

An aerial night photograph of Sandpoint, Idaho. The scene is illuminated by streetlights and building lights, creating a warm glow against the dark sky. A river flows through the center-right of the image, with a bridge crossing it. The foreground and middle ground are filled with residential and commercial buildings, some with flat roofs and others with gabled roofs. A parking lot with several cars is visible in the lower-left quadrant. The overall atmosphere is quiet and urban.

Lot Size, Lot Coverage, and Density Amendments

Why small code changes can expand attainable housing options in Sandpoint
Public Hearing (Final) | Sandpoint, Idaho
January 21st, 2026

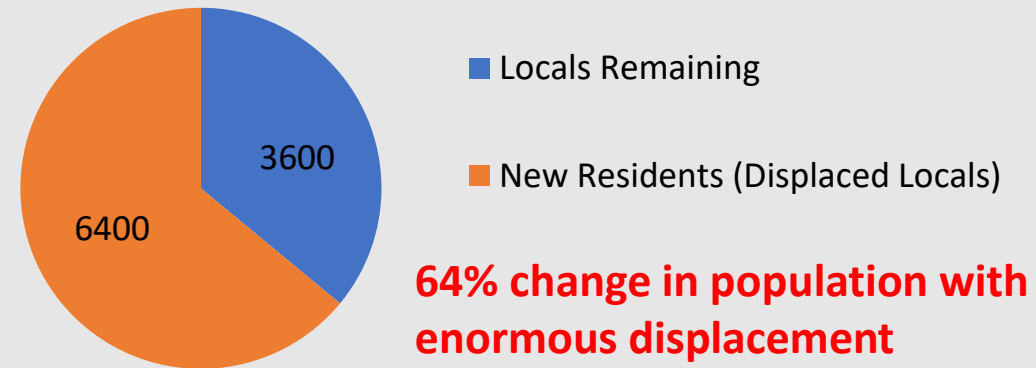
Population Change v. Population Growth

Thought experiment: What would Sandpoint look like in 20 years with no new housing stock?

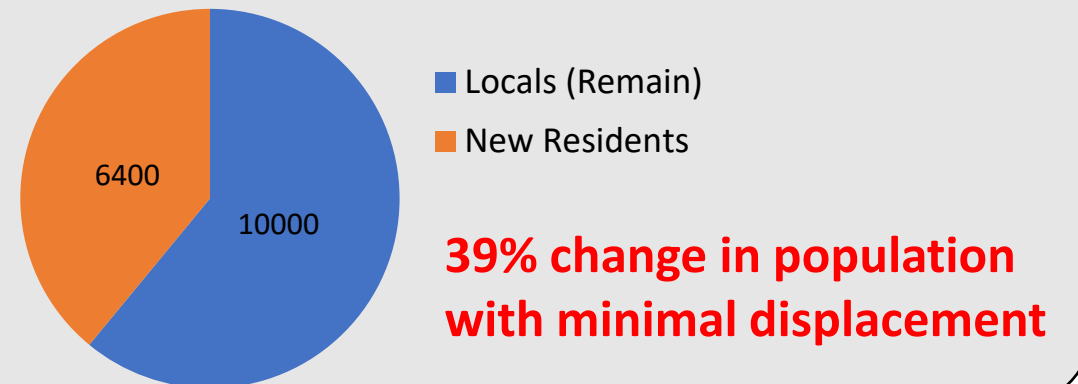
- Demand for housing grows at 2.5% per year
- When housing supply is fixed, increased demand translates to higher prices
- Locals sell to new residents as Sandpoint becomes less affordable.
- Sandpoint's current population is **displaced** by moneyed new residents
- While limiting housing growth may limit population *growth*, it accelerates population *change*.

*Stopping housing growth produces **more change, not less**. These code amendments are not about growing Sandpoint faster—they are about **ensuring the people who live here today are still here tomorrow**.*

Population in 20 years assuming no new housing



Population in 20 years assuming housing keeps pace with demand



Population Change v. Population Growth

Population Growth is the rate at which *the number of people* living in a place **increases** over time.

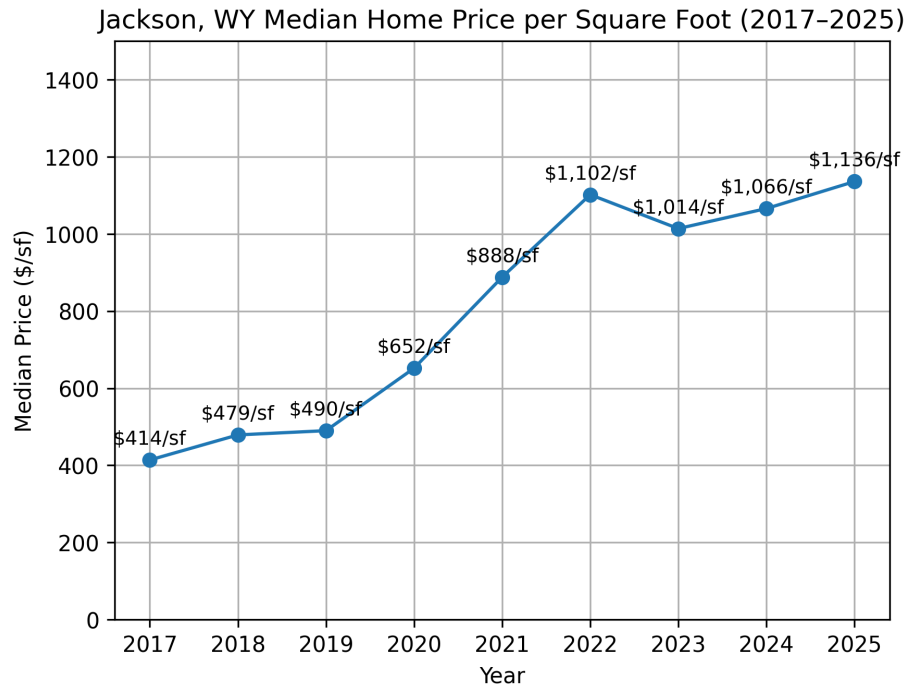
Population Change is the rate at which the *people who make up a community* **are different** over time.

Relationship between Growth and Change: Limiting population growth actually accelerates population change, as existing neighborhoods are gentrified by new-money coming in, pushing long-time residents out.

The gentrification so many fear is caused not by new development, but by the absence of new development

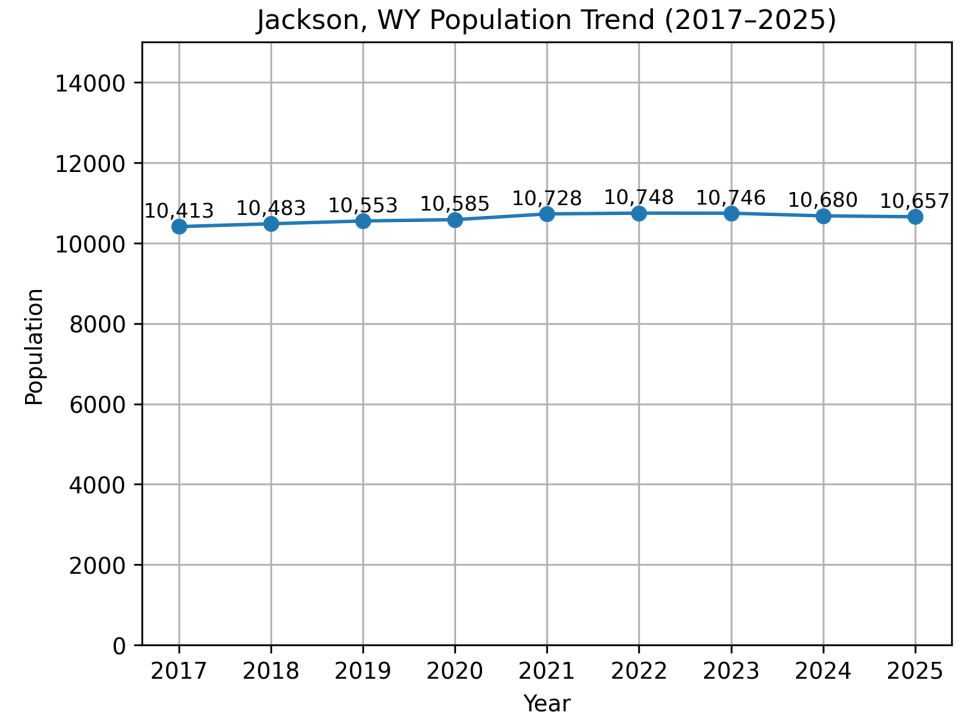
Case Study in Change v. Growth in Jackson Hole, WY

In Jackson Hole, population **growth** has remained flat, yet the population **change** has been enormous



Price of housing:
↑ 274%

Population:
↑ 1%



In Jackson hole, housing prices nearly tripled while population stayed flat, meaning not *more people* but *different people*..

No Growth ≠ No Change

Limited housing supply + rising demand = displacement.

2024 Comprehensive Plan Explicitly Calls for Housing Variety & Missing Middle

Housing Goal 1: Housing Variety

Location: Housing Chapter, p. 57

“A variety of quality housing types is available to serve a broad spectrum of household types and age groups.”

Supporting Objectives

- Permit duplexes, townhouses, stacked flats, ADUs, co-housing, cottage communities and other housing types in neighborhoods
- Encourage attached housing types in and around downtown
- Encourage housing above retail in mixed-use and commercial areas
- Explore alternatives to parking requirements to allow smaller and more attainable housing types

Current amendments on lot size, lot coverage, and density are mechanisms to actually allow these housing types to be built.

The Plan Directly Supports Infill & Smaller Units

Housing Goal 2: Housing Affordability

Location: Housing Chapter, pp. 63–64

“Housing is available to meet the needs of low- and moderate-income workers.”

Key Objective (especially important):

“Integrate smaller infill units to allow for mixed-income residents.”

This is a **direct policy mandate** for:

- smaller lots
- incremental density
- flexible infill standards



The Plan Calls for Zoning Changes to Promote Infill



Land Use & Growth – Efficient Land Use

Location: Chapter 4, pp. 52–53

“Sandpoint’s mature and developed areas are invested in and enhanced, reducing pressure to expand into the Area of City Impact.”

Supporting Objectives:

- Incentivize development and redevelopment of vacant and under-utilized properties through zoning and subdivision code changes
- Promote infill development and redevelopment that contributes to the desired mix of land uses
- Encourage housing above ground-floor commercial uses

This explicitly ties code updates to infill as a growth strategy.

The Plan Supports Smaller Lots and Compact Development

Residential Neighborhoods Goal 2

Location: Chapter 4, p. 53

The diversity, quality, comfort, and connectivity of Sandpoint's residential neighborhoods is expanded."

Key Objective (use this verbatim):

"Support a variety of lot sizes and housing types while maintaining an overall desired neighborhood density and scale."

This directly refutes the idea that **uniform lot sizes = neighborhood character**

*The Plan explicitly says **variety is part of character***

The Plan Anticipates Density Where Infrastructure Exists

Future Land Use Plan Context

Location: pp. 40-43

Key findings:

- Historic neighborhoods already include **lots as small as 3,500 sf**
- Some of the **newest neighborhoods are returning to smaller lot sizes** due to land scarcity and cost
- Potential in medium density residential (RM) areas for **smaller lot sizes**
- **Land scarcity is explicitly identified as a problem**

These amendments reflect the physical and economic reality the Plan already identifies.

The Plan Ties Housing Supply to Population Stability

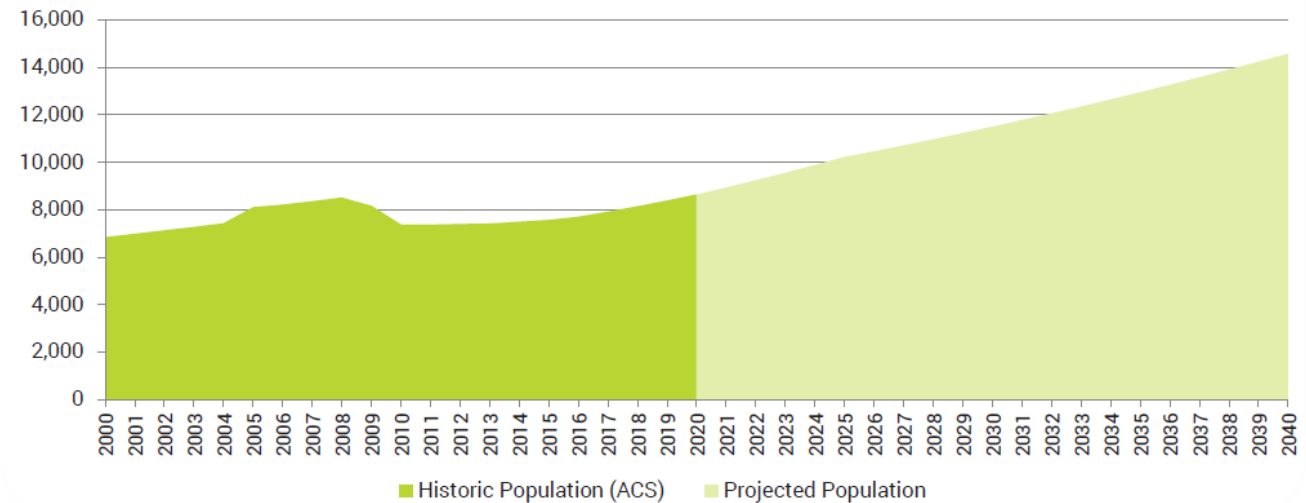
Population Forecast & Housing Demand

Location: pp. 19–20

Key statements:

- Growth is driven almost exclusively by **in-migration**
- Long-term growth assumed at **~2.4% annually**
- This growth implies **~2,500 new housing units needed by 2040**, without which *displacement of current population will occur*

Chart 7. Sandpoint Historic and Projected Population



Demand exists regardless of whether we allow housing

The question is whether we house existing residents or replace them

The Plan Explicitly Envisions Zoning Updates as Implementation

Implementation & Zoning Code Updates

Location: pp. 132–133

“This Plan suggests several code updates and revisions to uphold its development framework.”

And:

“Implementation of the Comprehensive Plan will occur through adoption of regulations and ordinances in the Municipal Code.”

These amendments are exactly what the Plan anticipates.



Sandpoint's Comprehensive Plan:

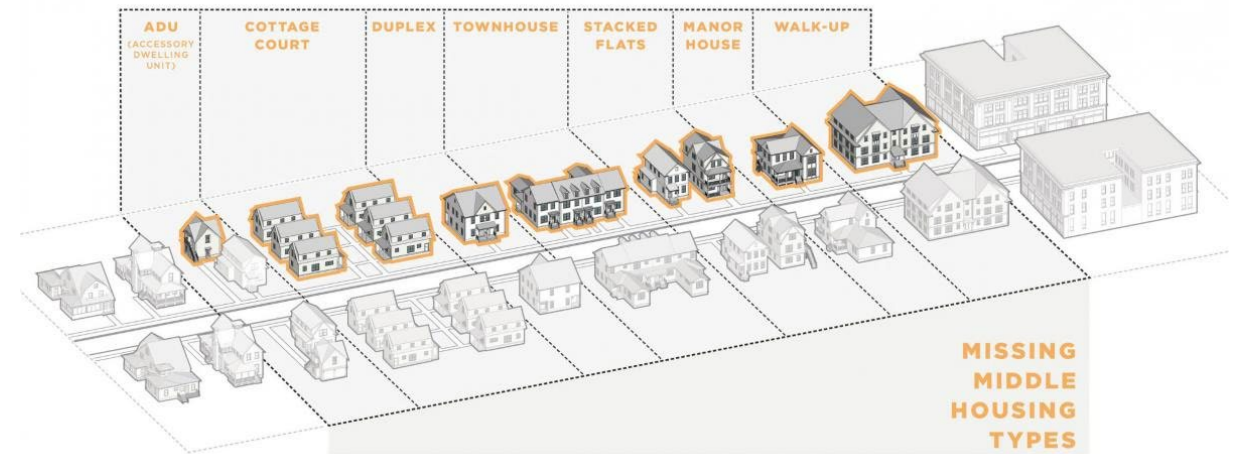
- calls for **housing variety, missing middle, and smaller infill units**
- supports a **range of lot sizes** and compact, walkable neighborhoods
- directs the City to **use zoning code changes to promote infill**
- identifies **housing affordability** and **workforce housing** as key challenges
- anticipates **continued demand** driven by **in-migration**

Council already adopted the policy direction. The question before you is whether we align zoning code with the Comprehensive Plan or continue enforcing standards that undermine it.

Driving purpose: expand attainable housing choices

These amendments are a local, incremental step to enable more attainable housing in Sandpoint.

- Lower barriers to small-scale infill (small homes, ADUs, duplexes, triplexes, fourplexes, cottage courts).
- Reduce per-unit land cost by allowing more homes on the same land.
- Loosen building footprint maximums to enable more living space per sf of real estate
- Increase supply and choice, so price pressure is not forced into a small set of housing types.



"Missing middle" housing types

IMPLEMENTATION OF COMPREHENSIVE PLAN GOALS AND OBJECTIVES

Local mechanism: building footprint maximums hamper flexibility of land use

What's changing? Relaxing building footprint max enables more living space on same amount of land

RS Zone

What is changing?

- Single-story buildings may exceed the current 35% building footprint max (but only for single story construction)

Why it matters:

- Makes detached and attached ADUs feasible on many existing lots
- Allows additional bedrooms or flexible living space in primary homes
- Supports multi-generational living and long-term rentals

Result: More usable living space without increasing building height or neighborhood scale

RM Zone

What is changing?

- Relaxation of the 40% building footprint cap
- Retention of a clear 70% impervious surface maximum

Why it matters:

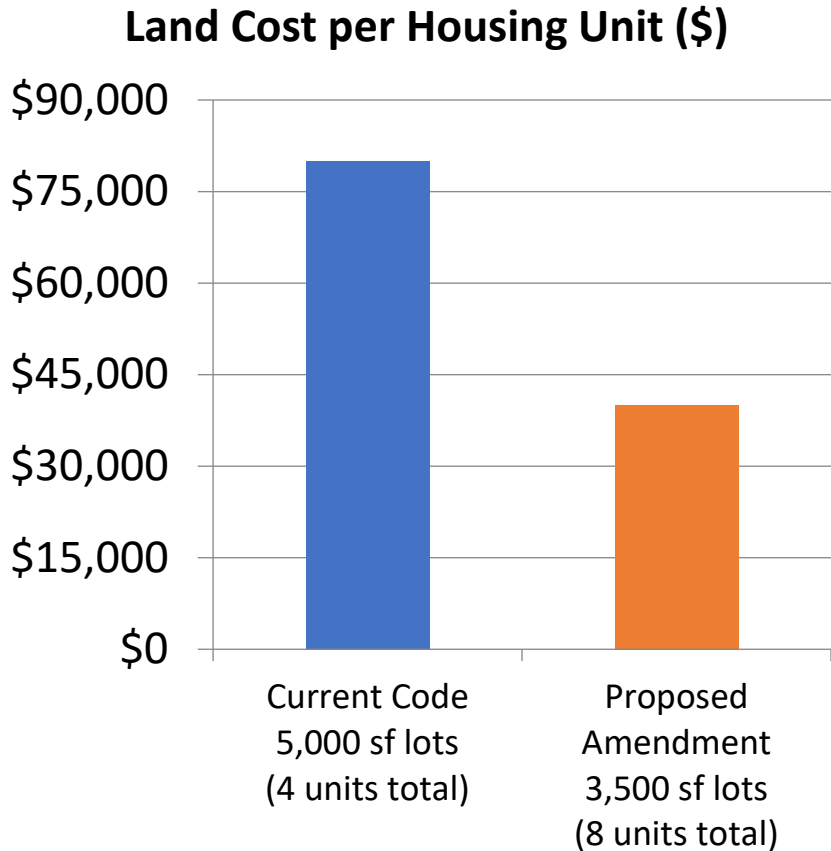
- Allows additional dwelling units to be accommodated on-site
- Prevents new units from being forced into smaller footprints
- Preserves flexibility in building layout while meeting parking requirements

Result: More homes can be built on the same land area

Important: Max impervious surface standard remains; City provides flexibility for owners to use their land as they desire

Local mechanism: smaller lot sizes reduce per-unit land cost

What's changing? Reducing minimum lot size in RM zone from 5,000sf to 3,500sf



Illustrative Scenario

Assume there is a 14,000 square foot (0.32-acre) lot in the RM zone that the owner is considering subdividing. Land values in Sandpoint's RM zone are currently around **\$1m per acre**.

- Lot size = 14,000 sf
- Assumed land value = \$320,000

CURRENT CODE: Minimum lot size = 5,000 sf

- 2 lots @ ~7,000 sf
- 2 dwelling units / lot (house + ADU or attached MF)
- **Land cost per unit: \$80,000**

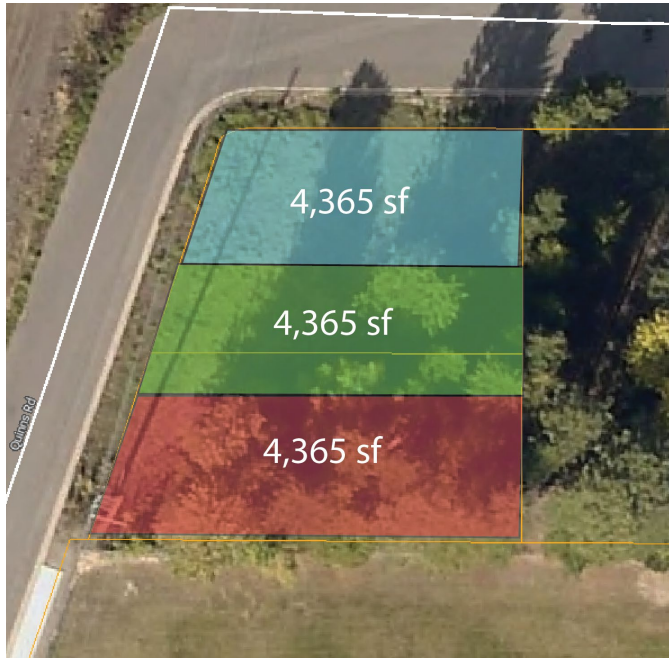
PROPOSED AMENDMENT: Minimum lot size = 3,500 sf

- 4 lots @ ~3,500 sf
- 2 dwelling units / lot (house + ADU)
- **Land cost per unit = \$40,000**

Density is not the goal; feasibility is. When small infill is feasible, the market can produce smaller, lower-cost homes.

Local mechanism: smaller lot sizes reduce per-unit land cost

Example of benefit – Habitat for Humanity property at corner of Sequoia and Quinns Rd



**H4H owns
13,068 sf of
property**



Current regs: 3,500 sf minimum for townhouse lots allow H4H to develop THREE attached single-family homes. Three low to moderate-income families will be provided with a place to live.

Proposed regs: 2,500 sf minimum for townhouse lots allow H4H to develop FIVE attached single-family homes. Two additional low to moderate-income families will be provided with a place to live.

Smaller lot sizes reduce per-unit development cost and will enable more housing units for low and moderate income families.

Residential Lot Size Practices in Peer Western Cities

Across the West, cities similar to Sandpoint routinely allow dwelling units to be built on lots smaller than 5,000 square feet, either explicitly or through modern zoning frameworks that no longer rely on large minimum lots.

<u>City</u>	<u>State</u>	<u>Approx. Population</u>	<u>Does the Code Allow Residential Lots Smaller Than 5,000 sf?</u>	<u>How This Is Achieved</u>
Sandpoint	ID	~9,200	No	Explicit minimum lot size
Whitefish	MT	~8,900	Yes	Explicit smaller minimums in higher-intensity residential districts
Leavenworth	WA	~2,400	Yes	Explicit sub-5,000-sf thresholds for multifamily and infill
Driggs	ID	~2,100	Yes	Explicit 3,000-sf residential lots
Victor	ID	~2,400	Yes	Explicit 4,000-sf residential lots
Hailey	ID	~9,000	Yes	Explicit minimums below 5,000 sf
Ketchum	ID	~3,600	Yes	Explicit smaller lots and historic infill standards
Ashland	OR	~21,000	Yes	Explicit smaller minimums in residential zones
Ellensburg	WA	~19,000	Yes	No minimum lot size in higher-density zones
McCall	ID	~3,700	Yes	Density- and form-based standards

Smaller lots provide a pathway to attainable home ownership

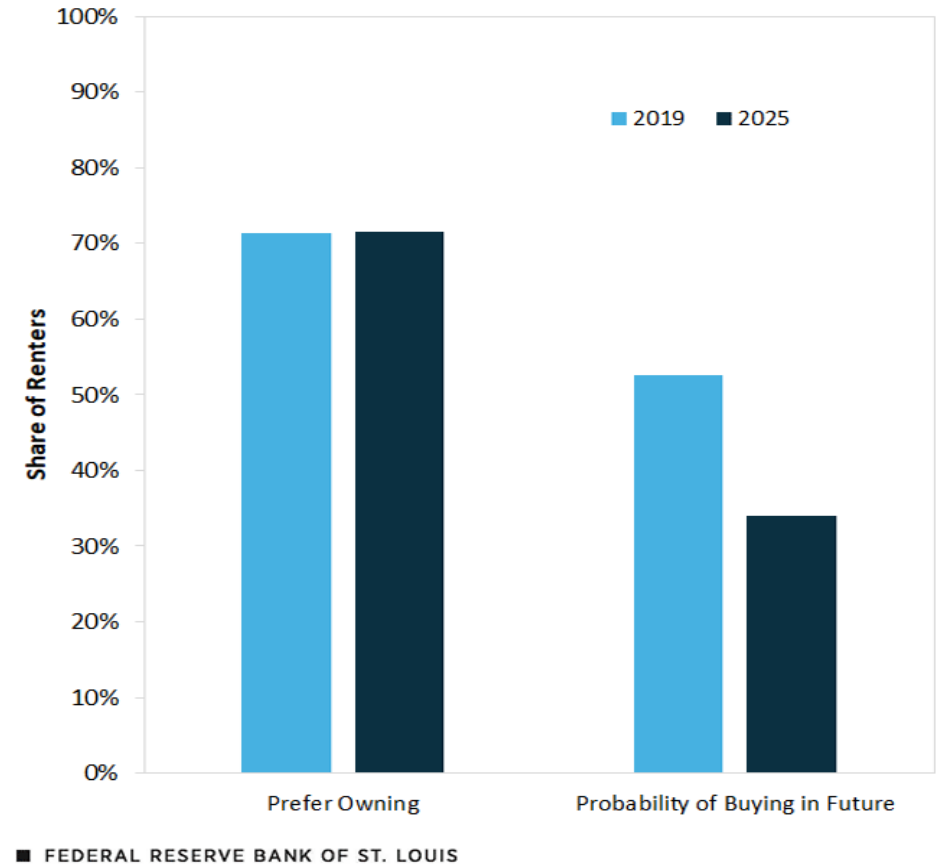
According to the Federal Reserve:

- American households **prefer home ownership to renting 70% to 30%.**
- Meanwhile, the probability of Americans buying a home in the future is lower today than ever before (35% down from 55% pre-pandemic).

Sandpoint's multifamily rental market is extremely tight.

- **26 apartment units available** for rent City-wide as of today
- Average rent = **\$1,785**
- **1,550** total multifamily housing units
- **1.7% vacancy rate**

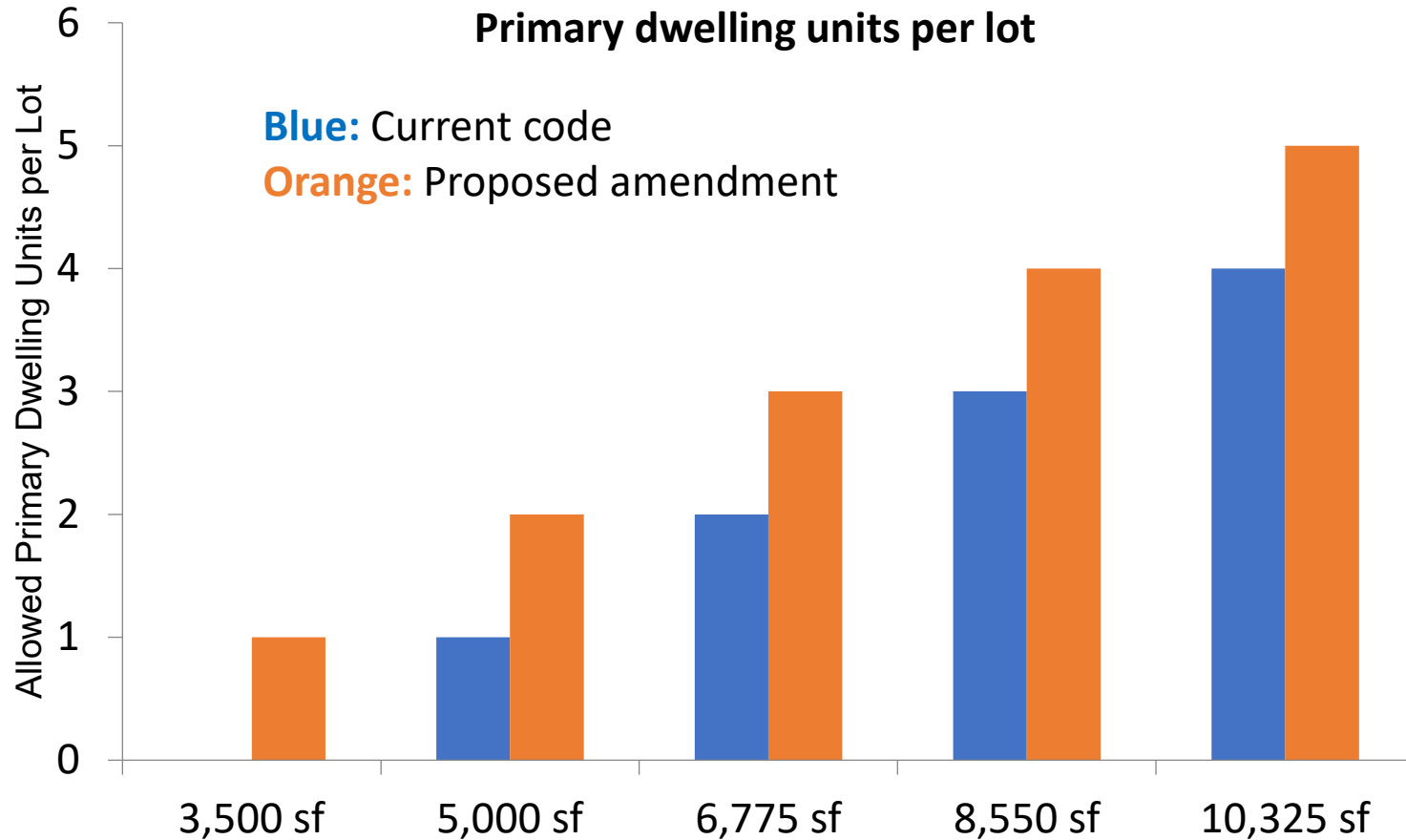
Sandpoint's Median household income is **\$5,650/month**, putting rent for available rental housing *above the threshold of affordability of \$1,695/month* (30% of household income)



Takeaway: Most households prefer homeownership, yet Sandpoint's rental market is both *scarce* and *unaffordable*. Affordability requires more multifamily housing **and** more attainable ownership options.

Local mechanism: density increase allow more homes on the same lots

What's changing? RM density increasing to allow *One More Unit* on lots in all size ranges



Illustrative Scenario:

- Minimum lot size for 2 units reduced from 6,775 sf to 5,000 sf
- On lots $\geq 6,775$ sf, allowable dwelling units increase by one unit in every lot-size tier
- ADUs remain allowed on all lots, regardless of unit count

Result: Smaller lots can be created, and every larger lot can support more homes.

Amendment allows land to support more households without expanding the city footprint.

Local mechanism: different building types allowed based on residential zoning

What's changing? Nothing! Same housing types, same setbacks, same height max, as under current code in residential zones

RS Zone

Allowed:

- Single family detached (on lots $\geq 5,000$ sf)
- Single family attached (on existing lots $\leq 5,000$ sf)

RM Zone

Allowed:

- Single family detached
- Single family attached
- Duplex (2 units on a single lot)
- Multi-family (>2 units on a single lot e.g. apartments)

Limiting types of housing allowed based on underlying zoning preserves character of existing neighborhoods while allowing for modest increases in density as envisioned in the Comprehensive Plan

Bottom line

Small, targeted code changes help Sandpoint's housing supply respond to demand

- Enable small-scale infill that is currently difficult or infeasible under minimum lot size and density limits.
- Reduce embedded land cost per unit by allowing more homes on the same land base.
- Expand options for local households across life stages, incomes, and tenure (owners and renters).

If communities limit the ability to build new housing, demand does not disappear, it competes more intensely for the homes already in place.

Community Character or the Characters that Make Up Our Community?

Community Character – what is it?

- Lot size?
- # of dwelling units per acre?
- % of impervious surface?
- Setbacks?
- Architecture?

YES! It is all these things!
But there's so much more to it...

When considering the goals of the Comprehensive Plan enacted through tonight's amendments, don't forget the **Characters of our Community**

- The working parents, the kids, the social groups, the nonprofit organizations, the events, festivities, arts, culture, and personalities that give Sandpoint its character.
- **If we don't make rules today that enable our children and grandchildren to stay here, the characters that make Sandpoint a community will be disappear as new arrivals displace locals.**

Question to consider: Do you want City policies that promote population change while limiting growth, or policies that mitigate population change by enabling housing types that promote affordability and reduce the rate of displacement of today's residents?



The Uncomfortable Truth

Affordable Housing – a tough nut to crack

“We absolutely need **subsidized affordable housing**. And a lot more of it. *The market alone will not solve poverty.*

But we cannot protect our affordable neighborhoods by *starving them of new inventory.*

We have to stop judging housing by **whether it fits our aesthetic nostalgia or our price point**, and start judging it by **what it *does* to the system...**

If we truly care about affordable housing, we have to be brave enough to **build the one thing that actually protects it: Abundance.**

We aren't fighting displacement by blocking these buildings. We're causing it.”

Jeff Kerr, professional urban planner and landscape architect, “*The Hermit Crab Economy: A New Theory on Affordable Housing*” January 13, 2026,

<https://escapinggenerica.substack.com/p/building-a-hermit-crab-housing-economy?r=88b1e>

Council Action Options

Option 1 – Adopt the Amendments (Recommended by PZC)

Approve the proposed lot size, lot coverage, and density amendments as presented.

Effect: Implements the adopted 2024 Comprehensive Plan by enabling small-scale infill, missing-middle housing, and more attainable housing options while maintaining neighborhood scale and character through existing zoning distinctions.

Option 2 – Adopt with Direction for Targeted Revisions

Approve the amendments with specific direction to staff on limited modifications

Effect: Advances Comprehensive Plan housing and infill objectives while allowing Council to refine implementation details.

Option 3 – Continue the Public Hearing

Continue the hearing to a date certain and direct staff to provide additional analysis or revisions on identified issues.

Effect: Defers implementation of Comprehensive Plan housing policies while maintaining the current regulatory framework.

Option 4 – Reject the Amendments and Direct Comprehensive Plan Amendments

Deny the proposed amendments and direct staff to initiate amendments to the 2024 Comp Plan to remove or revise goals and objectives related to:

- Housing Affordability
- Smaller lot sizes and compact development
- Infill and missing-middle housing
- Increased residential density and ADUs

Effect: Explicitly prioritizes preservation of existing residential built form over affordability, infill, and housing-choice objectives adopted in the Comprehensive Plan and realigns policy direction accordingly.