



City of Ketchum
Planning & Building

EXECUTIVE SUMMARY - ORDINANCE 1234

The intent of the Ordinance is to:

- Promote projects that contribute towards the long-term vibrancy and economic stability of the downtown
- Increase the production of housing throughout Ketchum that in turn increases the supply and availability of housing for all income levels
- Provides the Planning and Zoning Commission the tools to engage, discuss and influence proposed uses in a building to ensure the project is of benefit to the community and meets the goals of the Comprehensive Plan

The ordinance is being proposed because:

- Ketchum lacks available office, retail, and restaurant space, limiting the ability for businesses to start or expand within Ketchum.
- Ketchum has 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.
- Ketchum lost 475 long term rental and ownership housing units from 2000 to 2019.
- Construction of residential units within Ketchum has decreased significantly since 1989. 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.
- 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 to ensure adequate housing for the City's workforce and support the dynamic demands of a resort community economy
- Ketchum experienced a significant population increase from 2019 to 2020 of approximately 25%, when annual population growth is traditionally 1%. It is unclear if this increase is unique or a continuing trend.
- 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
- If the upcoming development season proceeds without more immediate revisions to development standards, then the negative impacts and harms listed above will be further exacerbated in a nonreversible way

The ordinance does not:

- Place a moratorium on development or reduce the development potential of properties
- Change, reduce or increase, the permitted maximum building heights, or floor area ratios (FAR)

The ordinance does:

1. Make a course correction to the current development trend in order to promote production of more housing units in Ketchum and protect and preserve existing housing.
2. Provide temporary regulations while permanent regulations are developed
3. Recommend five changes to the Ketchum zoning regulations as follows:
 - a. Minimum residential densities required for projects with density bonuses in certain zone districts depending on project type
 - i. Community Core - Requires a minimum of 7 units per Ketchum townsite lot for 100% residential projects. For mixed-use projects the ordinance requires 4 units per townsite lot for projects with 30% or less commercial space, 3 units per townsite lot for projects with 31-60% commercial space, two units per townsite lot for projects with 61-80% commercial space, and no minimum for projects with 80% or more of commercial unless residential is provided. In this case, two units are required.
 - ii. Tourist - Requires a minimum of 7 units per 10,000 square feet of lot area for 100% residential projects. For mixed-use projects the ordinance requires 4 units per 10,000 square feet for projects with 30% or less commercial space, 3 units per 10,000 square feet for projects with 31-60% commercial space, two units per 10,000 square feet for projects with 61-80% of commercial space, and no minimum for projects with 80% or more of commercial unless residential is provided. In this case, two units are required.
 - iii. T-3000 – Requires 4 units per 10,000 square feet of lot area.
 - iv. T-4000 and GR-H – requires 8 units per 10,000 square feet of lot area.
 - v. No minimum densities are proposed for General Residential-Low Density (GR-L), Limited Residential (LR, LR-1, and LR-2), Short-Term Occupancy (STO-1, STO-4, and STO-H), Light Industrial (LI, LI-1, and LI-2), Recreation Use (RU), or Agricultural and Forestry (AF) zone districts.
 - vi. Minimum densities may be adjusted subject to Conditional Use Permit.
 - b. Consolidation of lots
 - i. Consolidation of lots permitted with additional standards in all zone districts except General Residential-Low Density (GR-L), Limited Residential (LR, LR-1, and LR-2), Short-Term Occupancy (STO-1, STO-4, and STO-H), where a waiver would be required.
 - ii. Consolidation of lots requires a preliminary plat and final plat application.
 - iii. Additional review standards requiring conformance with land use approvals, zoning regulations, and comprehensive plan.

- c. Net loss of units
 - i. No project can result in the net loss of residential units through consolidation of units, or demolition and redevelopment of property
 - ii. Number of residential units may be reduced subject to Conditional Use Permit.
 - d. Parking exemptions
 - i. Any individual retail unit less than 5,500 square feet is exempt from parking requirements in the Community Core and Tourist zone districts
 - ii. No parking is required for the first 5,500 square feet of office space within the Community Core and Tourist zone districts
 - e. Design Review Criteria for projects with density bonuses
 - i. The Planning and Zoning Commission adopted a policy document to outline the expectations for successful projects (Attachment C)
 - ii. Design and uses of projects with density bonuses shall be evaluated on conformance with the comprehensive plan and adopted policy documents.
4. The ordinance would apply to all projects not deemed complete by the effective date of the ordinance.