Staff Report

To:	Planning & Zoning Commission
Prepared by:	Bill Dean, City Planner; Brandon Staglund, City Engineer; and Jason Welker, Director of Planning and Community Development
Report:	May 15, 2025
Hearing:	May 20, 2025
Item:	PSPR25-0003 and PSPR25-0005: A public hearing to consider two Site Plan Review Permit applications for two mixed-use multi-family/commercial developments consisting of 47 apartment units and approximately 847 sf of commercial space on .16- acres located at 413 Church St. and 41 apartment units and approximately 1,900 sf of commercial space on a .16-acre site located at 417 Church St.

I. Introduction

Property Owners OZ Sandpoint QOZB, LLC and Karen Wilkinson, and applicants OZ Sandpoint QOZB, LLC and OZ Sandpoint 2 QOZB, LLC working through their representative Scott Harwood of OZ Development are seeking approval of two Site Plan Review Permits for two (2) mixed-use multi-family residential apartment buildings containing a total of 88 units on two lots totaling approximately .32- acres located at 413 and 417 Church Street in downtown Sandpoint. One site (417 Church) is undeveloped but for a small shed (previously had a single-family home that has been removed) and the neighboring site (413 Church) is developed with a single-family home. The property is zoned Commercial A (CA) and has a Comprehensive Plan (Comp Plan) designation of Downtown which permits mixed-use residential and commercial development. Both applications are being processed as a single project given their proximity (adjacent developments), timing of applications filed (3/6/25 and 4/22/25), and similarity: both applications

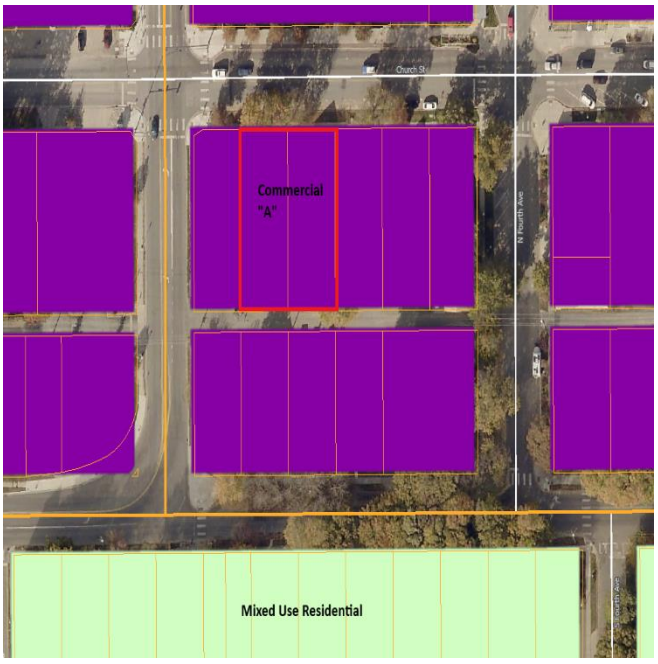


Figure 1 Vicinity & Zoning Map

contemplate very similar structures and contain shared civic space fronting Church Street.

The site (both applications) is comprised of tax parcel RPS01290090040A and RPS01290090050A, legally described as 22-57N-2W Farmins Addition Block 9 Lots 4 and 5.

Site Plan Review Permits are considered and decided by the Planning and Zoning Commission when referred by the Planning and Community Development Director pursuant to Sandpoint City Code §9-1-4-B(2)(d).

II. Request

The Site Plan Review permit applications are a request for 88 multi-family units and approximately 2,747 sf of ground floor commercial space on .31-acres (2 adjacent lots) located at 413 and 417 Church Street. The mixed-use multi-family project proposes 2 buildings: Building 1 (413 Church Street) has 847 sf of commercial space on the first floor fronting Church Street with 47 units of residential apartments behind the commercial space and on the remaining three floors above. Building 2 (417 Church Street) has 1900 sf of commercial space on the first floor fronting Church Street with 41 units of residential apartments behind the commercial space and on the remaining three floors above. The residential component of each building is a mix of one-bedroom and studio units distributed across the four floors. The proposed site plan shows civic space in front of each building, and a 5-foot setback from each side property line. Bldg 1 is setback approximately 5 feet from the rear property line adjacent to the alley, and Bldg 2 is setback approximately 25 feet from the rear property line at the ground floor, and floors 2-4 are set back approximately 17 feet from the rear property line. Both buildings are 45 feet in height. Three parking spaces (total) are provided in the rear of Building 2, and each building has secure first-floor bike storage accessible (and lockable) from the building interior and exterior.

The table below summarizes the unit count for each building.

	Square footage	Level 1	Level 2	Level 3	Level 4	total
Building 1	5,128 sf footprint 21,247 total sf	8 units: 3 one bedroom, 5 studio	13 units: 4 one bedroom, 9 studio	13 units: 4 one bedroom, 9 studio	13 units: 4 one bedroom, 9 studio	47
Building 2	4713 sf footprint 20,888 sf	5 units: 1 one bedroom, 4 studio	12 units: 4 one bedroom, 8 studio	12 units: 5 one bedroom, 7 studio	12 units: 5 one bedroom, 7 studio	41
Total Project One bedroom units	square footage ranges between 360 sf to 496 sf	4	8	9	9	30
Total Project Studio units	square footage ranges between 275 sf to 332 sf	9	17	16	16	58

Landscaping consists of a mix of trees, shrubs, and ground covers distributed along the property boundaries within the setbacks. Civic space has been provided along the frontage of Building 1 providing an outdoor amenity for denizens of the development or patrons of the commercial establishments.

Proposed Site Plan

Figure 2 Site Plan showing the combined development, Buildings 1 & 2 main floor

Figure 3 Unit Layout for Building 1 – Floors 2-4

Floor 2

Floor 3 & 4

Figure 4 Unit Layout for Building 2

Building Elevations

Figure 5 Building 1 East & North Elevation

Figure 6 Building 1 West & South Elevation

Figure 7 Building 2 East & North Elevation

Figure 8 Building 2 West & South Elevation

Figure 9 Clubhouse Elevations

III. Application Timeline and Notification

01/14/2025	Pre-application Meeting
03/13/2025	Application Received, Building 1
03/28/2025	Notice of filed application (Building 1) sent to Agencies and Property Owners within 300 feet
04/04/2025	Additional Information Requested of Applicant
04/22/2025	Application received, Building 2, revisions to Building 1 received
04/23/2025	Notice of filed application (Building 2) sent to Agencies and Property Owners within 300 feet
04/25/2025	Public Hearing Notice Published and sent to Property owners within 300 Feet
04/25/2025	Hearing Notice Sign Posted
05/20/2025	Planning and Zoning Commission Public Hearing

REVIEWING DEPARTMENTS & AGENCIES:				
City of Sandpoint	**Local Agencies & Districts**	**State & Federal**	**Bonner County**	**Other**
☒ **Building** ☒ **Fire Dept.** ☒ **Planning** ☒ **City Engineer** ☒ **Operations**	☒ **Independent Highway District** ☒ **Pend Oreille School District** ☒ **Panhandle Health District** ☒ **City of Dover** ☒ **City of Ponderay**	☒ **ID Dept. Lands** ☒ **Environmental Quality** ☒ **ID Transportation Dept. (ITD)** ☒ **USACE** ☒ **ID Water Resources** ☒ **ID F&G**	☒ **Surveyor** ☒ **Sandpoint Airport** ☒ **Planning** ☒ **BC EMS** ☒ **Commission**	☒ **Avista Utilities** ☒ **Northern Lights** ☒ **Various Utility/Service Providers** ☒ **BNSF Railroad**
X = Request for review/comments sent to department or agency.				

Consideration of written comments. At the time of this report, the city has received 90 public comments and two (2) agency responses (see attachments). All comments received before the hearing will be forwarded to the Commission and added to the application website. The following agencies have provided comments for Commission and inclusion in the conditions of approval as necessary:

- Bonner County Assessor, GIS Div. requesting coordination on addressing and road naming. This comment letter is listed as comment letter #1 under agency comments on the City's current Projects website for Farmin Flats.
- Selkirk Fire expressed concern that transient residents won't be knowledgeable of the building they reside in for evacuation purposes and a general lack of accountability. Other concerns related to fire safety concerns related to egress and accessibility to fight fires, and inadequate ladder truck at Sandpoint Fire Dept, and lack of training to manage a fire incident in an occupancy of this type. This comment letter is listed as comment letter #43 under public comments on the City's current Projects website for Farmin Flats.

Overwhelmingly, the comments reflect concern about the lack of parking in this development. Nearly every comment received made mention of the concern over the lack of parking and the perceived strain that such would have on parking availability in Downtown by both residents of this development and patrons/visitors of Downtown. Lack of parking was identified by many commentors as having a strain on snow plowing (residents would be seeking available street parking among other options), complicating snow plowing due to limits on overnight parking on adjacent and nearby streets. Other comments reflected concern about available or sufficient infrastructure to serve the development, building heights being too high for the area, architecture of the buildings not reminiscent of other, smaller scaled structures nearby, and the small size of the apartment units themselves. The complete list of comments received is attached to the report and available on the City's *current projects* website.

IV. Applicable Law & Findings of Fact

This application is subject to review and compliance/consistency with the following. Staff analysis is provided below each listed requirement.

Review Process: Sandpoint City Code (SCC) Title 9 establishes application and approval procedures for Site Plan Reviews.

Requirement #1: Applicability: Pursuant to SCC§ 9.1.4 a Site Plan Review permit is required in the following instances: All permitted uses requiring a building permit shall be subject to an administrative Site Plan Review with the following exceptions:

a) Residential dwellings of less than four (4) units on a conforming lot. This does not include substandard original lots of record that are further regulated in Section 9-4-6; and

b) Expansion of a commercial or industrial building which increases building size by less than two thousand (2,000) square feet where the finished structure will be permitted outright. This exemption does not apply to subsequent expansions.

Findings: The proposed development meets the applicability standards for the following reasons:

1.SCC§ 9.1.4 B.1(a): The proposed development is subject to an administrative Site Plan Review (permit) because the proposed development requires a building permit, is a new mixed-use commercial/residential land use in two proposed new buildings totaling approximately 42,135 square feet with associated parking (3 spaces) and landscaping on an approximately .3-acre site, and is not otherwise exempt from such administrative permit approval;

Requirement #2: Applicability: Pursuant to SCC§9.2.1.1 the city's downtown, designated as Commercial A (zoning) is so important and significant to the city, that it justifies a special set of regulations designed to protect and enhance its character in light of new development. The building design standards in SCC§ 9.2.1.4 through 9.2.1.6 shall be followed and are to ensure that the physical and operational characteristics of proposed buildings and uses are compatible within the context of the surrounding area. These regulations include building setback requirements, building height requirements, building size, bulk, scale and mass standards, regulations regarding building orientation, storefront design, building materials and civic spaces that shall be applied to all new construction.

Findings: The proposed development meets the applicability standards for the following reasons:

1.The land use proposed for this development is a mixed-use commercial / residential development and is located in the Commercial A zone district where such design standards apply, and the Site Plan Review permit is the required permit to demonstrate compliance.

Land Use: Sandpoint City Code establishes zoning districts and regulations identifying principally permitted, conditionally permitted, and land uses not allowed.

Requirement #1: Pursuant to SCC 9.1.4.B Permitted Uses: No Building or structure shall be erected, converted, enlarged, reconstructed or structurally altered, nor shall any building or land be used for any purpose other than is permitted in the district in which the building or land is located. SCC 9.2.1.1 establishes the description of commercial zone districts and provides regulations applicable to new development, including 9.2.1.3 land use limitations, specifically allowed uses in Table 1 Uses Permitted in the Commercial Zones.

Findings: The proposed development meets the applicability standards for the following reasons:

1.Pursuant to SCC§ 9.2.1.3, Table 1, the development proposes a conforming land use because retail/commercial land uses are principally permitted and residential uses on ground floors behind storefront space and on upper stories above ground floor commercial space are permitted in the Commercial A zone district within which the property lies. Further, the Commercial A zone district additionally principally permits offices, personal and professional services, restaurants, and hotels and the development conforms to this allowance for land use because the approximately 2,700 sf of

commercial space is larger than many existing downtown retail, and office land uses. This standard is met because the proposal as stated in the applicant's project narrative (dated 3/5/25 and 4/22/25) and development plans (dated 4/21/2025) identify the development as a mixed-use commercial/residential development which is principally permitted in the Commercial A zone district.

Public Noticing: Sandpoint City Code section 9.1.4.B.2 (a) establishes noticing requirements for Site Plan Reviews.

Requirement #1: Pursuant to SCC 9.1.4.B.2(a), a development of four (4) or more dwelling units shall require notice to adjoining landowners. The notice shall provide at least fifteen (15) days for comments on the application.
Findings: The proposed development meets the applicability standard for the following reasons:

1. The development application was noticed for a period of 15-days from 3/28/25 through 4/14/25 and more than 80 comments were received. The notice took the form of a Notice of Application letter providing application numbers, location, a brief description of the development application with images of a site plan and a project location boundary map mailed to all property within 300 feet of the proposed development parcel. Additionally, when the second application was filed (application PSPR25-0005 for 417 Church St), similar Notice of Application was provided on 4/23/25.

2. The development proposal is a commercial/residential project of more than 4 dwelling units, it is a development that is required to obtain a Site Plan Review approval, which could occur administratively. In an effort to increase transparency and involvement in the City's development processes, instead of an administrative review, a Public Hearing notice of the applications and an opportunity to participate in the review of the project before the Planning and Zoning Commission was provided on 4/25/25 for a public hearing date of 5/20/2025, which is a regularly scheduled Planning and Zoning Commission date.

3. Further, a physical sign with application details was posted on the development site for the duration of the public comment period, and the City included the application materials on the City's "Current Projects" webpage.

General Development Regulations: Sandpoint City Code establishes development regulations for new development.

Requirement #1: Pursuant to SCC 9.2.1.4, 9.2.1.5, and 9.2.1.6, all new development, structures and site improvements, shall be designed and constructed in compliance with the regulations of these sections. Additional zoning ordinance regulations may apply as referenced in the tables, as well as other code regulations, city standards, specifications and details, or regulations of another local agency or special district.
Findings: The proposed development meets the applicability standard for the following reasons:
1. The development was reviewed for compliance with the City's Zoning ordinance, sections 9.2.1.4, 9.2.1.5, and 9.2.1.6 as documented in a zoning compliance checklist attached to this staff report.

    a. The development was reviewed pursuant to SCC 9.2.1.6 for compatibility within the context of the surrounding area and the building design achieved compatibility through repetition of rooflines between the two buildings, building mass that is less than permitted in the zone district but similar in appearance with the north, west, and south elevations of the building across the street to the north. Additionally, compatibility was achieved through the buildings being similar in height (seven feet taller) than the nearby Bernklau building at 316 Pine street and twenty feet shorter (45-feet) than the Sandpoint center (across the street to the north), which is 65-feet tall, demonstrating that these structures will not be the tallest buildings in the vicinity, nor the first buildings in the Commercial A zone district or on this block to exceed 40-feet in height. The maximum height

allowed in the Commercial A zone district is 65 feet. Additionally, compatibility was established through articulation in front façade to mimic articulation of the Sandpoint center (bank) bldg. adjacent to the north, and the first floor is separated with an awning to define ground level entrance and civic space that mimics the style and appearance of the awnings throughout downtown, namely of the Cedar Street Bridge building which has a similar awning fronting First Ave. Awnings have been provided over first floor windows (west side), and compatibility with historic building materials is achieved by use of brick as a material and its arrangement includes detailing around windows, a base water table, and a cornice. Further, proper functionality of the building is addressed by ensuring commercial space and residential space have separate entrances, enabling the land uses (commercial and residential) to function independently.

Parking Regulations: Sandpoint City Code establishes parking regulations for new development.

Requirement #1: Pursuant to SCC 9.5.1, All new development is subject to off-street parking and loading facilities regulations, unless exempt from those regulations.
Findings: The proposed development meets the exemption standard for the following reasons:

1. The development is located within the boundaries of the codified exemption from off-street parking requirements established in SCC 9-5-1-F, and shown on the map within the zoning ordinance under SCC 9.5.1.H.

Public Utilities Regulations: The City establishes stormwater regulations in SCC 11.3; water infrastructure regulations in SCC 7.6; and sewer infrastructure regulations in SCC 7.7.

Requirement #1: 11-3-3-A: Any activity applicable to this chapter shall require the development of a comprehensive stormwater management plan, which addresses and complies with the requirements and standards established by this chapter and the plan criteria, design standards, and BMPs adopted pursuant to this chapter. Stormwater management plans shall be prepared by a qualified, licensed professional and submitted for review to the city engineer. The city engineer may require any plan to be signed by a registered civil engineer when offsite drainage or adjacent property rights are affected.
Staff Analysis and Findings: Applicant has submitted a stormwater management plan (SWMP), for each proposed building, prepared by Dan Tadic, P.E., dated 5/12/2025.

Requirement #2: 11-3-3-B: Each stormwater management plan created in accordance with this chapter shall also establish assurance of adequate funding, the necessary maintenance system (including an acceptable plan for sustained functioning of the collection and treatment system), and the easements necessary to provide continued maintenance of the system.
Staff Analysis and Findings: The "Operation and Maintenance Plan" section in the submitted stormwater management plan states that the property owner shall be responsible for operation and maintenance of the stormwater system, and the sustained adequacy of the system is further ensured by the recommended conditions requiring recordation of stormwater easements and revisions to stormwater management plan regarding funding for shared stormwater maintenance responsibilities**.**

Requirement #3: 11-3-3-E: Runoff from sites shall be discharged into an approved BMP except in the following case: When the total impervious surface area on a lot, resulting from new construction or an addition to existing structures, is less than two thousand (2,000) square feet, runoff may be discharged directly into the existing stormwater conveyance system, provided the existing facilities have sufficient capacity to accommodate the increased runoff, as determined by the city engineer.
Staff Analysis and Finding: The proposed project includes greater than 2,000 square feet of impervious area, so discharge of all impervious surfaces to approved BMP's is required. The submitted SWMP's for both buildings show surface runoff draining to grass treatment swales in between the buildings. Roof runoff will be discharged

in downspouts and connected directly to underground storage pipes for detention, without treatment, as allowed by 11-3-7-E-b.

Requirement # 4: 11-3-3-F: All activities subject to the requirements of this chapter shall be carried out such that runoff shall not be degraded, accelerated, concentrated, or otherwise conveyed beyond the exterior property lines or project boundaries of the project in question except in compliance with the provisions of a BMP adopted pursuant to this chapter or as allowed through joint management of stormwater with adjoining property owners pursuant to agreement approved in writing by the city. Drainage shall not be diverted and/or released to a downstream property which had not received drainage prior to development. Flow may not be concentrated onto downstream properties where sheet flow previously existed.
Staff Analysis and Finding: The submitted SWMP's for both buildings demonstrate that the 25-year peak rate of runoff into the city storm system, post-development, will not exceed the pre-development peak rate of runoff. This will be accomplished using underground detention pipes that store and provide controlled release of stormwater into the city stormwater system.

Requirement #5: 11-3-3-G: The quality of surface runoff shall be protected by strict compliance with the design standards and BMP adopted pursuant to this chapter or by implementation of measures shown by a qualified, licensed professional to have an effective design capability which exceeds the BMP adopted hereby.
Staff Analysis and Finding*:* Surface runoff will be treated using a bioinfiltration swale, which is identified as an approved BMP in the Idaho Catalog of Stormwater Best Management Practices.

Requirement #6: 11-3-4-A: General Requirements: All stormwater management plans shall conform to the following general requirements: (1) Clearly identify all stormwater facilities including, but not limited to, pipes, inlets, catch basins, temporary and permanent stormwater controls; (2) Stamped and signed by a qualified, licensed professional; and (3) Provide a recordable document assuring the city of future maintenance.
Staff Analysis and Finding: The submitted SWMP identifies all proposed and existing stormwater facilities and has been prepared by a registered Idaho professional engineer. A final stormwater plan, approved by the City Engineer, will be required before issuance of building permit, pursuant to staff recommended conditions.

Requirement #7: 11-3-4-B: Plan Requirements
Staff Analysis and Finding: The submitted SWMP includes all relevant requirements listed.

Requirement #8: 11-3-5-A-2: When on site facilities must accommodate drainage from off site, such facilities shall be designed to accommodate a 50-year storm frequency and storm duration of five (5) minutes, or equal to the time of concentration.
Staff Analysis and Finding: The existing site, when considering both building parcels as a single project, does not require additional accommodations for off-site drainage.

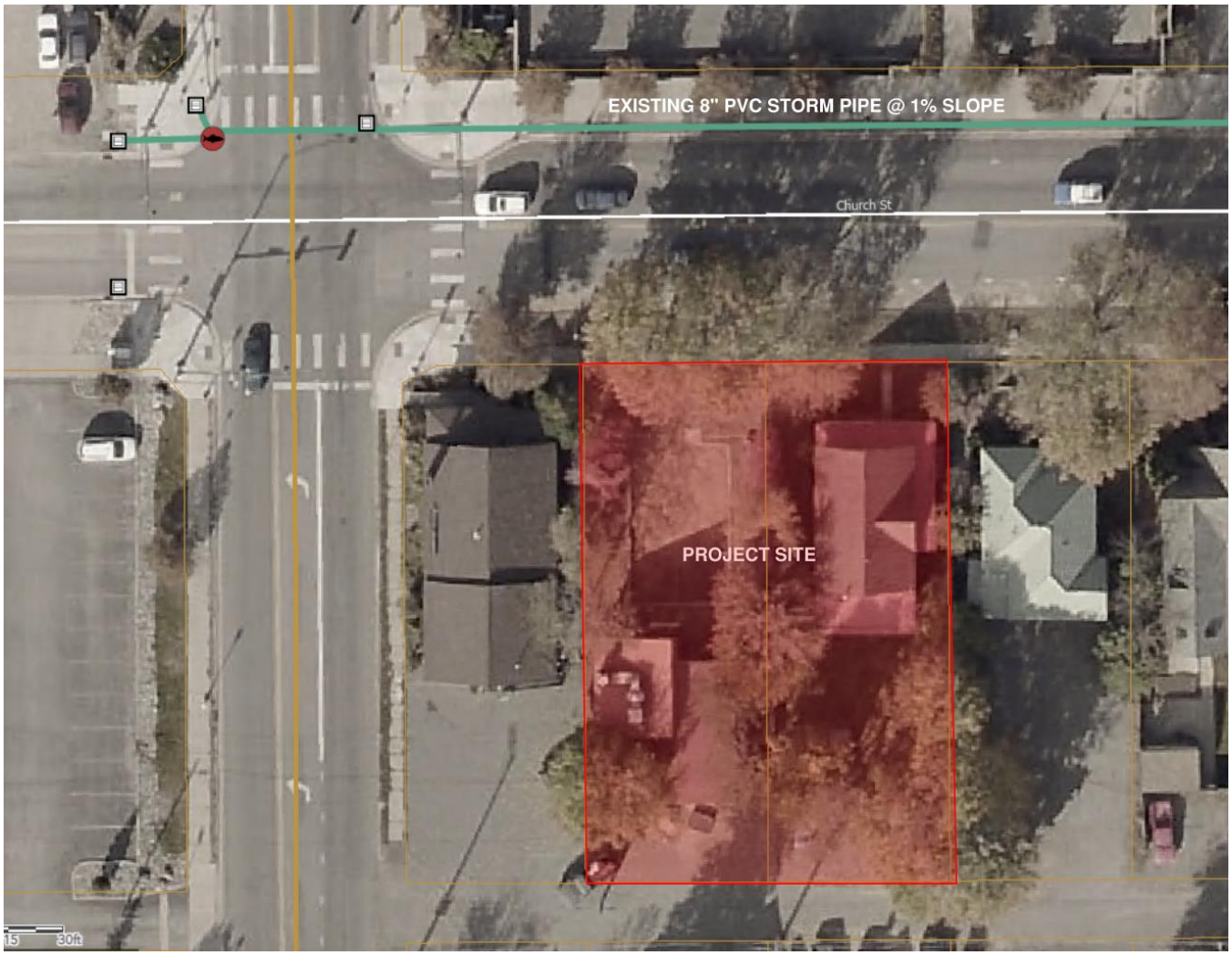
Requirement #9: 11-3-5-A-3: Peak flows shall be calculated by the rational method for areas ten (10) acres or less. Peak flows shall be calculated by the soil conservation service (SCS) method TR-55, for areas greater than ten (10) acres. Other methods may be approved by the city engineer.
Staff Analysis and Finding: The site is less than 10 acres, and the rational method was used in the submitted SWMP.

Requirement #10: 11-3-5-A-4: The intensity duration frequency curves from the Idaho transportation department shall be used for the rational method.
Staff Analysis and Finding: The IDF curves were used and included for reference in an appendix in the submitted SWMP.

Requirement #11: 11-3-5-A-5: Runoff coefficients and curve numbers shall be as published in the "Catalog of

Stormwater Best Management Practices for Idaho Cities And Counties"
Staff Analysis and Finding: Runoff coefficients used for the rational method in the submitted SWMP were taken from the Spokane Regional Stormwater Manual, which generally conform to the coefficients listed in the Catalog.

Requirement #12: 11-3-5-A-6: Runoff may be directed into existing drainage facilities following treatment and retention, provided the existing facilities have sufficient capacity to accommodate the increased runoff and water quality standards are in no way diminished, as determined by the city engineer.
Staff Analysis and Finding: The submitted SWMP demonstrates that there will be no increase in the peak rate of runoff from the site post-construction, compared to the site pre-construction. The existing 8" PVC stormwater pipe in Church Street, which the project stormwater system will discharge to after treatment and detention, does not have any identified deficiencies. The existing stormwater pipe in Church Street is at the upstream end of the network. See image of the existing city stormwater system below.



Requirement #13: 11-3-5-A-7: Any and all alterations to existing drainageways shall be approved by the city engineer prior to construction activities.
Staff Analysis and Finding: There are no significant alterations to existing drainageways proposed for the site.

Requirement #14: 11-3-5-B-1: All vegetated swales shall be designed to retain at a minimum a volume equal to the first one-half inch (½") of runoff over the tributary impervious area.

Staff Analysis and Finding: The submitted SWMP demonstrates that the treatment swales were sized to meet this standard, with exception for roof runoff as allowed by 11-3-7-E-1-b.

Requirement #15: 11-3-5-B-2: Swales shall be a maximum of eight inches (8") deep in commercial and industrial areas and six inches (6") deep in all others. Depth shall be the difference between the lowest point in the swale and the inlet of the overflow structure. Exceptions may be allowed with approval by the city engineer. Percolation tests may be required to demonstrate that the soil is capable of infiltrating larger quantities of water.
Staff Analysis and Finding: The submitted SWMP meets the maximum depth requirement with respect to calculations to meet 11-3-5-B-1. Percolation tests are not required, and an NRCS soil survey reference is included in the SWMP.

Requirement #16: 11-3-7-B: There shall be no measurable increase in the peak rate of runoff from the site after development when compared with the runoff rate in the undeveloped state for a 25-year storm. Sufficient retention capacity shall be constructed within project boundaries to detain the on-site surface flow to meet the performance standard established by this section. Existing and/or proposed off-site public street drainage shall be detained separately from the on-site drainage.
Staff Analysis and Finding: The submitted SWMP's for both buildings demonstrate that the 25-year peak rate of runoff into the city storm system, post-development, will not exceed the pre-development peak rate of runoff. This will be accomplished using underground detention pipes that store and provide controlled release of stormwater into the city stormwater system.

Requirement #17: 11-3-7-C: Channels which collect or concentrate stormwater shall be protected against erosion and contain energy dissipation measures to prevent further erosion on adjoining lands. Existing unprotected channels shall be protected against further erosion in the course of site development. Any site development or construction shall preserve the existing stormwater management improvements.
Staff Analysis and Finding: The submitted SWMP shows vegetation or other land cover of all stormwater swales to protect against erosion.

Requirement #18: 11-3-7-D: Sediment resulting from erosion of disturbed soils shall be detained on site.
Staff Analysis and Finding: The submitted SWMP shows temporary erosion control measures to mitigate or prevent disturbed soils from eroding off-site. Installation and maintenance of these temporary erosion control measures will be a condition of the building permit through the final approved stormwater plan.

Requirement #19: 11-3-7-E: Any and all collected stormwater shall be directed to vegetative swales or to an alternative stormwater management system approved by the city engineer. Permanent treatment of stormwater runoff shall be accomplished by directing all runoff to a vegetated swale or to an approved BMP.

1. Exceptions: Runoff may be discharged directly into existing stormwater conveyance system or other overflow structures with the approval of the city engineer under the following circumstances:
    a. When the total impervious surface area on a lot, resulting from new construction or an addition to existing structures, is less than two thousand (2,000) square feet.
    b. Runoff from roofs that do not have potential sources of contamination.

Staff Analysis and Finding: The submitted SWMP's for both buildings show surface runoff draining to grass treatment swales in between the buildings. Roof runoff will be discharged in downspouts and connected directly to underground storage pipes for detention, without treatment, as allowed by the exception in this code section.
Staff recommends a condition requiring applicant to provide evidence, before issuance of building permit, that the proposed roof materials and appurtenances will not have potential sources of contaminants as defined in City Code 11-3-1: harmful materials, including organic wastes, sediments, minerals, nutrients, thermal pollutants, toxic chemicals, and other hazardous substances.

Requirement #20*:* 11-3-7-F: Erosion, sediment, or discharge of pollutants, resulting from construction activities, which enter onto public property or private property not controlled by the permit holder, shall be eliminated to the maximum extent practicable unless otherwise permitted or exempted under this chapter. In no case shall they be washed into drainage features.
Staff Analysis and Finding: The submitted SWMP shows temporary erosion control measures to mitigate or prevent disturbed soils from eroding off-site. Installation and maintenance of these temporary erosion control measures will be a condition of the building permit through the final approved stormwater plan.

Requirement #21: 11-3-7-I: All necessary action shall be taken to minimize the depositing and tracking of mud, dirt, sand, gravel, rock or debris on or onto the public right-of-way. The owner of the site of the construction activity or the permit holder with respect to the construction site shall be responsible for any cleanup of the public rights-of-way or private property not under the permit holder's control, necessitated by any tracking or depositing of mud, dirt, sand, gravel, rock or debris, or shall reimburse the city for any expenses incurred by the city to effectuate the cleanup. At a minimum, all public rights-of-way shall be cleaned on a daily basis if sediment or debris has been tracked onto the road.
Staff analysis and Finding: The submitted SWMP shows temporary erosion control measures to mitigate or prevent disturbed soils from eroding off-site, including installation of a stabilized construction entrance and street sweeping provisions.

Requirement #22: 10-1-6-A-18: Traffic Analysis*:* Development contributing three hundred (300) or more vehicle trips per day to the city street system shall require a traffic impact analysis. An Idaho licensed professional engineer shall submit to the city a traffic impact analysis report meeting the requirements of the current computerized model adopted by the city. The developer shall be responsible to maintain the level of service of the affected existing street system. The report shall also take into consideration other forms of transportation including bicycle and pedestrian travel.
Staff Analysis and Finding: Staff recommends considering both proposed buildings as a single project under this provision. Based on the submitted Trip Generation and Distribution Letters submitted, Building 1 is estimated to generate 200 average day trips, and Building 2 is estimated to generate 170 average day trips, for a combined total of 370 average day trips. Therefore, a Traffic Analysis will be required. See recommended staff conditions of approval which require the developer to adhere to the mitigations identified in the study and any off-site improvements specified in the final approved traffic impact study will be added as a condition on the building permit. Because the developer is required to mitigate any identified impact to the City's roadway system, the City finds that the level of service will not degrade below adopted City standards.

Requirement #23: 7-6: Municipal Water System
Staff Analysis and Finding: There is an existing 8" water main in Church Street adjacent to the project. No water main extension is anticipated. The current City of Sandpoint Water System Master Plan does not identify any existing fire flow deficiencies in the immediate vicinity of the project. When submitting for building permit, applicant is required to demonstrate compliance with the International Fire Code. Before issuance of a building permit, applicant will be required to submit a utility plan showing proposed water service connections. A separate permit from the City Engineer is required before installing service connections, and all fees and requirements of this code section must be met before installing the meter and turning water on.

Requirement #24: 7-7: Municipal Sewer System
Staff Analysis and Finding: There is an existing 8" sewer main in Church Street adjacent to the project. No sewer main extension is anticipated. The most recent "City of Sandpoint Collection System Evaluation" prepared by Stantec in 2023 does not identify any existing sewer main capacity deficiencies in the existing sewer main adjacent to the project.
Before issuance of a building permit, applicant will be required to submit a utility plan showing proposed sewer

service connections. A separate permit from the City Engineer is required before installing service connections, and all fees and requirements of this code section must be met before the city will turn on water.

City of Sandpoint Comprehensive Plan: The City's Comprehensive Plan establishes broad goals, and policies to guide development in the City's Downtown.

The future land use map designation for the property is Downtown. As stated in the Comprehensive Plan (page 42): The vibrant, historic Downtown is the commercial core of Sandpoint. Downtown is characterized by its pedestrian orientation, waterfront location, and density with zero setback buildings required. It is also the community neighborhood, providing a wide range of uses (office, retail, service, residential), areas for events, entertainment, and public art. Buildings frame the public right-of-way with continuous commercial frontage, creating a comfortable pedestrian environment.

In addition to the future land use map, the comprehensive plan has other goals and policies relevant to the proposed development, most particularly in Chapter 4 pertaining to land use and growth. The proposal is broadly consistent with vision of the plan and does not conflict with the relevant goals and objectives of these sections.

Fact #1: Development proposals should be consistent with Chapter 3: Community Character & Design, specifically:

Goals Addressed:

- Goal 1.A – Ensure development respects Sandpoint's unique character in architecture, density, and site planning.
- Goal 2.E – Require downtown development to respect and enhance the visual character of nearby historic buildings.

Staff Analysis and Findings:
The proposed development aligns with the community's design objectives by incorporating a four-story, mixed-use structure that reflects the scale and character of downtown. Use of brick façades, metal accents, and stone columns ensures architectural continuity with buildings such as the Cedar Street Bridge and the Sandpoint Center. Zero setbacks, street-level transparency, and pedestrian-scale details contribute to a cohesive streetscape and enhance the historic and aesthetic context of Church Street.

Fact #2: Development proposals should be consistency with Chapter 4: Land Use & Growth

Goals Addressed:

- Goal 1.A – Incentivize redevelopment of under-utilized parcels.
- Goal 1.C – Promote infill contributing to a mix of uses.
- Goal 1.D – Encourage housing above ground-floor commercial.
- Goal 3.A – Locate density where urban services are available.
- Goal 3.C – Support compact mixed-use development to reduce auto dependency.
- Goal 4.C – Emphasize pedestrian orientation and access.
- Goal 4.F – Support shared parking and reduce land devoted to surface parking.

Staff Analysis and Findings:
The project implements the Future Land Use Designation of Downtown and reflects the intent of the Downtown designation, which emphasizes walkability, density, mixed-use, and framing of the public realm. This is achieved by a design that includes zero-setback buildings, ground-floor commercial, and upper-story residential units—hallmarks of the compact, vibrant, and pedestrian-oriented environment envisioned in

the plan. Additionally, the development exemplifies strategic infill by redeveloping two vacant parcels downtown, where infrastructure is in place. It enhances the land use mix through integrated residential and commercial uses, while its zero-parking design supports reduced automobile dependency and encourages walkability. The project reflects efficient land use policy and promotes shared-use parking strategies, supporting both environmental and economic goals of compact growth.

Fact #3: Development proposals should be consistency with Chapter 5: Housing & Neighborhoods

Goals Addressed:

- Goal 1.B – Encourage housing above retail in mixed-use centers.
- Goal 1.D – Encourage attached housing downtown.
- Goal 1.F – Explore alternatives to parking to enable varied housing types.
- Goal 2.A – Resolve barriers to workforce housing development.
- Goal 2.B – Encourage workforce housing by all available means.
- Goal 2.C – Integrate smaller infill units for mixed-income residents.

Staff Analysis and Findings:
The project addresses a critical housing need by introducing 88 new multifamily units downtown, where housing options are limited and demand is high. Its location near major employment hubs supports workforce retention and reduces commuting burdens. The absence of off-street parking allows for higher density and cost savings, facilitating affordability for a broad range of residents. These factors align with the Plan's goals to provide equitable, inclusive housing and remove regulatory barriers to affordability.

Fact #4: Development proposals should be consistency with Chapter 6: Multimodal Transportation

Goals Addressed:

- Goal 1.A – Provide convenient, accessible parking and mobility options.
- Goal 1.B – Maintain safe traffic circulation.
- Goal 2.A – Invest in pedestrian and bicycle priority corridors.

Staff Analysis and Findings:
Located in a pedestrian-priority area, the development reinforces walkability and access to nearby transit and bike routes. The zero-setback design fosters sidewalk engagement, while its location supports reduced car dependency. Although the project is exempt from parking minimums, additional attention has been placed on making bike storage convenient and safe by having dedicated bike storage inside the buildings accessible from both the inside and outside, making bike loading/unloading easier for all users.

Fact #5: Development proposals should be consistency with Chapter 7: Parks, Recreation & Trails

Goals Addressed:

- Goal 1.A – Promote walkable access to parks and trails.
- Goal 1.G/J – Encourage inclusion of outdoor spaces and sustainable landscaping.

Staff Analysis and Findings:
The site is located within a half-mile of key parks and trails, supporting walkable access to recreational opportunities. While the project does not provide new public open space, opportunities exist to enhance

its contribution through small-scale public amenities or sustainable site features such as drought-tolerant landscaping or integrated green infrastructure.

Fact #6: Development should be consistency with Chapter 8: Public Facilities, Services & Utilities

Goals Addressed:

- Goal 1.A – Ensure adequate infrastructure for anticipated growth.
- Goal 1.F – Encourage use of renewable energy and energy efficiency.

Staff Analysis and Findings:
The proposed infill development efficiently utilizes existing infrastructure in the city's core, minimizing service extension costs. Its compact form supports utility efficiency. Should the applicant integrate solar or energy-efficient design elements, it would further the city's goals around sustainable utility use.

Fact #7: Development should be consistency with Chapter 9: Jobs & Economic Development

Goals Addressed:

- Goal 1 – Support a healthy, diverse local economy.
- Goal 5 – Reinforce downtown as a vibrant employment and cultural center.

Staff Analysis and Findings:
This project delivers compact, workforce-adjacent housing that enhances downtown's job-housing balance. Its proximity to hundreds of downtown jobs in retail, government, and services supports employee retention and reduces transportation costs for workers. Ground-floor commercial uses further expand job opportunities and contribute to downtown's economic vitality.

V. Pedestrian and Bicycle Advisory Committee Review

On May 8, 2025, the Pedestrian and Bicycle Advisory Committee adopted recommendations to staff regarding the proposed project, specifically, the following:

1. That developer ensure full, well lit, pedestrian access to living units from front of sidewalk. For Phase 1 (Building 1) specifically, consider pedestrian access from sidewalk not through the commercial area. Access needs to be and to feel safe day and night.
   Compliance: Access to the residential units has been separated from access to the commercial area, ensuring the separate land uses can function separately.

2. Bike parking recommendations: add bike parking to building 1 similar to what is visible in building 2 site plans. Optimal bike parking would be inside the building, first floor, lockable to building, separate from trash space, and easily accessible with an outside entry and inside entry. Recommend offering 1 bike space in these parking areas per living unit (many people without cars have multiple bikes); and, furthermore, ensure that 1 in 5 spaces are extra wide to accommodate e-bikes. Ensure availability of adequate power outlets for e-bike charging within dedicated bike storage spaces. Encourage space for lockers or storage in bike parking areas, and wide enough doorway entry/access for ancillaries like panniers, baskets, and bike trailers.

   Compliance: Both Buildings 1 and 2 include dedicated, lockable bike storage accessible from both inside and outside the units.

VI. Draft Conditions of Approval

1. Before issuance of building permit, a final stormwater plan shall be reviewed and approved by the City Engineer.

2. Before certificate of occupancy, applicant shall record easements for the shared stormwater system, describing access and maintenance responsibilities between the two parcels. The draft easement documents shall be reviewed and approved by city staff before recording. Before issuance of building permit, the stormwater plan shall be updated to show proposed easements.

3. Stormwater management plan for both buildings shall be revised to describe in detail the agreement and funding mechanism by which the owners of the two separate parcels will share the cost of operation and maintenance of the shared stormwater system.

4. Before issuance of building permit, the plans shall be updated to show future access easements for the shared sidewalk between buildings.

5. Before issuance of building permit, applicant shall provide evidence, to the satisfaction of the City Engineer, that the proposed roof materials and appurtenances will not have potential sources of contaminants as defined in City Code 11-3-1: harmful materials, including organic wastes, sediments, minerals, nutrients, thermal pollutants, toxic chemicals, and other hazardous substances.

6. Before issuance of building permit, a traffic analysis as required by city code 10-1-6-A-18 shall be reviewed and approved by the City Engineer. Applicant shall be responsible for proportionate share contributions to any affected city project identified in a city-council-adopted master plan. Proportionate share shall be determined by the approved traffic analysis. Applicant shall be responsible for any extraordinary impacts, identified in the approved traffic study, which result in portions of the city street network falling below acceptable level of service, as described in city code 12-1-12.
7. Before issuance of building permit, applicant shall submit a utility service plan, prepared by a professional engineer, to be reviewed and approved
8. Prior to issuance of a building permit, the building permit shall demonstrate that the plans are substantially compliant with the site plan, landscape plan and architectural elevations reviewed as part of this Site Plan Review permit (PSPRP25-0003 and 0005).
9. Prior to any certificate of occupancy the developer shall re-surface the existing alley to the rear with new gravel along its alley frontage to the satisfaction of the Director of Planning and Community Development.

VII. Action

Following public testimony and subsequent deliberations, the Planning & Zoning Commission shall make findings and take one of the following actions in accordance with Sandpoint City Code:

1. Approve the application with conditions.
2. Postpone action on the application to a date certain, with specific direction on additional information needed, or
3. Deny the application.

VIII. Attachments

The public record on this matter includes all of the following documents that can be viewed at www.sandpointidaho.gov/farmin1 and www.sandpointidaho.gov/farmin2

1. Application materials as submitted by the applicant including:
    a. Application form & Narrative
    b. Farmin Flats development plans including site plan, floor plans, and building elevations
    c. Landscape plan
2. Public hearing notices & postings
3. Agency & public comments received
4. Zoning Conformance Checklist