



City of Ketchum Planning & Building

STAFF REPORT KETCHUM PLANNING AND ZONING COMMISSION REGULAR MEETING OF MARCH 29, 2022

EXECUTIVE SUMMARY

An interim ordinance was presented to the Planning and Zoning Commission (the "Commission") on March 8, 2022. The ordinance, to be adopted through emergency procedures, focused on achieving the following goals:

- Promote projects that contribute towards the long-term vibrancy and economic stability of the downtown
- Increase the production of housing throughout Ketchum that in turn increases the supply and availability of housing for all income levels
- Provides the Planning and Zoning Commission the tools to engage, discuss and influence proposed uses in a building to ensure the project is of benefit to the community and meets the goals of the Comprehensive Plan

The draft ordinance included five main components:

1. Minimum residential densities in certain zone districts
2. Provisions for the consolidation of lots
3. Limitations on the net loss of units
4. Clarification of retail parking exemptions
5. Requirement of conditional use permits (CUP) for projects with density bonuses

The Commission did not make a recommendation to City Council on the proposed ordinance at the March 8, 2022, meeting. The Commission provided comments on the ordinance and posed questions to staff for further discussion. The draft ordinance presented on March 8, 2022, is included as Attachment A to this report. For the full staff report and all attachments, please see Attachment C of this report.

Below is an overview of what we heard from the Commission and additional information from staff for consideration.

BACKGROUND

Following a joint work session with the Ketchum City Council, the Ketchum Urban Renewal Agency, and the Commission on February 8, 2022, the Commission has been considering various changes to Title 16 – *Subdivision Regulations* and Title 17 – *Zoning Regulations* of the Ketchum Municipal Code in response to the current workforce housing crisis and concerns related to the long-term vibrancy of the downtown. As mentioned above, the draft ordinance was reviewed at the March 8, 2022, meeting of the Commission and continued to a March 29, 2022, special meeting for further discussion.

ANALYSIS

Commission Discussion

Discussion during the March 8, 2022, meeting indicated support of the first four components with no requested changes from the Commission. The Commission also indicated support for the Policy Statement drafted by staff outlining goals for successful development in the Community Core, Tourist, and High-Density Zone Districts (Attachment B). The Commission provided the following comments for additional discussion:

- Clarify the ability to achieve minimum residential densities on interior single Ketchum Townsite lots in the Community Core
- Clarify how impact fees are calculated for projects to understand the potential cost impacts of minimum residential densities
- Clarify how minimum residential densities and the requirement for no net loss of units is applied to projects that are 100% residential in areas where commercial development is strongly desired and if the proposed ordinance limits redevelopment potential
- Understand the long-term impact to the parking inventory that may result from the revised ordinance and whether additional exemptions for uses such as office should be considered

The Commission expressed concerns as to the uncertainty created by the CUP requirement for projects with a density bonus. The Commission requested clarification on whether the CUP can dictate types of uses such as short-term rentals. The Commission also discussed whether there is another mechanism to achieve the goal, other than the CUP. The information below

General Information

As proposed, the interim ordinance would be in effect for a period of 182 days, approximately six months. The purpose of an interim ordinance is to:

- Provide clarity to the development community of the goals and objectives of Ketchum
- Provide Temporary regulations that can be tested while permanent regulations are developed

The interim period is an opportunity to gather feedback on the proposed regulations through a more extensive public process and craft permanent regulations based on feedback from the community and subject matter experts including but not limited to developers, architects, and contractors. It is appropriate to view interim ordinances as a starting point to set expectations, that get refined through the development of the permanent ordinance.

The goal of the draft ordinance is to:

- Increase the supply of housing
- Limit the loss of existing housing or development potential
- Incentivize the development of commercial space
- Implement measures in this development season

It is important to note that the goals above do not reference workforce housing or community housing specifically. The draft ordinance is solely focused on maintaining and increasing the housing stock within Ketchum, regardless of income level or affordability. This approach speaks to the supply and demand functionality of the current housing market in Ketchum. Currently, there is limited supply and high demand. Figure 1 is a simple diagram illustrating the economic function of supply and demand. As shown, when there is high demand and low supply, the price is higher. This is the case regardless of whether the unit is a bag of potato chips or a residential dwelling unit. By simply increasing the supply of housing, the cost per unit should decrease over time. What is unknown is by how much and over what period. What we do know is that the longer we wait to make changes to the equation, the less impact the change will have.

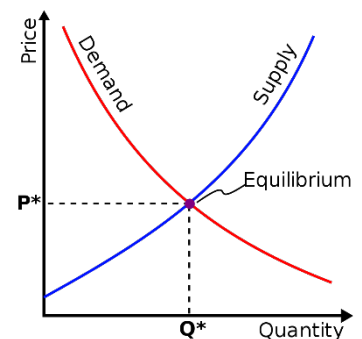


Figure 1: Supply and Demand

Additionally, the Housing Action Plan, being developed by the City of Ketchum, is focused on identifying the need and solutions for Ketchum's workforce, specifically those in the 0-120% area median income (AMI) category. Following completion of the Housing Action Plan, additional changes to the zoning regulations will be necessary to specifically address those needs.

Conditional Use Permit

The goal of the CUP requirement for density bonus projects is to provide the Commission the ability to ensure all projects receiving a density bonus contribute not only to community housing, but to the vibrancy of the community and the economic stability of Ketchum. Staff recommended this be achieved through the CUP process, however, the Commission expressed concerns related to the uncertainty of the CUP for the development community. Staff provided a policy document for the Commission to consider, which sought to reduce that uncertainty.

If the CUP is not the desired regulatory tool to achieve the goal, another tool is to utilize the existing Design Review process. As discussed in the March 8, 2022, meeting, the Design Review process is currently limited to review of the exterior design of the building and corresponding site improvements. Staff recommends the interim ordinance modifies the current Design Review criteria to include the ability to review uses in projects located in the Community Core (Subdistricts 1 and 2), Tourist (T, T-3000, and T-4000), and General Residential-High Density zone districts. Staff recommends the following additional criteria for consideration:

1. The design and uses conform with the goals, policies, and objectives of the comprehensive plan.
2. The design and uses are compatible with the context of the immediate surroundings and neighborhood.
3. The design and uses conform with the goals and objectives of applicable adopted Commission policy statements.

Minimum Residential Densities

Staff believe the proposed minimum densities in each zone district as proposed in the draft ordinance are an appropriate place to start. Staff evaluated the comments from the Commission related to interior Ketchum townsite lots and increased cost of construction. Staff is not making any recommended revisions to the minimum residential density numbers currently.

Staff believe the minimum density requirements for interior Ketchum Townsite lots can be achieved as proposed based on the Love Schack development scenarios. Additionally, the draft ordinance includes a provision that if a project cannot meet the minimum residential densities as required, the densities can be reduced through the CUP process. CUPs are reviewed and approved only by the Commission and can be reviewed concurrent with Design Review applications. Staff believe that this is an appropriate approach for the interim ordinance and can be refined through development of the permanent ordinance.

The city assesses impact fees on a per unit basis for fire, parks, police, and streets. Staff acknowledges that an increase in minimum number of units, does increase the cost of a project. For a 750 square foot unit, the cost for impact fees is \$8/SF. For a 2,000 SF unit, the cost is \$3. It is important to note that impact fees are waived for community housing units, which the CUP policy document encourages on-site. Impact fees are in place to offset the impact of new development on key city services. With an increase in units, the city will see an increase in demand for city services. The Commission could make a recommendation to the City Council to review impact fees so they do not deter production of additional housing units.

Net Loss of Units

The draft ordinance does not restrict the addition of commercial space when redeveloping a 100% residential project, however, it may result in the residential units being of a smaller size or the project would be reconfigured for a more efficient use of land area. As noted in the March 8, 2022, meeting, most of the city's housing stock was constructed prior to 1980. Many existing projects are only two stories and have surface parking lot. Redevelopment of these properties may utilize underground parking and additional building height to achieve development goals and meet minimum residential requirements.

Parking Exemptions

The City of Ketchum is in the process of updating the parking inventory and utilization numbers for the Community Core including both subdistricts. Updated data is expected Summer 2022 for use in parking policy decisions. An extensive parking analysis was conducted in 2017 to incentivize the development of retail and food service establishments. Additional incentives for office were not provided at that time as office space did not carry the same priority level as retail and food service establishments in the community core. The current parking requirement for office in the community core is one parking space per 1,000 square feet. Staff believe this requirement is still appropriate for office uses. However, if the Commission would like to evaluate this further, staff could evaluate potential parking reductions or exemptions as part of the permanent ordinance.

STAFF RECOMMENDATION

Staff request the Commission consider the information above and make a recommendation on the proposed ordinance. Although a hearing with the Commission is not required for the ordinance, staff recommends the Commission make a recommendation to the City Council.

ATTACHMENTS:

- A. Emergency Ordinance 1234
- B. Policy Statement For Community Core, Tourist, and GR-H Projects
- C. March 8, 2022 Planning and Zoning Commission - Staff Report and Attachments

Attachment A:
Draft Emergency
Ordinance 1234

ORDINANCE 1234

AN EMERGENCY ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, FINDING AN IMMINENT PERIL TO PUBLIC HEALTH, SAFETY, OR WELFARE EXISTS AND THE NEED TO IMMEDIATELY IMPLEMENT REVISED DEVELOPMENT STANDARDS THAT REQUIRE MINIMUM RESIDENTIAL DENSITIES IN CERTAIN ZONE DISTRICTS; REGULATE THE CONSOLIDATION OF LOTS IN CERTAIN ZONE DISTRICTS; PROHIBIT THE REDUCTION OF DWELLING UNITS IN CONJUNCTION WITH DEVELOPMENT PROJECTS REQUIRE A CONDITIONAL USE PERMIT FOR CERTAIN DEVELOPMENT PROJECTS IN THE COMMUNITY CORE (CC) ZONE DISTRICT; AND CLARIFY PARKING REQUIREMENTS FOR RETAIL USES IN THE CC ZONE DISTRICT; PROVIDING FOR PUBLICATION BY SUMMARY; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR AN EFFECTIVE DATE AND A SUNSET DATE.

WHEREAS, Idaho Code Section 67-6523 authorizes local jurisdictions to enact emergency ordinances when the local governing board finds imminent peril to the public health, safety, or welfare; and

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

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

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

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

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

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

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

WHEREAS, in addition to the 475 housing units lost, the Housing Action Plan Summary and Findings identify the need to build, convert, or stabilize between 65 and 100 housing units

annually in the City to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy; and

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

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

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

WHEREAS, the City Council, Planning and Zoning Commission, and Ketchum Urban Renewal Agency determined at a joint meeting on February 8, 2022, that immediate action to address housing issues within the City were necessary; and

WHEREAS, staff presented options for addressing housing issues to the Planning and Zoning Commission at a special meeting on February 15, 2022; and

WHEREAS, the Planning and Zoning Commission reaffirmed the urgent need for solutions to address housing issues; and

WHEREAS, the traditional development season is imminent and there is an immediate necessity to provide development applicants with some certainty on standards sooner than later; and

WHEREAS, the provisions of this ordinance are temporary in nature and shall expire one hundred and eighty-two (182) days after the adoption of this emergency ordinance; and

WHEREAS, during the pendency of this emergency ordinance, the City will pursue a public process to explore the development and creation of an interim ordinance and/or permanent ordinance to further formalize the changes proposed in this emergency ordinance.

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

Section 1. Finding of Imminent Peril to the Public Health, Safety and Welfare. The City Council hereby finds that an imminent peril to the public health, safety and welfare exists caused by the permanent loss of land in Ketchum available to house the local workforce and provide a mixture of commercial uses necessary to support the Ketchum economy based on the following:

- a. Businesses in the Community Core are closing or reducing business hours due to a lack of workers.
- b. Commercial, entertainment, retail and restaurant use in the Community Core are essential to the economic vitality and public health, safety and welfare of the residents and visitors to the City.

- c. Each time a project is developed with low density residential, similar to single family dwellings, or with limited commercial use, the City permanently loses the potential to develop such property for higher density residential or projects containing commercial, entertainment, restaurant or retail uses.
- d. The permanent loss of properties that could otherwise be development for higher density residential or commercial uses, threatens the economic vitality of the City, threatens to permanently impair, or reduce revenue to support city operations and essential services without limitation, fire, police, emergency medical, and snow removal.
- e. If the upcoming development season proceeds without more immediate revisions to development standards, then the negative impacts and harms listed above will be further exacerbated in a nonreversible way.
- f. The City finds it requires sufficient time to study and review the public health, safety, and welfare concerns as identified above and adopt interim standards while the review is underway.

Section 2. The following interim regulations and standards apply to applications filed pursuant to Title 16 - Subdivision Regulations and Title 17 - Zoning Regulations. Wherever any provision in Title 16 or Title 17 or any other ordinance, rule or regulation of any kind contain standards covering the same subject matter, the standards of this Ordinance shall apply.

Section 3. All zoning districts referenced in this ordinance are pursuant to Ketchum Municipal Code (the “KMC”) Chapter 17.18 – *Zoning Districts* and abbreviated as referenced. All terms in this ordinance are defined in Section 17.08.020 – *Terms Defined* and 16.04.020-*Definitions* of the KMC with the addition of the following:

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

Section 4. There shall now be minimum residential densities for multi-family and mixed-use developments in certain zone districts within the City as follows:

Zone District	Minimum Residential Density Required (units/SF)			
CC Subdistricts 1 and 2	100% Residential Development 9 / 5,500			
	Mixed Use Development			
	≤ 30% Commercial 5 / 5,500	31-60% Commercial 3 / 5,500	61-80% Commercial 1 / 5,500	≥ 80% Commercial No Minimum
T	100% Residential Development 9 / 10,000			
	≤ 30% Commercial 5 / 10,000	31-60% Commercial 3 / 10,000	61-80% Commercial 1 / 10,000	≥ 80% Commercial No Minimum

T-3000	5 / 10,000
T-4000	10 / 10,000
GR-H	10 / 10,000
GR-L	No minimum
LR, LR-1, and LR-2	No minimum
STO-1, STO-4, and STO-H	No minimum
LI, LI-2, and LI-3	No minimum
RU and AF	No minimum

Section 5. Minimum densities identified in Section 4 may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.

Section 6. There shall now be standards for the consolidation of lots. Additionally, there shall be a specific application type, process, and additional standards for the review and approval of the consolidation of lots as follows:

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

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

- B. The definition of “Readjustment of Lot Lines” in KMC Section 16.04.020 - *Definitions*, also known as Lot Line Shifts, shall no longer include the “removal of lot lines”.
- C. Consolidation of lots may only be considered pursuant to the requirements and standards of KMC Section 16.04.030 – *Procedure for Subdivision Approval*.
- D. All preliminary plat applications for consolidation of lots shall be submitted concurrent with a building permit application or land use development application as applicable.
- E. The final plat for consolidation of lots shall not be signed by the City Clerk and recorded until the development has received one or both of the following as applicable:
1. A certificate of occupancy issued by the City of Ketchum; and

2. Completion of all design review elements as approved by the Planning and Zoning Administrator.
- F. In addition to KMC Section 16.04.040, all preliminary plat applications for consolidation of lots shall comply with the following criteria:
 1. The preliminary plat application is in conformance with all applicable building permit and land use development approvals.
 2. The preliminary plat application is in conformance with all applicable Zoning Regulations contained within Title 17 – Zoning Regulations.
 3. The preliminary plat application is found to be in conformance with the comprehensive plan in effect at the time the application was deemed complete.

Section 7. No demolition permit shall be issued pursuant to Chapter 15.16 of the KMC that results in the net loss in the total number of residential units currently existing on a property as of the effective date of this ordinance. The following standards apply to all properties within the City:

- A. Development of property, in any zone district, may not result in the net loss of dwelling units.
- B. Total number of dwelling units shall be calculated including all listed or defined dwelling unit uses and terms in the KMC such as, but not limited to, “dwelling, one family”, “dwelling, multi-family”, “dwelling unit, accessory”, and “work/live unit”.
- C. No demolition permit shall be issued for any structure until a building permit application for a replacement project on the property and required fees have been accepted by the City and deemed complete.

Section 8. There shall be no parking required for individual retail spaces of 5,500 square feet or less within the Community Core (CC) and Tourist (T) zoning districts.

Section 9. A Conditional Use Permit (CUP), as stipulated in KMC Chapter 17.116, is required for all development projects that:

- a. Exceed a 1.0 floor area ratio (FAR) within Subdistrict 1 and Subdistrict 2 of the CC zone district and a 0.5 FAR in the T, T-3000, T-4000, and GR-H zone districts.
- b. Change of use resulting in a conversion of commercial square footage to residential square footage.
- c. No fee shall be charged for Conditional Use Permit applications submitted concurrent with Design Review applications with FAR exceedance.

Section 10. This ordinance shall be in full force and effect from and after its passage and approval and shall remain in effect for a period not to exceed one hundred and eight two (182) days from its effective date, pursuant to Idaho Code Section 67-6523.

Section 11. The notice and hearing requirements generally applicable to ordinances are not practical in light of the emergency nature of this ordinance, and therefore this ordinance will be heard under an abbreviated notice process pursuant to Idaho Code Section 67-6523.

Section 12. Pursuant to the affirmative vote of one-half (1/2) plus one (1) of the

members of the City Council, the rule requiring two (2) separate readings by title and one (1) reading in full be waived, and the same is hereby dispensed with, and accordingly, this emergency ordinance shall be in full force and effect immediately upon its passage and approval.

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

APPROVED:

Neil Bradshaw, Mayor

ATTEST:

Tara Fenwick, City Clerk

Attachment B:

Policy Statement for
Community Core, Tourist, and
GR-H Projects



City of Ketchum Planning & Building

PLANNING AND ZONING COMMISSION POLICY STATEMENT

Goals for Successful Development in the Community Core, Tourist, and High-Density Zone Districts

The city adopted Emergency Ordinance 1234 which requires a Conditional Use Permit for any project taking advantage of the density bonus program outlined in Ketchum Municipal Code Section 17.124.040 – *Floor area ratios and community housing*. The goal of the Conditional Use Permit is to ensure that all projects receiving a density bonus contribute not only to community housing, but to the vibrancy of the community and the economic stability of Ketchum. The 2014 Ketchum Comprehensive Plan outlines future land uses for each zone district in Ketchum which were codified in 2015 when the zoning regulations were updated to include stated purposes for each zone district. To provide additional clarity to the development community, the following information outlines the purpose of each zone district and outlines the expectations and type of projects encouraged by the Planning and Zoning Commission.

Community Core (CC-1 and CC-2)

Zoning Ordinance Purpose

The purpose of the CC community core district is to promote a compact and cohesive center of commerce and culture, to promote an attractive and safe pedestrian environment which includes sidewalks, gathering spaces, streetscape amenities and landscaping, to retain the unique small-town scale and character and to encourage buildings which respect Ketchum's historical and geographic context while providing diversity. Compatible mixed uses including retail, office, residential and cultural uses are encouraged. Commercial uses are concentrated in the CC District which is consistent with the City's comprehensive plan and the downtown master plan.

Successful projects in the Community Core - Retail Core subdistrict have:

- Maximized ground floor restaurant and retail uses with outdoor public amenities such as outdoor seating and dining.
- Upper floors of primarily office use and minimal residential.
- On-site community housing.
- Parking allocations that do not exceed minimum parking requirements, except for public parking.
- Underground or tuck under parking for projects on more than one Ketchum Townsite Lot.
- Below grade uses limited to storage, mechanical, and parking.

Successful projects in the Community Core - Mixed Use subdistrict have:

- Maximized ground floor restaurant and retail uses with outdoor public amenities such as outdoor seating and dining.
- Primarily active commercial on the ground floor such as retail, restaurants, recreation, health/wellness services, and government.

- Commercial uses, such as office, on the upper floors. Limited office uses on the ground floor but should not be fronting the street.
- Below grade uses limited to storage, mechanical, and parking. Placement of commercial or residential uses below grade is not appropriate.
- Parking allocations that do not exceed minimum parking requirements, except for public parking.
- Underground parking for projects on more than one Ketchum Townsite Lot.
- Upper floors primarily contain commercial or residential uses.
- On-site community housing.
- 100% residential projects have strong connection to the street such as individual entrances to each ground floor residential unit and non-privatized outdoor common areas.

Tourist (T)

Zoning Ordinance Purpose

The purpose of the T Tourist District is to provide the opportunity for high density residential and tourist use, land ownership and development including certain restricted business and personal service establishments in conjunction with such use, which can be justified on the basis of the primary use within the district. Tourist district classifications are intended to be carefully placed in the neighborhood structure to assure the closest possible compatibility with the surrounding uses and development. Dimensional requirements in this zone are designed to complement and enhance the neighborhoods in this zone, and to encourage articulation and quality design in new buildings. The tourist zone contains several distinct areas, including the Entrance Corridor, Second Avenue, River Run, Warm Springs Base Area and Saddle Road.

Successful projects in the Tourist zone district have:

- High density residential projects with a variety of housing unit types and sizes
- On-site community housing
- Active non-privatized common areas
- Active and passive commercial uses and hotels focused on serving visitors and second homeowners
- Underground parking where feasible to maximize public gathering areas

T-3000, T-4000, and General Residential-High Density (GR-H)

Zoning Ordinance Purpose

GR-H: The purpose of the GR-H General Residential - High Density District is to accommodate the need for higher density residential land use alternatives within a district generally limited to residential uses while still preserving neighborhood amenities and favorable aesthetic surroundings.

Tourist-3000 and Tourist-4000: The purpose of the T-3000 District is to provide the opportunity for short term tourist accommodations with limited tourist support services subordinate to and in conjunction with tourist housing. Dimensional requirements in this zone are designed to complement and enhance the neighborhoods in this zone and to encourage articulation and quality design in new buildings.

Successful multi-family residential developments have:

- High-density residential projects with a variety of housing unit types and sizes within the entirety of a project
- On-site community housing
- Active non-privatized common areas

DRAFT

Attachment C:
March 8, 2022 PZ
Meeting - Staff
Report and
Attachments



**City of Ketchum
Planning & Building**

**STAFF REPORT
KETCHUM PLANNING AND ZONING COMMISSION
REGULAR MEETING OF MARCH 8, 2022**

EXECUTIVE SUMMARY

Proposed is an interim ordinance, to be adopted through emergency ordinance procedures, that encourages development projects that meet the goals and objectives of the Ketchum Comprehensive Plan. The intent of the Ordinance is to:

- Promote projects that contribute towards the long-term vibrancy and economic stability of the downtown
- Increase the production of housing throughout Ketchum that in turn increases the supply and availability of housing for all income levels
- Provides the Planning and Zoning Commission the tools to engage, discuss and influence proposed uses in a building to ensure the project is of benefit to the community and meets the goals of the Comprehensive Plan

The ordinance is being proposed because:

- Ketchum experienced a significant population increase from 2019 to 2020 of approximately 25%, when annual population growth is traditionally 1%.
- Ketchum lacks available office, retail, and restaurant space, limiting the ability for businesses to start or expand within Ketchum.
- Ketchum has a severe shortage of housing for the local workforce at all income levels which is threatening the livelihood and straining the resources of the city, its citizens, and its businesses.
- Ketchum lost 475 long term rental and ownership housing units from 2000 to 2019.
- Construction of residential units within Ketchum has decreased significantly since 1989. From 1990 to 2009, approximately 290 units were constructed for an average of 15 units per year. From 2010 to 2020, only 92 units were constructed for an average of 9 units per year, a significant decrease from previous years.
- In addition to the 475 housing units lost, the Housing Action Plan Summary and Findings identify the need to build, convert, or stabilize between 65 and 100 housing units annually to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy
- Development permitted under the current zoning regulations result in low-density residential development in areas where the 2014 Ketchum Comprehensive Plan envisions medium to high density residential and vibrant mixed-use development
- If the upcoming development season proceeds without more immediate revisions to development standards, then the negative impacts and harms listed above will be further exacerbated in a nonreversible way

The ordinance does not:

- Place a moratorium on development or reduce the development potential of properties
- Change, reduce or increase, the permitted maximum building heights, or floor area ratios (FAR)

The ordinance does:

1. Provide clarity and direction to the development community of the goals and objectives of Ketchum
2. Provide temporary regulations while permanent regulations are developed
3. Recommend five changes to the Ketchum zoning regulations as follows:
 - a. Minimum residential densities required for certain zone districts depending on project type
 - i. Community Core - Requires a minimum of 9 units per Ketchum townsite lot for 100% residential projects. For mixed-use projects the ordinance requires 5 units per townsite lot for projects with 30% or less commercial space, 3 units per townsite lot for projects with 31-60% commercial space, and one unit per townsite lot for projects with 61-80% commercial space. No residential units are required for projects with 80% or more of commercial space.
 - ii. Tourist - Requires a minimum of 9 units per 10,000 square feet of lot area for 100% residential projects. For mixed-use projects the ordinance requires 5 units per 10,000 square feet for projects with 30% or less commercial space, 3 units per 10,000 square feet for projects with 31-60% commercial space, and one unit per 10,000 square feet for projects with 61-80% commercial space. No residential units are required for projects with 80% or more of commercial space.
 - iii. T-3000 – Requires 5 units per 10,000 square feet of lot area.
 - iv. T-4000 and GR-H – requires 10 units per 10,000 square feet of lot area.
 - v. No minimum densities are proposed for General Residential-Low Density (GR-L), Limited Residential (LR, LR-1, and LR-2), Short-Term Occupancy (STO-1, STO-4, and STO-H), Light Industrial (LI, LI-1, and LI-2), Recreation Use (RU), or Agricultural and Forestry (AF) zone districts.
 - b. Consolidation of lots
 - i. Consolidation of lots permitted in all zone districts except General Residential-Low Density (GR-L), Limited Residential (LR, LR-1, and LR-2), Short-Term Occupancy (STO-1, STO-4, and STO-H).
 - ii. Consolidation of lots requires a preliminary plat and final plat application
 - iii. Additional review standards requiring conformance with land use approvals, zoning regulations, and comprehensive plan
 - c. Net loss of units
 - i. No project can result in the net loss of residential units through consolidation of units, or demolition and redevelopment of property
 - d. Retail parking exemptions
 - i. Any individual retail unit less than 5,500 square feet is exempt from parking requirements in the Community Core and Tourist zone districts
 - e. Conditional Use Permits for projects with density bonuses
 - i. Conditional Use Permits are required for any project utilizing the density bonus program in the Community Core (CC-1 and CC-2), the Tourist (T, T-3000, and T-4000), and General Residential - High Density (GR-H)
 - ii. The Planning and Zoning Commission has prepared a policy document to outline the expectations for successful projects
4. The ordinance would apply to all projects not deemed complete by the effective date of the ordinance.

BACKGROUND

The City of Ketchum, like most of Idaho, has seen a tremendous amount of growth in the past two years. In 2021, the State of Idaho had the highest population growth in the United States, according to US Census estimates. While the annual population growth rate in the City of Ketchum has been 1%, the city's population grew approximately 25% from 2019 to 2020. The City of Ketchum's 2014 Comprehensive Plan is the guiding document to assist the city in decision making when addressing population growth and the systems that support that growth, such as housing, transportation, and the economy. Due to the dramatic increase in

population growth, exacerbated by COVID-19, the lack of available housing to support employees of local businesses and the lack of available office, retail and restaurant spaces have escalated to a crisis level.

Changes to the zoning regulations have been made over time to facilitate a vibrant downtown and development of high-density housing. Some of the changes include:

- Elimination of the Form Based Code to allow for more innovation and creativity in downtown development
- Reduction or elimination of parking requirements for encouraged uses in the community core
- Density bonus program to incentivize the development of housing in certain zone districts
- Increased building heights in the Community Core, from a three-story limitation to four stories subject to City Council approval.

Although some projects are providing high density multi-family and mixed-use projects that contribute to the vibrancy of the downtown, many development projects are not. Market conditions and land prices are driving the development of low density, large luxury single-family residences, penthouse units and low-density townhouses throughout the city. Land prices are in part a function of the amount of square footage and mix of uses permitted through zoning. Currently, the development standards allow for the type of development that is counter to the Plan objectives. In the Community Core specifically, this results in little to no new commercial square footage to support the economy within the downtown and provide the vibrancy the Comprehensive Plan envisions.

Further, the trend for low density residential in the downtown consists of large single-family type condominiums for second homeowners. Over time, this results in dark streets with limited activity. This is not a new issue in the downtown. In 2005 Ketchum adopted an emergency ordinance prohibiting new single-family units in the Community Core. It was found that single family units degrade the vitality and economic stability of the downtown. Since 2005, single family dwellings have been prohibited in the Community Core.

The city's ability to respond to the current housing demand is hindered by the trend of residential development over the past 30 years. Data collected and published in the city's [Housing Action Plan Findings](#) indicate over 50% of the city's housing stock was built prior to 1980 and there has been a dramatic decrease in residential construction since 1989. As discussed in detail in the staff report below, older high-density developments have been demolished and replaced with less dense developments, reducing the number of available units to the community. Ketchum has also lost residential units to the consolidation of lots, consolidation of units, and conversion of long-term rentals into short-term rentals. It is estimated that from 2000 to 2019, the city lost 475 long term rental and ownership housing units in Ketchum. from the long-term housing stock to.

The Housing Action Plan Findings indicate that in addition to the 475 housing units lost to short term rentals, there will need to be between 65 and 100 housing units built, converted, or stabilized annually in Ketchum to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy. In addition to the loss of long-term rental and ownership units in Ketchum, the construction of new housing units is decreasing not increasing. From 1990 to 2009, approximately 290 units were constructed for an average of 15 units per year. From 2010 to 2020, only 92 units were constructed for an average of 9 units per year, a significant decrease from previous years.

What this means for Ketchum today is that there is less housing being constructed now than in the past. This results in a scarcity of housing for all income levels thereby increasing the cost and limiting availability of housing. Simply put, Ketchum is not constructing enough housing to meet the demand.

The City Council, Planning and Zoning Commission, and Urban Renewal Agency acknowledged there is a crisis during a joint work session on February 8, 2022 and identified short-term actions that could be taken by each entity based on their role, authority, and capacity. The Commission has the authority to recommend changes to the City of Ketchum Zoning Regulations for consideration by the City Council. Staff presented three ideas at the Feb 8 meeting for consideration:

- Establish minimum density requirement in multi-family, tourist, and community core zone districts
- Eliminate or reduce minimum lot size in residential zoning districts
- Permit multi-family development to occur in all residential zoning districts, including single-family zones

The Commission also expressed concern about the type of development projects occurring in the downtown and the long-term impact on the vibrancy and housing inventory. Expressing a sense of urgency, the Commission asked staff to develop a list of regulatory changes that could address the concerns. On February 15, 2022, Staff presented potential short- and long-term code changes for consideration (Attachment C). Short-term changes are those that can be easily implemented with minimal staff time. The long-term changes require additional time allowing for staff analysis, outreach, and development.

At the February 15, 2022, Commission meeting, there was general agreement with the proposed short-term recommendations. The Commission reiterated that changes to the regulations need to be thoughtful and carefully crafted to achieve the goals of the city and allow the development community the flexibility and predictability to execute projects. The Commission asked staff to draft an ordinance for review prior to presentation to City Council for review.

Proposed Ordinance

An interim ordinance, adopted through emergency ordinance procedures, is a tool to quickly and temporarily implement code changes while permanent ordinance language is being developed. Interim ordinances layer over the existing zoning regulations, superseding applicable regulations, allowing the city to test regulations and determine effectiveness for a limited period. Upon expiration of the ordinance, a permanent ordinance must be in place, or the regulations become null and void. As proposed, the ordinance would be adopted through emergency ordinance procedures. Ketchum is in crisis with the loss of restaurants, retail, and offices in the downtown coupled with the scarcity of housing available for all income levels. If something is not done immediately, there will be irreparable harm to the long-term vitality and economic stability of Ketchum and irreversible loss of housing to support a diverse community and a strong economy.

The proposed ordinance is not a moratorium on development within the city and does not propose any decrease or change to maximum building heights or permitted floor area ratios (FAR). Staff carefully crafted the ordinance to consider available data and policy directives from the 2014 Comprehensive Plan, ensuring that all proposed changes are reasonable and can be executed by the development community. Primarily, the ordinance sets standards that will support a strong and diverse economy, foster a vibrant downtown, and provide a variety of housing options for all residents and visitors. The full ordinance can be found as Attachment A. Below is an overview of each element of the ordinance.

ANALYSIS

Staff recommends interim changes to Title 16 – *Subdivision Regulations* and Title 17-*Zoning Regulations* of the Ketchum Municipal Code related to the following:

- Minimum residential densities
- Consolidation of lots
- Net loss of units
- Retail parking exemptions
- Conditional Use Permits for projects with density bonuses

Staff initially recommended a change to the definition of “dwelling, multi-family”, but no longer recommends a change to this definition. After a deeper review of how an update to the definition would impact all zone districts, it was determined that a change would create zoning interpretation issues within the GR-L, LR, and LI zone districts requiring a much more extensive set of text changes. Staff believe the goals are effectively addressed in the short term with the code changes proposed.

Below is an overview of the proposed standards, goal of the proposal, and any additional data or information staff used to develop the recommendation. It is important to note that no change in building height or increase in allowable floor area ratio (FAR) is being proposed at this time.

Ordinance Section 4 - Minimum Residential Densities

Goal: Increase the supply of housing and number of new residential units constructed in appropriate high density and select commercial zone districts as guided by the comprehensive plan.

Not all zone districts, particularly low-density residential districts, need minimum density requirements to achieve the goals of the comprehensive plan. Staff is not recommending minimum residential density requirements for the General Residential – Low Density (GR-L), Limited Residential (LR, LR-1, and LR-2), Short Term Occupancy (STO-1, STO-4, and STO-H), Light Industrial (LI, LI-2, and LI-3), Recreation Use (RU), and Agricultural and Forestry (AF) zone districts. Staff proposes minimum residential densities in the Community Core (CC-1 and CC-2), Tourist (T, T-3000, and T-4000), and General Residential – High Density (GR-H) zone districts. Staff also recommends some flexibility in the minimum density requirements by allowing the densities to be adjusted with approval of a Conditional Use Permit (Section 5 of the Ordinance).

To develop a sound recommendation for consideration by the Commission, staff analyzed sample data from constructed projects in each zone district and land use designations in the 2014 Comprehensive Plan. Below is additional information on how these pieces of information were used.

- Sample of constructed projects within each zone district – Staff selected a sample of constructed projects in each zone district representing a variety of densities, low and high. This data is site specific and based on actual lot area and number of units. Although the sample does not include all constructed projects within a zone district, the data clarifies and quantifies what exists today and the range of development possibilities. Detailed data of constructed projects by zone district is included as Attachment E.
- Future Land Use Map Designation – The Future Land Use Map (FLUM) included in the 2014 Comprehensive Plan is the guiding document for future land uses and intensities of those uses when changes occur. The FLUM designates future land uses for every property within the City. Examples of designations include low, medium, and high density residential as well as “Commercial/Employment”. It is important that the targeted minimum density is consistent with what the FLUM states is the desired future use. Although specific density targets are not included in the Plan, except for low density residential, the Plan identifies primary and secondary uses and those were used to identify appropriate density targets. Staff compared the current zone districts within the city with the FLUM

designation to ensure that proposed densities are appropriate. See Attachment G for the zone district and FLUM comparison.

In addition to the information above, staff analyzed data from previous efforts conducted by the city and developed additional development scenarios specific to the Community Core zone district:

- 2017 Love Schack Architecture Parking and Development Analysis – The city contracted with the architectural firm to evaluate how parking requirements impact development in the community core. The analysis was utilized by staff, the Commission, and City Council when determining the parking incentives and parking requirements for development in the downtown that are in place today. The analysis included development scenarios for a variety of project types including 100% residential and mixed-use, with or without underground parking. Staff believes these examples are still valid and can assist in the establishment of minimum density requirements downtown. These examples were not used in the development of minimum densities for the T or GR-H zone districts. Please see Attachment D for the full analysis.
- Development scenarios conducted by staff - As the Love Schack scenarios did not contemplate more than one floor of commercial, staff evolved the base assumptions of the Love Schack model to project scenarios of projects with 30%, 60%, and 80% commercial square footage. This analysis is important to understand what impact increased commercial space has on residential density potential. The model assumes on-site community housing, average unit size of 1,200 square feet, surface parking on the rear of the ground floor, and 15% of square footage dedicated to common areas and mechanical systems. The mixed use development scenarios can be found in Attachment F.

Below is an overview of each zone district where minimum densities are proposed and why the density target was chosen:

Community Core (Subdistricts 1 and 2)

The comprehensive plan designates the Community Core as “Retail Core” and “Mixed Use Commercial” mirroring the current CC-1 and CC-2 zone districts. Both designations identify the primary use of commercial, but state that residential can be appropriate on upper floors in both designations. As such, it is important to not hinder commercial development with minimum residential density requirements. As shown in Table 1, staff recommends a minimum residential density for projects that are 100% residential, and different minimum residential densities for mixed-use projects depending on the amount of commercial square footage. Commercial square footage is calculated as amount of “net leasable area”.

Table 1: Recommended Minimum Residential Densities for CC district (units/SF)

CC Subdistricts 1 and 2	100% Residential Development			
	9 units / 5,500 SF			
	Mixed Use Development			
	≤ 30% Commercial	31-60% Commercial	61-80% Commercial	≥ 80% Commercial
	5 units / 5,500 SF	3 units/ 5,500 SF	1 units / 5,500 SF	No Minimum

Since 2018, following changes to the parking standards to facilitate smaller units, restaurant and retail uses, the city has approved 11 projects including five that are 100% residential and six that are mixed use. All approved projects are either under construction or have been completed by the date of this report. Table 2 provides an overview of the residential densities for the 11 projects in the community core. Densities are listed as units per standard Ketchum Townsite lot (5,500 square feet).

Table 2: Approved Project Densities 2018-2021 (units/5,500 SF)

Project Type	High	Low	Average	Median
100% Residential	20	5	11	7
Mixed-Use	7	1	4	4

The mixed-use projects outlined above included a range of commercial square feet from 16-62% commercial with an average of 32% commercial space.

The Love Schack development scenarios included in Attachment D outline mixed use and 100% residential projects that can be achieved under the city's current parking requirements. The scenarios assume only ground floor commercial and surface parking on single Ketchum Townsite lots. The development scenarios outline that the following densities can be achieved and parked under the current code.

Table 3: Love Schack Development Scenarios – Ketchum Townsite Lots

Project Type	Density
100% Residential	6-11 units
Mixed Use*	13-14 units

The last data point used by staff are development scenarios for mixed use projects with varying amounts of commercial square footage as shown in Table 4. The densities shown reflect a range as there is 1,169 square feet of community housing required, which could result in one or two units depending on unit size.

Table 4: Residential Density Scenarios for Mixed Use Projects

	30% Commercial	60% Commercial	80% Commercial
Residential Density	6-7 units	4-5 units	2-3 units

As demonstrated above, there are a variety of project types and development scenarios that can be achieved in the Community Core. Staff believe the recommended minimum densities take into consideration the various constraints of a property such as lot size and parking. Staff also believe that the minimum densities encourage the development of more units and variety of unit types and sizes, when using the parking incentives.

Tourist Zone Districts (T, T-3000, and T-4000)

The comprehensive plan designates the Tourist zone districts as either “Commercial/Employment” or “High Density Residential” except for T-3000 which is designated “Medium Density Residential”. The Commercial/Employment category is only present in the T zone district and mimics many of the characteristics of the Mixed-Use designation in the Community Core, however, commercial spaces should be geared towards visitors. There are a variety of residential unit types, and the current development pattern is similar to a residential district, therefore, the densities should not be as high as those in the Community Core.

As shown in Table 5, staff recommends minimum residential densities for residential and mixed-use projects in the T zone district, but mixed-use projects are not contemplated for the T-3000 and T-4000 zone districts. It is important to note that the residential densities outlined are per 10,000 square feet of land, not per Ketchum townsite lot. This is because the standard Ketchum Townsite lot is only found in the Community Core and would not be a reasonable unit of measure for other areas of town.

Table 5: Proposed Minimum Residential Densities for Tourist Zone Districts (units/SF)

T	100% Residential Development 9 units / 10,000 SF			
	≤ 30% Commercial 5 units / 10,000 SF	31-60% Commercial 3 units / 10,000 SF	61-80% Commercial 1 unit / 10,000 SF	≥ 80% Commercial No Minimum
T-3000	5 units / 10,000 SF			
T-4000	10 units / 10,000 SF			

The proposed residential densities above were developed by analyzing a range of projects within these zone districts and reviewing the targeted future land use for the zone district. As shown in Table 6 below, a variety of densities exist in these zone districts today, including projects with densities over 10 per 10,000 square feet.

Table 6: Actual Project Densities by Zone District (units/10,000 SF)

Zone District	High	Low	Average	Median
Tourist	12	1	5	5
T-3000	7	3	4	4
T-4000	2	1	1	1

The T-4000 zone district is unique as it is currently made up of one single family subdivision and one large piece of vacant land. The Comprehensive Plan designates this zone district as “High Density Residential”. This is likely to ensure that when the vacant property is redeveloped, that the product is high density residential rather than a continuation of the single-family pattern of development.

GR-H Zone District

The comprehensive plan designates the GR-H zone district as “High Density Residential”. Staff recommend a minimum residential density of 10 units per 10,000 square feet. Table 7 is an overview of what is present in the zone district today.

Table 7: Actual Project Densities (units/10,000 SF)

Zone District	High	Low	Average	Median
GR-H	6	2	4	4

As discussed in the introduction of this staff report, the GR-H zone district is the area where higher density projects have been replaced with lower density projects. These examples include the Bavarian Apartments with a density of 4 units per 10,000 square feet, replaced with three residential projects with a density of 1. The Wood River Raquet Club had a density of 8 units per 10,000 square feet, replaced for a project with a density of 3. Additionally, the GR-H zone district is an area where continued decrease in density has occurred in recent years. As shown in Attachment E, historic densities are double or triple the density of projects proposed in the past two to three years.

Staff believe a minimum of 10 units per 10,000 square feet facilitates the development of high-density residential in a location designated for such development by the comprehensive plan and allows the city to build back the loss of residential units from previous redevelopments.

Ordinance Section 6 - Consolidation of Lots

Goal: Limit the loss of existing housing stock and preserve future development potential on vacant lots.

As discussed at the February 15, 2022, meeting with the Commission, consolidation of lots can be an effective way to achieve the minimum densities proposed above as it provides more land area and potential for more efficient building design or use of space. Staff proposes that consolidation of lots be permitted, with additional review standards, in all zone districts except for the GR-L, STO, and LR zone districts. These zone districts do not have proposed minimum densities and therefore consolidation of lots to achieve density requirements is not applicable. Additionally, prohibiting consolidation of lots in these zone districts limit the loss of development potential or reduction in existing housing stock.

Staff recommend the following for consolidation of lots in zone districts where permitted:

- Consolidation applications no longer processed through the Readjustment of Lot Lines process to ensure review by the Commission
- Addition of approval criteria to ensure all consolidations conform with development or building permit approvals, zoning regulations, and the comprehensive plan.
- Final Plat approval for consolidation of lots cannot be complete until the associated project is complete

Ordinance Section 7 - Net Loss of Units

Goal: Prevent loss of residential units to ensure the total number of residential units in the city does not decrease.

Loss of units can occur through the consolidation of existing units such as duplexes or condos into one unit, or demolition of an existing structure and replacement with new development that provides less units than previously existed on the property. To limit the consolidation of units and ensure the number of units existing on a property does not decrease, staff recommends that no project can result in the net loss of residential units on a property. The best way to implement this requirement is to evaluate proposed projects upon receipt of a demolition permit. Not all projects require Design Review approval, but in both scenarios mentioned above, a demolition permit is required.

Staff recommends that no demolition permit be issued which results in a net loss of residential units and that all demolition permits must be submitted with a building permit application for a replacement project. This approach is similar to the review and approval of demolition permits on structures that are older than 50 years.

For properties in zone districts with minimum density requirements, number of units may be dictated by the minimum density or the number of existing units. Below are two examples that illustrate how the regulations work together:

- If a property contains two units in a zone district where a minimum of five units are required, redevelopment of the project must include five units.
- If a property contains eight units in a zone district where a minimum of five units are required, redevelopment of the property must include eight units.

Ordinance Section 8 - Parking Exemptions

Goal: Incentivize the development of retail space within all subdistricts of the Community Core zone district.

The city updated the parking standards for the CC and Tourist zone districts in 2017. As an incentive to provide retail space in new development, no parking was required for retail space less than 5,500 square feet. The 5,500 square foot threshold was established to prevent big box or single tenant large volume retailers from

locating in the downtown. The present code language is inhibiting inclusion of multiple retail spaces at or under 5,500 square feet from being included in projects.

To provide greater flexibility and encourage multiple smaller retail spaces in a project, staff recommend the parking exemption for retail space less than 5,500 square feet be applied on a per retail unit basis, not total net leasable square footage of the project. This approach would encourage further development of retail uses on the ground floor of larger projects.

Ordinance Section 9 - Conditional Use Permits

Goal: Provide the Commission the ability to ensure all projects receiving a density bonus contribute not only to community housing, but to the vibrancy of the community and the economic stability of Ketchum.

Staff recommends a Conditional Use Permit (CUP) be required for projects exceeding the base floor area ratio (FAR) outlined in Section 17.124.040 of the KMC and as shown below in Table 8.

Table 8: Floor Area Ratio Maximums by Zone District

Districts	Permitted Gross FAR	Inclusionary Housing Incentive
GR-H	0.5	1.4
T	0.5	1.6
T-3000	0.5	1.6
T-4000	0.5	1.6
CC	1.0	2.25

Staff also recommends a Conditional Use Permit for conversion of commercial space into residential space in the above listed zone districts. Currently, the Commission only has oversight of the design review criteria for projects which does not address mix of uses which is a key ingredient for ensuring a vibrant and active downtown and tourist areas. To provide clarity to applicants and more certainty in the project review process, the Commission asked to establish a policy statement outlining goals and expectations for projects within the Community Core. Staff prepared a policy document included as Attachment B for consideration.

Although some members of the Commission recommended a higher threshold for the CUP than what is proposed, staff recommends the threshold for CUP be consistent with the density bonus program to reduce confusion. The density bonus threshold is what delineates discretionary review from what is allowed by-right. It is important to provide a consistent benchmark for the development community of when certain rules apply.

STAFF RECOMMENDATION

Staff request the Commission consider the information above and make a recommendation on the proposed ordinance and draft conditional use permit policy statement. Although a hearing with the Commission is not required for the ordinance, staff recommends the Commission make a recommendation to the City Council.

ATTACHMENTS:

- A. Emergency Ordinance 1234
- B. Policy Statement for Community Core, Tourist, and GR-H Projects
- C. Staff Memorandum – February 15, 2022
- D. Love Schack Architecture Analysis
- E. Zone District Density Data
- F. Mixed Use Development Scenarios
- G. Comprehensive Plan Zone District Comparison
- H. Public Comment

Attachment A:
Emergency Ordinance 1234

ORDINANCE 1234

AN EMERGENCY ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, FINDING AN IMMINENT PERIL TO PUBLIC HEALTH, SAFETY, OR WELFARE EXISTS AND THE NEED TO IMMEDIATELY IMPLEMENT REVISED DEVELOPMENT STANDARDS THAT REQUIRE MINIMUM RESIDENTIAL DENSITIES IN CERTAIN ZONE DISTRICTS; REGULATE THE CONSOLIDATION OF LOTS IN CERTAIN ZONE DISTRICTS; PROHIBIT THE REDUCTION OF DWELLING UNITS IN CONJUNCTION WITH DEVELOPMENT PROJECTS REQUIRE A CONDITIONAL USE PERMIT FOR CERTAIN DEVELOPMENT PROJECTS IN THE COMMUNITY CORE (CC) ZONE DISTRICT; AND CLARIFY PARKING REQUIREMENTS FOR RETAIL USES IN THE CC ZONE DISTRICT; PROVIDING FOR PUBLICATION BY SUMMARY; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR AN EFFECTIVE DATE AND A SUNSET DATE.

WHEREAS, Idaho Code Section 67-6523 authorizes local jurisdictions to enact emergency ordinances when the local governing board finds imminent peril to the public health, safety, or welfare; and

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

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

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

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

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

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

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

WHEREAS, in addition to the 475 housing units lost, the Housing Action Plan Summary and Findings identify the need to build, convert, or stabilize between 65 and 100 housing units

annually in the City to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy; and

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

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

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

WHEREAS, the City Council, Planning and Zoning Commission, and Ketchum Urban Renewal Agency determined at a joint meeting on February 8, 2022, that immediate action to address housing issues within the City were necessary; and

WHEREAS, staff presented options for addressing housing issues to the Planning and Zoning Commission at a special meeting on February 15, 2022; and

WHEREAS, the Planning and Zoning Commission reaffirmed the urgent need for solutions to address housing issues; and

WHEREAS, the traditional development season is imminent and there is an immediate necessity to provide development applicants with some certainty on standards sooner than later; and

WHEREAS, the provisions of this ordinance are temporary in nature and shall expire one hundred and eighty-two (182) days after the adoption of this emergency ordinance; and

WHEREAS, during the pendency of this emergency ordinance, the City will pursue a public process to explore the development and creation of an interim ordinance and/or permanent ordinance to further formalize the changes proposed in this emergency ordinance.

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

Section 1. Finding of Imminent Peril to the Public Health, Safety and Welfare. The City Council hereby finds that an imminent peril to the public health, safety and welfare exists caused by the permanent loss of land in Ketchum available to house the local workforce and provide a mixture of commercial uses necessary to support the Ketchum economy based on the following:

- a. Businesses in the Community Core are closing or reducing business hours due to a lack of workers.
- b. Commercial, entertainment, retail and restaurant use in the Community Core are essential to the economic vitality and public health, safety and welfare of the residents and visitors to the City.

- c. Each time a project is developed with low density residential, similar to single family dwellings, or with limited commercial use, the City permanently loses the potential to develop such property for higher density residential or projects containing commercial, entertainment, restaurant or retail uses.
- d. The permanent loss of properties that could otherwise be development for higher density residential or commercial uses, threatens the economic vitality of the City, threatens to permanently impair, or reduce revenue to support city operations and essential services without limitation, fire, police, emergency medical, and snow removal.
- e. If the upcoming development season proceeds without more immediate revisions to development standards, then the negative impacts and harms listed above will be further exacerbated in a nonreversible way.
- f. The City finds it requires sufficient time to study and review the public health, safety, and welfare concerns as identified above and adopt interim standards while the review is underway.

Section 2. The following interim regulations and standards apply to applications filed pursuant to Title 16 - Subdivision Regulations and Title 17 - Zoning Regulations. Wherever any provision in Title 16 or Title 17 or any other ordinance, rule or regulation of any kind contain standards covering the same subject matter, the standards of this Ordinance shall apply.

Section 3. All zoning districts referenced in this ordinance are pursuant to Ketchum Municipal Code (the “KMC”) Chapter 17.18 – *Zoning Districts* and abbreviated as referenced. All terms in this ordinance are defined in Section 17.08.020 – *Terms Defined* and 16.04.020-*Definitions* of the KMC with the addition of the following:

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

Section 4. There shall now be minimum residential densities for multi-family and mixed-use developments in certain zone districts within the City as follows:

Zone District	Minimum Residential Density Required (units/SF)			
CC Subdistricts 1 and 2	100% Residential Development 9 / 5,500			
	Mixed Use Development			
	≤ 30% Commercial 5 / 5,500	31-60% Commercial 3 / 5,500	61-80% Commercial 1 / 5,500	≥ 80% Commercial No Minimum
T	100% Residential Development 9 / 10,000			
	Mixed Use Development			
	≤ 30% Commercial 5 / 10,000	31-60% Commercial 3 / 10,000	61-80% Commercial 1 / 10,000	≥ 80% Commercial No Minimum

T-3000	5 / 10,000
T-4000	10 / 10,000
GR-H	10 / 10,000
GR-L	No minimum
LR, LR-1, and LR-2	No minimum
STO-1, STO-4, and STO-H	No minimum
LI, LI-2, and LI-3	No minimum
RU and AF	No minimum

Section 5. Minimum densities identified in Section 4 may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.

Section 6. There shall now be standards for the consolidation of lots. Additionally, there shall be a specific application type, process, and additional standards for the review and approval of the consolidation of lots as follows:

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

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

- B. The definition of “Readjustment of Lot Lines” in KMC Section 16.04.020 - *Definitions*, also known as Lot Line Shifts, shall no longer include the “removal of lot lines”.
- C. Consolidation of lots may only be considered pursuant to the requirements and standards of KMC Section 16.04.030 – *Procedure for Subdivision Approval*.
- D. All preliminary plat applications for consolidation of lots shall be submitted concurrent with a building permit application or land use development application as applicable.
- E. The final plat for consolidation of lots shall not be signed by the City Clerk and recorded until the development has received one or both of the following as applicable:
 - 1. A certificate of occupancy issued by the City of Ketchum; and

2. Completion of all design review elements as approved by the Planning and Zoning Administrator.
- F. In addition to KMC Section 16.04.040, all preliminary plat applications for consolidation of lots shall comply with the following criteria:
 1. The preliminary plat application is in conformance with all applicable building permit and land use development approvals.
 2. The preliminary plat application is in conformance with all applicable Zoning Regulations contained within Title 17 – Zoning Regulations.
 3. The preliminary plat application is found to be in conformance with the comprehensive plan in effect at the time the application was deemed complete.

Section 7. No demolition permit shall be issued pursuant to Chapter 15.16 of the KMC that results in the net loss in the total number of residential units currently existing on a property as of the effective date of this ordinance. The following standards apply to all properties within the City:

- A. Development of property, in any zone district, may not result in the net loss of dwelling units.
- B. Total number of dwelling units shall be calculated including all listed or defined dwelling unit uses and terms in the KMC such as, but not limited to, “dwelling, one family”, “dwelling, multi-family”, “dwelling unit, accessory”, and “work/live unit”.
- C. No demolition permit shall be issued for any structure until a building permit application for a replacement project on the property and required fees have been accepted by the City and deemed complete.

Section 8. There shall be no parking required for individual retail spaces of 5,500 square feet or less within the Community Core (CC) and Tourist (T) zoning districts.

Section 9. A Conditional Use Permit (CUP), as stipulated in KMC Chapter 17.116, is required for all development projects that:

- a. Exceed a 1.0 floor area ratio (FAR) within Subdistrict 1 and Subdistrict 2 of the CC zone district and a 0.5 FAR in the T, T-3000, T-4000, and GR-H zone districts.
- b. Change of use resulting in a conversion of commercial square footage to residential square footage.
- c. No fee shall be charged for Conditional Use Permit applications submitted concurrent with Design Review applications with FAR exceedance.

Section 10. This ordinance shall be in full force and effect from and after its passage and approval and shall remain in effect for a period not to exceed one hundred and eighty-two (182) days from its effective date, pursuant to Idaho Code Section 67-6523.

Section 11. The notice and hearing requirements generally applicable to ordinances are not practical in light of the emergency nature of this ordinance, and therefore this ordinance will be heard under an abbreviated notice process pursuant to Idaho Code Section 67-6523.

Section 12. Pursuant to the affirmative vote of one-half (1/2) plus one (1) of the

members of the City Council, the rule requiring two (2) separate readings by title and one (1) reading in full be waived, and the same is hereby dispensed with, and accordingly, this emergency ordinance shall be in full force and effect immediately upon its passage and approval.

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

APPROVED:

Neil Bradshaw, Mayor

ATTEST:

Tara Fenwick, City Clerk

Attachment B:

Policy Statement for
Community Core, Tourist, and
GR-H Projects



City of Ketchum Planning & Building

PLANNING AND ZONING COMMISSION POLICY STATEMENT

Goals for Successful Development in the Community Core, Tourist, and High-Density Zone Districts

The city adopted Emergency Ordinance 1234 which requires a Conditional Use Permit for any project taking advantage of the density bonus program outlined in Ketchum Municipal Code Section 17.124.040 – *Floor area ratios and community housing*. The goal of the Conditional Use Permit is to ensure that all projects receiving a density bonus contribute not only to community housing, but to the vibrancy of the community and the economic stability of Ketchum. The 2014 Ketchum Comprehensive Plan outlines future land uses for each zone district in Ketchum which were codified in 2015 when the zoning regulations were updated to include stated purposes for each zone district. To provide additional clarity to the development community, the following information outlines the purpose of each zone district and outlines the expectations and type of projects encouraged by the Planning and Zoning Commission.

Community Core (CC-1 and CC-2)

Zoning Ordinance Purpose

The purpose of the CC community core district is to promote a compact and cohesive center of commerce and culture, to promote an attractive and safe pedestrian environment which includes sidewalks, gathering spaces, streetscape amenities and landscaping, to retain the unique small-town scale and character and to encourage buildings which respect Ketchum's historical and geographic context while providing diversity. Compatible mixed uses including retail, office, residential and cultural uses are encouraged. Commercial uses are concentrated in the CC District which is consistent with the City's comprehensive plan and the downtown master plan.

Successful projects in the Community Core - Retail Core subdistrict have:

- Maximized ground floor restaurant and retail uses with outdoor public amenities such as outdoor seating and dining.
- Upper floors of primarily office use and minimal residential.
- On-site community housing.
- Parking allocations that do not exceed minimum parking requirements.
- Underground or tuck under parking for projects on more than one Ketchum Townsite Lot.
- Below grade uses limited to storage, mechanical, and parking.

Successful projects in the Community Core - Mixed Use subdistrict have:

- Maximized ground floor restaurant and retail uses with outdoor public amenities such as outdoor seating and dining.
- Primarily active commercial on the ground floor such as retail, restaurants, recreation, health/wellness services, and government.

- Commercial uses, such as office, on the upper floors. Limited office uses on the ground floor but should not be fronting the street.
- Below grade uses limited to storage, mechanical, and parking. Placement of commercial or residential uses below grade is not appropriate.
- Parking allocations that do not exceed minimum parking requirements.
- Underground parking for projects on more than one Ketchum Townsite Lot.
- Upper floors primarily contain commercial or residential uses.
- On-site community housing.
- 100% residential projects have strong connection to the street such as individual entrances to each ground floor residential unit and non-privatized outdoor common areas.

Tourist (T)

Zoning Ordinance Purpose

The purpose of the T Tourist District is to provide the opportunity for high density residential and tourist use, land ownership and development including certain restricted business and personal service establishments in conjunction with such use, which can be justified on the basis of the primary use within the district. Tourist district classifications are intended to be carefully placed in the neighborhood structure to assure the closest possible compatibility with the surrounding uses and development. Dimensional requirements in this zone are designed to complement and enhance the neighborhoods in this zone, and to encourage articulation and quality design in new buildings. The tourist zone contains several distinct areas, including the Entrance Corridor, Second Avenue, River Run, Warm Springs Base Area and Saddle Road.

Successful projects in the Tourist zone district have:

- High density residential projects with a variety of housing unit types and sizes
- On-site community housing
- Active non-privatized common areas
- Active and passive commercial uses and hotels focused on serving visitors and second homeowners
- Underground parking where feasible to maximize public gathering areas

T-3000, T-4000, and General Residential-High Density (GR-H)

Zoning Ordinance Purpose

GR-H: The purpose of the GR-H General Residential - High Density District is to accommodate the need for higher density residential land use alternatives within a district generally limited to residential uses while still preserving neighborhood amenities and favorable aesthetic surroundings.

Tourist-3000 and Tourist-4000: The purpose of the T-3000 District is to provide the opportunity for short term tourist accommodations with limited tourist support services subordinate to and in conjunction with tourist housing. Dimensional requirements in this zone are designed to complement and enhance the neighborhoods in this zone and to encourage articulation and quality design in new buildings.

Successful multi-family residential developments have:

- High-density residential projects with a variety of housing unit types and sizes within the entirety of a project
- On-site community housing
- Active non-privatized common areas

Attachment C:
Staff Memorandum –
February 15, 2022



City of Ketchum Planning & Building

STAFF REPORT KETCHUM PLANNING AND ZONING COMMISSION REGULAR MEETING OF FEBRUARY 15, 2022

INTRODUCTION

The City of Ketchum, like most of Idaho, has seen a tremendous amount of growth in the past two years. In 2021, the State of Idaho had the highest population growth in the United States, according to US Census estimates. The City of Ketchum's 2014 Comprehensive Plan is the guiding document to assist the city in decision making when addressing population growth and the systems that support that growth, such as housing, transportation, and the economy. Due to the dramatic increase in growth, exacerbated by COVID-19, some key issues identified in the plan such as the fostering of a vibrant downtown and the need to house the community's workforce have escalated.

The City of Ketchum is actively working on many key infrastructure projects and the development of a Housing Action Plan to ensure that the city can adequately support our growing community. Additionally, changes to the zoning regulations have been made over time to facilitate a vibrant downtown and development of high-density housing. Some of the changes include:

- Elimination of the Form Based Code to allow for more innovation and creativity in downtown development
- Reduction or elimination of parking requirements for certain types of uses in the community core
- Density bonus program to incentivize the development of housing in certain zone districts
- Increased building heights in the Community Core, from a three-story limitation to four stories subject to City Council approval.

Although some projects are meeting the overall intent of the changes, providing high density multi-family and mixed-use projects that contribute to the community, many development projects are not. Market conditions and land prices are driving the development of low density, large luxury single-family residences, penthouse units and low-density townhouses throughout the city. In the Community Core specifically, this results in very limited development of commercial square footage needed to support the economy within the downtown and provide the vibrancy the comprehensive plan envisions. Further, the trend for residential in the downtown consists of low-density single-family type condominiums for second homeowners. Over time, this results in dark streets with limited activity. Below is an overview of key issues and trends seen in current development projects not only in the Community Core, but throughout the city.

Identified Issues and Development Trends:

- **Loss of Housing/Density**
 - Removal of multiple units on a site and replacement with a project containing fewer units that previously existed. For example, there may be 2-3 units on a site that are being demolished and replaced with a project of 1-2 units.
 - Construction of fewer units in areas that are identified for high density development such as the Community Core, Tourist, and GR-H zone districts.
 - Loss of smaller more affordable units as a result of combining multiple residential lots for development of one large lot for one large single-family home.

- **Vibrancy in the Community Core**

- Development of 2-4 large single family condominium units on sites that can accommodate 5-7 units of varying sizes and affordability in the Community Core. The larger units are targeted for individuals who will not be full time residents in the downtown resulting in projects with little to no activity.
- Low inventory of commercial space in the Community Core for office and retail uses placing pressure on Light Industrial zone district for uses that are not permitted in the Light Industrial area.
- Low inventory of restaurant space limiting new restaurants and existing restaurants the ability to relocate or expand due to increase in size or displacement from redevelopment.
- Lack of public gathering spaces on the ground floor in the community core limiting opportunities for the community to gather

ANALYSIS

Currently, the Planning and Zoning Commission has no authority to review or modify mix of uses proposed in new development. The Planning and Zoning Commission's purview is limited to design review of the building.

To address the stated issues above, the Commission would need the authority to evaluate not only the design of a building but also the proposed mix of uses in a new development project. The mix of uses is a key ingredient for ensuring a vibrant and active downtown. The Commission has the authority to recommend changes to the City of Ketchum Zoning Regulations for consideration by the City Council. Staff believe there are a variety of short- and long-term regulatory changes that can be made. Below is an overview of proposed changes for consideration by the Commission.

As we enter a new development season, the Commission may want to consider immediate short-term measures that can be easily implemented while a longer-term solution is being developed. The other option is to focus on the longer-term solutions without interim measures in place. Staff would recommend the Commission consider recommending short term measures to be in place while the long-term measures are being reviewed and adopted.

Short Term

The following regulatory changes could be made through an emergency interim ordinance to immediately allow Commission review of the mix of uses in a new project, halt the loss of housing, and increase the density of proposed projects where appropriate.

1. **Require Conditional Use Permit for any project over 1.0 FAR in the Community Core.**

In order for the Commission to have review and approval authority over the mix and type of uses in a new project, there must be a permit required for review. In the short term, the Commission could require a Conditional Use Permit along with the Design Review Permit for any project over 1.0 FAR. This would allow the Commission to review new mixed-use projects to allow for site specific evaluation of the project's programming and how it achieves the desired vision for the downtown. This would be considered an interim step while the development of more specific program requirements is evaluated .

2. **Require minimum residential densities in the Community Core (CC), Tourist (T), and General Residential – High Density (GR-H).**

A minimum number of residential units based on the size of the lot could be set for each zone district based on an analysis of what the comprehensive plan envisions, what the zoning regulations allow for, and what has been constructed. Minimum densities would be different for 100% residential projects than for mixed-use projects with commercial and residential uses. Proposed projects would be required to include a minimum number of residential units

based on the lot area of the project. For example, on a Ketchum Townsite lot in the CC district with a Floor Area Ratio (FAR) bonus, a higher density project could accommodate 5-7 units of varying sizes where currently only two units are required.

3. Update the definition of “Dwelling, multi-family”

Currently, the zoning regulations define “dwelling, multi-family” as “Dwelling, multiple-family: A building, under single or multiple ownership, containing two or more dwelling units used for residential occupancy.” In most communities, this definition would be used to describe a “duplex” not a multi-family development. Today, a project within the community core or in the high-density districts (GR-H and Tourist), is only required to include two dwelling units to be qualified as multifamily development. Single family units are prohibited in the Community Core and to avoid this restriction, some projects propose two large units. The definition of multi-family could be updated to reflect a larger number of units. This change would apply to not only the CC district, but also multi-family projects in all T and GR-H zone districts.

4. Limit ability of consolidation of lots.

An increase in consolidation of lots has occurred over the past few years. In most zone districts, this results in larger lots with larger single-family homes. The same area could be utilized for a larger number of smaller homes, more reflective of the originally platted subdivisions. In some areas, such as the CC, T, and GR-H zones, consolidation of lots can be an effective way to achieve higher density on a project as it provides more land area and potential for more efficient building design. The code could be revised to limit the ability for consolidation of lots in low density residential areas and allow consolidation of lots in the CC, T, and GR-H minimum densities are met as discussed above. These projects would still be subject to design review to ensure the bulk, mass, and scale of the project is appropriate.

5. Prohibit reduction in total unit counts for redevelopment projects

The consolidation of lots sometimes comes with the demolition of existing housing stock. In one recent example, two adjacent lots, each containing a modest single-family cabin, were consolidated with the intention of demolishing the two cabins for construction of one larger single-family home. Additionally, the city has seen the conversion of attached duplexes into single family homes. The code could be revised to prohibit the reduction in the number of units on a property. This approach does not eliminate redevelopment of the property but would require that redevelopment of the property contain the same number or more of units that existed prior to redevelopment.

Long Term

Building on the foundation of the short-term changes, the following long-term changes can be considered. Implementation of these changes is more complex, requiring detailed analysis of the proposed change and potential impacts on infrastructure, community character, and other city policy initiatives. These changes should be developed through analysis and comprehensive community outreach before final decisions are made.

- 1. Reduce minimum lot sizes or shift to maximum lot sizes in certain residential zone districts.**
- 2. Increase the CC-1 district area within the Community Core to require ground floor commercial space on more properties.**
- 3. Include requirements for the mix and percentages of uses for mixed-use projects, prioritizing underground parking and differentiating between active and passive commercial uses.**
- 4. Disincentivize the creation of large residential units of a certain size in certain zone districts.**
- 5. Re-evaluate the base FAR to incentivize the types of projects desired in certain areas.**
- 6. Allow duplex or multi-family uses in all zone districts where appropriate.**

7. Evaluate current parking incentives to identify potential opportunities.

Implementation of short-term solutions allows the city to track effectiveness of proposed changes to determine if desired outcomes are achieved. This evaluation will inform the approach the city takes in implementing the long-term solutions and may result in additional long-term solutions being identified throughout the process.

STAFF RECOMMENDATION

Staff requests the Commission consider the information above and provide directions on the next steps. Staff believes implementation of short-term measures are critical to address the loss of vitality in the downtown, continued loss of residential housing and increase the density of projects.

1. Provide direction to staff on which of the short-term measures should be addressed.
2. Provide direction to staff on the process by which the short-term measures should be adopted.
An emergency interim ordinance addressing the short-term changes would minimize continued degradation of the issues and provide time for development of long-term regulatory changes. An emergency ordinance can be in effect for up to 182 days and is adopted by the City Council. After that an interim ordinance can be adopted for up to one year. During this time, staff can proceed with the preparation of a long term ordinance addressing the short-term changes; however, the long term changes will take more time to implement, and the immediate impact of the changes will be diminished.

ATTACHMENTS:

- A. None

Attachment D:

Love Schack Architecture
Analysis

How Parking Influences Development & Density, in Ketchum, Idaho.

Love Schack Architecture, P.C.
www.loveschackarchitecture.com

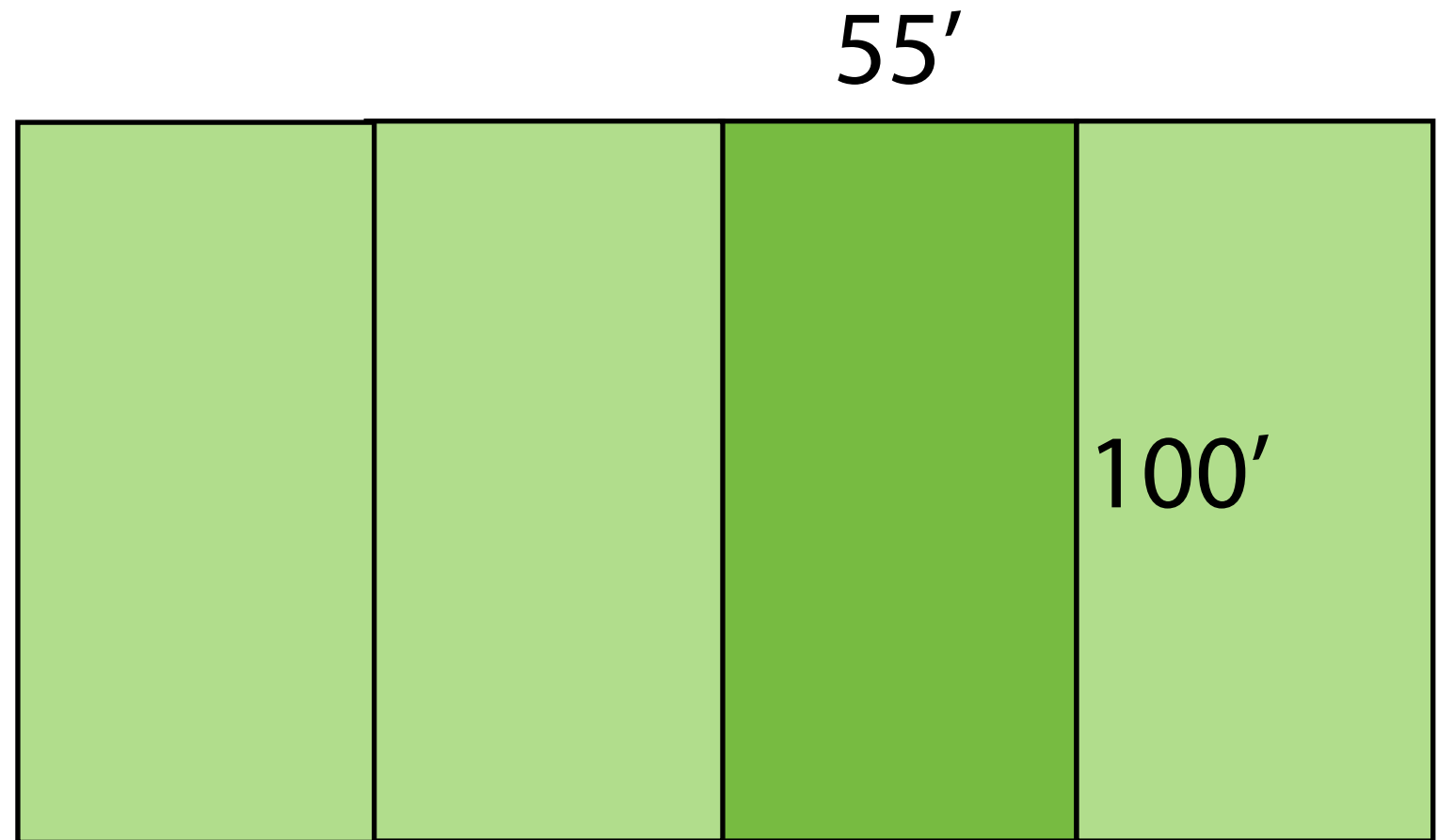


City of **Ketchum**



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Typical Property within the
Community Core is
55' x 100', or 5500 sqft area.



City of **Ketchum**

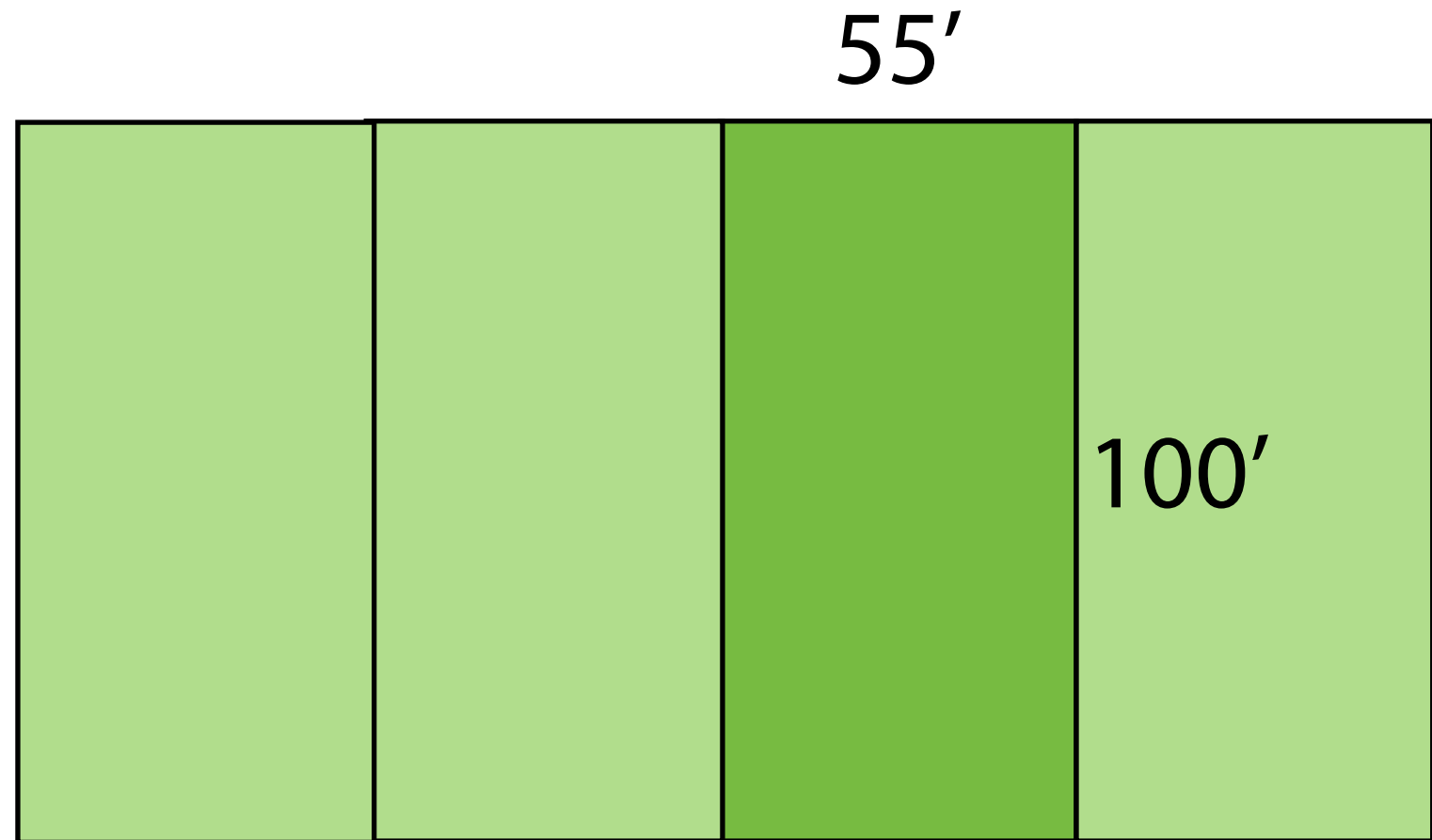


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ARCHITECTURE

What is the development potential?

In addition to local parking requirements, how do other components of Local Zoning and National Building Code impact the allowable density and viability of development?

What are the opportunities?



City of **Ketchum**



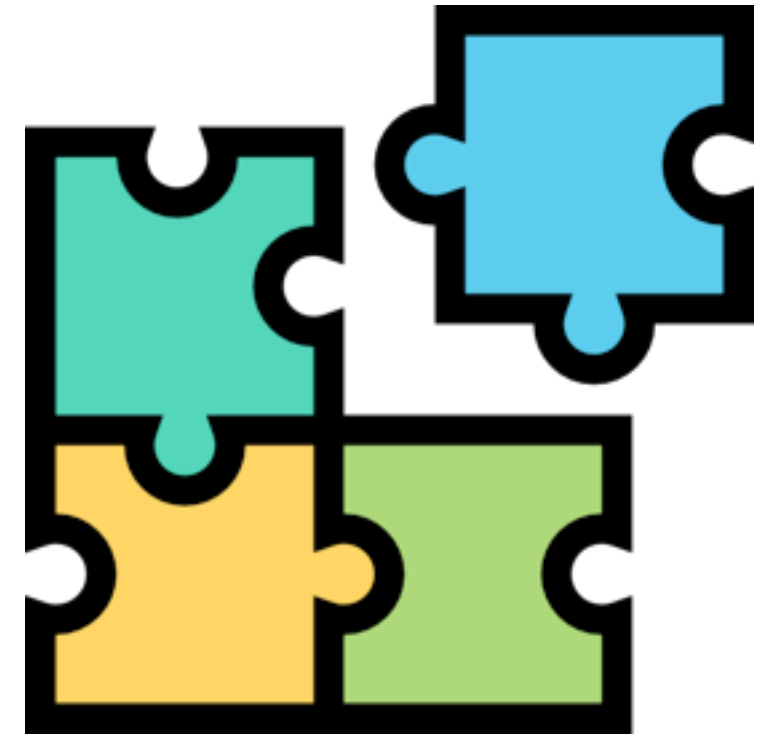
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ARCHITECTURE

Approach :

Code Review and Zoning Analysis with guidelines provided by the Ketchum Planning Department to objectively determine the maximum development potential. Five prototypes were developed.

Zoning Considerations :

- **Minimum Parking Requirements**
- **Density Bonuses for Community Housing**
- Lot Sizes
- Allowed Uses
- Setbacks
- Maximum Height



City of **Ketchum**



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Building Code, IBC 2012

Underground Parking Car Ramp Requirements Egress & Life Safety

Construction Type

Building Use & Occupancy

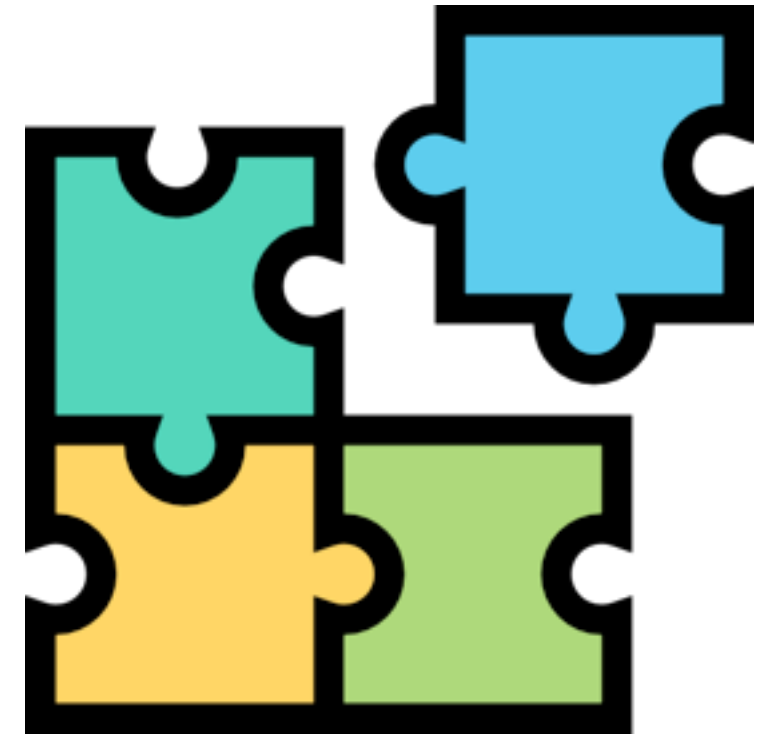
Allowed Footprint/Maximum Stories

Fire Sprinkler Requirements

Fire Rating for Exterior Walls & Allowed Adjacencies

Requirement of ADA Units

Requirement of ADA Parking Spaces



City of **Ketchum**



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Existing

based on *cumulative sq.ft.* of each use

residential = 1 car/1500 sq.ft.

commercial = varies:

- 1 car/100 sq.ft. of assembly in restaurants
- 1 car/500 sq.ft. of retail



* 4 on-street parking places are credited for commercial use, after 4 spaces provided on-site

0 parking req'd for CH



Proposed

residential = based on ranges of sq.ft., parking spaces are required per unit

commercial = varies:

- 1 car/1000 sq.ft. generally
- all restaurants exempt
- first 5,500 sq.ft. of retail exempt

*note: on-street parking credit remains available for developments providing on-site parking

0 parking req'd for ground level retail, up to 5,500 sq.ft., and restaurant

0 parking req'd for CH

0 parking req'd for small residential units

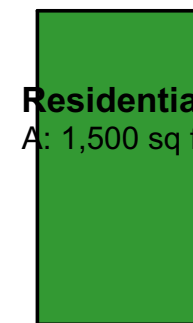
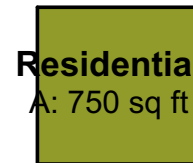
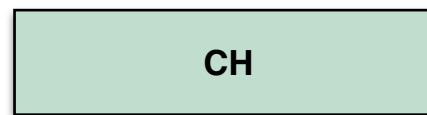
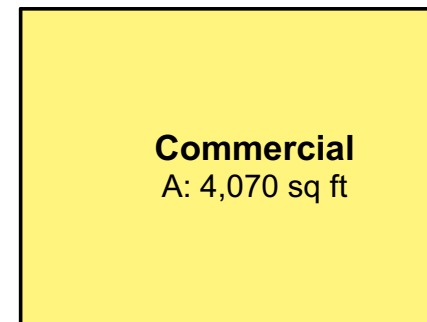
<750 sqft



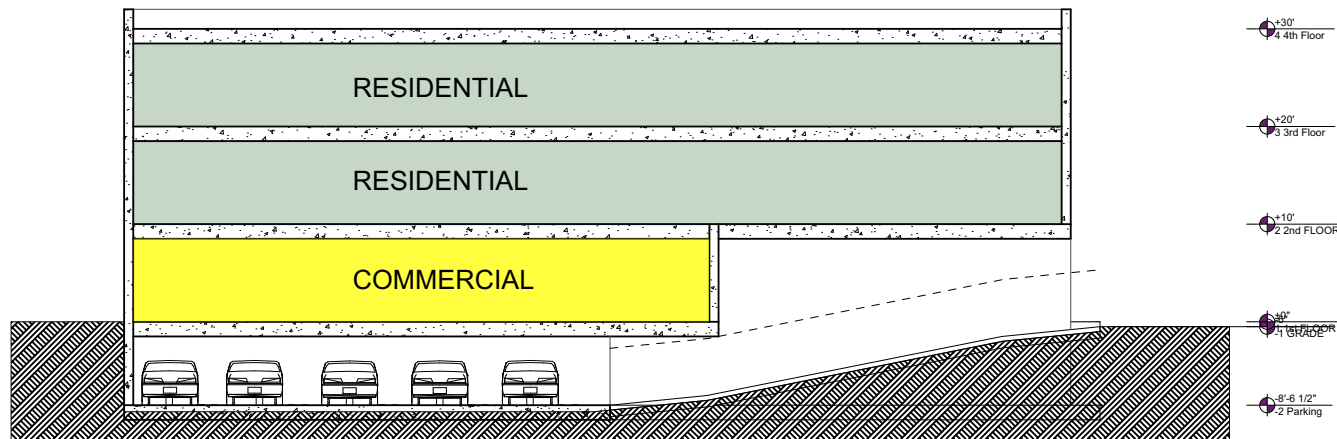
750-1500 sqft



1500+ sqft



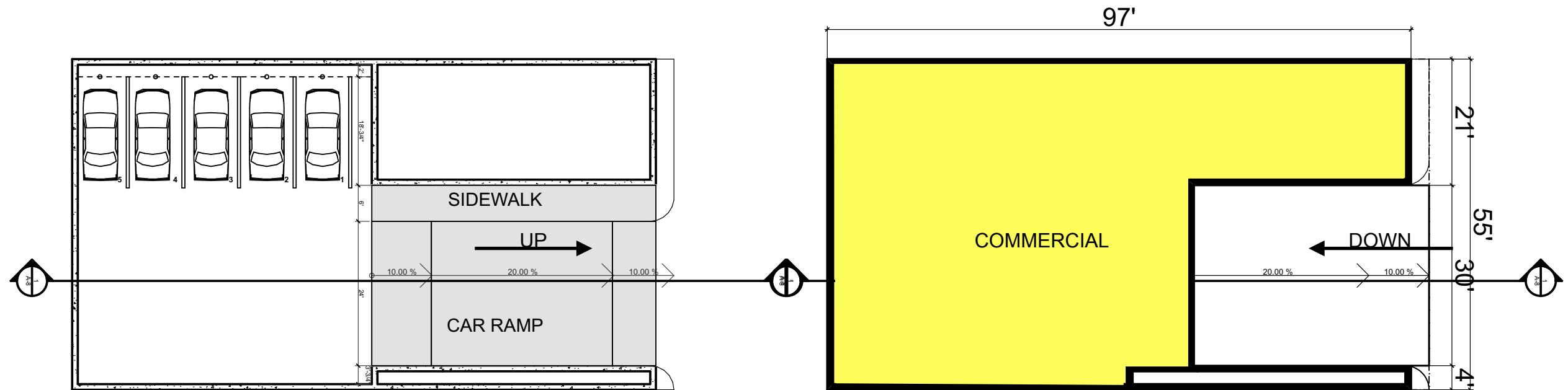
Underground parking \neq a solution for 1 lot



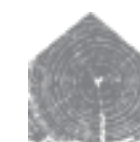
1 Building Section
SCALE: 1/16" = 1'-0"



**based on minimum head heights
allowed by code,
trucks and vans do not fit!*



City of **Ketchum**



FAR (Floor Area Ratio) =
developable square footage
(floor area) compared to square
footage of lot

When Community Housing (CH) is included in development, or when CH is met by payment-in-lieu of construction, a significant density bonus is added to the FAR.

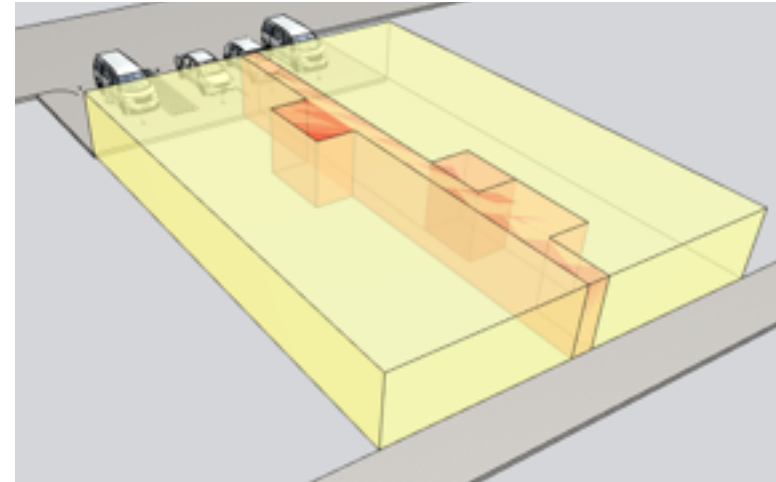
Example:

If a lot is 100' x 55' = 5500 sqft, including CH allows up to 12,375 sqft w/ an FAR of 2.25 to be developed

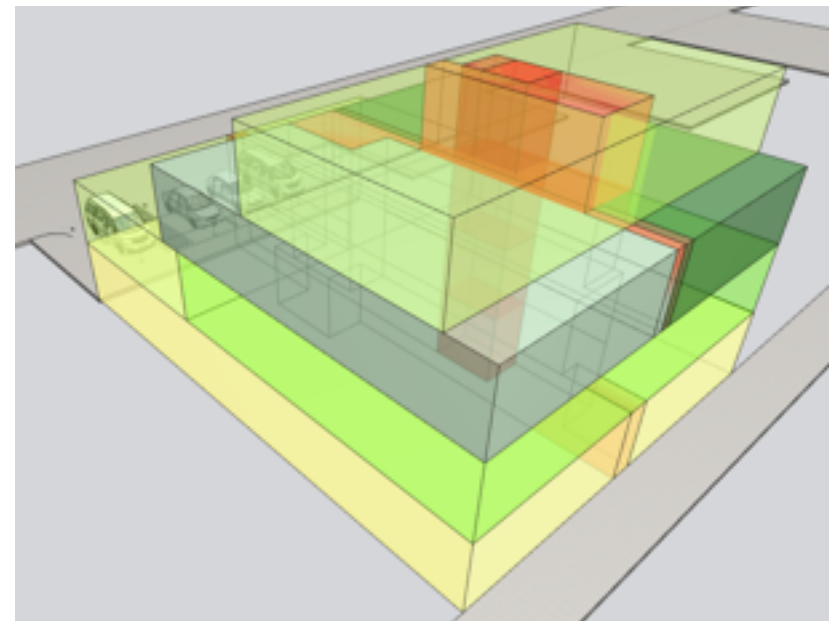
With an FAR of 2.25, 1375 sqft of CH is required, or a fee-in-lieu for 1,375 sq ft can be paid.

For the following development prototypes CH is included on site.

FAR 1.0



FAR 2.25

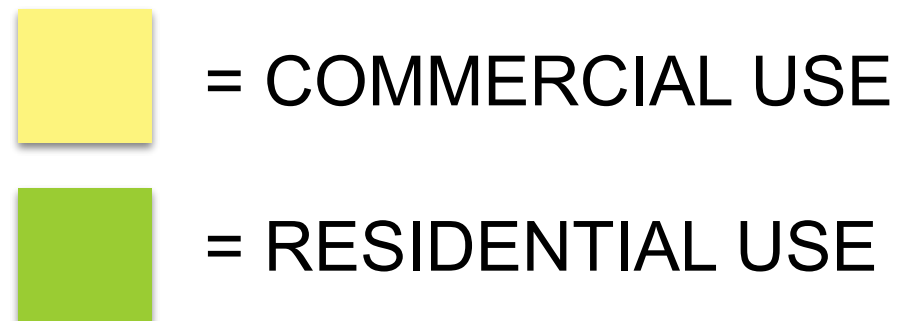
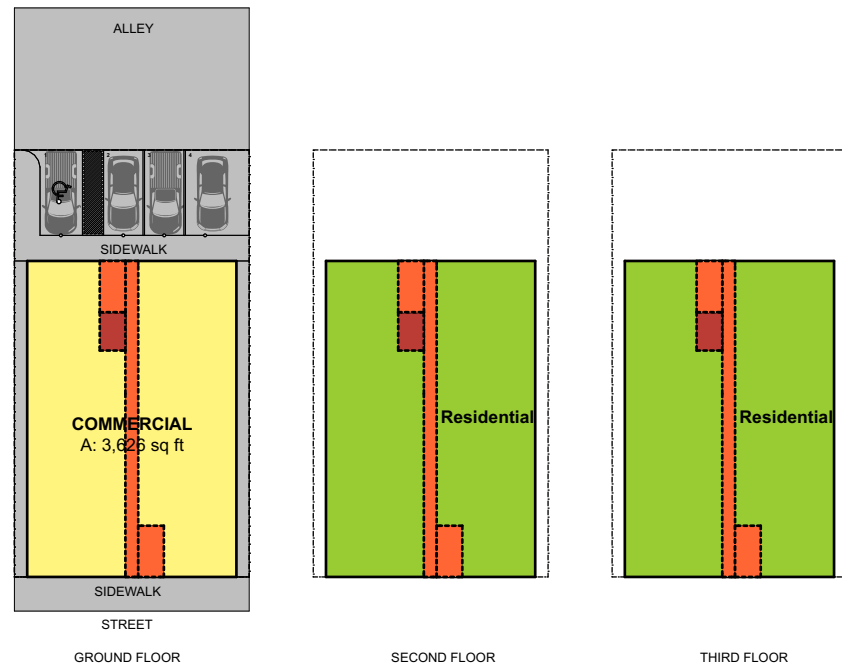


City of **Ketchum**

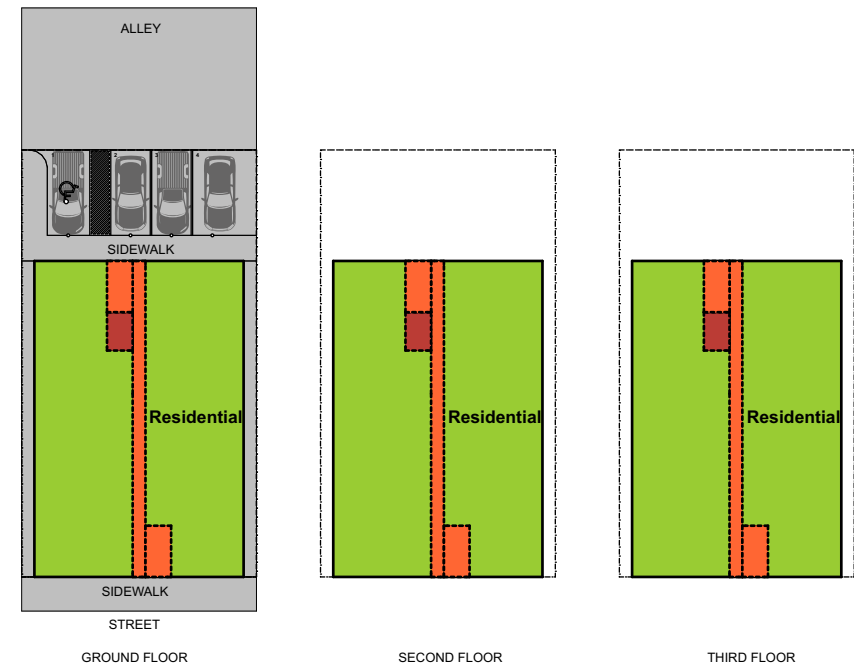


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ARCHITECTURE

Mixed Use defined by
ground floor being
100% commercial and
upper floors
residential.



Residential Only = all
units residential.



City of **Ketchum**

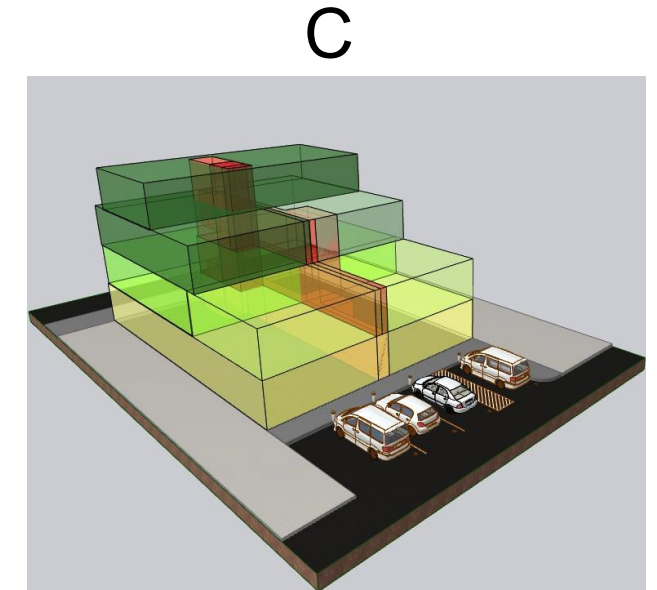
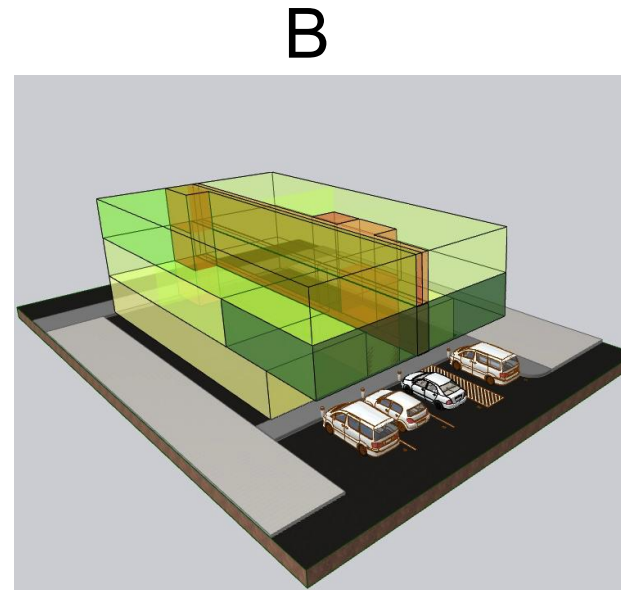
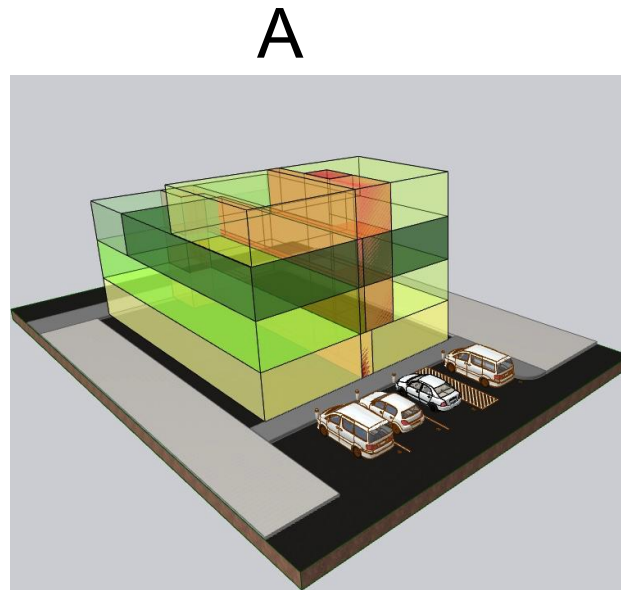


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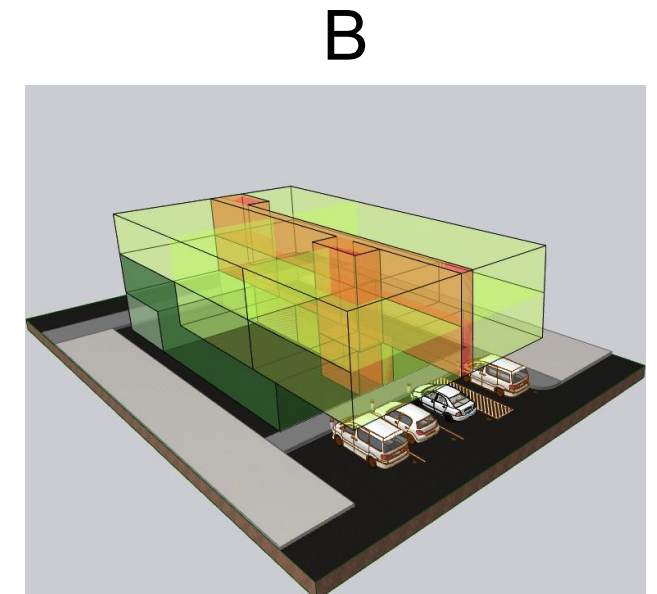
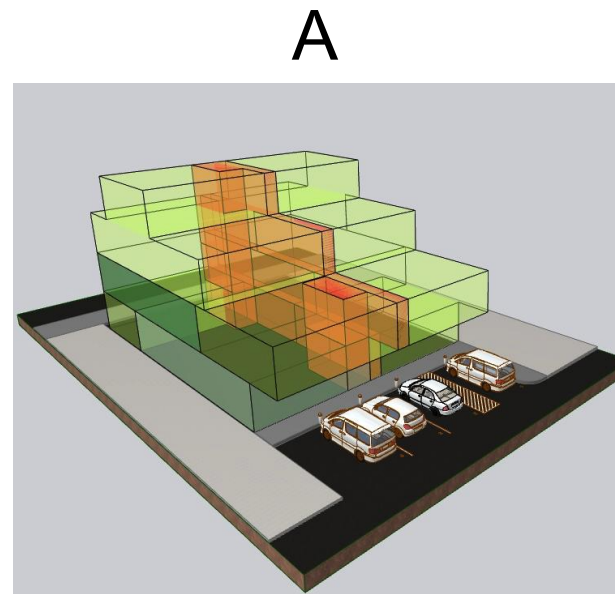
Floor Area Ratio (FAR) Scenarios

All Scenarios are 2.25 FAR
All Scenarios included the required 1,375 sq ft of CH on site.

MIXED USE OPTIONS



RESIDENTIAL ONLY OPTIONS



**we did not consider all of the potential options, but considered options with different priorities, i.e. maximizing commercial sqft on the ground level or avoiding side setbacks, or maintaining a simple rectangular building vs. keeping the height low, all the while, maintaining the full build-out of 12,375 sqft to achieve the maximum FAR of 2.25*



Mixed Use - Option A (12,375 sqft) 2.25 FAR

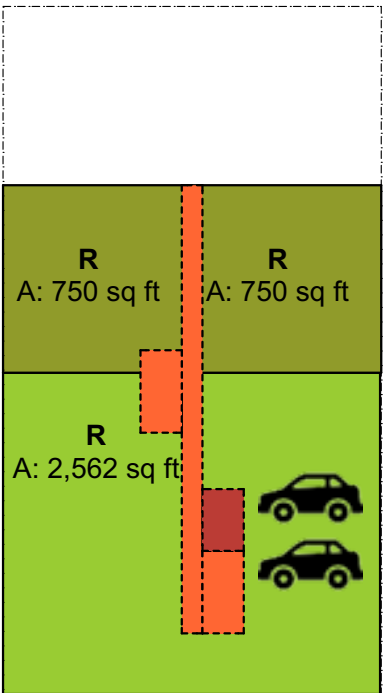
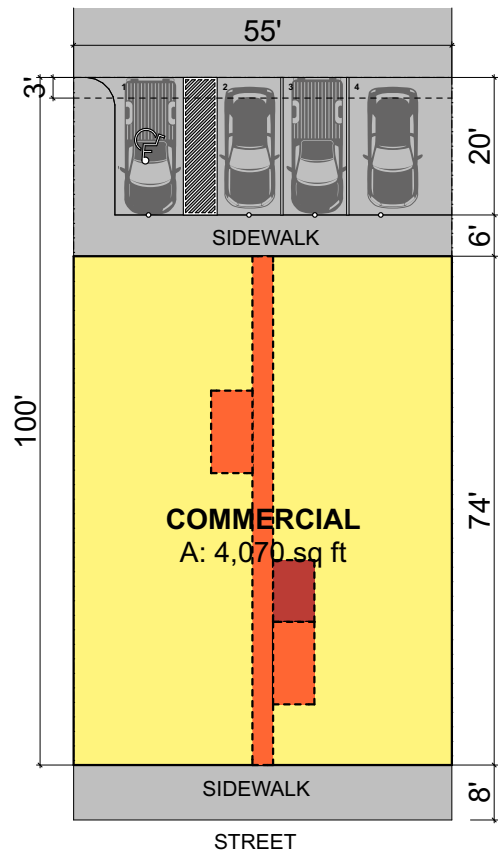
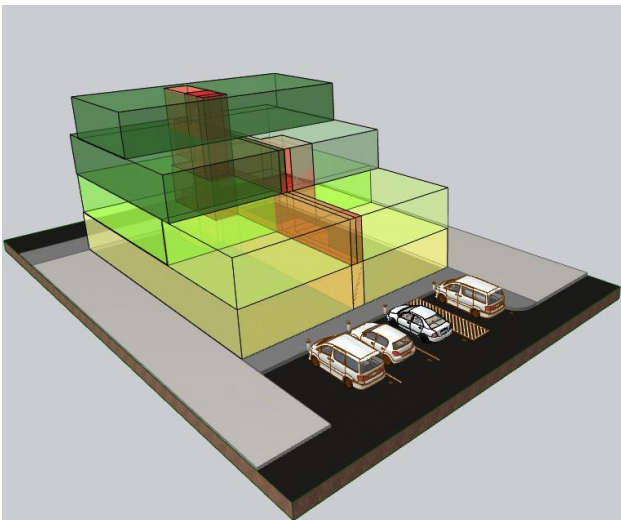
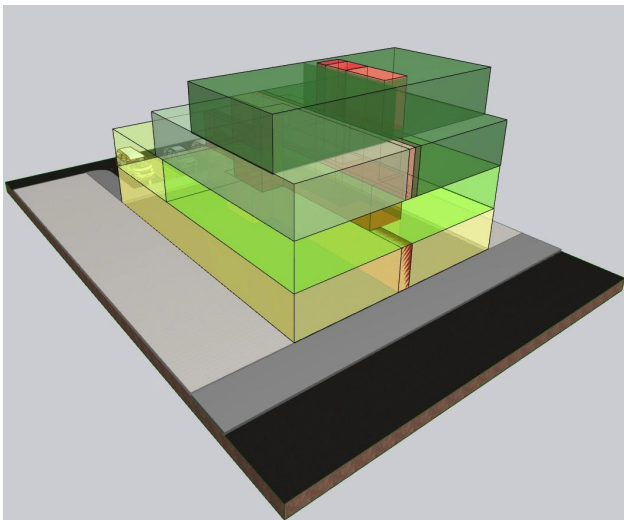
Community Core - Subdistrict A

Development Priority: Maximize commercial = no side setbacks

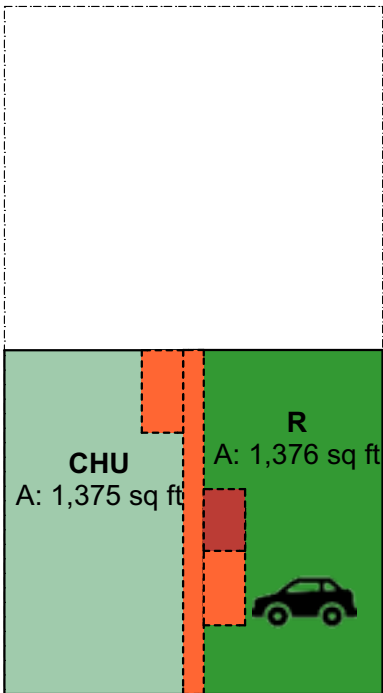
**all Mixed Use options require
an elevator to reach ADA
unit above ground floor*

***max of 4 units/floor by fire code*

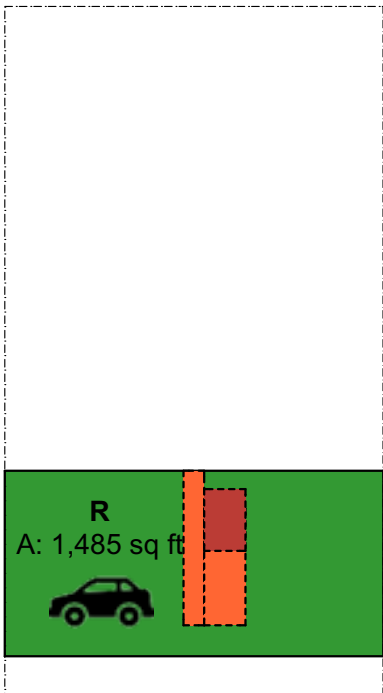
- 0 Parking : Residential, Under 750 sqft
- 1 Parking : Residential, 751 - 1500 sqft
- 2 Parking : Residential, 1501+ sqft
- 0 Parking : CHU 1,375 sqft
- Commercial
- Egress



SECOND FLOOR

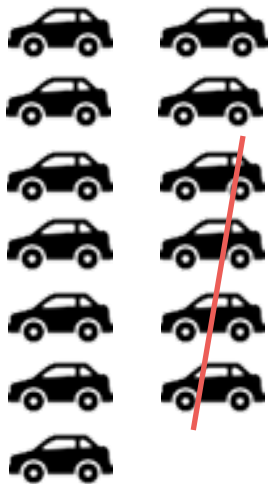


THIRD FLOOR



FOURTH FLOOR

*Current On-Site
Parking
Regs Require :
13 total spaces, 9
after credit*



*New On-Site
Parking
Regs Require :
4 spaces*



Mixed Use - Option B (12,375 sqft) 2.25 FAR

Community Core - Subdistrict A

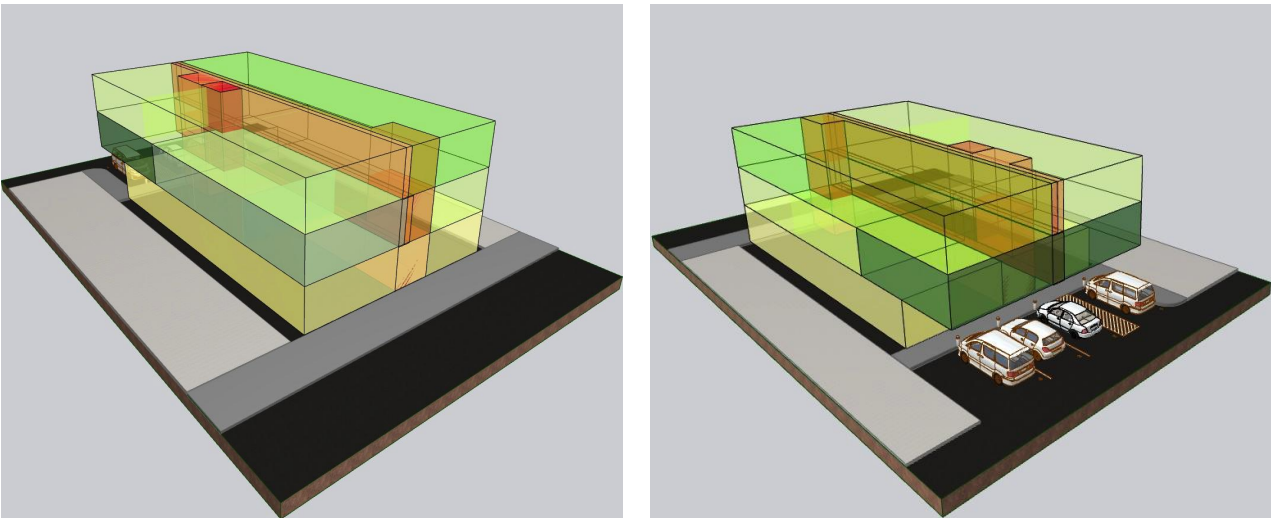
Development Priority = Maximize Residential, 3 stories only

**all Mixed Use options require an elevator to reach ADA unit above ground floor*

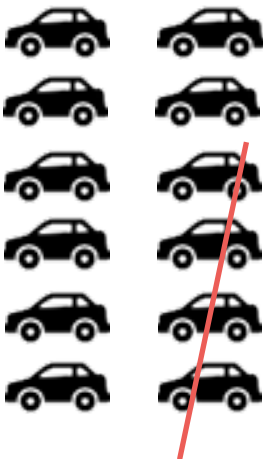
***requires 3' side setbacks per fire code*

****no limit on # of units/story*

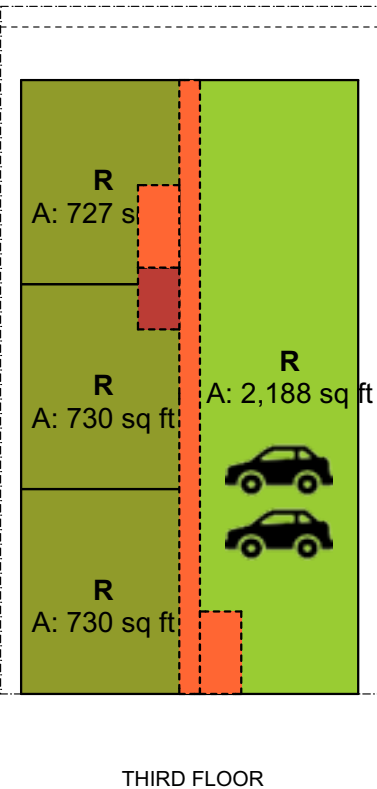
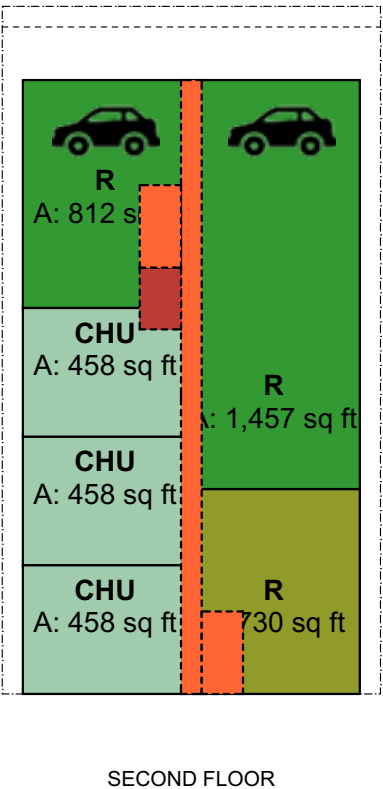
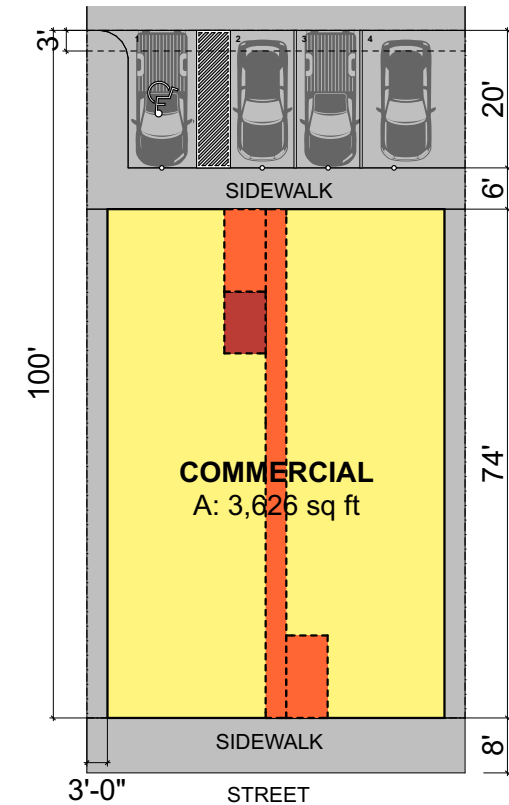
- 0 Parking : Residential, Under 750 sqft
- 1 Parking : Residential, 751 - 1500 sqft
- 2 Parking : Residential, 1501+ sqft
- 0 Parking : CHU 1,375 sqft
- Commercial
- Egress



Current On-Site
Parking
Regs Require :
12 spaces
After Credit : 8



New On-Site
Parking
Regs Require :
4 spaces



Mixed Use - Option C (12,375 sqft) 2.25 FAR

Community Core - Subdistrict A

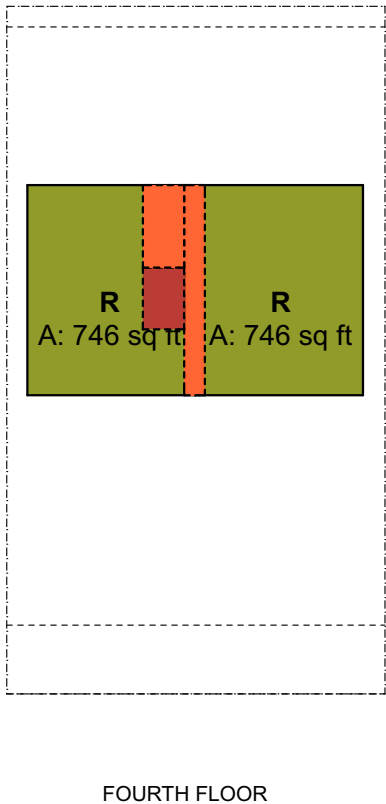
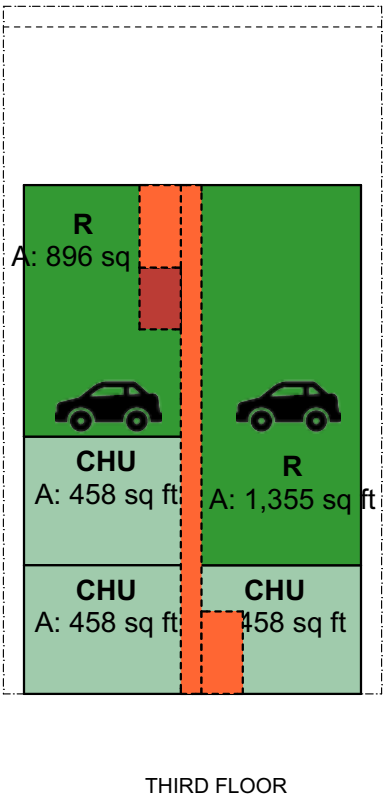
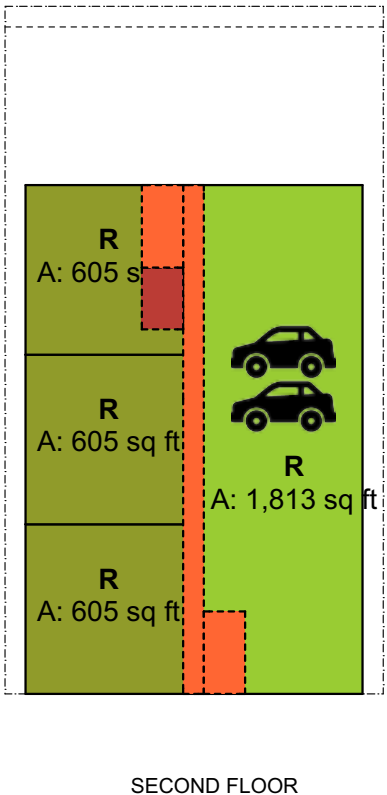
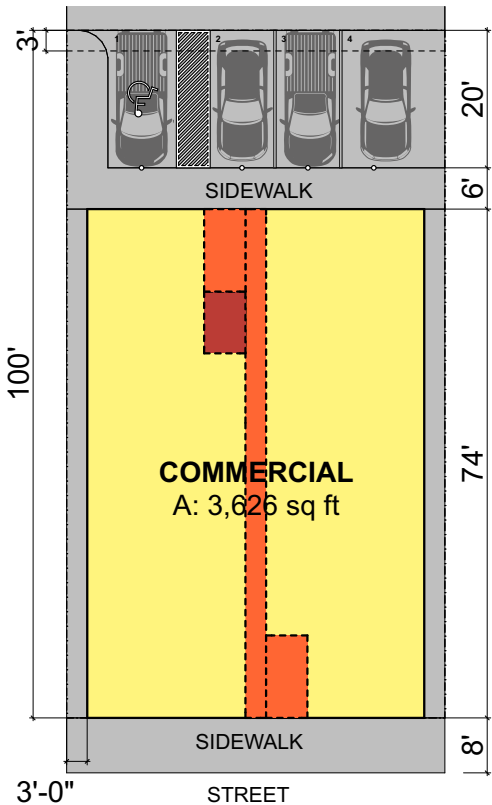
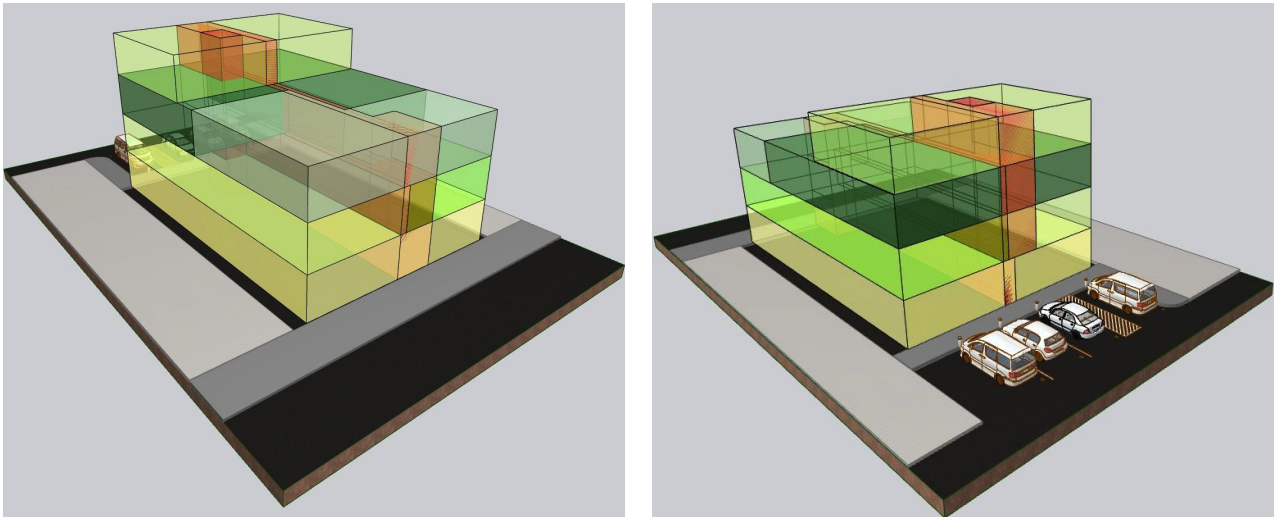
Development Priority = Maximize Residential, maintain simple rectangle (no overhang over parking)

**all Mixed Use options require an elevator to reach ADA unit above ground floor*

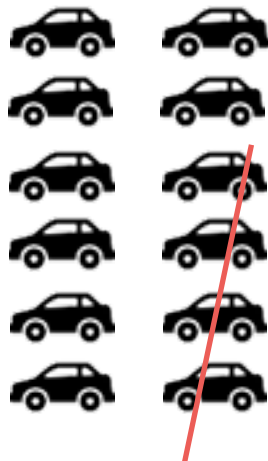
***requires 3' side setbacks per fire code*

****no limit on # of units/story*

- 0 Parking : Residential, Under 750 sqft
- 1 Parking : Residential, 751 - 1500 sqft
- 2 Parking : Residential, 1501+ sqft
- 0 Parking : CHU 1,375 sqft
- Commercial
- Egress



Current on-Site
Parking
Regs Require :
12 spaces
After Credit : 8



New On-Site
Parking
Regs Require :
4 spaces



Residential Only- Option A (12,375 sqft) 2.25 FAR

Community Core - Subdistrict C

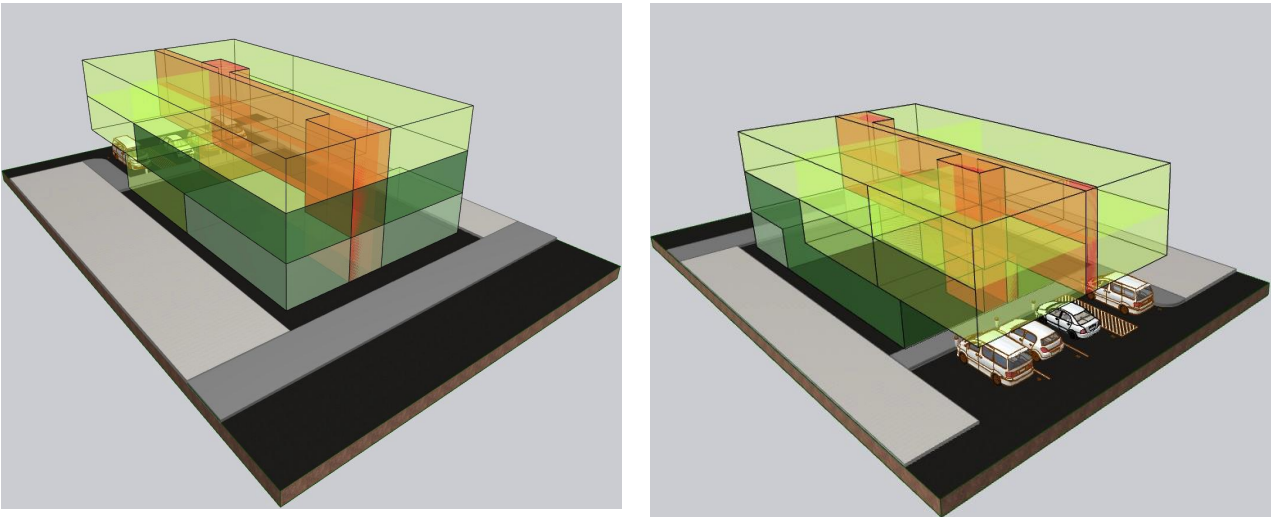
Development Priority = Maximize Residential

**Residential Only allows ADA unit on ground floor, no elevator required*

***requires 3' side setbacks per fire code*

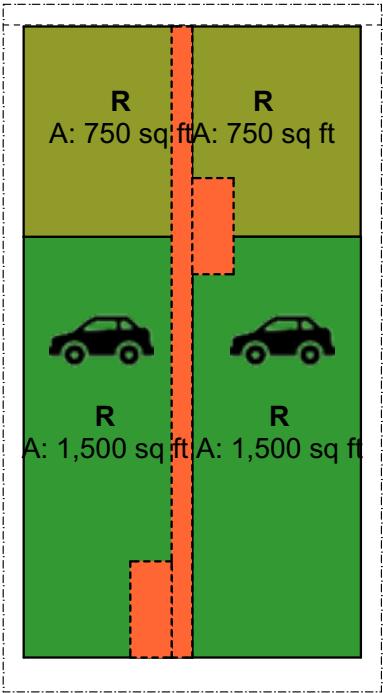
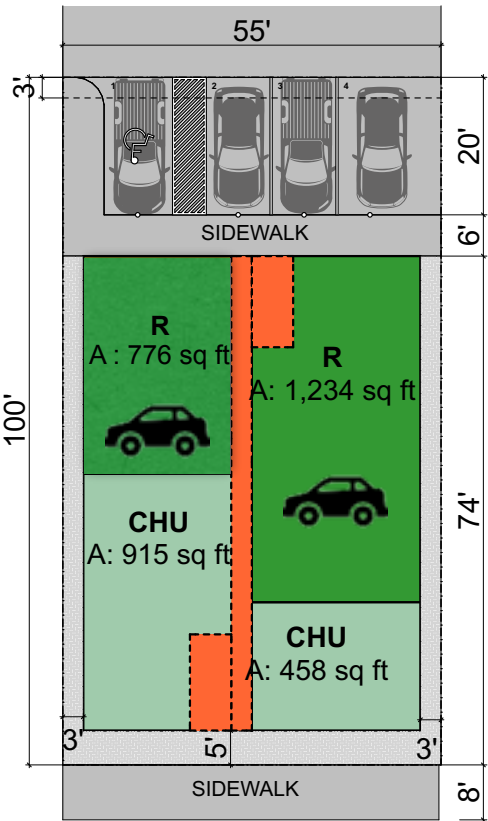
****no limit on # of units/story*

- 0 Parking : Residential, Under 750 sqft
- 1 Parking : Residential, 751 - 1500 sqft
- 2 Parking : Residential, 1501+ sqft
- 0 Parking : CHU 1,375 sqft
- Commercial
- Egress

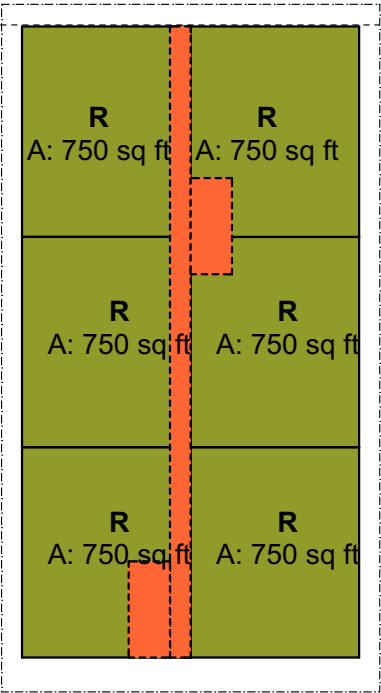


Current On-Site Parking
Regs Require : 7 spaces

New On-Site Parking
Regs Require : 4 spaces



SECOND FLOOR



THIRD FLOOR

Residential only - Option B (12,375 sqft) 2.25 FAR

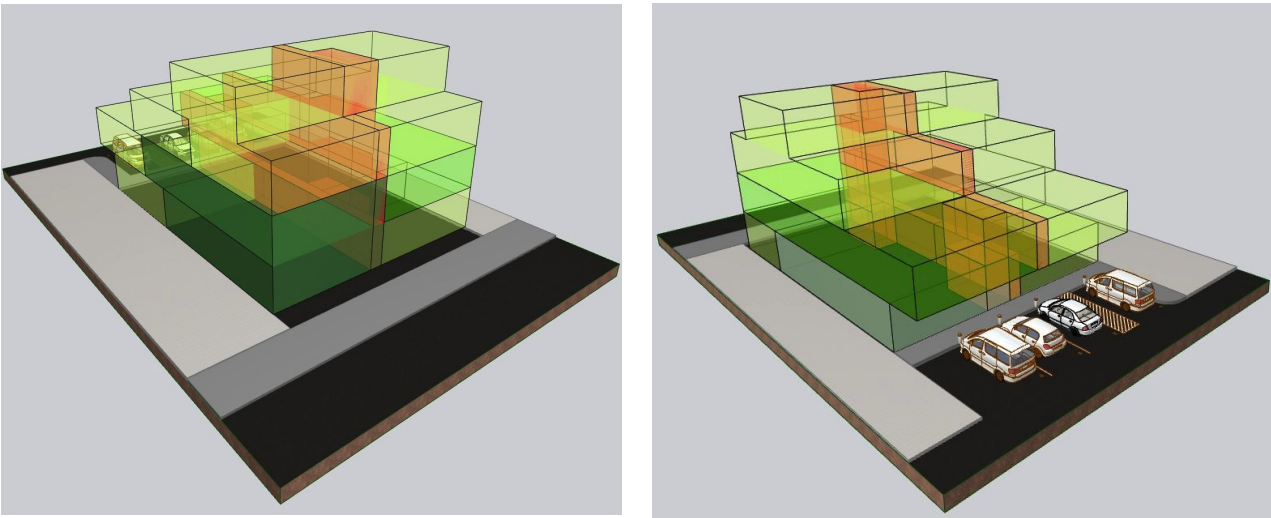
Community Core - Subdistrict C

Maximize Residential, with no side setbacks








**Residential Only allows ADA unit on ground floor, no elevator required*

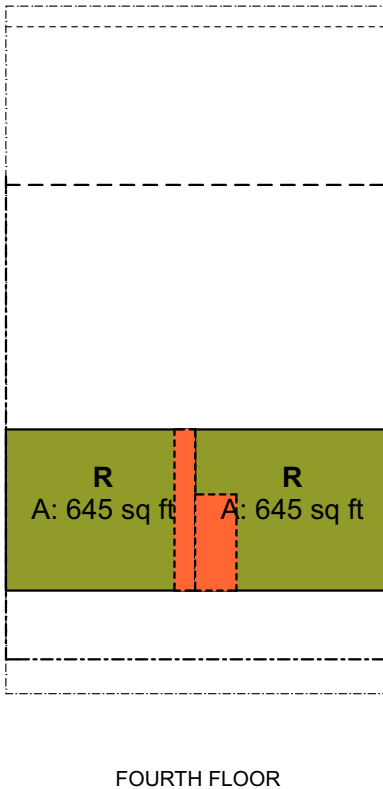
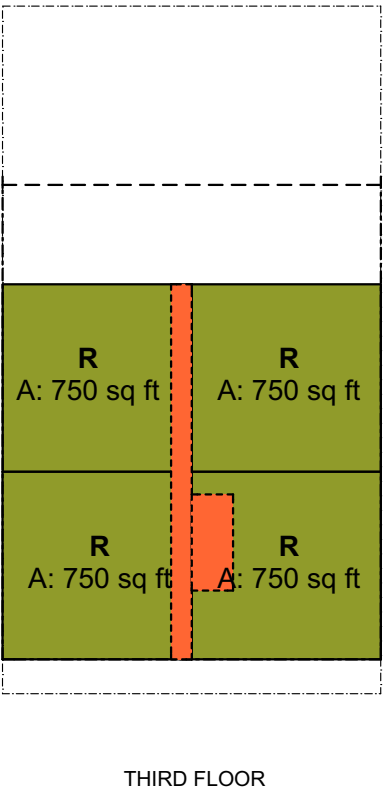
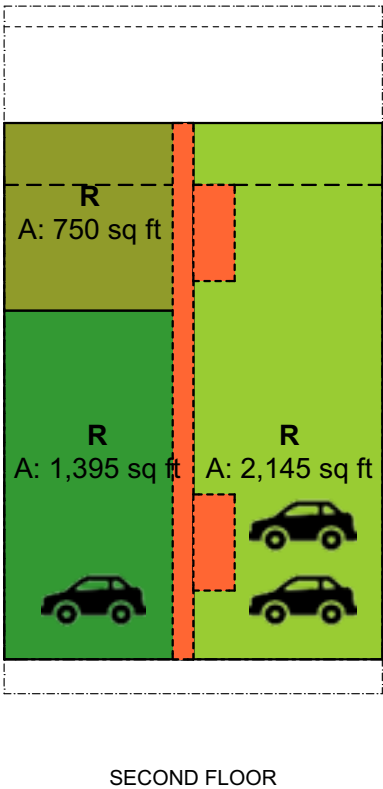
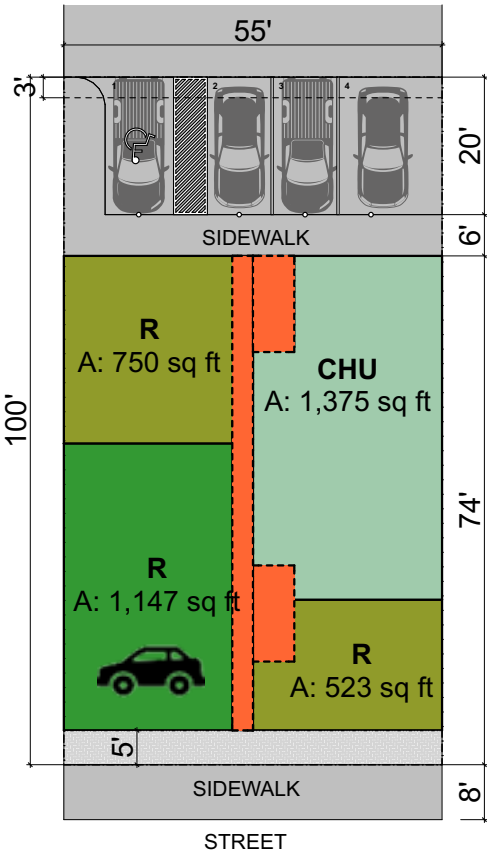
***max of 4 units/floor by fire code*

- 0 Parking : Residential, Under 750 sqft
- 1 Parking : Residential, 751 - 1500 sqft
- 2 Parking : Residential, 1501+ sqft
- 0 Parking : CHU 1,375 sqft
- Commercial
- Egress



Current On-Site
Parking
Regs Require :
7 spaces





New On-Site
Parking
Regs Require :
4 spaces



Summary

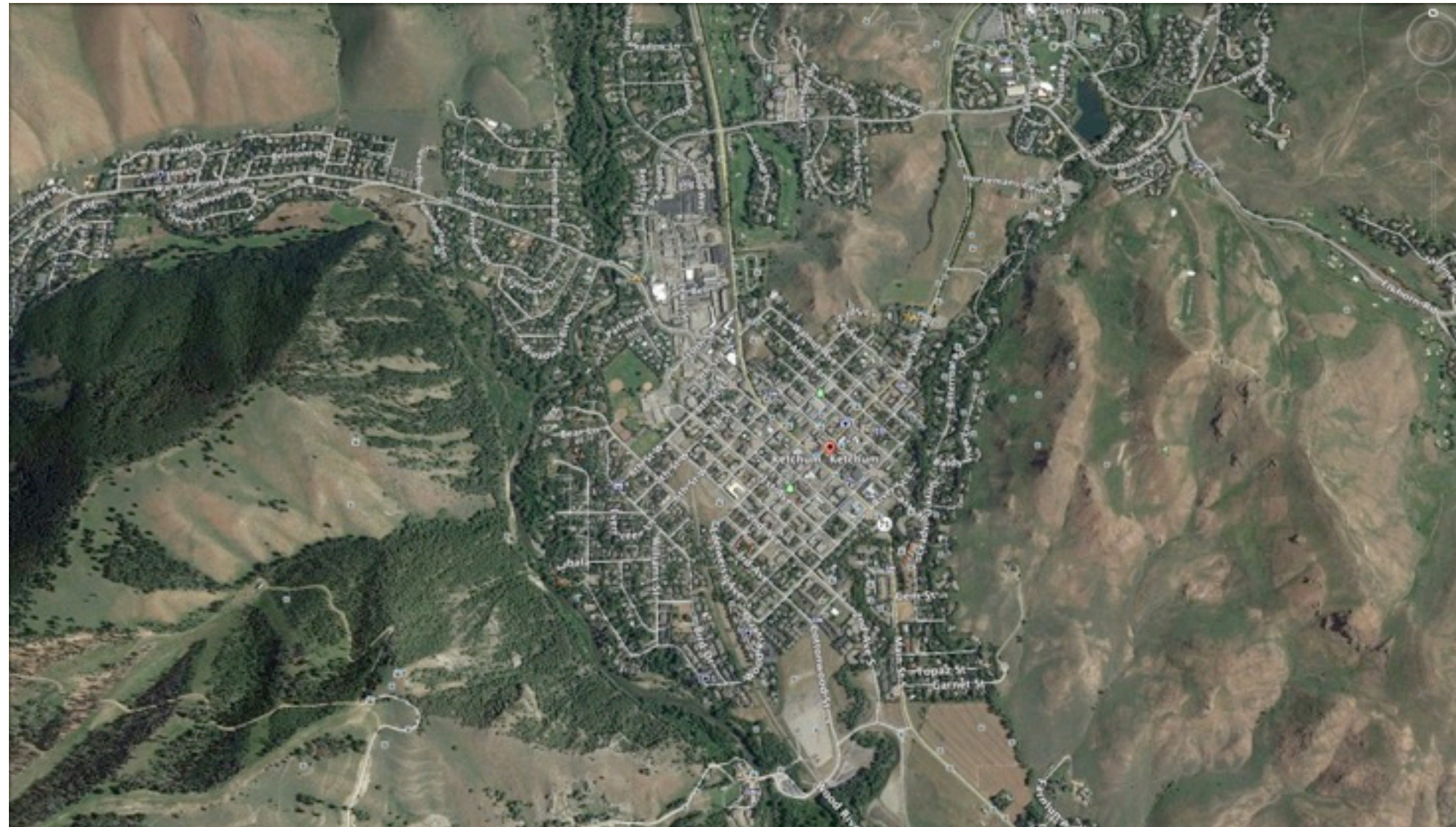
- Parking regulations do impact the density of development.
- The new parking regulations proposed by the City of Ketchum are less restrictive than the current parking regulations and enable full build-out of city lots.
- 5500 square foot lots are more developable under the proposed code.



City of **Ketchum**



LOVE | SCHACK
ARCHITECTURE



Contact

Lindsey Love & Lindsay Schack
Love Schack Architecture
offices in Bozeman, MT and Driggs, ID
<http://loveschackarchitecture.com/>
phone : 406.282.4277
email : info@loveschack.com

Thank you
City of Ketchum



LOVE | SCHACK
ARCHITECTURE

Attachment E:

Zone District Density Data

DENSITY COMPARISON BY ZONE DISTRICT - CITY OF KETCHUM DEVELOPMENT

Community Core	# of projects	Total # of units	Density	
100% Residential Projects	5	55	Per Townsite Lot	
	*37 units came from 2 projects		Average	11
			Median	7
Mixed Use Projects	6	42	Density	
			Per Townsite Lot	
			Average	4
			Median	4
Tourist	# of projects	Total # of units	Density	
	17	420	Per 10k	
			average	5
			median	5
T-3000	# of projects	Total # of units	Density	
	16	140	Per 10k	
			average	4
			median	4
GR-H	# of projects	Total # of units	Density	
	11	172	Per 10 K	
	*85 units came from 1 project		average	4
median			4	

Community Core - 100% Residential Projects

				Density
Project #	Year Approved	Lot Area	# of Units	Per Townsite Lot
Project 1	2018	5500	20	20
Project 2	2019	5500	17	17
Project 3	2019	5500	7	7
Project 4	2019	4125	4	5
Project 5	2021	5500	7	7
Totals and Averages			55	11
			median	7

Community Core - Mixed Use Projects

				Density
Project #	Year Approved	Lot Area	# of Units	Per Townsite Lot
Project 1	2018	5500	4	4
Project 2	2019	8250	4	3
Project 3	2020	5482	4	4
Project 4	2020	16,500	4	1
Project 5	2020	18,163	23	7
Project 6	2021	5,500	3	3
Totals and Averages			42	4
			median	4

Tourist				Density
				Per 10K
Project #	Year Built	Lot Area	# of Units	
Project 1	1977	64782	32	5
Project 2	1981	20720	9	4
Project 3	1987	45708	9	2
Project 4	2003	54340	9	2
Project 5	1973	41491	27	7
Project 6	1970	40192	49	12
Project 7	1972	34880	28	8
Project 8	1972	123438	64	5
Project 9	1971	33000	20	6
Project 10	1978	16518	8	5
Project 11	1980	27639	12	4
Project 12	1980	75177	36	5
Project 13	2000	54014	27	5
Project 14	2007	286214	69	2
Project 15	2015	21885	9	4
Project 16	2018	15015	8	5
Project 17	2021	54,551	4	1
Totals and Averages			420	5
			median	5

Tourist - 3000

				Density
Project #	Year Approved	Lot Area	# of Units	Per 10k
Project 1		90740	30	3
Project 2		9979	3	3
Project 3		14795	10	7
Project 4		9979	4	4
Project 5		14026	10	7
Project 6		21124	7	3
Project 7		14647	7	5
Project 8		29923	14	5
Project 9		42906	20	5
Project 10		25421	11	4
Project 11		7839	3	4
Project 12		9979	4	4
Project 13		9979	3	3
Project 14		9905	3	3
Project 15		20000	6	3
Project 16		10005	5	5
Totals and Averages			140	4
			median	4

Tourist - 4000

				Density
Project #	Year Approved	Lot Area	# of Units	Per 10k
Project 1		14204	1	1
Project 2		13952	1	1
Project 3		13120	1	1
Project 4		12880	1	1
Project 5		12513	1	1
Project 6		21882	1	2
Project 7		11807	1	1
Project 8		10778	1	1
Project 9		14137	1	1
Project 10		12828	1	1
Project 11		13958	1	1
Project 12		19315	1	2
Project 13		44833	5	1
Project 14		6422	1	1
Project 15		8439	1	1
Totals and Averages			19	1
			median	1

Genergal Residential - High Density				Density
				<i>Per 10k</i>
Project #	Year Built	Lot Area	# of Units	
Project 1	1971	17614	11	6
Project 2	1975	206310	85	4
Project 3	1979	24464	14	6
Project 4	1994	19000	9	5
Project 5	1997	16604	8	5
Project 6	2001	18640	8	4
Project 7	2008	32936	11	3
Project 8	2019	9078	2	2
Project 9	2021	18,130	4	2
Project 10	2008	60540	10	2
Project 11	2020	47,338	10	2
Totals and Averages			172	4
			<i>median</i>	4

Attachment F:
Mixed Use Development
Scenarios

MIXED USE DEVELOPMENT SCENARIOS

Zone District	CC
Lot Size	5,500
FAR 2.25	12,375
1st Floor	1,430
	3,795
2nd Floor	4,290
3rd Floor	4,290
Dev SF	12,375

parking

**Assume 5 ft front setback, 3 ft rear setback*

Zone District	CC
Lot Size	11,000
FAR 2.25	24,750
1st Floor	1,360
	8,862
2nd Floor	7,944
3rd Floor	7,944
Dev SF	24,750

parking ramp

**Assume parking ramp, 3 ft rear setback and 5ft front setback*

	30%	60%	80%	
Commercial	3,713	7,425	9,900	
Net	3,156	6,311	8,415	<i>*15% reduction for common area</i>

CH	1,169	1,169	1,169	
-----------	-------	-------	-------	--

Residential	7,494	3,781	1,306	
Net	6,370	3,214	1,110	<i>*15% reduction for common area</i>
# of units	5	3	1	<i>*Average of 1200 SF</i>

	30%	60%	80%	
Commercial	7,425	14,850	19,800	
Net	6,311	12,623	16,830	<i>*15% reduction for common area</i>

CH	2,338	1,169	1,169	
-----------	-------	-------	-------	--

Residential	14,988	8,731	3,781	
Net	12,739	7,422	3,214	<i>*15% reduction for common area</i>
# of units	11	6	3	<i>*Average of 1200 SF</i>

Attachment G:
Comprehensive Plan Zone
District Comparison

CITY OF KETCHUM ZONE DISTRICT - FUTURE LAND USE COMPARISON

ZONE DISTRICT	GENERAL AREA/NEIGHBORHOOD	COMP PLAN DESIGNATION
CC-1	Sun Valley Rd/Main Street/4th Street	Retail Core
CC-2	Downtown	Mixed Use Commercial
T	South of Downtown	Commercial/Employment
	Warm Springs - Skiway Dr/Picabo	Commercial/Employment
	Saddle Rd	High Density Residential
T-3000	Warm Springs - Jane/Ritchie/Picabo	Medium Density Residential
T-4000	Warm Springs - Lloyd Ct and west	High Density Residential
GR-H	Pinewood	High Density Residential
	West Ketchum - Bird Dr	High Density Residential
GR-L	Warm Springs - Sage Rd	Low Density Residential
	Warm Springs - Irene and Bald Mtn	Low Density Residential
	Warm Springs - Wanderers	Low Density Residential
	Warm Springs - Flower	Medium Density Residential
	West Ketchum	Medium Density Residential
	Red Fox Ln	Medium Density Residential
	Warm Springs - Four Seasons	High Density Residential
LR	Warm Springs - N of Warm Springs Rd	Low Density Residential
	Warm Springs - S of Warm Springs Rd/River Run	Low Density Residential
	Gem Streets	Low Density Residential
	Spur Lane	Low Density Residential
	Mortgage Row	Medium Density Residential
LR-1	Mortgage Row	Medium Density Residential
LR-2	Beaver Springs and North	Residential Transition
STO-1	Bigwood	Low Density Residential
STO-4	Bigwood	Low Density Residential
STO-H	Bigwood	Low Density Residential
LI	Lewis Street	Mixed Use Industrial
LI-2	Northwood Way S of Saddle Rd	Mixed Use Industrial
LI-3	9th and 10th Stree N of CC district	Mixed Use Industrial

Attachment H:

Public Comment

From: [linda](#)
To: [Participate](#)
Subject: Commercial Core crisis
Date: Tuesday, February 15, 2022 12:51:36 PM

To the Mayor and City Council members,

When I moved to Ketchum in 1979, there were 3 gas stations, a bunch of bars, a few banks on Main Street and some small restaurants. It was a one stoplight town. Everyone had to go to Twin to buy light bulbs or get underwear. I am afraid this will happen again due to the lack of commercial and office space in the CC area. All of the new buildings going up are pre-leased. According to the commercial brokers in town, the average price per square foot now is \$2.00. My landlord came in and told me that my rent has to go up to match that norm. I own the Vault, a high-end consignment store and I have a 3,800 sq ft space. Rico's Pizza building is for lease right now at \$9,000 a month plus pass throughs. No one has rented that space for the simple reason; they can't afford it. A person who works to pay the bills and support a family, can't make money at that high a price in this town.

What I foresee happening is that we will have a lot of little shops and no quality stores. If the vibrancy is going to be supplied by the affordable housing units in town, stores will need to cater to that market. The charming little stores that make our town so wonderful will be gone.

I am lucky my lease has a 3% cap per year on it. The building is changing hands now and after my lease is up, I don't know where I can go in Ketchum that will be affordable. Maybe the Mayor and City officials will decide to put affordable commercial buildings in the residential area. That makes just as much sense as affordable housing in the CC area.

You will need to be careful about the future of business in our little town. Just like the housing market, supply and demand are driving the prices up right now. It will be the same for commercial space as well. You want to be careful that we don't go back to all gas stations and T shirt shops.

I have been watching the alarming number of businesses that are closing their doors. Please pay attention to this and go visit the business owners in town to get their opinions. It would be ironic if we have lots of affordable housing units in the CC and no jobs.

Respectfully yours,

Linda Badell

Mayor Bradshaw
Retail space in Ketchum
Let's think about this

Hi Neil,

I currently have a business located in the 'Perry's' building, Changes Hair Studio. I am one of 12 tenants located in this business/retail space.

As you are well aware, this building has been purchased by developers and is soon to be demolished. The owners are certainly nice people and have the right to develop their property as they wish.

They have appealed to the public as 'doing good for the community by providing workforce housing'. It is my understanding that the total number of 'workforce housing' units they are planning, is 2, out of possibly 10 or 12 maybe.

Meanwhile, 12 established and essential businesses are being forced out. Many peoples lives disrupted, for the monetary gain of a few already wealthy individuals, I might add. Perry's alone has at least 10 employees that will be out of work.

This is not my first encounter with this situation. My last hair studio was located in Trail Creek Village, 'the Hole', and we all know the status of that project...being forced to move out of retail space, for a project that has not materialized, and now facing another eviction out of retail space, to make room for high end condos that will likely be second homes, is beyond frustrating. It might be easier to face if there were retail spaces available to move in to in town.

It is difficult to be faced with having to be relocating my business(again) with literally no place to go. It seems that some of these businesses will be forced to move down valley, just like the working class workers living situation.

If approvals for these huge projects are ridding the community of affordable retail space, then retail space(affordable please, just like workforce housing) needs to be added to these projects. Of course what retail space if any, that are planned, (which the owners say is optional)will be high end retail and therefore not affordable to most of us being forced out, but I guess raising rates is the answer to that problem...

Not only is the housing crisis 'a thing', but so is affordable retail space, which seems to be dwindling with every crane that rolls into town.

Thanks for listening.

Lisa Eckley- Changes Hair Studio

These tenants with businesses in the Perry's building are in total agreement with this situation.



Marco Romero Computer Services



Pioneer Associates Real Estate Brokers



Black Fly College Counseling

Atlas Tax Service



Aurora's General Sewing & Alterations



Bodies By Science

Core Spinal Fitness



Thia Konig Photography

Photos Do Not Bend Gallery



Plummer Video Productions

The Wax Room

KDPI Radio

Josh Pate Screen Writer

Probably cannot include Scott's Frame And Mat and Perry's Restaurant, since they sold the building. However, I know that Perry's would love to sell the business BUT there is nowhere to move the restaurant....

I will add myself to this letter for sure, I have been on this building since 2002, I created a business here and a life for me and my family (3 kids, 4 dogs, 1 bunny, 4 oxilados and a snake) and now I feel so frustrated and stress because I will need to move my office (retail and services) but the worst thing is that is not even any places to go, the whole town it is becoming a little Park City or little Beverly Hills, so expensive to run a business without mentioning affordable places to live for locals and workers, many businesses are being affected and I love money and nothing against PROGRESS but at the same time what is going to happened in town, it will be a bunch of empty retail places and penthouses that only millionaires will be able to afford ??? What can we do???? Raise or fees ??? We need some help from the city, some guidelines, some boundaries for all these rich investors that come to town and take it all. I can not afford to move, I can not afford to stop working, I have many mouths to feed including mortgage in my house, car payments etc etc. Please Mayor give us some light, some light at the of this capitalism tunnel.

Marco Romero

Owner of Marco Romero Computer Services, LLC since 2002

Cell 208-720-3777

A handwritten signature in blue ink, appearing to read "Marco Romero", with a stylized flourish at the end.

From: nicole@mediciarchitects.com
To: [Participate](#)
Subject: Density and Vibrancy P+Z emergency ordinance
Date: Thursday, February 17, 2022 12:32:03 PM

Good Afternoon,

What a great discussion at the special P+Z meeting Tuesday night. I would like to touch on the emergency measures you are looking to pass in the CC zone. I agree wholeheartedly with Commissioner Moczygemba's remarks on the matter, that an emergency ordinance is not necessary. The concepts you are aiming for are important, but specific goals must be addressed, not vague concepts that provide zero direction to landowners and architects for development requirements. I would also disagree that the CUP process does not put any additional hardship on a developer. A developer must be extremely invested in the project with architectural drawings to get a project to a point where one can even submit for a CUP review. Specific, concrete requirements are needed to guide the development community. If an architect and developer can't start a project from the beginning with solid parameters, it would be foolish to start at all.

The emergency ordinance would be detrimental to the projects that are currently in design phases and also in the Construction Document production phase that have been designed following the current City of Ketchum zoning requirements. Developers that have invested time and fees will now be punished for it if this emergency ordinance went into place now, or in the very near future. It is a given that some of those projects will abandon ship. If it is feedback you are looking for, you will not get it with a self-imposed moratorium. It is extremely unfair to burden these projects with new zoning regulations at the last minute, as tens and tens of thousands of dollars have already been spent to get these projects to a certain point. It feels like targeting, and maybe it is.

I also heard very little about the parking requirements during the meeting; these go hand in hand with increased number of units. Also, please be aware of Accessibility requirements for buildings that must follow the International Building Code requirements. With certain unit counts, ADA required parking is triggered as well as Accessibility requirements, which might preclude specific unit sizes. Also, how would increased unit count pertain to the City of Ketchum parking and FAR regulations?

I understand the Commission wants to be a part of the conversation around the program of the building, but the Commission needs a collective stance instead of a gut reaction. I would advocate that the staff analyze recent projects, and make sure what you are asking for is feasible in reality and implement the analyzed findings as a long-term planning solution.

I would also suggest the Commission also look at long-term solutions outside the CC zone, as I believe there is a lot of opportunity with different types of housing stock that could be built outside the Ketchum Community Core. In addition, I believe the problem is not only a lack of entry-level housing; but with those that would like to move up from entry-level housing, which could open up housing opportunities for others.

Thanks,

Nicole Ramey
Principal Architect, AIA
208.726.0194 ext. 212 | Office
208.721.0194 | Mobile
nicole@mediciarchitects.com

MEDICI ARCHITECTS

Idaho

PO Box 6156
200 West River Street, Suite 301
Ketchum, Idaho 83340

Washington

11711 SE 8th Street, Suite 100
Bellevue, WA 98005

[Website](#) | [Houzz](#) | [Facebook](#)

From: [Tom Drougas](#)
To: [Abby Rivin](#)
Cc: [Suzanne Frick](#); [Neil Bradshaw](#); [Bob Crosby](#)
Subject: Follow-up to our conversation
Date: Friday, February 25, 2022 4:04:02 PM
Attachments: [ITEM-Attachment-001-4349f3f591b54622a7693294a8651bc2.pdf](#)

Hi Abby,

I watched the entire video of the P&Z discussions regarding short term emergency code amendment in the CC, T, and GR-H zones. My takeaway was staff is going to refine some of the key points of concern by the P&Z for further review prior to a vote to recommend to City Council.

A couple of weeks ago you and I discussed a property I was working on listing for sale, 160 N East Ave. It is a vacant lot in the CC2 zoning district. I inquired to clarify my understanding of FAR calculation, which I had read in the code. The property is now listed, and I need to make accurate representations regarding what is allowable on a permitted or by-right basis, with or without increases in FAR. The consideration of a minimum density and new definition of multi-family is of particular concern, along with the possibility of the CUP process for development in excess of 1.0 FAR until a long term code change is enacted. With the short term ordinance preceding, I suspect it will be a minimum of 18 months until a long term plan is in effect.

Presently there is no minimum density for this lot or requirement for street level commercial use, therefore an owner could build a single family home, a duplex townhome or condominium, or possibly 3 condos with sizes determined by land available for parking at the ground level. With minimum density up in the air, the property is likely not salable because a purchaser is unable to evaluate risk relative to intended use and price.

I experienced this exact response this week from a potential buyer who has been interested in this property for his family's personal use as the primary motivation, with some additional residential use including Community Housing not required if he stays under 1.0 FAR. He said he just couldn't consider an investment with the level of uncertainty possible in the near and long term. He is not a developer, but simply won't buy without knowing what he is buying.

I've also had conversations with the adjacent neighbors who have interest with no particular immediate use in mind, but they can't make a financial decision without knowing what might be required by code in the future. Time will tell, but it may be that Ketchum is not investable during this limbo period.

I serve on the Government Affairs Committee of the Sun Valley Board of Realtors, so will be following the actions at the P&Z and City Council. But, please let me know if my understanding of the code and potential changes are accurate. I've included the attached doc in my listing for agents to review, but appreciate any updates for my representation and disclosures.

Finally, I want to assure you as a resident and business owner in Ketchum since 1975, I fully appreciate and share the concerns and efforts of the staff, P&Z (upon which I served), the Mayor, and Council during this unprecedented period of growth; so much that I am working out of civic duty on non-profit housing solutions for the entire community. Just thought I'd share this real life day to day issue within my business practice and value your help!

Thanks,

Tom

Tom Drougas/ Owner/Broker
Sun Valley Real Estate LLC
CHRISTIE'S INTERNATIONAL REAL ESTATE
300 N. Main Street
Ketchum Idaho, 83340-2277

(208) 720 6089 Mobile
tdrougas@gmail.com
www.sunvalleyrealestate.com



From: bob@sunvalleyrealtors.org
To: [Matthew Mead](#); [Neil Morrow](#); [Tim Carter](#); [Spencer Cordovano External](#); [Brenda Moczygemba](#)
Cc: [Participate](#)
Subject: Item 8 - today's agenda development regulation
Date: Tuesday, February 15, 2022 2:50:46 PM
Importance: High

Ketchum P&Z;

It is with great concern that I read the staff report today for item 8 on today's agenda. Staff is requesting that you provide direction to it, which direction would include consideration of another "emergency" ordinance where no emergency exits. This is abusive governance especially when there are existing procedures in place to address the items staff would have you include in the emergency ordinance, except for the most egregious request of all which is that you require projects with density in excess of 1.0 FAR in the CC zone to receive a conditional use permit in addition to all of the already existing entitlement requirements in the zoning code.

When you review the criteria and conditions of approval for CUPs in section 17-116 of the code, which I hope you will do before further consideration of these requests, you see that if a CUP is required, the KPZ is granted essentially a blank check authority to alter development proposals as it sees fit in exchange for its approval, making the rules as established in other sections of the zoning code meaningless. With all due respect, it places the power with your commission, an appointed/unelected body, to dictate programmatic characteristics (and virtually every other characteristic) of a development regardless of other code provisions. It removes the checks and balances, and any certainty of outcome, that an established, written zoning code offers to the public.

Here are two excerpts from section 17.166.050 indicating that types of conditions it would be within your power to impose:

E. Designate the exact location and *nature of the development*.

G. Require *more restrictive standards* than those generally required in an ordinance.

If the staff requests are enacted as presented, project sponsors will have no certainty with regard to the entitlement procedure, making it virtually impossible to justify purchasing property for development in Ketchum. How does this fit with the desire to have accelerated development of workforce housing? What about the families whose living is dependent on the multiple trades and professions benefitting from responsible development in Ketchum? An emergency ordinance (182 days) and interim ordinance (1 year) that in reality could be a very thinly disguised 1.5 year development moratorium entirely ignores their needs, and the need to engage the private sector in the workforce housing solution. There is no fair play or fair process included in this heavy handed approach.

Finally, **it is impossible for the public to adequately review, consider and offer alternatives or solutions** to a set of requests with scope as huge as these, when the first public notice of it was given three business days before you are being asked to recommend the way forward for staff. Unless the public is treated more inclusively, and without several more meetings during which you are able to receive its comments, this will represent a mockery of the public process that this administration says is its primary concern.

Please include in your directions to staff the requirements, before this matter is taken to the City Council, for i) more extensive public outreach including workshops and time for the public to adequately consider these requests, ii) a prohibition on another unjustified emergency ordinance, and iii) removal of the request to require CUPs for CC zone developments in excess of 1.0 FAR.

Sincerely,

Bob Crosby
Government Affairs Director
Sun Valley Board of REALTORS
208-721-8353

From: [Pam Colesworthy](#)
To: [Participate](#)
Subject: Proposed KCC Building Moratorium
Date: Wednesday, March 02, 2022 1:00:45 PM

Dear Commissioners and Planning Department,

As you debate whether to impose a building moratorium in the coming weeks, please consider the following:

- **Downtown Vibrancy** - Is the current building development truly hindering downtown vibrancy? As I see it now, none of the current new construction in the core has eliminated residences. In fact, once completed they will accommodate more downtown housing than with the previous old buildings that were used strictly for retail or offices.
- **Size and Mass** - If shrinking the mass of buildings to create more sidewalk relief and interest with different profiles, materials and textures is the aim, then allowing for **single lot** development should not be hindered. By this I mean that you might put a moratorium on combining or consolidating lots, while you review how you want those to be developed. However, a moratorium on a single 5,500 sf lot will hinder the good kind of development that you want, and even potentially more workforce housing as a developer works with the city to create the current models of ground floor retail with upper floor condominiums.
- **Infill** - Throughout the Tourist and GR-H zones I'm seeing some infill projects, which again adds to our economy. I would not want you to squelch those projects too through a moratorium.

Thank you for hearing my thoughts. I look forward to the discussion at the next meeting.

Sincerely,

Pam Colesworthy