

DRAFT

KETCHUM

HISTORIC PRESERVATION HANDBOOK

Historic Preservation Commission
in coordination with
City of Ketchum Planning Building Department

June 2023

~Introductory Letter from Mayor~

TABLE OF CONTENTS

1. Introduction
2. Historic Preservation Commission
3. Designated Historic Buildings and Landmarks
4. Historic Preservation Benefits
 - a. Good for Ketchum
 - b. Good for Property Owners
5. Designation of New Buildings and Landmarks
6. Alteration or Demolition of Designated Buildings and Landmarks
7. Questions & Answers
8. Resources

SECTION 1: INTRODUCTION

Why does historic preservation matter for Ketchum?

Ketchum has a rich, authentic history that sets it apart from many other mountain resort communities. Preserving Ketchum's history, what makes us special, has been a stated value of the community for a very long time. Most recently, the 2014 Ketchum Comprehensive Plan establishes a strong foundation to balance preservation of history with sustained growth for Ketchum. In that plan, three of the community's top ten values directly relate to the importance of preserving and celebrating our history.

Ketchum values:

Community Character - We can continue to strengthen the community's image and identity through preservation of historic buildings and sites.

Vibrant Downtown - Our downtown core is critical to the economic health and well-being of Ketchum... Enhancements and efforts to support events, the arts, and Ketchum's history and culture will make downtown an even greater community asset.

Enlivened by the Arts and Culture - Ketchum is a community where arts and culture are vitally important to our economy and quality of life – they tell our story.

Older Ketchum buildings and landmark sites are a physical manifestation of our past. While Ketchum's origins in 1879 parallel the beginnings of other frontier mining towns in the West, our buildings and landmarks are unique to this place, initially a mining town carved out of a larger landscape that had been occupied for countless centuries by the Shoshone, Bannock, Paiute, and Nez Perce Tribes. The railroad, which played a big role, enabling a relatively smooth transition of the economic base from mining to sheep ranching, then delivered an industry entirely new and American: the ski resort. Anchoring Sun Valley, the nation's first destination ski resort, Ketchum quickly took on a patina of unpretentious glamor, and in doing so carved out a trajectory different from that of every other mountain town with a similar history in mining and ranching.

Much of Ketchum's charm derives from the architecture of the pioneering days. Without those specific buildings, Ketchum would resemble any other modern Western town. Every business, resident, and visitor in the Wood River Valley – whether directly or indirectly related to our tourism-based economy – gain value from the continued physical presence of our history through old buildings and landmarks. Responses from a 2020 survey indicated that Ketchum should prioritize the preservation of buildings and landmarks that:

1. Reflect Ketchum's early development and businesses
2. Identified with historic people or with important events in local, state or national history

3. Exemplify or symbolize elements of the cultural, social, economic, or political history of Ketchum

The challenges we face are balancing the desire for historic preservation with the reality of personal property rights. Due to development pressures common to luxury resort real estate markets, our historic buildings and landmarks are in jeopardy. An historic inventory conducted in 2020 identified that in the prior decade, 20% of the city's historic buildings were demolished, never to be seen other than in old newspaper clippings, legacy resident basements, and library archives.

The City of Ketchum's Historic Preservation Commission (HPC) seeks to stem that tide, honor the buildings that remain, and support property owners in their efforts to save Ketchum's early buildings. Preservation of historic buildings and landmarks can be costly. So, we ask, how can we encourage property owners to join us in preserving our precious history that is so vital to our culture and economy?

This Handbook seeks to answer that question by providing a roadmap for property owners and advocates of historic preservation to help the city implement the community's desire to preserve Ketchum's historic buildings and landmarks.

We look forward to partnering with you for a strong future through the lens of our past.

SECTION 2: HISTORIC PRESERVATION COMMISSION

The HPC has a long history dating back to the 1990s, however, for a period there was no appointed HPC and historic preservation efforts in Ketchum stalled in the 2000s. In January of 2021, a revamp of the HPC was undertaken, a new HPC was appointed, and new regulations for historic preservation were created.

Currently, the HPC is made up of five individuals, appointed by the Ketchum City Council, that have a demonstrated interest, competence or knowledge in history or historic preservation. Of the five members, a minimum of one must also be a member of Ketchum’s Planning and Zoning Commission. At the highest level, the HPC forwards the goals and policies of the comprehensive plan, related to historic preservation, through the authority granted by the Ketchum Municipal Code.

[comprehensive plan excerpt: “Individual buildings and sites of historical, architectural, archaeological, or cultural significance should be identified and considered for protection. The City should encourage the private sector to preserve and rehabilitate buildings and sites through local landmark designation, public improvements, guidelines, and other tools.”]

The majority of work conducted by the HPC includes:

- Maintaining the Historic Building/Site List including the surveying of local historic properties
- Reviewing and making decisions on demolition and alteration applications

Additional responsibilities include spearheading the creation of historic preservation incentive programs, advising the city on ways to maintain and operate historic properties owned by the city, provide recommendations on land use regulations that may impact historic properties, developing programs to continue to enhance historic preservation citywide, and conducting educational programs.

All meetings are open to the public and all community members are encouraged to attend and engage in discussions with the HPC.

SECTION 3: DESIGNATED HISTORIC BUILDINGS AND LANDMARKS

As mentioned above, one of the primary responsibilities of the HPC is to conduct surveys of local historic properties and to establish and maintain the Historic Building/Site List. In Ketchum, any building 50 years of age or older is considered historic but not all of those buildings are “designated” as historic. In addition to age, criteria related to physical integrity and historic significance are evaluated to determine what buildings or landmarks should be included in the Historic Building/Site List. “Designation” is important as it opens opportunities for financial and regulatory incentives.

Over the years, the city has conducted multiple surveys of potentially significant buildings or sites within Ketchum and its Area of Impact. In 2005, the HPC conducted a survey make field determinations on existing sites, buildings, structures, features and objects building within 50 years of the survey that were either potentially eligible to the National Register of Historic Places (NRHP), have local historical significance, or interpretive potential. The survey identified a total of 241 properties that met the age criteria of 50 years or older. Of those 241 properties, 37 were identified as eligible to be listed by the NRHP.

In 2006, the HPC created a list of potential historic buildings and sites within the Community Core (CC) for consideration for listing as historic. However, a formal designation of those properties was never initiated.

In 2020, Ketchum updated the 2005 survey and 2006 list to determine which sites in the Community Core were still existing and retained significant historic integrity. The 2020 survey identified 26 sites within the Community Core that were potentially eligible for listing as historic by Ketchum. Further evaluation of the 26 properties were conducted by the HPC and a final Historic Building/Site List was adopted in October 2021, successfully designating 24 properties within the Ketchum Community Core as historic.

The HPC will continue its work to maintain the Historic Building/Site List by updating surveys of historic buildings and sites in areas of high growth pressures to ensure the preservation of Ketchum’s history.

[INCLUDE LINK TO LIST OR INCLUDE FULL LIST IN HANDBOOK]

SECTION 4: HISTORIC PRESERVATION BENEFITS

Good for Ketchum

Historic buildings and landmarks are integral to Ketchum’s unique character and contribute to the social and economic values of the community, attracting locals and tourists alike. Without deliberate preservation, historic buildings may be altered beyond recognition over time. There are countless benefits of historic preservation to Ketchum, our businesses, residents, and visitors. As noted above there is a direct link between a community’s history and culture. As noted in the comprehensive plan *“Arts and culture also contribute to the larger “creative economy” which creates jobs, attracts investments, generates tax revenues, and stimulates the economy through tourism and consumer purchases. A thriving arts and cultural scene attracts visitors and has economic “spinoff” benefits for local restaurants, lodging and retailers.”*

Heritage Tourism

This concept is known as “Heritage Tourism” and is only found in places where purposeful preservation of historic character is a priority for the community. Studies have shown that heritage tourists have a larger economic impact on a community than those who travel for recreation. A study by the Colorado Historical Foundation showed that, in 2008 alone, 11.8 million trips to the State of Colorado involved heritage tourism activities; that’s 11.8 million heritage tourism trips to a state primarily known for its natural and recreational attractions. When compared to recreational tourists, heritage tourists stayed for longer, and spent more money. Those visitors spent \$190 million on cultural activities and \$54 million on historic activities. The average heritage tourist spent \$447, compared to \$333; they stayed an average of 5.8 nights, compared to 5.2 for recreational tourists.

Heritage tourism has a strong presence in Ketchum with annual events such as Wagon Days and the Trailing of the Sheep Festival. These events bring the largest number of visitors to Ketchum from around the United States and abroad. These events celebrate Ketchum’s history of mining and sheep herding integrated with and bolstered by Ketchum’s historic structures throughout the Community Core.

Attraction of Small-Local Businesses

In addition to heritage tourism, historic buildings attract small local businesses, which is a type of business Ketchum values as they support our uniqueness and vibrancy. We have acknowledged the downtown as a major community asset and tourism attraction and commit to strengthening that asset through the retention and attraction of small local businesses that fit the character of the downtown.

In commercial areas prone to redevelopment, historic buildings are perfect incubators for small businesses. Due to high land and construction costs, the price for commercial space in new developments can be prohibitive to new and small businesses. Many small businesses, especially new and start-up ones, find historic commercial spaces attractive because they are

often smaller and cost less than modern construction, and because historic areas tend to have more foot traffic.

Residential Neighborhoods

Historic preservation of residential structures is also beneficial to the community, if invested in consistently to maintain the character of the property. Residential areas with well-maintained historic buildings are shown to increase the property values of non-historic properties. When economic conditions are favorable, historic properties increase in property values at a higher rate than non-historic properties; when conditions take a downturn, historic buildings tend to either maintain their value or decline less than non-historic buildings.

Good for Property Owners

Ketchum understands that maintaining or redeveloping a historic building can be costly, particularly as a building begins to need attention to the more structural elements. Ketchum's goal is to make it as easy as possible to maintain historic properties. If you are the owner or perspective purchaser of a historic property, 50 years of age or older, there are financial and regulatory incentives to support your role in preserving Ketchum's history. Aside from contributing to the community benefits outlined in the previous section, financial benefits such as grants, and tax credits are available to property owners of historic buildings or sites for improvements. Ketchum also provides waivers and exceptions to many of the city's zoning and building regulations to better facilitate the maintenance and integrated redevelopment of historic buildings and sites.

Financial Benefits

The following programs are currently available to property owners in the Ketchum:

1) Federal Rehabilitation Tax Credit

- Available through the National Parks Service to buildings on the National register
- Possible for properties not on National register if certified as "contributing" by the community or state makes determination of eligibility
- Up to 20% of rehabilitation project costs can be applied as investment tax credits
- Single-family, owner-occupied homes do not qualify
- The rehabilitation must be substantial (as determined by a formula involving the adjusted basis of the building)
- Other requirements as established by IRS or NPS regulations

2) Federal Land and Historic Resource Tax Credit

- Owners of historic properties may qualify for a charitable deduction by donating a facade easement (conservation easement) on their historic property to an appropriate recipient such as a unit of government or other non-profit entity.
- Easement donations and donations of fee simple property interests are eligible for a state tax credit of 40% of the value of the donation on the first \$50,000 of the value of the gift.

- Property owners have a licensed real estate appraiser determine the value of the donation and complete State tax form 1801AC to apply for the credit.
- 3) State Community Enhancement Grants (CEG)
- Small grant amounts, generally \$2,500 or less
 - Requires dollar for dollar match of grant funds (cash or in-kind)
 - Can provide funds educational programming, public access, interpretive enhancements, exhibits, non-structural enhancements to buildings, and heritage tourism

Relief from Regulations

Ketchum provides relief from many of the zoning and building requirements normally applicable to redevelopment of properties. For redevelopment of historic properties that retains some or all of the historic building, Ketchum offers the following:

- Relief from building code requirements – alternative solutions to building code requirements will be accepted provided life and safety concerns are met.
- Relief from parking standards – the square footage of the historic building is exempt from parking requirements.
- Relief from setback and height requirements – expansions of historic buildings can match setback and height characteristics of the historic building even if the setbacks and height do not comply with current requirements
- Allowance of Expansions – If a historic building is non-conforming, there are no limitations to the size or type of expansion of the building provided it is approved by the HPC

Ketchum is committed to the preservation of our history and is working to develop new programs to support property owners in these efforts. Please reach out to the City Planning and Building Department for a full list of all incentives and programs.

SECTION 5: DESIGNATION OF NEW HISTORIC BUILDINGS AND LANDMARKS

The HPC maintains the Historic Building/Site List, however, any member of the community or property owner can request to add a building or site to the list! Nominations for buildings or landmarks to be designated historic can be submitted to the Planning and Building Department. We request that the nominating party fill out an application and compile as much historic documentation as readily available.

To be designated, a building or landmark must:

- 1) Must be at least 50 years old.
- 2) Must retain its physical integrity by being sited in its original location and/or have original architectural and design features
- 3) Have demonstrated architectural, social/cultural, or natural/geographic significance locally, regionally, or nationally.

[Create Flowchart/graphic]

1. I have a building that I would like to consider adding to the Historic Building/Site List
 - a. Submit application
 - b. Staff will review and conduct additional research a necessary
 - c. Public hearing with Historic Preservation Commission – HPC makes recommendation to City Council on whether or not it should be added to the list
 - d. Staff prepares an ordinance to update the list
 - e. City Council Hearing (3 readings which can be combined at the discretion of the City Council)
 - f. Summary of decision published in the newspaper and property owners identified

SECTION 6: ALTERATION OR DEMOLITION OF DESIGNATED BUILDINGS AND LANDMARKS

Many people believe that once a property is designated as historic, nothing can be done to the building. That is not true! One of the most effective ways of preserving historic buildings is through the redevelopment of property that expands commercial and residential space and showcases the historic building or landmark. Additions to historic buildings is an up-front investment but can generate additional revenue to support the long term maintenance and preservation of a historic building. The HPC reviews all requests to alter or demolish historic buildings. Demolition of a historic building can be requested, however, it is highly discouraged and only permitted under certain circumstances.

[Create Flowchart/graphic]

I own a historic building on the Historic Building/Site List and want to alter or demolish it

1. Submit an application
2. Staff review of application
3. Public notice of application
4. Public hearing with HPC

5. If Design Review is required, application will either be reviewed administratively or be scheduled for public hearing with the Planning and Zoning Commission (depends on size of project)
6. Once planning permits are approved, the applicant can apply for either a demolition permit or a building permit for the construction of the proposed project.

SECTION 7: QUESTIONS & ANSWERS

[To be finalized once handbook content is finalized]

SECTION 8: RESOURCES

[To be finalized once handbook content is finalized]