



## Staff Report

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**To:** Planning and Zoning Commission  
**From:** Bill Dean, Deputy Director of Community Planning and Development/City Planner  
**Report:** February 3, 2026  
**Item:** Discussion re: Amendments to Sandpoint City Code Title 9 Chapter 2 Commercial Zoning, and new Title 9 Chapter 13 Historic Preservation Code and Overlay Zone  
**Applicant:** City Initiated

*Please Note: The materials related to this agenda item are provided on the City's website at:*  
[www.sandpointidaho.gov/currentprojects](http://www.sandpointidaho.gov/currentprojects)

### 1) Introduction and Background

This agenda item introduces proposed amendments to Sandpoint City Code Title 9, Chapter 2 (Commercial Zoning Districts) and a new Chapter 13 (Historic Preservation Code and Overlay Zone). These efforts stem from the City's 2024 update to the Comprehensive Plan and the 2018 City-adopted Arts, Culture, and Historic Preservation Master Plan (ACHP Master Plan). The purpose of this agenda item is to engage the Planning and Zoning Commission in a dialogue about specific zoning amendments that can implement the Comprehensive Plan to further objectives related to downtown and historic preservation.

The City's Comprehensive Plan establishes downtown Sandpoint as the City's cultural and historic center, and the ACHP Master Plan serves as the guiding policy document to further objectives related to historic preservation. Yet, these documents lack the specific standards, guidelines and implementation procedures customarily identified in a zoning ordinance. Accordingly, staff has identified areas where the zoning ordinance can be amended to better further the goals, policies, and objectives of the Comprehensive Plan and ACHP Master Plan. In so doing, staff are presenting ideas and new zone districts that may assist in further defining the boundaries of downtown, so that development standards and regulations can be further honed to address downtown's unique location, built environment, opportunity sites, and cultural and civic importance to the City. Also presented is a draft of an entirely new section of the zoning ordinance, a new Chapter 13, which creates a historic preservation regulatory framework. Attached to the staff report are the following documents and links to help facilitate the discussion:

A: Discussion Draft of Commercial A Zoning prepared in ~~strike through~~ and underline to facilitate discussion.

B: Discussion Draft of new Historic Preservation Code and Overlay Zone

C: Zoning Map of the City

D: Discussion Draft boundaries of new "Downtown Core" and "Downtown Outer Core" zone districts

E: Secretary of the Interior's Standards related to historic preservation

F: Page 35 from ACHP Master Plan – map of National Register Properties

Commercial Zoning:

The City's three principal commercial zoning districts are Commercial A, B, and C. While there are differences between these zone districts, they are very similar in terms of allowed land uses and development standards. Each

helps facilitate economic development and quality of life objectives of the City, however, none is designed specific to the unique location and significance of downtown. The ‘discussion drafts’ attached to the staff report introduce several ideas for downtown:

- 1) More specifically identify the area that is the “main street” or “main area” the city considers as “downtown”. This draft identifies them as the “Downtown Core” and “Downtown Outer Core”, although such names could easily be changed to reference something historic, specific, or more overt such as “Downtown City Center” zoning, for example.
- 2) Identify the immediately adjacent areas that complete the part of the City most recognizable as “downtown”. The main idea behind an “outer core” is to provide a location for land uses that best support an active downtown, taking advantage of the walkability of downtown, and allow residential uses on the ground floor of buildings. This area is not intended to compete with or replicate the uniqueness of the existing buildings in the “Downtown Core”.
- 3) Identify a reasonable set of allowed land uses in these areas to promote its unique location as downtown. The principal idea in identifying land uses for the downtown is to promote as much activity generation as possible, and to utilize other commercially zoned (and nearby) property for a wider range of land uses that may not involve the same amount of daily activity or may more heavily be auto dependent. The downtown is intended to be the principal, “walk, shop, eat, entertain” area of the City.
- 4) Identify standards and regulations to help retain the scale and structure of this area. The built environment in downtown is unique. The standards presented encourage compatibility in design, while also allowing needed artistic and individual expression. The standards applicable to these two newly labeled areas have been augmented with new limits on building heights, building design, and land use.

#### Historic Preservation:

The City’s ACHP Master Plan establishes that the City should evaluate further participating in the national project of historic preservation by locally adopting zoning regulations so that standards and regulations related to identified historic structures and places can be reasonably protected. Without locally adopting such regulations, efforts to protect these resources are largely relegated to private parties desiring to individually act to further preservation efforts. Generally speaking, changes to buildings occur after the benefit of property owners obtaining land use and building permits, each of which is required to adhere to locally adopted zoning regulations and national building codes (also locally adopted by reference in the Sandpoint City Code). Without local zoning that codifies specific requirements related to the protection of historic resources, such protection is honorific (unless an identified resource is using federal funds for alterations, for example, in which case federal historic preservation regulations would be applicable). The Draft Historic Preservation Code establishes the following in furtherance of the goals and policies of the Comprehensive plan and ACHP Master Plan:

- 1) Creates a new Historic Preservation Code to regulate the modification of historic resources should they be locally identified and adopted by the City Council.
- 2) Recognizes that the ACHP Master Plan contains professionally (by qualified architects and historians) identified individual sites as well as a historic district, which have been listed on the national registry of historic places. The Draft Historic Preservation Code uses the boundaries already identified as the bases for a new Historic Downtown Overlay District in downtown.
- 3) Establishes regulations and procedures for adopting historic districts and individual landmarks.
- 4) Adopts the Downtown Historic Preservation Overlay Zone. City has the option to include national historic register properties outside the contiguous Historic Preservation Overlay Zone to be within the Zone or separately identified as local landmarks.
- 5) Establishes regulations and permits for the demolition, alteration, or construction of buildings within the district (overlay zone).
- 6) Establishes thresholds for which entity approves the required permits (e.g. staff level review or review by ACHP Commission).
- 7) Refers to the Secretary of the Interior’s Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings as the base set of guidelines to be used in conjunction with the new design standards in the Commercial Zoning

ordinance (described above).

## 2) Planning Commission Action

On legislative matters, including rulemaking such as amendments to the zoning ordinance, the Planning and Zoning Commission act in an advisory capacity to the City Council. As a discussion item only, no action will be taken on the draft code changes at this meeting. Rather, Planning and Zoning Commission will discuss the drafts, and suggest where changes could be made. At a future date, after the Planning and Zoning Commission has had time to sufficiently review the drafts, a public hearing will be scheduled for formal action.

## 3) Attachments

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