencies or other independent parties.
- 15.6 **Short-term rentals:** All non-hotel rentals, if any, shall be subject to the local option tax on short-term rentals.
- 15.7 **Marriott Rewards:** Reward stay bookings for any evening shall be assigned a room rate in accordance with the Idaho Administrative Procedures Act (IDAPA) and similar Idaho State Tax Commission rules and regulations. In all cases, subject reward stay booking shall be tracked as room revenue and charged the applicable local option tax rate. Local option taxes shall be remitted for all stays.

Condition No. 16 Waivers: Setbacks, FAR, and height for the Conditionally Granted Project shall comply with final Design Review for the Conditionally Granted Project as approved by the City. The final plans once approved and integrated into the Permit Conditions Acceptance Development Agreement by the Ketchum City Council illustrate areas where buildings may exceed height and bulk limitations. As conditioned herein above, Ketchum acknowledges the zoning and subdivision waivers set forth in the PUD Findings.

Condition No. 17 City Department Requirements: All requirements of the Fire, Utility, Building, Planning and Public Works departments of the City of Ketchum shall be met. All public improvements shall meet the requirements of the Public Works Department.

Condition No. 18 Compliance with the Applicable Laws and Ordinances: All other provisions of Ketchum Municipal Code, Chapters 16 and 17 and all applicable ordinances rules and regulations of the City and other governmental entities having jurisdiction shall be complied with by the Conditionally Granted Project.

Condition No. 19 Building Permit Requirements: The building permit for the Conditionally Granted Project shall not be issued until:

- 19.1 The Conditionally Granted Project is subject to completion assurances and a letter of credit, which shall be detailed by the City Attorney and Finance Director and approved by the Ketchum City Council as provided in the Permit Conditions Acceptance Development Agreement governing this Conditionally Granted Project; and
- 19.2 The Conditionally Granted Project shall pay the plan check and building permit fees that are in effect at the time of plan check and building permit submittal and all fees required by law prior to and for the issuance of a building permit.
- 19.3 Storm Water Management Pollution Prevention Plan (“SWPPP”) in accordance with local, state and federal laws and regulations is in place for the Conditionally Granted Project; and
- 19.4 A detailed Conditionally Granted Project Construction Staging and Mitigation Plan which is consistent with the standards specified in Chapter 15.06 of KMC, including provisions for off-site parking for contractors, sub-contractors, and other trades associated with the construction of the Conditionally Granted Project, off-site storage of bulk materials, and required right of way encroachments during construction, shall be submitted and approved by the City Planning and Building Administrator prior to building permit approval.
- 19.5 The Applicant has secured a will serve letter from Idaho, Clear Creek Disposal and other applicable public and private utility providers prior to issuance of a Building Permit.
- 19.6 The River Street Encroachment Permit encroachment agreement shall be obtained.
- 19.7 The Applicant shall cause to be issued in irrevocable letter of credit for the aforementioned Public ROW Improvements affecting both the SH75 and River Street ROWs. The amount of the financial guarantee shall be at 150% of engineering estimates for the guaranteed improvements. Partial and/or full release(s) of the letter of credit may be made upon: (i) Acceptance of subject River Street ROW improvements by the City; (ii) formal commencement of work by ITD of the SH75 ROW improvements adjacent the Subject Real Property and/or upon complete installation of the SH75 ROW improvements adjacent the Property.

Condition No. 20 Written Permit Conditions Agreement: The City Council has approved and the Applicant has entered into a Permit Conditions Acceptance Development Agreement inclusive of all the conditions of approval and consistent in form with Attachment E but subject first to inclusion of conditions of the Planning and Zoning Commission’s Design Review of Conditionally Approved Project and which Permit Conditions Acceptance Development Agreement is finalized and Approved by the City Council having completed its public hearing process regarding the same.

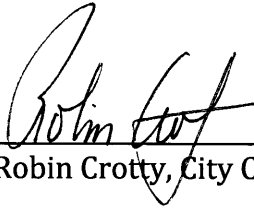
Order No. 2 Not a Final Action: These Findings of Fact, Conclusions of Law and Order of Decision are not a final action of the City Council on this Matter by reason of the fact that:

- 2.1 The Conditionally Approved Project must proceed with Design Review before the Planning and Zoning Commission; and
- 2.2 The City Council shall receive and consider, together with notice and the conduct of a public hearing, the final draft of the Permit Conditions Acceptance Development Agreement which shall be inclusive of the terms and conditions of the Planning and Zoning Commissioners' Design Review Order, the Terms and Conditions of Order No.1 and the Applicant's revisions to Version No. 3 Master Plan in compliance with Order No. 1.

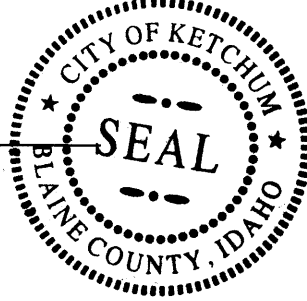
Findings of Fact **adopted** this 3rd day of February, 2020.



Neil Bradshaw, Mayor
City of Ketchum



Robin Crotty, City Clerk



ATTACHMENT

- Staff Highlighting of PUD Conditions of Relevance to Commission Design Review

ATTACHMENT - The following is an excerpt from pages 42-49 of the PUD findings approved by Council on 2/3/20. Staff has highlighted and added commentary in red to link elements of Design No. 4 of the Project Master Plan with the Commission’s Design Review deliberations.

IV. ORDER OF DECISION

Based upon the above and foregoing Findings of Fact/Conclusions of Law and good cause appearing from the record, IT IS HEREBY ORDERED AND THIS DOES ORDER THAT:

Order No. 1 PEG Ketchum Hotel, LLC Application for a Planned Unit Development Conditional Use Permit Version 3 Master Plan (“Project”) for a hotel development on a 1.09-acre site located at the southwest corner of the State Highway 75 and River Street intersection at 280 E. River, (the “Project Site”) inclusive of a request for waivers to minimum lot size, setback (side yards), height, and floor area ratio (FAR) limitations as set forth in **Attachment B** (the “Conditionally Granted Project”) is granted subject to and contingent upon the following terms and conditions:

Condition No. 1 Revised Master Plan West Side Set Back: Applicant shall revise the Version 3 Master Plan with a redesign of the subject Hotel structure within the same locations on the north, east and south with an additional setback on the west side of four feet four inches (4’-4”) from the property line than is shown in Version 3 Master Plan; and

The Version No. 3 Master Plan showed an 11’-8” minimum side yard setback on the west. Subject 4’-4” brings the total to 16’, which is consistent with the design in front of the PZ.

Condition No. 2 Emergency Services Conditions: The following are emergency services and safety terms and conditions:

- 2.1 **Completion of Fire Improvements:** The City Building Official or the City Fire Marshal may withhold building and/or fire inspection approval for any phase of construction until all necessary components of the water and/or fire alarm system sufficient to provide protection for that portion of the Conditionally Granted Project are complete.
- 2.2 **Fire Access During Construction:** Vehicle parking and material storage during Conditionally Granted Project construction shall not restrict or obstruct public streets or access to any building. Emergency vehicle access shall be maintained as required by the Fire Chief. Once construction begins on the second floor and above, 26-foot aerial ladder truck access is required along one entire side of the building, in a location approved by the Fire Marshal, for evacuation of injured persons from upper floors. All required Fire Lanes, including within 15 feet of fire hydrants, shall be maintained clear and unobstructed at all times.

- 2.3 **Fire Code Requirements:** The Conditionally Granted Project shall comply with all the terms and conditions set forth in the Ketchum Fire Department Pre-application Requirements Memo dated June 24, 2019 from Tom Ancona, Assistant Chief & Fire Marshall, inclusive of subsequent amendments thereto, as well as all 2012 International Fire Code requirements and any additional specific City Building (Chapter 15.04 and 15.06) and Fire Ordinances (Chapter 15.08).

Condition No. 3 ROW Improvements Conditions: The following ROW Improvements are required of the Applicant:

- 3.1 **DIG:** The Applicant shall submit a Street and Alley Digging, Excavation, and Trenching (“DIG”) Permit application with an associated traffic control plan for all construction work within the City ROW to be reviewed and approved by the City Streets Department.

- 3.2 **TURP:** The use of City right-of-way for construction which includes the closure of adjacent streets or sidewalks requires a Temporary Use of Right-of-Way Permit (“TURP”).

- 3.3 **River Street Encroachment Permit Improvements:** KMC §17.96.030.C states: “The City Council shall approval all permanent encroachments within the City-owned ROW associated with a development Conditionally Granted Project.” Applicant has made application as a part of the Conditionally Granted Project to the City for a license to encroach into the River Street Public Right of Way (“River Street ROW”) with a preference for Civil Plan Option 1, as set forth in the 1/21/20 design update **Attachment B**, which includes the following improvements: guest pick-up/drop-off, underground utilities, landscaping, street trees with decorative tree grates, public art, bike racks, sidewalks, pedestrian walkway lighting, and street lighting, and related improvements along River Street, pursuant to KMC §12.08.040. Further, the Applicant proposes that all walkway and driving surfaces within this encroachment area be hooked into its private boiler or similar snowmelt system within the Conditionally Granted Project mechanical room. The snow melt system is proposed to be operational every winter after the Hotel Operations begins operations. **Final approval of the River Street ROW improvement plans is required and is subject to review and approval by the Ketchum City Council through a separate encroachment agreement.** If approved via separate City encroachment process, such order or decision on encroachment, including any and all conditions thereon, is hereby incorporated by reference and made a part of these findings.

Subject design option is presented on the Version No. 4 Project Master Plan. Applicant is working with city engineer and streets to refine details. Final encroachment agreement is subject to KCC approval, pursuant to code and DR guidelines. Subject encroachment agreement is proposed as a condition of building permit issuance.

- 3.4 **SH75 Encroachment Permit:** ITD has an approved Record of Decision (“ROD”) that includes a 3-lane section with a six-foot (6’) wide sidewalk abutting the Subject Real Property. Subject ITD improvements to the SH75 ROW are proposed to be installed by ITD in Fiscal Year 2025 with road work in the vicinity, at the earliest, occurring in

October of 2025. The installation of these SH75 Improvements by ITD and, particularly, the striping of a dedicated left turn lane West Bound onto River Street with adequate queuing for cars turning onto River Street is important to traffic flow both along SH75 and into the Conditionally Granted Project.

- 3.4.1 Given the Applicant's timeframe for construction and Certificate of Occupancy, subject SH75 work will not be conducted by ITD **prior to** the Developed Conditionally Granted Project and the **commencement of Hotel Operations opening**. Given that the City finds that a **center turn lane with adequate queuing** of approximately fifty to one hundred feet (50' – 100') is necessary for the SH75/River Street intersection to retain its current Level of Service ("LOS") for vehicular car movement, therefore the Applicant shall file with ITD an application for an encroachment permit. The Applicant and City shall work together to attain approval from ITD for the construction and striping of a partial center turn near the River Street intersection north of the Trail Creek bridge. The Applicant shall pay for engineering, traffic control and construction costs for subject SH75 improvements adjacent to the Conditionally Granted Project.
- 3.4.2 Further, to avoid excessive delays for East Bound traffic on River Street, the Applicant shall work with the City and ITD to install appropriate signage and improvements to allow **only a right turn onto southbound SH75** at this intersection.
- 3.4.3 **Pedestrian Safety:** To help assure pedestrian safety and consistent with KMC, at the discretion of the Ketchum City Council upon the recommendation of the Ketchum Transportation Authority and the city's peer review engineering firm (AECOM), the Applicant shall work with the City and ITD to upgrade the unsignalized SH75 and River Street crossing (on north-side) to include a HAWK system. The circulation design shall meet all standards as specified in KMC §17.96.060.G. Further, as recommended by AECOM, "Before constructing a **HAWK signal at River Street**, an engineering study should be performed using the guidance provided in section 4F.01 of the MUTCD."

City is working with applicant to assure these ITD safety steps occur prior to the start of hotel operations

- 3.5 **Letter of Credit:** The Applicant shall provide an irrevocable letter of credit to the City for the aforementioned ROW Improvements affecting both the SH75 and River Street ROWs.

Condition No. 4 Terrace Walls: Construction of terrace walls or features of the outdoor dining patio with landscaping and architectural features adjacent to SH75 may be subject to future design review at the time the application is filed for approval at the discretion of the Administrator. **PZ direction on board formed concrete terrace features adjacent SH75 is needed. Questions pertain to: proposed heights, mass (breaking up the mass), materials (living walls?), colors, and heights (appear to be +/- 8' high).**

Condition No. 5 Time Limits: The following are the time limits that govern this Conditionally Granted Project:

- 5.1 Pursuant to KMC §17.96.090, a design review permit is valid for twelve (12) months from the date of final decision on the associated Findings of Fact, Conclusions of Law, and Decision. The Application for the Conditionally Granted Project building permit must be filed within the time as specified in KMC §17.96.090(A)(2). Any extension shall only be as allowed and specified in KMC §17.96.090.
- 5.2 Unless extended by the Ketchum City Council, a building permit shall be issued within twelve (12) months from the date of the last issued Permit.
- 5.3 A certificate of occupancy shall be issued for the Conditionally Granted Project no later than 18 months after the building permit is issued unless the time for completion of the Conditionally Granted Project is extended by the City Council.

Condition No. 6 Certificate of Occupancy: No Certificate of Occupancy shall be issued for the use and occupancy of this Conditionally Granted Project until the following items are complete:

- 6.1 All Design Review elements of the Conditionally Granted Project have been completed and approved by the Planning & Building Department; and
- 6.2 All occupancies in the Conditionally Granted Project (residential, commercial, etc) shall meet the Leadership in Energy and Environmental Design (LEED) Silver or equivalent standards consistent with (A) representations of the Applicant as set forth in **Attachment B** and its 1/21/20 design update Sustainability Integration representations (building system / geothermal, high performance building and site, material and product sustainability assessment) and (B) provisions of the City of Ketchum Green Building Code as set forth in KMC §15.20, inclusive of additional recommendations of the Planning & Zoning Commission during Conditionally Granted Project Design Review; and Staff requests PZ weigh in on proposed sustainability measures – strengths, weaknesses, additional items to be documented with construction.
- 6.3 All proposed encroachments within the City’s River Street right-of-way have been installed in accordance with the Conditionally Granted Project Master Plan and approved by the City Engineer; and
- 6.4 All rooftop mechanical and electrical equipment is fully screened from public vantage points and approved by the Planning & Building Department; and
- 6.5 The City’s Fire, Utilities, Building, Arborist, Streets, and Planning Departments have conducted final inspections and authorized issuance of Certificate of Occupancy; and
- 6.6 Prior to Certificate of Occupancy, a Parking Plan verifying free public use, the thirteen (13) displaced public parking spaces, and other details at the discretion of the City, shall be provided and approved by Ketchum City Council for the Conditionally Granted Project Parking Garage.

Condition No. 7 City Permit Performance Fees: The Applicant shall be charged and shall pay the City Permit Performance Fees for the administration of the City's performance of the Permit Conditions Acceptance Development Agreement.

Condition No. 8 Conditions to Applicant's Obligations: The Applicant's obligations hereunder are conditioned upon (1) receiving all the referenced approvals from the City and (2) securing financing as provided in the Permit Conditions Acceptance Development Agreement.

Condition No. 9 Drainage: Conditionally Granted Project Drainage system plans shall be submitted to the City Engineer for review and approval. Pursuant to KMC §17.96.060.C, all storm water shall be retained on site, drainage improvements constructed shall be equal to the length of the Subject Real Property boundary lines, and all drainage facilities shall be constructed per City standards. All drainage improvements shall meet the applicable design criteria as specified in KMC §12.04.030.

Condition No. 10 Utilities Plan: The Applicant shall submit a Conditionally Granted Project Utility Plan indicating the location and size of water and sewer mains as well as gas, electric, TV and phone services (KMC §17.96.040.C.2c & KMC §17.96.060.D.1-3). Per KMC §17.96.060.D.2, utilities shall be located underground and utility, power, and communications lines within the Conditionally Granted Project Site should be concealed from public view.

Condition No. 11 Employee Housing Units: The Applicant shall either maintain or enter into a master lease with the Hotel Operator for apartment units within the Developed Conditionally Granted Project containing not less than 23 beds, as materially set forth in the 1/21/21 employee housing plan design update set forth in **Attachment B**, and thereby fulfill and satisfy the employee housing obligation of this Conditionally Granted Project consistent with the KMC.

- 11.1 Notwithstanding, consistent with the recommendations of the BCHA and the Commission, the Applicant may as part of the Design Review process seek to amend the employee housing plan configurations to have fewer shared bedroom configurations, improved bathroom to bed ratio, and more individual or couple employee housing suites; and
- 11.2 All leased apartment units must be subleased, assigned or otherwise made available to employees of the Hotel Operator on terms and conditions that emphasize the retention of a local workforce consistent with Blaine County Housing Authority (BCHA) community housing guidelines, and providing employee housing at a price point that is commensurate with its employees' ability to pay. The Applicant may enter into a master lease with the Hotel Operator for apartment units containing twenty-three (23) beds and thereby fulfill and satisfy the employee housing obligation of this Conditionally Granted Project consistent with KMC §17.124.050.
- 11.3 All leased apartment units must be subleased, assigned or otherwise made available to employees of the Hotel Operator on terms and conditions determined by it in the

exercise of its discretion consistent with the goals of retaining a local workforce and adhering to the BCHA community housing guidelines.

- 11.4 Apartment leases and the management of this covenant of the developer to provide employee housing in the hotel are subject to annual recertification audits by the City and / or its designee. A fee established by resolution of the City may be charged for this service and associated compliance and monitoring activities.

Condition No. 12 Hotel Operations: The core feature of the Conditionally Granted Project is a hotel building operated at an industry acknowledged Four Star Hotel Operations Standard. Adherence to a Four-Star Hotel Operations Standard, particularly during Peak Travel Season, affects the sufficiency of on-site parking and traffic circulation in the immediate vicinity of the Conditionally Granted Project and is a requirement of the occupancy and use of the Developed Conditionally Granted Project.

Condition No. 13 Lower Parking Demand and Traffic Impacts: To assure that the Applicant and/or Hotel Operator provides guest shuttle, employee shuttle, car share program, transit passes, carpool program, alternative transportation (such as bike storage for employees), and strict monitoring and management of deliveries and garbage pick-up, as set forth in §4.13, the Applicant and/or Hotel Operator shall include in the irrevocable letter of credit a Lower Parking Demand and Traffic Impacts amount of fifty thousand dollars (\$50,000) for a period of not greater than five (5) years upon which the City Council may request a draw to cover the City's costs in the mitigation of lowering traffic impacts and/or parking demands associated with the Applicant and/or Hotel Operator's failure to comply.

Condition No. 14 Parking & Loading: The Applicant shall present a Conditionally Granted Project Parking Plan for review and consideration by the Commission as part of its full Design Review Submittal. Prior to Certificate of Occupancy, a Conditionally Granted Project Parking Plan verifying public use, validation processes for determining parking charges (if any) for the public and the thirteen (13) displaced public parking spaces, and other details at the discretion of the City, shall be provided and approved by Ketchum City Council for the Conditionally Granted Project Parking Garage. The Conditionally Granted Project is required to have a minimum of eighty-four (84) parking spaces in the underground parking garage. Of these spaces, 53 spaces are required for the Four-Star Hotel Operations Standard, 18 spaces are required for employee housing, and 13 are required for the public to mitigate displaced public parking spaces from River Street. Of this total, not less than:

- 14.1 Eighteen (18) stalls shall be allocated for employee housing, inclusive of at least one (1) car share vehicle; and

- 14.2 Thirteen (13) underground parking stalls will be available to the general public at no charge to the public while visiting the property or using the conference center, spa, restaurant and bar. Subject to city final approval, a validation system may be employed by the Applicant and/or Hotel Operator with regard to the monitoring of public use of the thirteen, free-of-charge, underground public spaces located in the Conditionally Granted Project Parking Garage; and

14.3 Guest shuttle, employee shuttle, car share program, transit passes, and bike storage shall be provided as a part of the Four-Star Hotel Operations Standard.

14.4 During and upon completion of the construction of the Conditionally Granted Project, delivery vehicles associated with the Conditionally Granted Project shall not interfere with the regular flow of traffic surrounding the Conditionally Granted Project Site. Delivery vehicles shall not block the regular flow of traffic along River Street. Accordingly, deliveries will be made (a) preferably with single-unit trucks, not large tractor-trailer trucks; (b) during off-peak hours; and, (c) with hand trucks from the designated on-street loading zone. The Applicant shall strictly monitor and manage deliveries and garbage pick-up to ensure these activities do not occur during peak traffic periods, and that they do not occur simultaneously.

Condition No. 15 Local Option Tax: The Conditionally Granted Project shall be subject to the provisions of KMC Section 3.12, relating to local option taxes.

15.1 **Beverage, Food & Retail Sales:** All retail, food and beverage sales on the Conditionally Granted Project Site and in the Conditionally Granted Project shall be subject to the local option tax.

15.2 **Building Materials:** The Conditionally Granted Project and Conditionally Granted Project Site shall be subject to the local option tax on building materials.

15.3 **Employee Housing:** The obligation to pay local option tax shall not apply to the rental of employee housing units.

15.4 **Future Amendments to LOT Ordinance:** Any amendments to or repeal of Ketchum's Local Option Tax Ordinance and/or Idaho law relating to such local option taxes shall also apply to and modify this Section to the extent of such amendment(s) and/or repeal.

15.5 **Hotel Rooms:** All hotel rentals in the Conditionally Granted Project Four-Star Hotel Operations Standard shall be subject to the local option tax, regardless of who makes the reservation, including independent third-party travel agencies or other independent parties.

15.6 **Short-term rentals:** All non-hotel rentals, if any, shall be subject to the local option tax on short-term rentals.

15.7 **Marriott Rewards:** Reward stay bookings for any evening shall be assigned a room rate in accordance with the Idaho Administrative Procedures Act (IDAPA) and similar Idaho State Tax Commission rules and regulations. In all cases, subject reward stay booking shall be tracked as room revenue and charged the applicable local option tax rate. Local option taxes shall be remitted for all stays.

Condition No. 16 Waivers: Setbacks, FAR, and height for the Conditionally Granted Project shall comply with final Design Review for the Conditionally Granted Project as approved by the City. The final plans once approved and integrated into the Permit Conditions Acceptance Development Agreement by the Ketchum City Council illustrate areas where buildings may

exceed height and bulk limitations. As conditioned herein above, Ketchum acknowledges the zoning and subdivision waivers set forth in the PUD Findings.

Condition No. 17 City Department Requirements: All requirements of the Fire, Utility, Building, Planning and Public Works departments of the City of Ketchum shall be met. All public improvements shall meet the requirements of the Public Works Department.

Condition No. 18 Compliance with the Applicable Laws and Ordinances: All other provisions of Ketchum Municipal Code, Chapters 16 and 17 and all applicable ordinances rules and regulations of the City and other governmental entities having jurisdiction shall be complied with by the Conditionally Granted Project.

Condition No. 19 Building Permit Requirements: The building permit for the Conditionally Granted Project shall not be issued until:

- 19.1 The Conditionally Granted Project is subject to completion assurances and a letter of credit, which shall be detailed by the City Attorney and Finance Director and approved by the Ketchum City Council as provided in the Permit Conditions Acceptance Development Agreement governing this Conditionally Granted Project; and
- 19.2 The Conditionally Granted Project shall pay the plan check and building permit fees that are in effect at the time of plan check and building permit submittal and all fees required by law prior to and for the issuance of a building permit.
- 19.3 Storm Water Management Pollution Prevention Plan ("SWPPP") in accordance with local, state and federal laws and regulations is in place for the Conditionally Granted Project; and
- 19.4 A detailed Conditionally Granted Project Construction Staging and Mitigation Plan which is consistent with the standards specified in Chapter 15.06 of KMC, including provisions for off-site parking for contractors, sub-contractors, and other trades associated with the construction of the Conditionally Granted Project, off-site storage of bulk materials, and required right of way encroachments during construction, shall be submitted and approved by the City Planning and Building Administrator prior to building permit approval.
- 19.5 The Applicant has secured a will serve letter from Idaho, Clear Creek Disposal and other applicable public and private utility providers prior to issuance of a Building Permit.
- 19.6 The River Street Encroachment Permit encroachment agreement shall be obtained.
- 19.7 The Applicant shall cause to be issued in irrevocable letter of credit for the aforementioned Public ROW Improvements affecting both the SH75 and River Street ROWs. The amount of the financial guarantee shall be at 150% of engineering estimates for the guaranteed improvements. Partial and/or full release(s) of the letter of credit may be made upon: (i) Acceptance of subject River Street ROW improvements by the City; (ii) formal commencement of work by ITD of the SH75

ROW improvements adjacent the Subject Real Property and/or upon complete installation of the SH75 ROW improvements adjacent the Property.

Condition No. 20 Written Permit Conditions Agreement: The City Council has approved and the Applicant has entered into a Permit Conditions Acceptance Development Agreement inclusive of all the conditions of approval and consistent in form with Attachment E but subject first to inclusion of conditions of the Planning and Zoning Commission's Design Review of Conditionally Approved Project and which Permit Conditions Acceptance Development Agreement is finalized and Approved by the City Council having completed its public hearing process regarding the same.

Order No. 2 Not a Final Action: These Findings of Fact, Conclusions of Law and Order of Decision are not a final action of the City Council on this Matter by reason of the fact that:

- 2.1 The Conditionally Approved Project must proceed with Design Review before the Planning and Zoning Commission; and
- 2.2 The City Council shall receive and consider, together with notice and the conduct of a public hearing, the final draft of the Permit Conditions Acceptance Development Agreement which shall be inclusive of the terms and conditions of the Planning and Zoning Commissioners' Design Review Order, the Terms and Conditions of Order No.1 and the Applicant's revisions to Version No. 3 Master Plan in compliance with Order No. 1.

ATTACHMENT

- Summary of City Department comments

Table 1: City Department Comments

The applicant presented the hotel project plans to the Development Review Committee on July 10th, 2019 and received feedback from City Departments. Design Review standards include criteria regarding street design (KMC §17.96.060.A), sidewalks (KMC §17.96.060.B), circulation design (KMC §17.96.060.G), drainage (KMC §17.96.060.C), and utilities (KMC §17.96.060.C). City Department comments, which include analyses of standards pertaining to public right of way (ROW) improvements, such as the installation of sidewalk, drainage, and utilities, are noted in this Table 2 as follows.

City Department Comments
<p><i>City Department comments are based on the project concept as proposed with the Design Review project plans. All City Departments shall review and approve the project through the Building Permit application process. All comments pertaining to the Design Review drawings are subject to change. All right-of-way improvements must be reviewed and approved by the City Engineer and Streets Department prior to issuance of a Building Permit for the project. All City Department requirements and associated specifications for the required improvements must be verified, reviewed, and approved prior to issuance of a Building Permit for the project.</i></p>
<p>Fire Department:</p> <ul style="list-style-type: none"> • The above project shall meet all 2012 International Fire Code requirements in addition to specific City Building and Fire Ordinances. • The buildings address numbers shall be placed in such a position to be plainly visible and legible from River Street. Numbers and letters shall be a minimum of four (4) inches tall, contrast with their background and be positioned a minimum of forty-eight (48) inches above final grade. • The following doors shall be permanently signed: All room containing an R-Occupancy, Fire Sprinkler Riser Room, Alarm Panel Room, Electrical and Mechanical closets, Elevator Mechanical, Pool Equipment with Hazardous Material Placards for Pool Chemicals, room containing emergency radio repeater. • Vehicle parking and material storage during construction shall not restrict or obstruct public streets or access to any building. A minimum twenty-foot travel lane for emergency vehicle access shall be maintained clear and unobstructed at all times around the entire building as noted on the Construction Management Plan. Once construction begins on the second floor and above, 26-foot aerial ladder truck access is required along one entire side of the building for evacuation of injured persons from upper floors. All required Fire Lanes, including within 15 feet of fire hydrants, shall be maintained clear and unobstructed at all times. • A written onsite emergency notification plan is required to be developed by the contractor’s onsite Safety Officer to notify emergency services of an incident and to direct responders to the actual incident location on the site. The plan shall be reviewed and approved by the fire department prior to commencing work on the site. • An approved NFPA 13 Fire Sprinkler system is required throughout the entire building per 2012 IFC Section 903.3.1.1. and City of Ketchum Ordinance #1125 (www.ketchumfire.org). Fire sprinkler

systems shall be annually tested and maintained per NFPA 25 with a report of the inspection forwarded to the fire department annually.

- Fire sprinkler floor control valves shall be installed on each level. They shall contain Check Valves, Main Drain Valves, flow switch isolation, control and annunciation of water flow on each individual floor.
- Inspections of fire department permit required installations shall be scheduled at least 48 hours in advance.
- NOTE: One electronic set of fire sprinkler system plans, and two full size sets of fire sprinkler construction drawings shall be submitted to the Ketchum Fire Department in addition to the Idaho State Fire Marshals fire sprinkler plan submittal requirements. A separate Ketchum Fire Department Permit shall be obtained prior to installation of fire sprinkler systems. Inspections of fire sprinkler systems by the Fire Chief or an appointee are required. Inspections must be scheduled at least 48 hours in advance.
- An approved Class I Standpipe system is required to be installed in all stairways. Fire hose connections shall be located on the intermediate landing of each floor including the basement level and roof levels. Fire hose connections to the standpipe system in the stairwells shall be gated 2 ½ inch NHT male couplings. The standpipe system shall be installed by the same contractor that installs the fire sprinkler system and shall meet the requirements of the most current Edition of NFPA Standard 14.
- The fire department connection to the fire sprinkler system and the standpipe system shall be located on the River Street side of the building. The fire department connections to the fire sprinkler system and the standpipe systems shall be 2 ½ inch female (NHT) couplings.
- An approved automatic smoke alarm system is required to be installed per IFC Section 907.2.8 and the requirements of NFPA 72. Two (2) sets of alarm system plans shall be submitted to the Ketchum Fire Department for approval and a Ketchum Fire Department permit is required prior to installation of alarm systems. In addition, all fire sprinkler flow switches and tamper switches shall be interconnected to the buildings alarm system. Inspections and testing of fire detection and notification systems by the Fire Chief or an appointee are required and shall be scheduled at least 48 hours in advance. Note: smoke detection is not required on the first floor in the lobby or restaurant areas.
- A Type I hood shall be installed at or above all commercial cooking appliances and domestic cooking appliances used for commercial purposes that produce grease vapors.
- The hotel shall prepare and Safety Evacuation Plan following the guidelines of Section 408.8 through 408.8.3 of the 2012 International Fire Code prior to the final inspection on the building.
- Stairways shall provide for roof access on all roof levels per Section 504.3 of the 2012 International Fire Code.
- An approved Emergency Responder Radio system shall be installed throughout the building per 2012 IFC Section 510. The Emergency Responder Radio System shall provide acceptable radio coverage for all emergency responders in all locations within the building and around the building. Testing and approval of the system by the fire department is required prior to any occupation of the premises.
- Fire extinguishers shall be installed and maintained per 2012 IFC Section 906 and NFPA Standard 10 both during construction and upon occupancy of the building.

- Approved key boxes shall be installed, with the appropriate keys, for emergency fire department access in a location approved by the fire department. The key boxes shall be a Knox box brand and sized to accommodate keys to every door of the project. Note: Up to four (4) key boxes may be required.
- An approved fire access roadway shall be provided on the South side (River Side) of the building and be installed per 2012 International Fire Code Appendix D. The Fire access road shall be installed prior to any combustible construction on the site. The road shall be a minimum of twenty (20) feet in width and capable of supporting an imposed load of at least 75,000 pounds. The road must be an all-weather driving surface maintained free, clear, and unobstructed at all times.
- An additional Fire hydrant shall be required on the corner of River Street and Main Street to meet the necessary for flow for the building.
- All fire doors shall in emergency stairwells have signage “Do Not Block Open” per Section 703.2.1 of the 2012 International Fire Code.
- Emergency Lighting Exit and Low-Level Exit signs shall be provided following Sections 1006 and 1011.2 of the 2012 International Fire Code.
- Note: Additional requirements may be added upon final plan review.
- An 8 ½ by 11 color coded site map of this project shall be provided on paper and electronically to the fire department. This site map shall show the locations of gas shut-offs, power shut-offs, fire sprinkler riser rooms, fire department connections, alarm panels, Knox boxes, access doors, egress windows, stairways and any additional fire department requirements. Exact details for color coded “On-Sites” can be found at www.ketchumfire.org or by contacting Lieutenant Greg Martin at the Ketchum Fire Department.
- Final inspections of all fire department permit required installations by the Fire Chief or an appointee are required and shall be scheduled at least 48 hours in advance. A Final Inspection Checklist can be found at www.ketchumfire.org.
- Fire Department requirements and associated specifications for the required improvements must be verified, reviewed, and approved prior to issuance of a Building Permit for the project.

City Engineer & Streets Department:

- Pursuant to KMC §12.04.020.C, building/construction plans shall be prepared by a professional engineer registered in the state and shall include the following information: (a) alignment and profile of all streets, (b) location of all underground utilities including alignment and depths, (c) location, size and type of all drainage structures, (d) connections to existing streets, drainage facilities, and all utilities, (e) adequate dimensions and details for accurate construction of all roadway features, and (f) adequate specifications to assure proper materials and workmanship to attain construction with design criteria, standard specifications and standard drawings.
- All drainage shall be retained on site (KMC §17.96.060.C.1). Drainage improvements constructed shall be equal to the length of the subject property lines adjacent to any public street or private street (KMC §17.96.060C).
- A detailed construction management plan is required. All construction for the project must comply with the standards set forth in Ketchum Municipal Code, Chapter 15.06 Construction Activity Standards. The applicant shall submit a Construction Activity Plan addressing all applicable activities (KMC §15.06.030), including how materials will be off-loaded at the site, plan for coordinating with neighbors on temporary closures, temporary traffic control, and construction

fencing with appropriate screening, to be reviewed and approved prior to issuance of a Building Permit for the project. Pursuant to KMC §15.06.030.A.2, the applicant shall provide notice of the project, construction schedule, and general contractor's contact information to all neighbors with properties adjacent to the project site.

- The Building Permit plans and construction drawings shall meet all applicable sections of Chapter 12 of Ketchum Municipal Code.
- The applicant shall submit a Street and Alley Digging, Excavation, and Trenching ("DIG") Permit application with an associated traffic control plan for all construction work within the City right-of-way to be reviewed and approved by the Streets Department. The use of City right-of-way for construction including the closure of adjacent streets or sidewalks requires a Temporary Use of Right-of-Way Permit ("TURP").
- Soil nail walls are not permitted within the City of Ketchum.
- Street trees will require electrical outlets and irrigation.
- Applicant shall coordinate with the Streets Department regarding sign locations and associated bases if proposed for the project.
- The applicant shall submit will serves from Idaho Power and Clear Creek Disposal prior to issuance of a Building Permit for the project.
- Lighting within the public right-of-way is required and will need to meet city lighting standards along River Street and SH-75.
- Sidewalk snow removal will be the responsibility of the owner. A Right-of-Way Encroachment Permit is required for the proposed snowmelt system within the public ROW.
- The proposed encroachments within the River Street right-of-way are not approved with this Design Review application and require review and approval by the City Engineer and Streets Department. A ROW Encroachment Permit approved by the Ketchum City Council will be required prior to issuance of a Building Permit for the hotel project. Final execution of the encroachment permit is required for C of O.
- If the project disturbs over 1 acre applicant must submit for coverage under the CGP and develop a project specific SWPPP prior to starting ground disturbing activities.
- Final civil drawings for all associated ROW improvements shall be submitted with the Building Permit application to be verified, reviewed, and approved by the City Engineer and Streets Department prior to issuance of a Building Permit for the project.

Utilities:

- DEQ approval may be required for all water and sewer lines serving the properties.
- Water service and main lines are private to all properties from the point of connection with city water.
- Water infrastructure maintenance and repair will be the responsibility of the property owners.
- All drywells and non-potable water lines must maintain legal separation from potable water lines.
- Water service must be taken off of the fire system in the mechanical/riser room prior to the point of diversion to the fire backflow device.
- A licensed plumber or mechanical engineer must determine the appropriate size for the meter.
- The proposed plans for the fire riser room, which is where the water meter shall be located, must be reviewed and approved by the Utilities Department.

- Requirements and specifications for the water and sewer connections will be verified, reviewed, and approved by the Utilities Department prior to issuance of a Building Permit for the project.

Building:

- The building must meet the 2012 International Building Code and Title 15 Buildings and Construction of Ketchum Municipal Code.
- Building Department requirements and associated specifications for the required improvements must be verified, reviewed, and approved prior to issuance of a Building Permit for the project.

Planning and Zoning:

Comments are denoted within the analysis of the project's compliance with the Comprehensive Plan, zoning and dimensional standards, and Design Review evaluation standards.

ATTACHMENT

- Analysis of the Project Master Plan relative to the City of Ketchum 2014 Comprehensive Plan

Comprehensive Plan Analysis

The 2014 Comprehensive Plan describes the long-term values, policies, and goals for Ketchum's growth and development. Among many themes, goals and policies contained in the plan are three inter-related themes embodied by the proposed hotel – the importance of livable housing to grow the population of year-round residents and the resident workforce, sustainability (from an environmental standpoint as well as a community stability standpoint), and vibrancy (downtown and economic). Alignment with the Comprehensive Plan and references to specific goals and policies are detailed in the following sections.

Site location and context

The subject development parcel is known locally as the "Gateway" parcel and has been vacant for a number of years. Although the parcel is zoned Tourist (as opposed to Community Core), the property is considered by the Comprehensive Plan to be part of "downtown" and the Comprehensive Plan classifies its Future Land Use designation (as well as the other three corners of the Main Street/River Street intersection) "Commercial-Employment". Hotel, residential use, and hospitality uses are identified as appropriate primary uses, especially within vertically integrated mixed-use buildings. The Comprehensive Plan notes that mixed-use development is appropriate in this location because it fosters an attractive pedestrian environment, stimulates further reinvestment, and increases transit use over time.

The site is proximate to existing transit (Mountain Rides bus stops are located in the city block adjacent to the north), is walkable to other downtown services and amenities, and redevelopment of the site as proposed (urban-feeling massing concentrated on River Street and the Main/River intersection with the scale of the building tapering south as the grade drops toward Trail Creek, preservation of the Trail Creek riparian corridor) will enhance the experience of "having arrived" in downtown Ketchum. The hotel's program, with its 92-rooms, on-site housing for employees, food and beverage services, and reservable meeting rooms will build on the momentum that the Limelight Hotel and the Argyros Performing Arts Center have brought to the vicinity, enhancing destination programs and amenities for hotel guests, hotel employees, and the public at large. Further, as a custom-branded boutique hotel, but within the Marriott portfolio, the hotel is uniquely positioned to increase year-round visitation due to its revered and extensive guest-loyalty programs.

Lastly, the Comprehensive Plan promotes infill development and redevelopment in this area and this site, currently vacant and verging on blighted, is ideal for redevelopment. The Comprehensive Plan promotes infill and redevelopment within existing developed parts of the city because it aids in keeping the city dynamic, competitive, and economically viable, and it takes advantage of existing utility capacity. The proposed redevelopment, with its design respective of site topography and Trail Creek, is contextually appropriate for the neighborhood as it exists today and as it has been envisioned for the future. The proposed redevelopment of this parcel also furthers the Comprehensive Plan's goal of adding residential density (on-site employee housing) in downtown and major transportation corridors.

Inclusion of employee housing

The Comprehensive Plan expresses the importance of providing a variety of housing options and cites attracting year-round population (including younger residents) and the creation of diverse, affordable housing types among the most challenging issues the city faces. The plan notes that "in order to maintain a strong economy with a base of jobs and diverse demographic of residents it is important for the community to provide a varied supply of housing choices" (Comprehensive Plan, pg. 9). The plan also boldly states, "The Ketchum Community wants the majority of people who work in Ketchum to have an opportunity to reside here," and that "a diversity of housing is critically linked to a strong economy and year-round population." Ketchum Municipal Code requires that hotels provide employee housing at a

ratio of one employee bed per 4 hotel rooms (the Limelight was able to receive a waiver from this requirement, while the Harriman Hotel was not). With 92 rooms, the developer is required to provide 23 “beds” for employees and the plan meets this requirement with approximately 9,000 square feet of on-site employee housing supported by the Blaine County Housing Authority. Further, the developer has proposed to integrate the employee housing into the hotel building so that employees are able to live on-site. In doing so, the hotel will provide the largest amount of on-site employee housing of any development in Ketchum city limits. As such, the proposed hotel raises the bar and sets a precedent for the inclusion of housing that will be affordable to the workforce (as stated in the developer’s narrative, rental rates will be set at rates affordable to wages) while increasing the variety of housing types available in the city and increasing the year-round population at the same time. Additionally, the Comprehensive Plan supports the integration of housing within mixed-use developments, and the proposed hotel exemplifies this by providing workforce housing within the hotel in conjunction with the restaurant, bar, and hotel guest rooms.

Vibrancy

As touched on in previous sections, downtown vibrancy is identified as important in the Comprehensive Plan. The Comprehensive Plan states, “Ketchum celebrates a vibrant arts and cultural life as a core value and identifier of the community,” (Comprehensive Plan, pg. 45) a vibrant, thriving downtown is seen as a pillar of a sustainable community (Comprehensive Plan, pe. iii), and the downtown core is viewed as “critical to the economic health and well-being of Ketchum” (Comprehensive Plan, pg. 8). The proposed hotel will offer more than just hotel rooms and amenities for guests (spa/hot tub and fitness center) – it will offer amenities that will draw in the public at large, beginning with the interface with pedestrians at street level and providing access to reservable meeting/conference rooms, ground-floor and rooftop bar/food service. With the recent development of the state-of-the-art Argyros Performing Arts Center and the Limelight hotel, this sector of downtown has been infused with new energy sparked by year-round performances, live music, conferences, and other public-facing events. The addition of the proposed new hotel will contribute to this node of activity, enabling larger professional conferences and events to take place (through the use of reservable conference rooms at the Limelight, Argyros, and new hotel). Additionally, the international draw of Marriott-loyal guests is anticipated by the developer to create an influx of new visitors, repeat visitors, and visitors during non-peak seasons.

Table 2. Comprehensive Plan Analysis

SUPPORTING SECTION	SUMMARY OF COMPLIANCE WITH THE 2014 COMPREHENSIVE PLAN
Future Land Use Category	
Commercial Employment	The Gateway site is referenced as “Commercial/Employment” on the city’s future land use map. The primary uses envisioned in Ketchum’s Commercial/Employment land use category are “a variety of business, service, arts/culture, public, hotel , motel and other types of visitor lodging, residential, office, and hospitality service uses.” Secondary uses listed in Ketchum’s Commercial/Employment land use category are “[v]isitor and neighborhood limited retail [with] examples include[ing] convenience or boutique retail.” Multi-family housing units are also considered secondary uses. The Commercial/Employment district includes the Warm Springs base area and much of the land between the downtown and River Run Plaza. The area has good access and business exposure from Main Street and other arterial and collector streets. The intent is to allow for vertical or horizontal mix of uses on sites, including some high-density residential.
A Strong and Diverse Economy	

Policy E-1(b) Downtown as a Major Community Asset and Tourism Attraction	The community will strive to maintain a single concentrated commercial and retail core. The City will reinforce the downtown core’s role as a major asset and visitor attraction by encouraging businesses that fit the downtown character and by developing policies, programs, investment strategies, and organizations that help retain downtown businesses.
Goal E-3	Ketchum will continue to support our tourism and economic base.
Policy E-3(b) Tourism-Related Land Uses, Businesses, Events and Marketing	Continue to support tourism-related land uses and businesses including lodging development and venues. Support national sporting and cultural events, and strong marketing.
Community Design and Neighborhoods	
Policy CD-1.1 Unique Design Elements for Identifiable Neighborhoods	Each neighborhood or district should include a mix of design elements that will reinforce its unique design quality.
Policy CD-1.3 Compatible Infill and Redevelopment Projects	Infill and redevelopment projects should be contextually appropriate to the neighborhood and development in which they will occur. Context refers to the natural and manmade features adjoining a development site; it does not imply a certain style.
Policy CD-1.4 High-Quality Site Planning and Building and Landscape Design	It is important to maintain and reinforce development quality, particularly in the built-up community core area. New development should convey a positive image for the community—particularly through high quality design of residential and commercial buildings and resort accommodations. Each new project should be well-designed and attractive, and should complement surrounding land uses and existing neighborhood character. The City will adopt and implement more specific standards for high-quality site planning and building design of residential, commercial, and activity areas. Standards should address transitions or setbacks between different land uses, landscaping, quality of architecture and building materials, and pedestrian amenities.
Policy CD-1.6 High-Quality Public Spaces in New Commercial Development	Future buildings should be designed to include public amenities, particularly public gathering spaces.
Housing	
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-1.2 Local Solutions to Attainable Housing	The City of Ketchum will place greater emphasis on locally-developed solutions to meet the housing needs of low-, moderate-, and median-income households. The City further recognizes that such needs likely will not be met solely through private development. To facilitate affordable housing opportunities, the City will look to new funding mechanisms, and encourage a broad range of regulatory incentives and options for community housing. These may include unit buy-downs, unit reuse, density increases, and height bonuses.
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 base. The resulting mix of land use will help promote a greater diversity of housing opportunities as well as social interactions.
Goal H-3	Ketchum will have a mix of housing types and styles.
Policy H-3.1 Mixture of Housing Types in New Development	The City should encourage the private sector, through land-use regulations and incentive programs, to provide a mixture of housing types with varied price ranges and densities that meet a variety of needs. The City will evaluate the use of incentives, such as flexibility in height, density and parking requirements to achieve greater housing diversity. Additionally, the City will promote the siting of higher density housing near public transportation, the ski base areas, shopping, and designated neighborhoods and districts.
Natural Resources and Stewardship	
Policy NR4.3 Riparian Resource Protection	Riparian areas are valuable for their ecological functions, including their ability to enhance water quality. The City will continue to implement and enforce programs that protect and enhance riparian resources in Ketchum.
Parks, Recreation, and Open Space	
Policy OS-1.4 Public Plaza Space	Support improvements to public streets, parking lots, and plazas that provide spaces for street fairs, festivals, and other gatherings.

Policy OS-1.5 Public Gathering Spaces	Promote the development of public gathering spaces throughout the City as part of public and private development.
Mobility	
Policy M-1.2 Transportation Planning and Access Management on Highway 75 and Arterials	Develop and implement a City-wide Transportation Plan. Control new curb cuts on Highway 75, Warm Springs Road and Saddle Road and reduce access points where possible (especially in the Mortgage Row area) to promote safe and efficient circulation.
Policy M-1.3 Compact Development and Housing Downtown and in Activity Centers	Encourage compact development, mixed uses, and additional housing density in the downtown and in high-activity areas. This will increase opportunities for walking, bicycling and transit ridership and reduce vehicle traps.
Future Land Use	
Goal LU-2	Support infill and redevelopment in the downtown, major activity areas and specific areas that can take advantage of proximity to services and transportation.
Policy LU-2.1 Infill and Redevelopment	Support intensification of land uses on appropriate infill and redevelopment sites in the following areas: downtown, industrial areas, St Luke’s Hospital/McHanville/Cold Springs Canyon, Warm Springs area, and existing neighborhoods with significant vacant parcels.
LU-2.3 Land Use Patterns for a Dynamic and Thriving Downtown	Commercial strip development along arterial streets and high intensity retail and office uses outside the downtown core will be discouraged, except to provide neighborhood-scale retail and service uses.

Based on the above provisions, it is the recommendation of staff that the Commission find the project complies with the City of Ketchum Comprehensive Plan.