

ORDINANCE 1234

AN INTERIM ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, TO IMPLEMENT REVISED DEVELOPMENT STANDARDS THAT REQUIRE MINIMUM RESIDENTIAL DENSITIES IN CERTAIN ZONE DISTRICTS FOR CERTAIN PROJECTS; REGULATE THE CONSOLIDATION OF LOTS IN CERTAIN ZONE DISTRICTS; PROHIBIT THE REDUCTION OF DWELLING UNITS IN CONJUNCTION WITH DEVELOPMENT PROJECTS; CLARIFY PARKING REQUIREMENTS FOR RETAIL AND OFFICE USES IN THE CC AND T ZONE DISTRICTS; AMEND THE USES PERMITTED IN THE CC-2 AND A PORTION OF THE T ZONE DISTRICT; ADD REQUIREMENTS FOR DEVELOPMENTS WITHIN CERTAIN ZONE DISTRICTS RELATED TO SQUARE FOOTAGE OF USES, LOCATION OF USES, AND PARKING; AND ADD DESIGN REVIEW CRITERIA FOR DEVELOPMENTS IN CERTAIN ZONE DISTRICTS; PROVIDING FOR PUBLICATION BY SUMMARY; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR AN EFFECTIVE DATE AND A SUNSET DATE.

WHEREAS, Idaho Code Section 67-6524 authorizes local jurisdictions to enact interim ordinances, effective up to one (1) year, during the pendency of preparation and adoption of a permanent ordinance; and

WHEREAS, the State of Idaho and the Idaho Housing and Finance Association has stated that access to workforce housing has become a statewide challenge impacting urban, rural, and resort communities, resulting in a proposal for a state-led gap financing program for development of workforce housing; and

WHEREAS, the 2014 Ketchum Comprehensive Plan identifies ten core values vital to the City's ability to achieve its vision including 1) A Strong and Diverse Economy, 2) Vibrant Downtown, and 4) A Variety of Housing Options; and

WHEREAS, the City of Ketchum (the "City") is experiencing a significant population increase and a severe shortage of housing for the local workforce at all income levels which is threatening the livelihood and straining the resources of the City, its citizens, and its businesses; and

WHEREAS, businesses in Ketchum have been forced to reduce operating hours in the past two years due to lack of workforce; and

WHEREAS, the City's average annual population growth rate is approximately 1%, however, the population of the City increased 25% from 2019 to 2020; and

WHEREAS, the City collects housing specific data and is developing a Housing Action Plan to address the immediate need for more housing in the City; and

WHEREAS, the City lost 475 long-term rental and ownership housing units from 2000 to 2019; and

WHEREAS, in addition to the 475 housing units lost, the Housing Action Plan Summary and Findings identify the need to build, convert, or stabilize between 65 and 100 housing units annually in the City to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy; and

WHEREAS, from 1990 to 2009, approximately 290 units were constructed for an average of 15 units per year. From 2010 to 2020, only 92 units were constructed for an average of 9 units per year, a significant decrease from previous years; and

WHEREAS, the City is experiencing an increase in the redevelopment of property as more than half of the City's housing stock was built before 1980 and there are a limited number of vacant properties within city limits; and

WHEREAS, development permitted under the current zoning regulations result in low-density residential development in areas where the 2014 Ketchum Comprehensive Plan envisions medium to high density residential and vibrant mixed-use development; and

WHEREAS, staff presented options for addressing housing issues to the Planning and Zoning Commission at a special meeting on February 15, 2022. At that meeting, the Planning and Zoning Commission directed staff to prepare a draft emergency ordinance reflecting proposed changes for review; and

WHEREAS, the Planning and Zoning Commission met on March 8, 2022, and March 29, 2022, to discuss the draft emergency ordinance and obtain public input related to the proposed changes and recommended on March 29, 2022, the emergency ordinance be adopted by City Council; and

WHEREAS, the City Council met on April 18, 2022, to review the draft emergency ordinance and recommendation from the Planning and Zoning Commission. At said meeting, the City Council declined to approve the emergency ordinance as presented and directed staff to conduct additional community engagement and prepare an interim ordinance reflecting additional feedback from the community; and

WHEREAS, the City conducted a community workshop to gather additional feedback on the proposed changes June 28, 2022, attended by members of the City Council, Planning and Zoning Commission, and the public. Said workshop was followed by a community survey requesting feedback on the same topic; and

WHEREAS, the Planning and Zoning Commission held a public hearing on August 16, 2022 to review this interim ordinance, as prepared by staff, reflecting significant feedback from the community; and

WHEREAS, the Planning and Zoning Commission recommended approval of this interim ordinance at a special meeting on August 16, 2022; and

WHEREAS, the City Council held a public hearing on September 19, 2022 to review the interim ordinance, information from staff, and recommendations from the Planning and Zoning Commission; and

WHEREAS, The City Council held [*insert number of readings*] readings of the interim ordinance on [*insert dates of hearings*] resulting in approval of this interim ordinance; and

WHEREAS, the Planning and Zoning Commission hearings and City Council hearings were duly noticed per the requirements of Idaho Code Section 67-6509; and

WHEREAS, the provisions of this ordinance are temporary in nature and shall expire three hundred and sixty five (365) days after the adoption of this interim ordinance; and

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF KETCHUM, IDAHO:

Section 1. The following interim regulations and standards apply to any Building Permit, Pre-Application Design Review, Design Review, Subdivision, or Conditional Use Permit application deemed complete after the effective date of this Ordinance filed pursuant to Title 16 - Subdivision Regulations and Title 17 - Zoning Regulations. Pre-application Design Review and Mountain Overlay Preapplication Design Review applications that have been reviewed by the Planning and Zoning Commission at one review meeting prior to the effective date of this ordinance are not subject to the provisions contained herein. Wherever any provision in Title 16 or Title 17 or any other ordinance, rule or regulation of any kind contain standards covering the same subject matter, the standards of this Ordinance shall apply.

Section 2. All zoning districts referenced in this ordinance are pursuant to Ketchum Municipal Code (the “KMC”) Chapter 17.18 – *Zoning Districts* and abbreviated as referenced. All terms in this ordinance are defined in Section 17.08.020 – *Terms Defined* and 16.04.020-*Definitions* of the KMC with the addition of the following:

- A. Consolidation – the action or process of combining more than one lot or unit into a single lot or unit.
- B. Residential Density – the number of dwelling units per square feet of lot area.

Section 3. Developments subject to Design Review approval pursuant to KMC 17.96 – *Design Review* or 17.104 – *Mountain Overlay Zoning District* that have conducted a preapplication design review meeting with the Commission, as required or voluntary, must file a complete Design Review Permit application and pay all required fees within 180 calendar days of the last review meeting on the preapplication with the Commission, otherwise the preapplication review will become null and void.

Section 4. There shall now be minimum residential densities for new development projects or expansions of existing buildings that exceed a total floor area ratio (FAR) of 1.0 within Subdistrict 1 and Subdistrict 2 of the CC zone district and 0.5 FAR in the T, T-3000, T-4000, and GR-H zone districts as follows:

| Zone District | Minimum Residential Density Required (units/SF) | | | |
|----------------------------|--|--|--|---|
| CC Subdistricts 1 and 2 | 100% Residential Development 7 / 5,500 | | | |
| | Mixed Use Development | | | |
| | ≤ 30% Commercial 4 / 5,500 | 31-60% Commercial 3 / 5,500 | 61-80% Commercial 2 / 5,500 | ≥ 80% Commercial No Minimum except when residential units are provided, there shall be a minimum of 2 units |
| T | 100% Residential Development 7 / 10,000 | | | |
| | Mixed Use Development | | | |
| | ≤ 30% Commercial 4 / 10,000 | 31-60% Commercial 3 / 10,000 | 61-80% Commercial 2 / 10,000 | ≥ 80% Commercial No Minimum except when residential units are provided, there shall be a minimum of 2 units |
| T-3000 | 4 / 10,000 | | | |
| T-4000 | 8 / 10,000 | | | |
| GR-H | 8 / 10,000 | | | |

- A. For purposes of calculating commercial area for minimum residential densities, commercial square footage shall include all permitted and conditionally permitted uses identified in KMC Section 17.12.020 – *District Use Matrix* under the categories of “Commercial” or “Public and Institutional”.
- B. Percent commercial shall be calculated by dividing the total commercial square footage by the Gross Floor Area for the project.
- C. Total commercial square footage shall be calculated using the total area of commercial uses on all floors in a building or portion of a building measured from the interior walls, excluding:
 - a. Common areas
 - b. Mechanical and maintenance equipment rooms
 - c. Parking areas and/or garages
 - d. Public areas

D. Minimum densities identified in Section 4 may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.

Section 5. There shall now be standards for the consolidation of lots. Additionally, there shall be a specific application type, process, and additional standards for the review and approval of the consolidation of lots as follows:

A. Consolidation of lots within the City shall be permitted in certain zone districts as follows:

| Zone District | Consolidation of Lots |
|---------------------------|---|
| CC - Subdistricts 1 and 2 | Permitted subject to additional standards |
| T | Permitted subject to additional standards |
| T-3000 | Permitted subject to additional standards |
| T-4000 | Permitted subject to additional standards |
| GR-H | Permitted subject to additional standards |
| GR-L | Permitted subject to waiver |
| LR, LR-1, and LR-2 | Permitted subject to waiver |
| STO-1, STO-4, and STO-H | Permitted subject to waiver |
| LI, LI-2, and LI-3 | Permitted subject to additional standards |
| RU and AF | Permitted subject to additional standards |

**Additional Standards are outlined in Subsection F. The waiver process is as outlined in KMC Section 16.04.130.*

B. The definition of “Readjustment of Lot Lines” in KMC Section 16.04.020 - *Definitions*, also known as Lot Line Shifts, shall no longer include the “removal of lot lines”.

C. Consolidation of lots may only be considered pursuant to the requirements and standards of KMC Section 16.04.030 – *Procedure for Subdivision Approval*.

D. All preliminary plat applications for consolidation of lots shall only be considered when submitted concurrently with a building permit application or land use development application as applicable.

E. The final plat for consolidation of lots shall not be signed by the City Clerk and recorded until the proposed development has received one or both of the following as applicable:

1. A certificate of occupancy issued by the City of Ketchum; and
2. Completion of all design review elements as approved by the Planning and Zoning Administrator.

F. In addition to KMC Section 16.04.040, all preliminary plat applications for consolidation of lots shall comply with the following criteria:

1. The preliminary plat application is in conformance with all applicable building permit and land use development approvals.
2. The preliminary plat application is in conformance with all applicable Zoning Regulations contained within Title 17 – Zoning Regulations.

3. The preliminary plat application is found to be in general conformance with the comprehensive plan in effect at the time the application was deemed complete.

Section 6. No demolition permit shall be issued pursuant to Chapter 15.16 of the KMC that results in the net loss in the total number of residential units currently existing on a property as of the effective date of this ordinance. The following standards apply to all properties within the City:

- A. Development of property, in any zone district, may not result in the net loss of dwelling units.
- B. Total number of dwelling units shall be calculated including all listed or defined dwelling unit uses and terms in the KMC such as, but not limited to, “dwelling, one family”, “dwelling, multi-family”, “dwelling unit, accessory”, and “work/live unit”.
- C. No demolition permit shall be issued for any structure until a building permit application for a replacement project on the property and required fees have been accepted by the City and deemed complete.
- D. Reduction in number of residential units may be permitted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission prior to submittal of a demolition permit application.
- E. In the event of imminent and substantial danger to the health or safety of the public due to neglect or condemnation of the building as determined by the building official or his/her designee, a building may be demolished prior to redevelopment pursuant to the requirements of KMC Section 15.16.030. Prior to demolition of the structure(s), a development agreement shall be entered into between the owner of the property and the City of Ketchum stipulating the total number of units required at the time of development of the property. Said development agreement shall be recorded against the property with the office of the Blaine County, Idaho, Clerk and Recorder.

Section 7. There shall be no parking required for individual retail spaces of 5,500 square feet or less within the Community Core (CC) and Tourist (T) zoning districts.

Section 8. There shall be no parking required for the first 5,500 square feet of office space of a project within the Community Core and Tourist zone districts.

Section 9. New developments on properties within the Tourist zone district that include frontage along River Street from S Leadville Ave to S 2nd Ave, as shown in Exhibit A, shall be subject to the uses permitted and conditionally permitted and associated footnotes for the Community Core – Mixed Use subdistrict (CC-2) as outlined in KMC 17.12.020 – District Use Matrix.

Section 10. Properties within the Community Core – Mixed Use subdistrict (CC-2), as shown on Exhibit B, shall be subject to the following:

- A. Ground floor residential with street frontage is not permitted.

Section 11. Developments within the CC Subdistrict 1 and 2, T (Leadville to 2nd Ave fronting River Street) not exempt from Design Review are subject to the following standards:

- A. For mixed-use developments, a minimum of 55% of the gross floor area, as defined in KMC 17.08.020, of the ground floor must be commercial use(s).
- B. Community housing units are not permitted within basements.
- C. Individual residential dwelling units cannot exceed a total square footage of 3,000 square feet. Total square footage shall be calculated as the total area of residential space within a single residential unit measured from the interior walls. For residential units with multiple floors, staircases and elevators shall be included in the calculation on the first level of the residential unit only.
- D. Developments shall not provide a total number of parking spaces above the minimum parking requirements per KMC 17.125.040 – *Off Street Parking and Loading Calculations*, unless the additional parking spaces are designated for public parking use only or for deed restricted community housing units.

Section 12. Requirements outlined in Sections 10 and 11 of this ordinance may be adjusted subject to the review and approval of a Conditional Use Permit by the Planning and Zoning Commission.

Section 13. All development subject to Design Review pursuant to KMC Section 17.96.010, shall meet the following additional criteria:

- A. The design and uses of the development generally conform with the goals, policies, and objectives of the comprehensive plan.

Section 14. This ordinance shall be in full force and effect from and after its passage and approval and shall remain in effect for a period not to exceed three hundred and sixty-five (365) days from its effective date, pursuant to Idaho Code Section 67-6524.

Section 15. SAVINGS AND SEVERABILITY CLAUSE: It is hereby declared to be the legislative intent that the provisions and parts of this Ordinance shall be severable. If any paragraph, part, section, subsection, sentence clause or phrase of this Ordinance is for any reason held to be invalid for any reason by a Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 16. REPEALER CLAUSE: All City of Ketchum Ordinances or resolutions or parts thereof which are in conflict herewith are hereby repealed.

Section 17. PUBLICATION: This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, substantially in the form annexed hereto as Exhibit "A" shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.

Section 18. EFFECTIVE DATE: This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

PASSED BY THE CITY COUNCIL and APPROVED by the MAYOR OF KETCHUM IDAHO,
on this ____ day of _____ 2022.

APPROVED:

Neil Bradshaw, Mayor

ATTEST:

Lisa Enourato, Interim City Clerk