



Staff Report

To: Planning and Zoning Commission

From: Bill Dean, City Planner/Deputy Director of Planning and Community Development

Report: October 15, 2026

Hearing: October 20, 2026

Item: Sandpoint Zoning Code Update project, involving:

- Amendment to Sandpoint Comprehensive Plan Future Land Use Map;
- Amendments to Title 2 Boards and Commissions to add new responsibilities for members of the Arts, Culture, and Historic Preservation Commission related to historic preservation;
- A complete Repeal and Replace of Title 9 Zoning involving amendments to every Chapter within Title 9, creation of new zone districts, new development regulations and standards, and an entirely new Historic Preservation Code;
- Rezoning property across Sandpoint to establish the new zoning and new Historic Preservation Overlay District

Applicant: City Initiated

Please Note: All materials related to this request are provided on the City's website at:
www.sandpointidaho.gov/currentprojects

1) Introduction and Background

The proposed resolutions and ordinance amending the Sandpoint Comprehensive Plan and the Zoning ordinance (City Code Title 9) stems from several city-wide planning projects conducted over many years, namely the years-long effort to adopt a new Comprehensive Plan which concluded in 2024, and the adoption in 2021 of the Arts, Culture, and Historic Preservation Master Plan which helped facilitate the creation of a recognized Downtown Historic District. Implementing the new Comprehensive Plan has involved and will continue to involve additional zoning studies, capital projects and strategies to support vibrancy and activity in Downtown, among other citywide economic development and land development goals. The current amendments are a significant step toward implementing the new Comprehensive Plan and primarily address the commercial land use designations and zoning throughout the City. Staff was directed by the Mayor and City Council to begin zoning amendments focusing on the commercial areas, Downtown and historic preservation and the proposed amendments achieve the following main outcomes:

- 1) An amended Zoning Map and Commercial Code where Downtown is more clearly defined and organized, delineating new Downtown Core and Downtown Outer Core zones, each with specific land use regulations and standards, including building heights. Ground floor residential development, scaled to match the Downtown setting would be permitted in the Outer Core to help facilitate activity in the Downtown Core;
- 2) An amended Zoning Map and Commercial Code redesigning zoning along major transportation corridors and feathering into existing neighborhoods to allow greater flexibility in land use, along with retaining and clarifying new development regulations, including building heights. Several areas prior

identified for commercial development are proposed for residential zoning allowing additional sites for housing development. The zoning facilitates a more strategic use of commercial zoning to further promote Downtown and neighborhood commercial node viability;

- 3) A new Historic Preservation Code formally adopts the local historic district into the zoning ordinance and map, and creates new permitting requirements aimed at deliberate decision-making to help ensure continued viability of the uniqueness of the historically-designated area;
- 4) A new zoning administration chapter has been created to provide clarity on development processes, including how applications are filed, reviewed, approved. This new code section creates enforcement provisions to help ensure a uniform application of the regulations.
- 5) A zoning code that has been clarified and simplified to ease in its use by the community.

2) Process to Draft the New Zoning Code

This work has been guided by the expressions and policy in the Comprehensive Plan that strive to maintain the character and charm of the City, at the same time as recognize the aspirations for economic development and appropriately placed and dimensioned development. It has also been guided by feedback through a public process that involved a year-long public drafting process with the Planning and Zoning Commission. In each of ten public meetings in 2026 (January 6, February 3, March 3, March 17, April 7, April 21, May 5, June 6, September 1, and October 6) with the Planning and Zoning Commission, draft code language, concepts, specific ideas for zoning, zoning district boundaries, and specific development standards, including building heights, were drafted and refined into the final draft.

In developing the new code, the City conducted two principal workshops, one on September 15, 2026 in Downtown that focused on the Historic Preservation Code, expressed as a component of the overall commercial zoning overhaul. Approximately 40 people attended the meeting, led by the Chair and Vice Chair of the Arts, Culture, and Historic Preservation Commission. The second public workshop was a half-day open house at Community Hall on October 6, 2026 where more than 80 property owners and interested parties engaged with staff and various Planning and Zoning and Arts, Culture, and Historic Preservation Commissioners to express their concerns, support, ideas, and interest in the draft.

A significant component of the public outreach involved identifying 17 areas of the zoning map that were being changed, drafting 17 separate letters (one for each area) explaining the changes, and mailing them to more than 1600 property owners (the owners of the sites being changed, and owners within 300-feet of the rezoned sites). By far, such effort resulted in the most participation. Staff conducted more than 100 meetings at City Hall where the draft zoning was explained and as a result of the feedback, refined and changed.

3) Summary of Written Comments

At the time of this staff report publication, the City received 16 written comments from the public, all posted to the City's Current Projects website. Planning staff at the hearing staff will include all the comments received through October 20th. Attachment H shows the comments received to date.

4) Overview of the Draft Zoning Code Changes

Code Organization: The zoning code has been re-organized. The code groups administration and general-to-all areas regulations up-front in the first two chapters, and then progresses through the various zoning districts and then groups the issue-specific regulations (e.g. Home Occupations, Telecom Facilities, Airport Overlay, Historic Preservation) toward the end of the code. Below is a table showing the revised code structure and Attachment A to the staff report is a table cross walking the current code to the new code with additional specificity.

Current Code		Proposed Code	
Chapter 1	General Provisions	Chapter 1	General Provisions
Chapter 2	Commercial	Chapter 2	Zoning Admin
Chapter 3	Industrial	Chapter 3	Commercial
Chapter 4	Residential	Chapter 4	Industrial
Chapter 5	Off-Street Parking	Chapter 5	Residential

Chapter 6	Signs	Chapter 6	Off-Street Parking
Chapter 7	Non-Conforming Buildings and Uses	Chapter 7	Signs
Chapter 8		Chapter 8	Home Occupation Regs
Chapter 9	Zoning Admin	Chapter 9	Mobile Homes/Trailer Coach Courts
Chapter 10	Area of City Impact	Chapter 10	Telecom Facilities
Chapter 11	Home Occupation Regs	Chapter 11	Area of Impact
Chapter 12	Airport Overlay Zone	Chapter 12	Airport Overlay Zone
Chapter 13	Mobile Homes/Trailer Coach Courts	Chapter 13	Historic Preservation Code and Overlay
Chapter 14	Zoning Districts, Map		
Chapter 15	Telecom Facilities		

Additionally, the proposed code uses more tables and consolidates standards for ease of use.

Existing Commercial Zoning Districts: The current code has four commercial zoning districts: Commercial A, B, C, and Mixed Use Residential. There are very few differences between Commercial A, B, and C zoning which covers over 200-acres of property in Sandpoint. Most of the differences can be found in Tables 1, 2 and 3 of the current Chapter 2 (Commercial Zoning Districts) of Title 9 Zoning. Presently, the Highway 2 corridor and Downtown are largely regulated the same way and do not identify the uniqueness of Downtown as envisioned in the Comprehensive Plan. Additionally, the current zoning promotes economic development opportunities for new commercial development but applies strict standards for ground-floor commercial development across large areas, requiring vertical mixed-use buildings instead of more contextually appropriate horizontal mixed use in easier to construct buildings. The current zoning stretches commercial activity along corridors as opposed to in nodes. Attachment B to the staff report is the current Zoning Map of the City.

New Commercial Zoning Districts: The proposed new commercial zoning also utilizes four commercial districts yet clearly recognizes and distinguishes the uniqueness of each area, as follows, and as shown on the Amended Zoning Map (Attachment C to the staff report):

- 1) **Downtown Core:** This is a small, unique area that has been characterized as the charm of the City. Accordingly, the zoning regulations used for this area should be unique. The proposed zoning defines the Downtown with a distinct boundary that encapsulates the primary “walk, shop, eat, entertain” atmosphere of the City. The existing built environment occupies most of the entirety of each lot, and buildings largely are erected at the property line, and have distinct architecture and visual appeal; some have historical significance. The zoning regulations for the Downtown Core emulate the existing environment as experienced today.
- 2) **Downtown Outer Core:** This area, also identified as part of the Downtown is the area better positioned to receive additional downtown-scaled housing (immediately proximate to the businesses in and around Downtown) than in neighborhoods farther outside of Downtown. Density befitting the existing Downtown environment is encouraged with this zoning district which allows ground-floor residential uses as well as consumer, retail, and office land uses. This area of the city is generally bordered by the lake to the east, Pine Street to the south, Highway 2 to the west, and the hospital area to the north. The density is contained in this area and is buffered by transition zone districts to the lower density residential neighborhoods farther to the south and west.
- 3) **Community Commercial:** The city has active commercial centers where and day-to-day consumer needs are satisfied. This zoning recognizes the two principal nodes of such activity along Highway 2: at Division and Larch including the area nearby to Super 1 Foods. The zoning reflects the unique nature of community-wide shopping and consumer service needs, convenient parking, and ease of access. Such can be concentrated in these areas, adding to their convenience.
- 4) **Neighborhood Commercial:** This is a truly mixed-use zone that recognizes the numerous existing and future opportunities for neighborhood scale commercial development that allows for visibility into

neighborhoods from major corridors, ease of walkability, and convenient location to serve adjacent neighborhoods. The scale of development in this zone reflects its utility as a transition from busy highway and arterial corridors to neighborhoods. The building heights, scale and intensity of development match more closely the neighborhoods they serve. Residential development is allowed in this zone at higher-densities than the adjacent neighborhoods.

Land Use Regulations: Land Use regulations currently reside in separate tables within each zone district, and in text throughout the ordinance. This creates confusion in allowable land uses where one zone district may specify a land use, and other may classify it as something similar, thereby creating confusion in what is allowed. The proposed code consolidates all land uses within one table and creates categories of land use types (e.g. residential, commercial, industrial, institutional, accessory) with specific lists showing where, across the entire city, particular land uses are allowed. Notes further refine use of the table to arrive at a clear understanding of what is permitted.

Design and Development Standards: The current code has beneficial, objective standards that in many instances are being carried forward in the new code. New development regulations are also created for each of the new commercial zones, reflecting the intended scale, building location and design given unique contexts within the community (e.g in Downtown, or in a buffering Neighborhood Commercial area).

General Provisions: This chapter of the code (Chapter 1) has been refined, consolidates most of the various definitions spread across the current code, and adds clarifying language to common, everyday accessory land uses, such as seasonal sales; it also clarifies existing food truck regulations, and establishes what is exempted from basic measurements such as setbacks and height (to address ground mounted AC units, or rooftop mechanical equipment, for example).

Zoning Administration: The existing Chapter 9 (Zoning Administration) has been entirely re-written into a new Chapter 2 that consolidates existing Chapters 7, 9, and 14. The re-write clarifies how to file for a permit, what permits are required, and on what basis a permit is approved through required findings. This chapter establishes the permit review authority and permit timelines and extensions. The new Chapter 2 is a significant step toward creating transparency into the development process by clearly defining and establishing how permitting is administered.

Historic Preservation Code and Overlay Zone District: The code update includes a chapter dedicated to historic preservation. The new Chapter 13 is modeled after historic preservation ordinances found throughout Idaho, and uses the same permitting process, called a Certificate of Appropriateness, used nationwide. The historic preservation code enables the creation of an historic district on the Zoning Map and also allows for individual properties to be listed as locally-designated historic properties. The code establishes procedures for obtaining a permit (Certificate of Appropriateness, or “C of A”), the threshold for which is new: exterior modifications would first require a permit prior to work commencing. The code establishes that such C of As are either approved at the staff level, or are elevated for approval by the Arts, Culture, and Historic Preservation Commission. It is important to note that the design and development standards for the proposed historic district are the same standards as the balance of the Downtown Core Zone. In other words, all properties in the Downtown Core area (in the historic district and outside of it) have to adhere to the same design and development standards, with two differences: 1) The historic district has a height limit at 40 feet with a provision that taller buildings can be permitted if documentation is submitted supporting an historic height that is taller, and 2) the district has additional requirement to adhere to the Secretary of the Interior’s Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings. These are guidelines and solely include standards in a recommended/not recommended format. The standards would be used to facilitate approvals of CofAs.

Below is Table 9-13-1 (Certificate of Appropriateness review Requirements) excerpted from the historic preservation code, showing the review requirements.

Table 9-13-1 Certificate of Appropriateness review requirements

Reason for Certificate of Appropriateness	Arts, Culture, and Historic Preservation Commission Review	Staff Level Review	No CA Required
Deviation from Historic Design Standards or Guidelines	X		
Exterior Alterations (includes windows and doors, exterior materials, etc.)	X		
Demolition or Relocation	X		
New Construction	X		
Interior Alterations			X
New Sign (Structure)		X	
Sign Face/Copy Change		X	
Window Signage		X	
Aboveground Utility Structures	X		
Ordinary Repairs			X
Landscaping		X	
Maintenance			X
Public Safety Actions		X	
Change in zoning classification/rezone (IC 67-4609)	X		

Without an adopted historic preservation ordinance into the Zoning Code, all efforts at historic preservation are solely honorific. To best further the policies of the Comprehensive Plan and to implement the Arts, Culture and Historic Preservation Master Plan, which created the district boundaries in 2021, the zoning ordinance should include an historic preservation code.

4) Relevant Comprehensive Plan Objectives

Idaho Code, Title 67 Chapter 65 provides, in part related to zoning, as follows:

IC 67-6511 Zoning ordinance. (1) Each governing board shall, by ordinance adopted, amended, or repealed in accordance with the notice and hearing procedures provided under section [67-6509](#), Idaho Code, establish within its jurisdiction one (1) or more zones or zoning districts where appropriate. The zoning districts shall be in accordance with the policies set forth in the adopted comprehensive plan.

The City's 2024 Comprehensive Plan contains goals, objectives and policies that serve to guide any proposed code amendment. Zoning is integral/foundational to new development and redevelopment and the Comprehensive Plan provides guidance for this update. Attachment E to the staff report is a comparison of the

zoning code update with the Comprehensive Plan goals, objectives, and policies.

5) Zoning Code Amendment History

July 2024	City adopts new Comprehensive Plan City adopts new Comprehensive Plan which includes specific reference to continued Downtown revitalization, and real estate development consistent with historic development patterns
July 2024	Staff directed to begin work on commercial zoning update and historic preservation, including downtown zoning.
July 2024- December 2025	Review of current zoning, economic development objectives, comprehensive plan polices, city's master planning documents, complete review of city's development permitting processes, several changes to residential code, and an update to the parking ordinance to reintroduce parking minimums for residential development in the exempt area, meetings with developers, property owners, residents to garner ideas about future development/redevelopment, staff drafting of initial zoning code update.
January – October 2026	Ten code update working sessions with the Planning and Zoning Commission, and three working sessions with the Arts, Culture, and Historic Preservation Commission to review and modify draft code language.
September 4, 2026	1687 letters sent to property owners and those within 300-feet of a proposed rezoning inviting them to participate and meet with staff to learn and discuss the zoning update project
September 15, 2026	Draft proposed amendments presented at an open house at the Music Conservatory, specific focus on historic preservation and how such code complements balance of downtown zoning. Approximately 40 people attended the open house.
October 6, 2026	Draft proposed amendments presented at an open house at the Community Hall, with an attendance of approximately 80 people.
September – October, 2026	More than 100 meetings at City Hall with property owners and interested parties to learn, discuss, share concern, opposition, support, and ideas for the zoning code update project.
October 20, 2026	PZC Public Hearing on Draft Proposed Changes to Title 2, Title 9, Zoning Map, and Comprehensive Plan Future Land Use Map.
December 2, 2026	Anticipated City Council Public Hearing Draft Proposed Changes to Title 2, Title 9, Zoning Map, and Comprehensive Plan Future Land Use Map.

6) Planning Commission Action

On legislative matters, including rulemaking such as amendments to the Comprehensive Plan and zoning ordinance, the Planning and Zoning Commission act in an advisory capacity to the City Council. The action of the Planning and Zoning Commission can include the following:

Recommend City Council adopt the Comprehensive Plan and code amendments as drafted;

Recommend City Council adopt the Comprehensive Plan and code amendments after making changes;

Direct staff to revise the amendments before taking action;

Recommend City Council Deny the ordinance.

7) Attachments

A: Crosswalk showing changes to the structure of Title 10 Zoning

B: Existing Zoning Map

C: Amended Zoning Map with changes outlined

D: Amended Zoning Map

E: Amended Comprehensive Plan Future Land Use Map with changes outlined

F: Comparison of Zoning Code update with Comprehensive Plan Goals, Objectives, and Policies

G: Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings

H: Historic Preservation Regulatory Framework

I: Written Comments Received to Date

J: Current Title 2 Chapter 10

K: Amended Title 2 Chapter 10 Blackline

L: Amended Title 2 Chapter 10 Final

M: Current Title 9

N: Amended Title 9 Blackline

O: Amended Title 9 Final