BEFORE THE KETCHUM CITY COUNCIL

IN RE:	)	Case No: PUD-CUP-08-008
	)	
WARM SPRINGS RANCH RESORT PUD Conditional Use Permit	)	FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION
	)	
	)	
	)	

The PUD conditional use permit was heard by the Ketchum City Council on December 1, 2008, and February 11 and 12, 2009. In the December 1, 2008 hearing, a specific set of issues were remanded to the Planning and Zoning Commission for further consideration due to substantial changes in the application. These issues were:

1. Consideration of the bulk increases resulting from the revised Block 1 square footage increase presented to the Council on December 1, 2008. The Applicant is requesting to remedy an error in the earlier calculations for circulation (increase of 30,000 sq.ft. needed) and is asking for a 5% increase in the total square footage in Block 1 to respond to changing market conditions.
2. Consideration of the programmatic impacts of the square footage increases outlined in #1, above.
3. Re-evaluation of how the revised project meets the City's definition of Hotel, in particular the Community Housing waivers permitted under that definition.
4. Consideration of any increase in the amount of parking requested, and the location.

On December 8, 2008 the Planning and Zoning Commission first considered the remand from the City Council regarding the four (4) specific issues outlined above. All of the issues outlined above were discussed, and public comment was taken. The City provided sufficient due process for interested persons regarding the remand meeting held on December 8, 2008. And while the City was not required to hold an additional public hearing on the remand, to allow the greatest degree of public participation possible, an additional public hearing was held on January 7, 2009.

The Planning and Zoning Commission deliberated on the remand items and made unanimous recommendations on the remand items. The Ketchum City Council considered these recommendations on February 11 and 12, 2009.

The Ketchum City Council having taken written and oral testimony, and having duly considered the matter, makes the following findings of fact, conclusions of law and decision.

NOTE: The Staff Reports for the December 1, 2008 and February 11 and 12, 2009 public hearings were based on the *Findings of Fact, Conclusions of Law and Decision* of the Ketchum Planning and Zoning Commission adopted July 31, 2008, and as a result of the remand, revised on January 12, 2009. Staff comments, Council recommendations, proposed conditions of approval and updated programmatic information has been incorporated into the Findings of Fact. Substantial changes were made to sections herein that pertain to the remand items and the application as a whole, and the Council reaffirms those sections as a part of the Findings.

FINDINGS OF FACT

A. PROJECT SUMMARY.

The Warm Springs Ranch Resort property is proposed on Tax Lot numbers 8074, 8075, 8076, 8077, 8078, 8079, 8080, 8081, and 8082 in Sections 11, 12 and 13 and a portion of HES 292, T4N, R17E (property generally known as the Warm Springs Ranch Restaurant and Golf Course). Prior to August 26, 2008, Tax Lot 8081 was inadvertently omitted from the list of tax lots the Applicant provided to the city for noticing. Effective August 27, 2008 this tax lot was added to the mailing list and applied to all noticing. The location of this tax lot did not omit any resident, business or property owner that would have been noticed otherwise. Additionally, this tax lot was added to the title of the large block plat. Tax Lot 8081 is a 2,211 square foot access strip west of the urbanized area proposed for the core hotel. This tax lot does not have any proposed development and accounts for 0.05 acres of the total acreage. This is a clerical error, in that tax lots 8075 and 8081 have the same parcel number (RPK4N170120790) because of the way it is deeded and rests in the Office of the Blaine County Assessor.

B. APPLICATION SUBMITTAL.

The application submittal for this application was received by the Ketchum Planning Department on February 11, 2008 and certified complete on February 26, 2008. Additional updates to the formal application submittal were received on May 9, November 3, 12, December 1, 2, and 16, 2008, all of which are on file with the Ketchum Community and Economic Development Department. These findings are based on Council deliberations of the remand and all the application updates of May 9, November 3, 12, and December 1, 2 and 16, 2008.

C. NOTICE OF PUBLIC HEARING OF THE COUNCIL.

Property owners within 600 feet of the subject property, as found in the County records, were mailed notice, specifically for the December 8, 2008 remand meeting, on November 11, 2008. Legal notice was published in the Idaho Mountain Express on November 12, 2008. Display ads were published in the *Idaho Mountain Express* on November 19, 21, 26, December 3 and 5, 2008. Semi-permanent signs were posted on the subject property on November 19, 2008. Two (2) public service announcements were aired on public radio, KECH 95.3 FM, on November 19, 24 and December 1, 2008.

Property owners within 600 feet of the subject property, as found in the County records, were mailed notice, specifically for the January 7, 2009 remand meeting, on December 19, 2008. Legal notice was published in the *Idaho Mountain Express* on December 17, 2008. Display ads were published in the Idaho Mountain Express on December 17 and 24, 2008, and January 2 and 7, 2009. Semi-permanent signs were posted on the subject property on December 30, 2008.

Property owners within 600 feet of the subject property, as found in the County records, were mailed notice, specifically for the February 11 and 12, 2009 public hearings on January 21, 2009. Legal notice was published in the *Idaho Mountain Express* on January 23, 2008. Display ads were published in the *Idaho Mountain Express* on February 6 and 11, 2009. Semi-permanent signs were posted on the subject property on January 28, 2009 and updated with a change in venue on February 4, 2009. The change in venue was appropriately addressed and administrative process followed in accordance with the

State of Idaho open meeting laws. Two (2) public service announcements were aired on public radio, KECH 95.3 FM, on February 6 and 11, 2009. The City additionally sponsored City Council public workshops on August 21, September 23, and October 20 and 21, 2008.

D. COMPANION APPLICATIONS.

A request for annexation and zoning of the subject property was received in connection with this application on February 11, 2008. In addition, a Large Block Subdivision Preliminary Plat application was received in connection with this application on February 11, 2008.

E. PROJECT DESCRIPTION.

1. In January 2007, Helios Development, LLC acquired the properties known as Warm Springs Ranch. Thereafter, Helios and DDRM Companies effectively entered into a joint development agreement with the planning of the resort. Since that time, the Applicant has been engaged in a variety of preliminary meetings, including meetings with neighborhoods and special interest groups, workshops and design charettes.

2. The proposed site is 78.39 acres (including 1.62 acres of proposed BLM land parcel acquisition). 11.26 acres are within the City of Ketchum; 67.13 acres are within Blaine County (including the 1.62 BLM parcel pending acquisition) and proposed for annexation. The proposed project is presented by the Applicant as a mixed-use, hospitality project with an iconically designed core hotel building operated at industry acknowledged four or five-star standards, including significant open space with both active and passive areas. The current proposal contains a total developed gross floor area (per KMC 17.08.020 Gross Floor Area) square footage of 728,446 and the following components:

   The December 2, 2008 submittal letter from the Applicant outlines programmatic and square footage changes requested. These include:

   - A request for 30,000 square foot dedicated to interior circulation. The Applicant has stated that a mistake was made in the calculation of needed circulation. The Scheme 9 proposal reviewed by the Commission contained circulation at a ratio of approximately 7.5% of the building total (Core Hotel Building). Industry standards for resort hotels assume 15% of the building total devoted to circulation. In addition, approximately 7,000 square feet of additional circulation is needed to respond to the building breaks called for in the Tent Diagram. Added together, an additional 30,000 square feet of circulation is requested.
   - A request for possible additional square footage in Block 1, not to exceed 5% of the total. The Applicant has calculated this total by adding the 30,000 square feet circulation request to the Block 1 total approved by the Commission, as shown in the Flex Space Clarification Chart in the December 2, 2008 letter.
   - An increase in the number of parking stalls previously approved by the Commission of 70 stalls, increasing the square footage dedicated to parking from 109,750 square feet to 138,375 square feet, an increase of 28,625 square feet. This additional square footage would be located below existing natural grade, and therefore would not add to the Gross Floor Area for Block 1.

3. An iconically designed core hotel building operated at industry acknowledged four or five-star standards with hot beds/keys; possibly including condominium suites sold yet available for the rental program, fractional units (warm beds) and private residences (cold/warm beds). The guest rooms will be approximately 760 sq. ft., condo suites approximately 1,910 sq. ft., fractional units approximately 2,400 sq. ft., and residences approximately 3,290 sq. ft. Of these units, a range of 120-126 hot beds/keys will be keyed and placed in a short term rental pool, meeting the City's definition of "hotel." In the December 2, 2008 Resubmittal Letter, the Applicant has committed to a proportional increase in hot beds/keys relative to increased square footage, up to the 5% maximum requested. In the proposal reviewed and recommended for initial approval by the Planning and Zoning Commission on July 31, 2008, there were 120 hot beds/keys within the 560,615 square feet of Block 1. A proportional increase would mean that for every 4,672 square feet of increase, one additional hot bed/key would be provided. If the entire 5% increase were utilized, an additional six (6) hot beds/keys would be provided. The Applicant has stated that a minimum of 120 hot beds/keys will be created; a proportional increase based on square footage would yield up to 126 hot beds/keys.

   The Commission discussed issues with condo hotels versus traditional hotel rooms; the primary issue being the loss of local option tax ("LOT") tax revenue. Rich Caplan, the city's fiscal consultant, has estimated that if all 120 hot beds/keys were held out of the short term rental pool by condo hotel room owners for 90 days as permitted in the City's hotel definition, LOT tax loss would be a minimal +/-$35,588 per year (or less than $50,000), with an assumption of a room rate of $250 and 65% occupancy.

4. The gross square footage of the core hotel measures approximately 538,151 square feet. The Applicant has clarified that there will be a minimum of 120 hot beds/keys, which will be incorporated into the Development Agreement, totaling approximately 102,856 square feet. The core hotel may be comprised of "Back of House" space (approximately 77,227 square feet); both fractional and residential condominiums (approximately 158,687 square feet); a signature restaurant; public areas (approximately 59,378 square feet); a spa/fitness center (approximately 13,000-20,000 square feet); Conference space (approximately 13,000-20,000 square feet); and other amenities including an indoor outdoor/pool. The December 2, 2008 Resubmittal Letter outlines 30,000 square feet of additional circulation needed to serve the core hotel. A reconstituted Warm Springs Ranch Restaurant is now proposed as a stand-alone building proposed at approximately 6,500 square feet.

5. On-site parking will consist of a maximum number of surface parking stalls and a parking structure with the final mix of parking spaces established during Design Review. The parking structure shall not exceed 109,750 gross square feet above grade and may have any amount of square footage below grade approved during Design Review.

6. Twenty-five (25) residential villas averaging 3,100 square feet (totaling approximately 77,500 square feet without garages) will be constructed adjacent to the golf course on the south side of Warm Springs Creek. An Events House (approximately 3,400 square feet) and lawn area will also be located on the south side of Warm Springs Creek.

7. Up to twenty-four (24) townhomes, also to be sold, averaging approximately 2,200 square feet (totaling approximately 52,800 square feet; without garages) will be located to the north side of Warm Springs Creek adjacent to Warm Springs Road and around the core hotel.

8. Two (2) estate lots with proposed residential structures approximately 5,900 square feet, including garages, each will be sited on the property. One sited across Warm Springs Creek on the southeast edge of the property and the other on the western portion of the property.

9. The December 2, 2008 Updated Submittal states the workforce housing shall be no less than 36,295 square feet (or 35,290 net livable square feet) and shall house no less than 93 workers.

   The December 16, 2008 letter from the Applicant outlines a new proposal to address community housing. The Applicant has proposed a revenue stream derived from a voluntary real estate transfer fee. The fee is applied upon the conveyance of property interest within the project. At that time, 0.5% of the sale price for that unit or lot will be paid to a dedicated community housing fund. With an estimated first sale of all of the real estate within the project of $600 million, the first sales on all of the real estate within the project would generate approximately $3 million towards that dedicated revenue stream. The Applicant is also requesting the following: 1) the City match this revenue stream from URA tax increment revenue derived from the project; and 2) that no other fees or costs be required of the City that have not already been identified in the entitlement process, such as the loss of LOT tax mentioned earlier in this staff report.

   The URA funds derived from this property over a 15 year period are estimated as follows:

   Years 1-5: $3,800,000 revenue
   Years 1-10: $13,007,000
   Years 1-15: $22,800,000

   The project build-out is estimated by the Applicant to be approximately 7-12 years. Therefore, the City is being asked to commit approximately ¼ of the URA revenues from this site towards community housing.

   Staff supports this proposal, as a dedicated revenue stream of $6 million would greatly contribute towards a variety of programs underway by ARCH with support from BCHA to assist valley residents in owning a home in Ketchum. This includes mortgage down payment assistance, permanent affordability of existing units in town, and other options to increase the community housing base.

10. Restoration of the Warm Springs Creek and approximately seventy (70) acres dedicated to open space with both active (golf course) and passive uses and public access. Native vegetation for landscaping and use of native landscape for water conservation will be implemented as well as habitat improvement for aquatic species and migratory birds through riparian and restoration efforts. Enhancement elements include widening and lowering the stream's floodplain, sculpting pools and other features to direct flows and sediment more naturally and maintaining and utilizing native vegetation for long-term stream bank stability.

11. An executive nine (9) hole par-three golf course with a pro shop/clubhouse of approximately 1,000 square feet. A golf program has been created with special pricing and scheduling for locals. A financial donation of $500,000 will be made to the City that may be used either for the replacement of the decommissioned tennis courts at the proposed property, improvement of existing recreation facilities or other recreation needs the City deems appropriate. In addition, public access to the trails including cross country skiing in winter and access to Warm Springs Creek for flying fishing and nature activities will be provided.

12. Surface parking is approximately 35 stalls. Of the structured parking, approximately 35 stalls will be provided for workers. The on-site surface parking will be sited adjacent to a new, revitalized Warm Springs Restaurant. Total on-site parking will consist of a maximum number of surface parking stalls and a parking structure with the final mix of parking spaces established during Design Review. The parking structure shall not exceed 109,750 gross square feet above grade and may have any amount of square footage below grade approved during Design Review.

    A revised matrix detailing the project area and unit calculations is further detailed in Attachment C – Summary of estimated Range of Uses and Sizes of Hotel/Residential Product of the November 12, 2008 submittal.

    Attachment D of the November 12, 2008 submittal further details potential programmatic square footages and percentages of specific product components and comparisons versus the Commission recommendations in the Findings of Fact adopted July 31, 2008.

December 2, 2008 Submittal – Table 1 Warm Springs Ranch Project Matrix and Square Footage*

Component (Core Hotel Bldg.)	**Number of Units**	**Gross Square Footage****
Guestrooms (Hotel)	0	N/A
Condo Suites (Hotel)	120-126	102,856
Back of House		77,227
Interior Public Areas[1]		59,378
Fractional Ownership	20	51,615
Residences	36	107,072
Parking		
Parking Structure and Mechanical	369 Structured Stalls; 35 surface stalls	109,750
Subterranean Parking	70; a part of the 369 structured stalls above	28,625
Total Maximum Parking		***109,750 (above grade Square footage)***
Total Maximum Core Hotel Bldg.	***182***	***538,151***
Remaining Block 1		
Workforce Housing	44	36,295
Town Homes	12-24	75,953
WS Ranch Restaurant		6,500
Maximum Block 1		***620,146***
Villas + 1 Events House	26	96,500
Estate Lots	2	11,800
PROJECT TOTAL		***728,446***

*per City's definition of Gross Square Footage

Items in bold and italics are maximum numbers based on Council deliberations from Commission Recommendations. All other numbers and project components are approximations and preliminary. These numbers may be altered based on the possible 5% increase in square footage flexibility for Block 1 that the Council has approved, subject to Design Review approval.

**Table 1 would change minimally with the December 2nd Resubmittal Updates. It has been modified for these Findings. The Commission found that Table 1 is a preliminary example of how the project may be broken down. These numbers are approximate, and may change during the Design Review process, so long as the maximum for Block 1 is not exceeded, and the proportional number of hotel rooms per City definition remains the same.

[1] Includes Conference/Meeting space, Lobbies & Restaurants

The following tables provide clarification on reconciliation of the gross square footages with the additional circulation and flex space.

Update to Table 1 Page 7, Remand Staff Report dated January 7, 2009	Gross Square Footage
Maximum Building Area Of Block 1	620,146
Maximum Building Area Outside Of Block 1	108,300
Total Project Maximum Building Area	**728,446**

Current Maximum Area Of Core Hotel Calculation	Gross Square Footage
Maximum Building Area Of Block 1	620,146
Workforce Housing	36,295
Wsr Restaurant, Townhomes, Garages	45,700
MAXIMUM AREA OF CORE HOTEL (Remainder of Square Footage On Block 1)	**538,151**

The PUD process allows applicants to request waivers or modifications to certain standard zoning and subdivision requirements as outlined in the Background Section of the May 27, 2008 Staff Report.

Section 1.6 of the February 11, 2008 Applicant Submittal and Section 6.2 of the May 9, 2008 Updated Application Submittal outlines the waivers requested by the Applicant. In addition, on May 12, 2008, a letter from Stan Castleton, CEO of DDRM Companies, was submitted in follow-up to the comments and questions received during the April 24, 2008 Commission workshop on bulk, mass and design background. Additionally, the Applicant submitted the "Tent" concept on June 10, 2008, which requires a similar waiver request to height as Schemes 9 and 10. The following table summarizes the waivers requested by the Applicant.

Table 2: Table of Waiver Requests

Code Section	**Requirement**	**Waiver Requested**
Zoning Ordinance Tourist District (T) Sec. 17.52.010.I.2: Building Height	Buildings with roof pitches greater than 5:12 are allowed a building height of 35 ft. measured to the mean roof height and 44 ft. overall building height. All height and bulk limitations shall be in accordance with Tourist District requirements except those items	Scheme 9: 49 ft. (93 ft. tall building) above the lowest exposed elevation of 5820 on WS Creek; roof pitch is greater than 5:12: 93-44=49 ft. waiver request. Scheme 10: 49 ft. (84 ft. tall building) above the lowest exposed

	waived by the Commission as part of the PUD. Tent Diagram, Drawing A.6, Development Height Standards. This drawing illustrates areas where buildings may exceed height and bulk limitations, subject to the limitations of proposed condition #5 as the Council found. The base point of height for Drawing A.6 is defined as an average of 5' above the Mean High Water (MHW) mark of Warm Springs Creek across the length of any individual mass, also referred to as Elevation 5,820. These limitations shall be implemented by the Council in conjunction with the standards of Chapter 17.96, Design Review, during the Design Review process.	elevation of 5820 on WS Creek; roof pitch is less than 5:12: 84-35=49 ft. waiver request. Tent Diagram, Drawing A6, Development Height Standards: maximum building heights as shown on the drawing, which do not exceed Schemes 9 and 10 above.
Zoning Ordinance Hotel Definition Sec. 17.08:	Previous definition requires that the total square footage of the hotel can be no more than twenty percent (20%) of the square footage in sleeping rooms. New Definition: hotel rooms, associated common areas, and other hotel uses outlined above comprises seventy-five percent (75%) or more of the entire project's gross square footage. Parking which meets the definition of Gross Floor Area shall not be counted towards the seventy-five percent (75%) calculation.	Applicant is requesting a waiver to the old definition, in place at the time of application, as the total square footage of the core hotel building is greater than 20% of the sleeping rooms. The Applicant is requesting a waiver to the current definition of a hotel.
Street Standards, Chapter 12.04	Both Public and Private Roads are required to have a 60-ft. dedicated right of way to allow for snow storage, utilities and road improvements.	Private Road #1 with abandonment of Bald Mountain Road. Applicant proposes to dedicate a 40 ft. right-of-way to the City: a waiver request of 20 ft. from the Chapter 12.04 standards, in conjunction with internal walkways and adequate areas for snow storage, including the golf course.
17.116.080	All conditional use permits (CUP)	To allow the PUD CUP to be

Conditional Use Permits	shall be issued and construction shall commence within six months from the date that such conditional use permit is granted.	considered valid for a period set forth in the PUD development agreement.

F. EXISTING SITE CHARACTERISTICS.

The subject property encompasses the decommissioned Warm Springs Ranch restaurant, golf course and tennis courts.

G. DESCRIPTION AND CHARACTER OF SURROUNDING AREA.

The surrounding Warm Springs Base area consists of residential and recreational uses.

H. SITE DESIGN INFORMATION.

1. **FLOOR AREA**:

TOTAL EXISTING: 5,776 sq. ft (Warm Springs Restaurant)
1,100 sq. ft. (pro shop)
1,200 and 1,248 sq. ft. (two golf storage buildings)
9,324 sq. ft. Total (gross)

TOTAL PROPOSED: 728,446 sq. ft. TOTAL

[FAR for lands on the north side of Warm Springs Creek (Block 1)
Total square footage of Block 1: 597,628 square feet
Area between MHW and within roadways: 162,949 square feet
Block 1 FAR consideration: 434,679 square feet
Total gross floor area in Block 1: 620,146 square feet

Block 1 F.A.R. = 1.43

F.A.R. allowed by underlying Zoning District (T Zone) = 0.5* **
* Portion of Block 1 is within GR-L Zone and a portion is within the County as RD Zone.
** If inclusionary housing provided, then max F.A.R. allowed in T Zone is 1.6. If hotel is provided, then max floor area and height or minimum open site area requirements may be exceeded.

Comparison of P & Z Recommended PUD and the December 2, 2008 Resubmittal Requests

Area	P & Z Recommended July 31, 2008		December 2, 2008 Resubmittal Request	Square Footage Change	% Change
Core Hotel Building	447,897		538,151	91,259	20.3%
Block 1	560,615		620,146	59,531	10.6%*

PUD Total	668,915		728,466	59,531	8.9%

*this number is higher than 5% due to the 30,000 square feet of circulation added to Block 1

2. **LOT AREA:** 76.77 acres or 3,334,093 sq. ft. (Helios land area)
1.62 acres or 3,414,605 sq.ft. (BLM land area)

3. **LOT COVERAGE:** 8.86 % (A minimum amount of open site area of 35% is allowed)

Table 3: Total building lot coverage

Area	**Square Footage**	**Acreage**	**Site Percentage**	**December 2, 2008 Updated Submittals to CC**
(Buildings/Infrastructure)				
Core Hotel Building	138,180	3.17	4.05%	139,000
Workforce Housing	16,670	0.38	0.49%	To be further determined during Design Review
Townhomes	36,310	0.83	1.06%	"
Event House	2,800	0.06	0.08%	"
Villas	72,810	1.670	2.13%	"
Estate Lots	8,700	0.20	0.25%	Same as P & Z Findings of Fact
Total Buildings/Infrastructure	**285,515**	**6.55**	**8.36%**	To be further determined during Design Review
Total Land Area (including B.L.M)	**3,414,725**	**78.391**	**100%**	"

4. **BUILDING HEIGHT:**

SCHEME 9: 93 feet – see sheets A.1.9, Roof Height Diagram of the application and A.2.5, Proposed Project Site Section. The base height of the core hotel begins at 5,820 feet and the highest point of the building is 5,913 feet which is 93 feet above the aforementioned beginning point. The roof height for the 6th floor of the core hotel is proposed to have a mean roof height of 84 feet, and a top ridge height of 93 feet both above the 5,820 foot origin. Waiver to maximum permitted height is requested.

SCHEME 10: 84 feet – see sheets A.1.9, Roof Height Diagram and A.2.5, Proposed Project Site Section. The base height of the hotel begins at 5,820 feet and the highest point of the building is 5,913 feet which is 84 feet above the aforementioned beginning point. The roof height for the 5th floor of the core hotel is proposed to have a top ridge height of 84 feet both above the 5,820 foot origin. Waiver to maximum permitted height is requested.

The Applicant's Design Team introduced a Tent Diagram, Drawing A.6, Development Height Standards, (hereinafter, "Tent Diagram") on June 10, 2008. This development scheme was introduced as

a progression from Scheme 10 as a way to look at the project on the core hotel site by creating an envelope or "tent" that the final building(s) would be designed within. The Applicant stated that both Scheme 9 and 10 will fit into the tent configuration. This tent created a 93-foot high iconic, recognizable elevated mass, which would read as the primary structure , stepping down to an 80-foot high building area, and then down to 65-foot foot tall building areas on the perimeter. The 93-foot high central mass is limited to a maximum of 15% of the gross building footprint. The 80 feet tall areas surrounding this central mass are limited to 25% of the gross building footprint.

The Tent Diagram, Drawing A.6, was a proactive design solution to facilitate discussion on bulk and mass. Public comment on this item was taken at the continuation of the Public Hearings on June 19, 2008. In response to Drawing A.6, Staff developed specific language to refine the bulk and mass planes. The language developed by Staff, and the Tent Diagram, Drawing A.6, was deliberated on by the Commission on July 1, 2008, and is incorporated herein and as recommended Condition #5. Further analysis of the impacts to building mass at the higher height elevations can be found under Standard 7 of the Staff Report.

Scheme 11 Version 1.1 plan configuration submitted November 3, 2008 (displayed on October 20 and 21, 2008) has no habitable floor area extended above the tent. Portions of chimneys are proposed to extend above the tent enclosure; however these are consistent with the regulating tent language as recommended in the Commission's PUD Findings of Fact adopted July 31, 2008. The Updated Submittals of November 3, 12 and December 2, 2008 all fit within the Tent Diagram, and do not propose any height changes. Building mass at the highest portions of the site in the Tent Diagram could potentially have minor increases if building footprint increases as a result of increased square footage.

The Applicant is requesting an allowance of additional building height within the Tourist (T) District as allowed by Conditional Use §17.52.010 B.3. In the table below, the Applicant has requested the allowable building heights based on setbacks from Warm Springs Road ROW.

Table 4: Scheme 11 request of allowable building heights and setbacks

Set back from Warm Springs Road R.O.W	Maximum Ridge Elevation	Roof Height at an average of 5' above the mean high water mark of Warm Springs Creek across the length of any individual mass.*	Roof Height Above Warm Springs Road
30' to 80'	5888'	68'	35'
80'to 120'	5900'	80'	47'
Greater than 120'	5913'	84' (mean) 93' (ridge line)	51' (mean) 60' (ridge line)

*Regarding measuring building height, the elevation of 5,820' was commonly referred to as the 0' line of the project. This number was tied to an easily identifiable physical object (the deck of the existing Warm Springs Restaurant) currently located on the site to facilitate public and Commission discussion on the height of the building on a site that has an exceptional amount of grade change. This datum was noted on the February 11, 2008 Application Submittal drawings:

"Heights taken from the existing deck of the existing Warm Springs Restaurant @ an elevation of 5820' above sea level."

A concern was raised during the public hearing that this datum definition actually allowed for more height given the site slopes with the creek from west to east. To address this issue, the following language was proposed to accompany the Tent Diagram, Drawing A6, and Development Height Standards Map Sheet:

> "Base point of height defined as starting from an average of 5' above the high water mark of Warm Springs Creek across the length of any individual mass"

The Commission found that this change has a limited impact on the location of the lowest finish floor line of the project as it is tied to the elevation of the creek throughout the site. The area on the Development Height Standards Map Sheet A.6 in light green (noting a height limitation of 93') would still have a lowest finish floor of 5820' as this is the dominate existing finish grade in the area and is roughly 5' above the high water mark. Traveling west of the 93' core, the areas of the lowest finish floor labeled 65' and 80' would raise roughly 2 to 4 feet. To the southeast the topography drops 2 to 8 feet along the area proposed as the 65' height limitation block, which effectively locates the finished floor at approximately 5816'. The Commission found that this method of establishing building height does not allow more building area or usable height, but merely ties the project to a more accurate datum on a sloped site. The Council concurred with the Commission and found that that the change in determining the base point of height has a limited impact on the location of the lowest finish floor line of the project.

Table 5: Proposed Setbacks

(See Table 13 under Standard #12 for setbacks related to the Tent Diagram)

<table>
<tr><th>Area</th><th>Proposed setback to nearest adjacent property line (from proposed building envelope to existing residence property line)</th><th>Proposed setback to nearest off-site residence (from proposed building envelopes to existing residence building)</th></tr>
<tr><td>Villas along Golf Course</td><td>192 – 347 feet</td><td>230 – 360 feet</td></tr>
<tr><td>Primary Hotel Building</td><td>The proposed building wall setbacks from Warm Springs Road are as follows:
<table>
<tr><th></th><th>Closest point</th><th>Easternmost Section</th></tr>
<tr><td>6th floor</td><td>130 feet</td><td>280 feet</td></tr>
<tr><td>5th floor</td><td>110 feet</td><td>270 feet</td></tr>
<tr><td>4th floor</td><td>90 feet</td><td>200 feet</td></tr>
<tr><td>3rd floor</td><td>90 feet</td><td>200 feet</td></tr>
<tr><td>2nd floor</td><td>90 feet</td><td>200 feet</td></tr>
<tr><td>1st floor</td><td>90 feet</td><td>200 feet</td></tr>
</table></td><td>N/A</td></tr>
<tr><td>Townhouses Bald Mtn. Rd.</td><td>41 feet across Warm Springs Rd./Bald Mtn. Lane intersection;
80 feet across Bald Mtn. Rd.;
50 feet from Albertson residence</td><td>120 feet across Warm Springs Rd./Bald Mtn. Lane intersection;
105 ft across Bald Mtn. Rd.;
50 ft from Albertson residence</td></tr>
<tr><td>Townhouses Creekside</td><td>152 feet from existing residences on Townhouse Lane</td><td>220 feet from existing residences on Townhouse Lane</td></tr>
<tr><td>Employee Housing</td><td>129 feet from existing residences on Townhouse Lane</td><td>155 feet from existing residences on Townhouse Lane</td></tr>
<tr><td>Estate Lots</td><td>Western Estate Lot: 108’
Eastern Estate Lot: 102’</td><td>Western Estate Lot: 170’
Eastern Estate Lot: 140’</td></tr>
</table>

5. **REQUIRED SETBACKS:**
FRONT (North Side - Warm Springs Road): 30 feet
REAR (South Side): 1 foot for every 3 feet of building height for Villas along golf course (structures proposed to be within T zone)

SIDE (West Side): 1 foot for every 3 feet (T zoned areas along Bald Mountain Road); 15 feet (Villas adjacent to GR-L zone and 1 foot for every 3 feet of building height for structures within GR-L Zone), 35 feet (estate lot in T)
SIDE (East Side): 1 foot for every 3 feet of building height (T- zoned areas) 50 feet (estate lot where riparian area is the western side lot).

6. **CURB CUT:** 7.3% percent (35 percent allowed).

7. **ON-SITE PARKING REQUIREMENTS:**

PARKING SPACES: On-site parking will consist of a maximum number of surface parking stalls and a parking structure with the final mix of parking spaces established during Design Review. The parking structure shall not exceed 109,750 gross square feet above grade and may have any amount of square footage below grade approved during Design Review.

The Commission found that adequate parking will be provided for this PUD based on the analysis in the Staff Report. The areas where additional information is needed are minor, and will not impact the overall PUD. This additional information will be provided and analyzed during the Design Review process. The majority of Commission was concerned that the project would provide too much parking, and therefore made a recommendation of 109,000 square feet of structured parking and 334 stalls. The Council has specifically remanded the issue of additional parking and its layout to the Commission for further consideration. The Commission considered the issue of additional parking at the December 8, 2008 and January 7, 2009 public hearings.

As identified in the Staff Cover Memo (November 17, 2008), Item 4: Increase in the requested amount of parking, a revised parking study was completed and is located in Section 7.5 of the November 2008 Updated Submittal binder and is incorporated herein by reference. Additionally, an update to the parking and traffic study was provided on December 16, 2008 to further clarify the possible increase of 70 parking stalls which would be added below grade (level B-3) per the November 3, 2008 update to application submittal. The 138,375 square feet in the parking structure assumes an industry standard of 375 square feet per stall within the structure as compared to the earlier parking calculations in the May 9, 2008 submittal that used 400 square feet as the baseline.

At the January 7, 2009 remand public hearing the Commission found that the increase in the amount of parking requested of seventy (70) total stalls, and the layout on-site was suitable for the project proposal and met City standards. The increase from 109,750 square feet to 138,375 square feet reflects an increase of 28,625 square feet. This increase would be entirely below grade as stated in the December 2, 2008 Updated Submittal. The Commission found that the additional parking would not have a detrimental effect on the surrounding community or contribute to any increase in bulk or mass of the core hotel building since the additional parking is proposed underground.

The Council concurred with the Commission's recommendation that the additional parking as proposed would not have a detrimental effect on the surrounding community.

I. SPECIAL ON-SITE FEATURES.

Portions of the subject property lie in avalanche and/or floodplain areas and will be subject to both Floodplain and Avalanche Overlay Districts.

J. AGENCY RESPONSES.

The following agencies have responded to Planning and Zoning and their correspondence is included with the staff report.

Blaine County Housing Authority
Blaine County School District
Blaine Soils Conservation District
City Arborist
City Engineer
City Fire Department
City Parks and Recreation Department
City Police Department
City Utilities Department
Idaho Department of Fish and Game
Idaho Department of Lands
Idaho Department of Water Resources
Idaho Department of Transportation
Sawtooth National Forest Avalanche Center
South Central District Health

K. LETTERS AND OTHER WRITTEN CORRESPONDENCE FROM THE PUBLIC.

Written comments, in the form of letters and email correspondence, have been received from the public addressing concerns relating to but not limited to: height and bulk of the hotel core; placement of workforce housing units; traffic and transportation; and recreation amenities.

The City has fielded, recorded and housed public comment for the project proposal since August of 2007. Emails, petitions, and written comments were captured in a spreadsheet by date and stance on the project as best possibly determined by Staff.

Prior to the public hearings on February 11 and 12, 2009, hard copy email and written comment was distributed to the City Council related to both the Planned Unit Development Conditional Use Permit and the Annexation. Email and written public comment on the project was received by the City Council through February 9, 2009.

Public comment was fielded by Staff after the Council remand to the Commission and that comment was provided prior to the December 8, 2008 meeting. Additional comment received after the December 8, 2008 Commission meeting was also fielded by Staff until January 5, 2009 at 5pm. Comment was provided to the Commission prior to the January 7, 2009 meeting.

Hard copy of email and written comment was distributed weekly to the Planning and Zoning Commissioners related to both the Planned Unit Development Conditional Use Permit and the Annexation. Email and written public comment on the project, with the exception of that related to the Tent Diagram, Drawing A.6, was received up until June 19, 2008. Email and written public comment on the Tent Diagram, Drawing A.6, was received up until June 26, 2008.

Hard copy of email and written comment was distributed to the City Council prior to public meetings and hearings related to all applications. The Council has received and reviewed all copies of email and written public comment received by Staff. The Council weighed heavily the concerns conveyed and have found a majority of the public comment to be in favor of the proposed project.

L. KETCHUM CITY CODE 16.08.080(A) (PUD) EVALUATION STANDARDS.
"Yes" (meets standard); "No" (does not meet standard)

___ 1. **Minimum lot size of three acres. All land within the development shall be contiguous except for intervening waterways. Parcels that are not contiguous due to intervening streets are discouraged. However, the commission and the council may consider lands that include intervening streets on a case by case basis. The commission may recommend waiver or deferral of the minimum lot size and the council may grant said waiver or deferral only for projects which:**

a. **Include a minimum of thirty (30) percent of community or employee housing, as defined in Section 16.08.030;**
b. **Guarantee the use, rental prices, or maximum resale prices thereof based upon a method proposed by the applicant and approved by the Blaine County housing authority and/or the Ketchum city council; and,**
c. **Are on parcels that are no less than one and one-half acres (sixty-five thousand three hundred forty [65,340] square feet). Application for waiver or deferral of this criteria shall include a description of the proposed community or employee housing and the proposed guarantee for the use, rental cost, or resale cost thereof; or,**
d. **For a hotel which meets the definition of hotel in Chapter 17.08, Definitions, and conforms to all other requirements of Chapter 17.64, Community Core District. Modifications or waivers from the provision of Chapter 17.64 may be granted for hotel uses only as outlined in Chapter 17.64.010(H)(c).**

FINDING: The area within the City of Ketchum is 11.26 acres. The remaining 67.13 acres are within Blaine County (including BLM) and proposed for annexation. The subject property currently held is 76.77 acres, with a 1.62 BLM property under acquisition negotiation. If acquired, lot size will total 78.39 acres. The minimum lot size has been met.

CONCLUSION: The minimum lot size of three acres has been met.

____ 2. **That the proposed project will not be detrimental to the present and permitted uses of surrounding areas.**

FINDING: The Commission reviewed and considered the Warm Springs Ranch Resort Massing Analysis, titled Attachment 8 to the May 27, 2008 Staff Report. The Massing Study describes the general context within which this site is located. The approximately 78-acre site wraps around the base of Bald Mountain. It is a visible mid-ground backdrop for travelers along Warm Springs Road. The topography of the area makes this site, in the opinion of Winter and Company, unique in the City. The grade change from Warm Springs Road to Warm Springs Creek puts the site approximately 30 feet below the grade of the road, creating a situation where much of the development will be below the main travel corridor. Uses in the surrounding area are residential - a mix of single and multifamily.

To the north and northeast of the subject property are a mix of single family and duplex properties along the creek, and a mix of single family, duplex and multifamily properties across Warm Springs Road. To the west is a low density single family residence in a General Residential Low Density (GR-L) Zone. To the south is Bald Mountain. The Bald Mountain complex is owned by the U.S. Forest Service (with some portions in BLM ownership) and leased to Sun Valley Company for the ski area. This area is undeveloped, steeply sloped and timbered. Historically, a commercial operation has operated on the subject property. Prior to closing in recent years, the Warm Springs Restaurant, tennis courts, and golf course operated on this property for several decades. This area has historically been the only commercial hub along Warm Springs Road between the Warm Springs Village to the west and the light industrial area to the east. The proposed project includes preserving the commercial nature of this property.

The proposed project is at a density of approximately 21.31 units per acre (approximately 1.28 floor area ratio [FAR]) on the north side of Warm Springs Creek, and approximately 0.42 units per acre (0.037 FAR) on the south side of Warm Springs Creek (Golf Course Area). The revised December 2, 2008 submittal proposes a maximum density of 1.43 on Block 1, the north side of Warm Springs Creek.

The subject property is surrounded by Tourist (T) zoned property, General Residential-Low Density (GR-L), and the golf course and estate lot is bordered by Limited Residential (LR) zoning. The adjacent United States Forest Service (USFS) and Bureau of Land Management (BLM) land is zoned Rural Residential District (R-10), Urban Influence Boundary (UIB).

The most similar density in the surrounding area is the location of the Four Seasons Condominiums, Pineridge Townhouses, and The Fields Condominiums. These three (3) projects are zoned Limited Residential (LR) at a density of 4.84 units per acre, but are actually built out at approximately seventeen (17) units per acre. Both Pineridge and The Fields are Planned Unit Developments (PUD). A large tract of vacant land under single ownership also exists in this area. The current density of 17 units per acre is located across Warm Springs Road (north side of road) from the proposed Warm Springs Ranch Resort, which is a proposed density of 21.31 units per acre. The Applicant states that a particular construction most likely to impact this neighborhood is thirty (30) feet below the existing neighborhood.

The next project with density similar to the proposed project is the existing Warm Springs Townhouse and Tennis Condominiums. This project was developed prior to the new Tourist Zoning District Code amendment in 2006. Under current standards, this project is located in the Tourist (T) zone at an allowed density range from 0.5 FAR up to 1.6 FAR, which could result in a building of approximately 21,780-69,696 square feet for a 1 acre site. For example, if each unit is 1,000 square feet in size, this zone could allow between 21 and 69 units per 1 acre site, if parking and other requirements could be met. The proposed Warm Springs Ranch Resort is proposed at a density of approximately 21 units per acre, in conformance with the T zoning district. Block 1 has a range of densities in the November 3, 2008 submittal, from a low range of 55 units (5.5. units per acre) to a high range of 28 units per acre. The current density of the Warm Springs Townhouse and Tennis Condominiums is approximately eleven (11) units per acre. The Applicant states that the portion of the project most likely to impact the neighborhood is the access off of Townhouse Lane. In Scheme 10, portions of the workforce housing will access off of Townhouse Lane and adjacent to this neighborhood. However, as stated above, the density of the project adjacent to this neighborhood is not entirely dissimilar from the existing neighborhood.

In consideration of this standard, the Commission discussed the "tent" concept, Tent Diagram, Drawing A.6 (hereinafter "Tent Diagram"), within which a building will be designed. Schemes 9 and 10 as enumerated in the P & Z Findings of Fact "filled" approximately 29% of the three-dimensional area within the Tent. The revised December 2, 2008 submittals could increase that percentage to 32%. See the Table under Standard 12 for further schemes related to the volume of the Tent. A base floor elevation was developed for the tent that relates to an elevation approximately 5 feet above the average mean high water mark. The Commission determined that utilizing this base elevation as a method of measuring height within this project would have a lesser impact than the standard definition of existing natural grade due to the increase in topography to the east of approximately 6 feet, and due to some higher areas in the middle of the site which would greatly impact the height of the perceived hotel if the natural grade were used as the lowest floor. Therefore, the Commission found that there would be a lesser negative impact to perceived height if all heights for the core hotel building were measured from a "an average of 5' above the mean high water mark of Warm Springs Creek across the length of any individual mass". In consideration of the "tent" concept, the Commission modified proposed heights for portions of the building(s) adjacent to Warm Springs Creek in the development of the Tent Diagram, Drawing A.6. Maximum building heights were lowered in this area in response to analysis in the Winter Massing Study. The Commission found that the core building(s) should step down along Warm Springs Road, and on the east and west flanks of the building(s); they so directed the modification of Tent Diagram, Drawing A6. The Applicant has stated in the Updated Submittal materials of November 3, 12, and December 2, 2008 that additional circulation and parking areas are needed in the Core Hotel Building to respond to the breaking up of the buildings.

An additional 30,000 square feet of circulation space has been requested by the Applicant. In the planning process of Scheme 9, 7.5% circulation of the core hotel building was incorporated into the design, which was approximately 23,000 square feet. Per the Applicant, industry standards assume at least 15% circulation, which would mean increasing the circulation by 23,000 square feet. Per the Commission request to break up the core hotel building, an increase of approximately 7,000 square feet of circulation is requested for functionality and efficiency issues resulting in a total increase of approximately 30,000 square feet of circulation.

The Irene Street/Bald Mountain Road Neighborhood Area is primarily single family and duplex units developed at a density of 6.5 units per acre. The Applicant states that the project components most likely to affect this neighborhood are the residential aspects of the project and the par 3 golf course.

Table 8 illustrates current and proposed uses and density:

Table 8: Current and Proposed Uses and Density

	Area north of WS Creek (existing T Zoning, some GR-L Zoning)	**Area south of WS Creek (existing Golf Course)**	**Undeveloped land southeast of WS Creek (near existing horse corrals)**
Previously Existing Uses	Tennis courts; restaurant; parking	Golf course	Horse corrals; undeveloped
Proposed Uses	Hotel, 2 restaurants, multifamily, surface and structured parking	Golf course: "villas"; one "estate" lot	One Estate Lot
Existing Permitted Density	T zone: 0.5 FAR (21 units per acre GR-L	County Zoning: RD (Recreation Development	Rural Residential (R-10) and Urban Influence Boundary

	zone: 10.89 units per acre	District): total developable density not to exceed 1 unit/.4 acre (4 units per acre) City Zoning per the Area of City Impact Agreement: GR-L, 10.89 units per acre	(UIB): 1 unit per 10 acres
Proposed Density and FAR	21.31 units per acre (1.28 FAR) (Nov. 3, 2008 submittal: 5.5 units per acre; high range: 28 units per acre)	0.42 units/acre (0.037 FAR)	Approx. 1 unit per 9 acres

Table 9: Densities of the Surrounding Area (all residential uses):

Density Allowed	**Tourist (T)**	**General Residential (GR-L)**	**Limited Residential (LR)**	**Rural Residential (R-10)**
Density allowed per zoning district	0.5 FAR per lot (approx. 21 units per 1 acre site)	10.89 units per acre	4.84 units per acre	1 unit per 10 acres
Current Density of surrounding area	WS Townhomes and Tennis Condos: 11 units/acre	Irene St/Bald Mt. Rd Area: 6.5 units per acre	River Run Dr/W. Broadway Blvd. Area: Approx. 4 units per acre	USFS/BLM property and horse corrals: currently undeveloped

In consideration of the Tent Diagram, Drawing A.6, the Commission found that the general bulk of buildings would be in harmony with the neighborhood, due to step-down elements adjacent to Warm Springs Road and surrounding properties; setbacks from surrounding properties; and limitations on heights permitted along Warm Springs Creek. The December 2, 2008 submittal could increase the square footage on Block 1, all within the Tent Diagram. The increase in Block 1 is 59,531 square feet, or 10.6% over what was recommended by the Commission in July 2008. Actual details of architecture and building design will be determined during the Design Review process. The Commission found that this standard is met if the project can satisfy the Design Review standards.

Comparison of Commission Recommended PUD and the December 2, 2008 Updated Submittal

Area	P & Z Recommended		December 2 Updated Submittal Request	Square Footage Change	% Change
Core Hotel Building	447,897		538,151	91,259	20.3%
Tent volume Used	29%		32%	N/A	3%
Block 1	560,615		620,146	59,531	10.6%*
PUD Total	668,915		728,446	59,531	8.9%

*this number is higher than 5% due to the 30,000 square feet of circulation added to Block 1

The Applicant has provided further clarification in the form of a flex space clarification chart in the December 2, 2008 submittal as outlined below.

Flex Space Clarification Chart

	Resulting SF Block 1	Resulting SF All Other	Resulting SF Total PUD
P&Z Findings of Fact	560,615 F.A.R.: 1.29	108,300	668,915 F.A.R.: .23
Increase +30,000 SF Circulation Area	590,615		
5% Flex Space	620,146 F.A.R.: 1.43	108,300	728,466 F.A.R.: .25
Minimum Hot beds/keys	120		
Ratio of Total Hot beds/keys to Total Residential Rooms	Same Ratio		

In consideration of this standard, like the Commission, the Council discussed the "tent" concept, Tent Diagram, Drawing A.6 (hereinafter "Tent Diagram"), within which a building will be designed. The Council concurred with the Commission recommendation regarding the use of the base elevation as a method of measuring height within this project, as it would have a lesser impact than the standard definition of existing natural grade due to the increase in topography to the east of approximately 6 feet, and due to some higher areas in the middle of the site which would greatly impact the height of the perceived hotel if the natural grade were used as the lowest floor. Therefore, the Council concurred with the Commission and found that there would be a lesser negative impact to perceived height if all heights for the core hotel building were measured from "an average of 5' above the mean high water mark of Warm Springs Creek across the length of any individual mass". In consideration of the "tent" concept, the Council found that this methodology was appropriate for determining proposed heights for portions of the building(s) adjacent to Warm Springs Creek in the development of the Tent Diagram, Drawing A.6.

CONCLUSION: The Council has concurred with the Commission recommendation, finding that the proposed project, including the additional Block 1 requests of 30,000 square feet in circulation area and 5% increase in flex space, will not be detrimental to the present and permitted uses of surrounding areas.

___ 3. **That the proposed project will have a beneficial effect not normally achieved by standard subdivision development.**

FINDING: The Council considered typical elements of a "standard subdivision", and found that a "standard subdivision" does the following:

a. Mitigates impacts associated with the subdivision on City services and facilities. The City's subdivision process ensures that the needed improvements are in place before final subdivision occurs.
b. Provides certain common amenities for the benefit of subdivision owners.
c. Protects natural features within the site.

d. Establishes standards for development, activity and management within the development through recorded Covenants, Conditions and Restrictions.
e. Ensures the goals, policies and standards of the Comprehensive Plan, Zoning Code and Subdivision Ordinance are achieved through the design of the subdivision.

The Council concurred with the Commission and found that the proposed Warm Spring Ranch PUD compares with the five items outlined above regarding a "standard subdivision" as follows:

a. Mitigates impacts associated with the subdivision. A full discussion of the mitigation of impacts to City facilities, services and utilities is found under PUD Evaluation Standards 6 and 16; the Commission found that impacts are mitigated through the Conditions of Approval.

b. Provide common amenities for the benefit of subdivision owners. The PUD proposes the following amenities:
   - Meeting Space (range of 12,000 – 20,000)
   - Approximately 47% of the site (1,619,100 square feet) is dedicated to landscape areas, including the golf course, riparian areas, alpine forest, grass uplands, Events Lawn and other landscape areas (see breakdown in Section 1.4 of the applicant submittal package).
   - Use of the golf course with special pricing and scheduling for local residents.
   - Year-round trail system.

   Recent "standard subdivisions" within the City include the Hideaway Subdivision and Rocking Ranch #4, Central Park Townhomes, Bald Mountain Townhomes, Hemingways and the Plaza. None of these subdivisions provided "useable open space." The Commission found that the proposed PUD provides common amenities for the benefit of the subdivision owners.

The Council found that the proposed PUD provides common amenities for the benefit of the subdivision owners.

c. Protect natural features. This project exceeds City standards in terms of restoring the Warm Springs Creek corridor to a more natural state. The plan provides for both stream restoration and re-vegetation with riparian and upland plant material. The Area of City Impact Agreement and the Ketchum Comprehensive Plan call for the County's more stringent riparian setbacks to apply on the annexed parcels: all buildings must be set back fifty (50) feet from the mean high water mark. The Applicant has agreed to meet this setback on the south side of Warm Springs Creek after annexation whether or not the Area of City Impact Agreement is applicable. The Commission found that natural features are being protected.

The Council found that natural features are being protected.

d. Establish standards through CC&R's. The Applicant has submitted CC&R's which are standard in nature, comparable to a "standard" subdivision.

e. Goals and Policies of Comprehensive Plan are achieved. The Commission found that this proposal achieves the goals of the Ketchum Comprehensive Plan, not only through these PUD standards, but also as part of their review of the annexation. Attachment 5 compiles the relevant Comprehensive Plan policies and provides Staff comments.

The Council found that this standard cannot be taken out of context of the entirety of the standards; that the Comprehensive Plan requires the City to balance economic issues with community scale, and that the benefits of a project must be carefully weighed in consideration of the Comprehensive plan.

CONCLUSION:

The Council found that the proposed project will have a beneficial effect not normally achieved by standard subdivision development.

____ 4. **The development shall be in harmony with the surrounding area.**

Finding: The Commission considered a variety issues, including but not limited to: uses, densities and bulk in evaluating this standard. Architectural design, materials, landscaping, building and parking layout will be further considered in the design review process. The concept of the Tent Diagram, Drawing A.6, was modified by the Commission to ensure that building(s) stepped down where facing key roadways and other surrounding areas. This step-down effect was found by the Commission to create harmony with the surrounding area.

Residential uses, as described under Evaluation Standard Number 2, are similar to those of the surrounding neighborhood. The hotel, spa, parking garage and other commercial uses are permitted under the Tourist (T) zoning, however, these uses are unique within the Warm Springs area.

a. Bulk Analysis

Bulk: Bulk is defined in the Ketchum Zoning Code 17.08.020 as follows:

3.1 Bulk - "Bulk" is the term used to decide the size and mutual relationships of buildings and other structures, and therefore includes:

(1) The size of buildings and other structures;
(2) The shape of buildings and other structures;
(3) The location of exterior walls of buildings and other structures, in relation to area of a lot, to the centerline of streets, to other walls of the same building, and to other buildings or structures; and
(4) All open spaces relating to a building or a structure.

Table 10 shows projects which are located adjacent to or near the subject property. Density, lot coverage, building footprint and building height are noted for each one. The table has numerous gaps as the City does not have records on projects built in the 1970's and scattered records from the 1980's.

Table 10: Bulk of Surrounding Land Uses

PROJECT	DENSITY (units per acre)	LOT COVERAGE	FOOTPRINT SIZE	HEIGHT (AVG)	USEABLE OPEN SPACE
Pineridge PUD	16.58	30%	3,252-4,800	22-28 feet	App. 20%

Fields at Warm Springs	18.6	25%	6,936-13,138	26 feet	17%
Country Club Condominiums	8	9.2%	unknown		0
Warm Springs Tennis Condos	14.3	24%	2,000 per bldg.		0
Bald Mountain Townhomes; Sun River Townhomes; Pioneer Condos; several others averaged	8				0
Lots 12-25, Warm Springs Creekside Subdivision, averaged					0
Tax Lots 3082, 2764, 5932				Unknown	

*Note: All Figures shown are approximate.

b. Bulk Analysis, Core Hotel Building. (Current proposal - December 2, 2008)

Floor Area Ratio (F.A.R). for Block 1
Total Square Footage of Block 1 = 597,628 square feet
Area between MHW marks & within roadways = 162,949 square feet
Block 1 area for F.A.R. consideration = 434,679 square feet
Total gross floor area in Block 1 (as given in application): 620,146 square feet.

December 2, 2008 submittals: Total gross floor area for the Core Hotel Building is 538,151; Block 1 to a maximum of 620,146 square feet, which is an increase of 59,531 square feet, or 10.6% of the square footage in Block 1.

The Commission considered the Tent Diagram, Drawing A.6, and related text as a method of regulating bulk for the PUD. Design Review is optional at the PUD stage pursuant to S. 16.08.070 (D). The Tent Diagram, Drawing A.6 and related text mitigate bulk and mass; step the building down at the property boundaries to harmonize with surrounding uses; limit building length and creates openings through the project to Warm Springs Creek. The December 2, 2008 submittal could increase square footage in the tent. It is not known at this stage in the project review where this square footage will be located. The Design Review process will refine the building design within this tent. The Commission found that this standard is met subject to the Design Review process based on the square footage approved by the Commission. The Council remanded the possible increase in square footage for further review by the Commission.

Per the Commission's Findings of Fact adopted July 31, 2008, the Applicant was approved for 560,615 square feet in Block 1. Per the underestimated 7.5% circulation of the core hotel building an additional approximately 30,000 square feet for circulation purposes is requested. Due to the current climate of the financial world and capital markets, the Applicant has stated the necessity to have 5% flexibility in Block 1. This brings the total for Block 1 square footage to 620,146.

The Commission found that this total of 30,000 square feet of circulation space requested by the Applicant is a suitable and approvable request. This finding is based on Applicant testimony of industry standards assuming at least 15% circulation, which would mean increasing the circulation by 23,000 square feet. Further, since the Commission requested to break up the core hotel building in the July 2008 Findings of Fact, an increase of approximately 7,000 square feet of circulation was requested to offset functionality and efficiency issues. In total, an increase of approximately 30,000 square feet of circulation is requested.

CONCLUSION: The Council concurred with the Commission's recommendations and found that the bulk increases resulting from the revised Block 1 square footage increase are reasonable changes needed to support the function of the hotel mainly through added circulation space. Additionally, the Council found that the additional request of a possible 5% increase in the total square footage of Block 1 is reasonable in response to the current changing market conditions while maintaining harmony with the surrounding area, and because this additional square footage is all within the tent, and will be subject to the Design Review process. Therefore, this standard has been met.

____ 5. **Densities and uses may be transferred between zoning districts within a PUD as permitted under this chapter provided the aggregate overall allowable density of units and uses shall be no greater than that allowed in the zoning district or districts in which the development is located. Notwithstanding the above, the commission may recommend waiver or deferral of the maximum density and the council may grant additional density above the aggregate overall allowable density only for projects which construct community or employee housing; and which:**

a. **Include a minimum of thirty (30) percent of community or employee housing, as defined in Section 16.08.030; and,**
b. **Guarantee the use, rental prices, or maximum resale prices thereof based upon a method proposed by the applicant and approved by the Blaine County Housing Authority and/or the Ketchum City Council.**

Application for waiver or deferral of this criteria shall include a description of the proposed community or employee housing and the proposed guarantee for the use, rental cost, or resale cost thereof.

FINDING: The subject property is currently located within both unincorporated Blaine County and the City of Ketchum. The map produced by Blaine County titled "Warm Spring[s] Ranch Potential," located within Attachment 10, indicates the possible build out of the unincorporated Blaine County lands if one does not consider the Area of City Impact Agreement (hereinafter "ACI Agreement") of zoning these lands to General Residential-Low Density (GR-L). The Commission considered this theoretical analysis, as well as additional analysis on other possible build-out scenarios possible under the GR-L zoning identified in the ACI agreement.

The table below outlines the base density potential on the subject property compared with the current proposal. Please refer to the Applicant's submittal Exhibit 1.8, submitted April 29, 2008, and the map under Attachment 10 indicating the base density calculations for the site.

Density Potential and FAR

Floor Area Ratio (F.A.R). for Block 1
Total Square Footage of Block 1 = 597,628 square feet
Area between MHW marks & within roadways = 162,949 square feet
Block 1 area for F.A.R. consideration = 434,679 square feet

F.A.R. for T-Zoned Area: 401,188 square feet
Area between MHW marks and within roadways = approx. 27%
Developable Area: 292,867 square feet
Total gross floor area in Block 1: Up to a maximum of 620,146 square feet,

Block 1 F.A.R. = 1.43

Table 11: Permitted Densities as compared with Proposed Scheme 9

Possible Scenarios	Warm Springs Ranch unincorp 64-67.73 acres	WS Ranch unincorp ACI/GR-L (base density)	WS Ranch T zone (range from FAR of 0.5 to 1.6)	WS Ranch total with golf course	WS Ranch total without golf course	Dec 2 Revised WSRR Proposal
Approx. Base density allowed	County zoning: 92 units	GR-L: 204 units	T: (.5 FAR) 146,434 to (1.6 FAR) 468,587	T: (.5 FAR) 146,434 to (1.6 FAR) 468,587 GR-L: 69-93 units (depending on design)	T: (.5 FAR) 146,434 to (1.6 FAR) 468,587 GR-L: 137-157 units	620,146 square feet (1.43 FAR includes 2.05 acres of GR-L

The Applicant's Exhibit 1.8 indicates that all schemes that were proposed to the Commission were at densities lower than those allowed within the zoning district. The December 2, 2008 submittal proposes a maximum density of 1.43 F.A.R. for Block 1. This FAR is spread over areas zoned GR-L (2.05 acres) and areas within unincorporated Blaine County ((2.67 acres). If the total number of units is spread over the entire site, densities are not greater than permitted under the aggregate of each zone. Densities are concentrated on Block 1. Regarding the south side of the creek, the Applicant indicates that the proposed townhouse unit count on the GR-L zoned property is 47 to 135 units less than the allowed density of 204 units. The current County zoning allows approximately 92 units on the unincorporated County (GR-L) property under the ACI Agreement, which is similar to the possible scenarios that include a golf course on the property.

The Council found that the proposed density as depicted in Schemes 9 and 10 and the December 2, 2008 applicant submittal (Scheme 11 version 1) do not exceed the density allowed within the zoning districts, and the Applicant is not required to request a waiver for additional density beyond the maximum allowed.

The Council concurred with the Commission's conclusion that Floor Area Ratio is merely a number that indicates a ratio between developed square footage and parcel size. How floor area is distributed, lot size and buildable area may result in very different calculations that may not generate useful analytical comparisons. Standard 7.a and Attachment 8 analyze the distribution of the floor area as proposed by the Applicant. The Council referenced these other standards and analysis in determining that this standard has been met.

The Council concurs with the Commission's recommendation to allow the 620,146 square feet Block 1 proposal from the December 2, 2008 Applicant submittal, which is an increase of 59,531 square feet, or a 10.6% increase in square footage for Block 1 as compared to the July 2008 Findings of Fact.

CONCLUSION: Densities and uses may be transferred between the zoning districts within this PUD as permitted under this chapter. The aggregate overall allowable density of units and uses is no greater than that allowed in the zoning district or districts in which the development is located. No waiver or deferral of the maximum density has been requested, and is not a part of the Council's findings for this Standard.

____ 6. **That the proposed vehicular and non-motorized transportation system:**

a. Is adequate to carry anticipated traffic consistent with existing and future development of surrounding properties;

FINDING: A Transportation Plan, including a traffic model, was prepared with an executive summary contained in Part 1, Section 6. The traffic model analyzed existing conditions, new traffic added by the proposal, and mitigation measures to offset impacts resulting from the project. Snow and trails/pathways were also discussed. Current traffic counts and future traffic volume projections were performed by WSRR ("Warm Springs Ranch Resort"). The field data and computer simulated data were used in evaluating both internal and external road carrying capacities. The following is a summary.

Internal Roads:

All internal roads are proposed to be privately owned and maintained. All roadways will be constructed within a 40-foot wide easement. Two types of paved roadways are proposed:

- 26-foot:
  - All roadways surrounding the core hotel area
  - Include curb and gutter
- 20-foot:
  - All other roadways throughout the development
  - Rural with gravel shoulders and drainage ditches

No on-street parking will be permitted. Designated parking lots and areas outside of the required clear width will be provided. Adequate, designated, on-site parking is proposed to be allocated for the WSRR residences and visitors to eliminate the possibility of off-street parking.

Emergency services and general access to the development will come from three separate locations: (1) Irene Street and Warm Springs Road, (2) Bald Mountain Road and Warm Springs Road, and (3) the primary resort entrance of Flower Drive and Warm Springs Road.

The City Engineer concurs that the proposed roadway widths, parking restrictions and storm water drainage handling appear adequate and appropriate for the intended use and blend of the surrounding buildings and features. Three significant recommendations that need further discussion are as follows:

- Vacating the Bald Mountain Road intersection;
- Designating "Private Road #1" as a public road for access to properties west of WSRR, in lieu of the Bald Mountain Road/Warm Springs Road intersection. This road should include curb and gutter.
- "Private Road #3 and "Townhouse Lane" should be constructed with curb and gutter.
- A pathway/sidewalk for pedestrian circulation, interconnectivity and pedestrian safety shall be incorporated throughout the project to at least the bridge crossing of Warm Springs Creek. Such pathway may not be immediately adjacent to the road.

The local emergency services agencies will need to confirm their opinion and potential impacts of vacating the Bald Mountain Road intersection and reducing general emergency access to two separate locations.

External Road – Warm Springs Road:

The projected net trip generation attributed to the development is as follows:

Commission Recommended (from PUD Findings of Fact adopted July 31, 2008)

Daily Trips	1,778 vehicles per day
Morning Peak Hour Trips	98 vehicles per hour
Evening Peak Hour Trips	142 vehicles per hour
Saturday Trips	2,901 vehicles per day
Saturday Peak Hour Trips	273 vehicles per hour

"Probable Maximum" Scenario (Current Proposal as of December 2, 2008)

Daily Trips	2,350 vehicles per day
Morning Peak Hour Trips	201 vehicles per hour
Evening Peak Hour Trips	242 vehicles per hour
Saturday Trips	3,221 vehicles per day
Saturday Peak Hour Trips	352 vehicles per hour

The November 3, 12 and December 2, 2008 submittals along with the January 8, 2009 memo regarding trip generation data provide details on the traffic study. This study also analyzes a "Probable Maximum" Scenario, noted in the above table. The probable maximum scenario would increase daily traffic by 572 trips per day. While this increase may not affect roadway level of service, it does increase the percentage of roadway capacity allocated to this project. The Applicant's traffic consultant has concluded that the flexibility of above approach does not have a material impact of traffic on Warm Springs Road. The December 2, 2008 Updated Submittal would have a lower traffic impact than the "Probable Maximum" due to the revised square footage request.

From current peak travel season traffic counts and through the use of computer modeling, the following average daily traffic (ADT) volumes were gathered and projected over a 20-year period:

2008 (existing conditions)	=	4,400 ADT
2008 (existing + WSRR project)	=	5,900 ADT
2018 (existing conditions)	=	8,000 ADT
2018 (existing + WSRR project)	=	9,500 ADT

Below are the updated traffic numbers on average daily traffic (ADT) volumes for a twenty (20) year period. These numbers reflect the Probable Maximum building scenario

2008 (existing conditions)	=	5,600 ADT
2008 (existing + WSRR project)	=	8,000 ADT
2018 (existing conditions)	=	8,484 ADT
2018 (existing + WSRR project)	=	10,834 ADT

The average daily traffic difference between the Probable Maximum building scenario and the original submittal (May 9, 2008) is 572 vehicles per day. The City Engineer has stated that this does not warrant any changes to the original recommended improvements to Warm Springs Road.

Warm Springs Road currently has a capacity threshold of approximately 10,000 – 13,000 ADT (level of service D threshold). Therefore, it is projected that by year 2018, with full project build out, Warm Springs Road will adequately accommodate the WSRR project and the additional foreseeable growth projected by the City of Ketchum.

Six intersections along Warm Springs Road were studied and evaluated. Two of particular note were the Flower Drive and Lewis Street intersections. With regards to the external intersections, no capacity enhancing mitigations were suggested by WSRR for the current year projections. However, as growth continues, mitigation measures discussed below should be considered.

Based on the intersections that were studied, and considering the overall averages, the following conclusions were derived with respect to turning:

- Existing (2008) + WSRR Conditions: All study intersections experience acceptable levels of delay in both the a.m. and p.m. time periods.

- Future (2018) Background Conditions: All study intersections experience acceptable levels of delay in the a.m. time period, however, in the p.m. period the Lewis Street / Warm Springs Road has a level of service (LOS) F. This LOS can be mitigated as discussed below.

- Future (2018) + WSRR Conditions: Implementing the mitigations listed below, all of the study intersections have acceptable levels of delay.

Transportation Mitigation Measures:

- Speeding – install a roundabout at the Flower Drive and Warm Springs Road intersection. This roundabout will help slow traffic on Warm Springs Road and will create an entry feature into the WSRR project.

- Aesthetics – the aesthetics will help create a sense of place for the Warm Springs Area residents as they travel on this corridor and tend to slow down traffic.

- Install a traffic signal at the intersection of Lewis Street and Warm Springs Road.

The only external, public road improvements associated with this project include: (1) upgrading a section of Bald Mountain Road located within the property boundary to a crowned roadway with guardrail along the downhill side; and (2) installing a four-way intersection or roundabout to act as the main resort entrance at the location of the existing Flower/Warm Springs intersection.

In the City Engineer's evaluation of the data and report findings, it appears that Warm Springs Road has sufficient capacity to accommodate the 20-year projected traffic volumes. However, it is recommended that mitigation measures at the Lewis Street/Warm Springs Road intersection be implemented within the next three years (and not 2018). With Warm Springs Road a level of service D and traffic flows projected not to exceed the suggested volume, major improvements are not warranted, except at the Lewis Street and Flower Road intersections; it appears that for the next 20+ years Warm Springs Road should adequately be able to accommodate projected traffic flows.

Upgrading the section of Bald Mountain Road located within the property boundary is discouraged and not recommended. Poor site conditions, narrow road, safety concerns, and the inability existing differently to turn right onto Bald Mountain Road when traveling east along Warm Springs Road, are reasons to consider the abandonment of the intersection. Connection of Bald Mountain Road with "Private Road #1" and with the intersection at Flower Drive would provide for a safer and more functional traffic commute. It is also recommended that a roundabout be used as the intersection feature at Flower Drive. The Commission concurred with these recommendations.

Based on the above recommendation regarding the interconnectivity of Bald Mountain Road with "Public Road #1", "Public Road #1" would need to be a public road with a minimum of a 26-foot wide paved roadway with curb, gutter, and sidewalk.

The Commission found that Private Road #2 shall be allowed to exist within the blue avalanche zone, but there would be a requirement to have that road gated where access to the villas could be restricted during periods of high avalanche hazards as determined by the City of Ketchum Emergency Services Personnel in consultation with the Sawtooth National Forest Avalanche Center. Language will be developed regarding emergency response protocol, but the roads will be left as proposed on the site plan as submitted. The Commission noted that the safety of Townhouse Lane during construction of this project would be examined as part of the Construction Mitigation Plan.

An updated transportation analysis was received on November 5, 2008, Second Update to Application Submittal. The Transportation update was comprised of two main components: 1) Transportation System Management (TSM); and 2) Travel Demand Management (TDM). Recommendations were identified in the Warm Springs Ranch Resort transportation impact study and/or the Warm Springs Road Corridor Study.

Essentially, TSM strategies are intended to increase the efficiency of the existing roadway, without increasing the number of through traffic lanes while increasing the number of vehicle trips that a facility can carry. Examples of TSM strategies include change of intersection control (two-way stop to a roundabout, four way stop to a traffic signal, etc.), turn pockets, and traffic signal coordination.

TDM focuses on regional strategies for reducing the number of vehicles trips and vehicles miles traveled as well as increasing the vehicle occupancy. It facilitates higher vehicle occupancy or reduces traffic congestion by expanding an individual's choice in terms of travel method, travel time, travel route, travel costs, and the quality and convenience of the travel experience.

The Warm Springs Ranch Resort Transportation Study was completed by Hales Engineering following the Institute of Transportation Engineers (ITE) methodologies, the *Highway Capacity Manual (HCM)*, 2000, methodologies for level of service calculations, the *Manual on Uniform Traffic Control Devices (MUTCD)*, 2003, for intersection control recommendations, and the American Association of State Highway and Transportation Officials (AASHTO), *A Policy on Geometric Design of Highways and Streets, 2004*. Hales Engineering completed the WSRR Transportation Study and it was independently reviewed by the City Engineer. The City Engineer's review comments were incorporated into the final version of this document submitted to the City of Ketchum.

The Commission found that the transportation analysis and modeling is sufficient in its current state with thorough review and approval from the City Engineer. An additional transportation analysis and traffic study is not warranted at this time.

At the December 8, 2008 Commission remand meeting, Staff had requested more detailed information be provided regarding the correlation between the trip and parking generation used for the Warm Spring Ranch Resort based on the request of a 5% increase in flex space usage. Since that time, an additional traffic and parking generation analysis was received from the Applicant on December 16, 2008.

The additional traffic and parking generation analysis received from the Applicant on December 16, 2008 provides detail to show the direct correlation between the land uses and the parking generation submitted to the City Council as part of their review packets for the December 1, 2 and 10, 2008 Public Hearings. Within the Transportation Study, Section 7.4, Appendix B, Table 4, the land uses for the Warm Springs Ranch Resort have been identified for trip generation purposes and within the Parking document, Section 7.5, Table 3, the same land uses have been used for calculation of the parking requirements. Both of these tables are on file with the City and attached to the December 16, 2008 memo from the Applicant.

The initial land use versus trip generation demonstrated a need for 470 parking stalls, or 334 original parking stalls and 137 additional based on the revised building program. However, based on the 'Probable Maximum' building scenario and the mixed-use nature of the project (shared use parking) the stall count can be reduced to 404 stalls. There is a recognizable, direct correlation between the land uses for the trip and parking generation components of the Warm Springs Ranch Resort. The Applicant has stated that the trip and parking generation rates will be lower than identified in this memorandum when the project is complete because the flex space will likely not be constructed to its full potential.

<u>CONCLUSION:</u> The Council found that this standard was satisfied. Private Road #2 shall be permitted within the blue avalanche zone, subject to signage and operating requirements which would restrict access

to affected areas during periods of high avalanche hazards. Language will be developed in the Development Agreement regarding emergency response protocol, with input from Ketchum Emergency Service providers.

b. Will not generate vehicular traffic to cause "undue congestion" of the public street network within or outside the PUD;

FINDING: There are two intersections that are of concern: (1) the Lewis/Warm Springs Road and (2) the Flower/Warm Springs Road.

Lewis Street/Warm Springs Road Intersection: The Applicant acknowledges that a traffic signal will be warranted within the next 20-years. In the projected year of 2018, it is figured that higher than acceptable delay exists on the southbound approach at Saddle Drive/Warm Springs Road intersection, and it is too close to the proposed Lewis Street traffic signal to be signalized efficiently. Southbound left turning vehicles will be able to find sufficient gaps in the traffic stream to make the desired turn movement because of the proposed traffic signal at Lewis Street; however, they will need to wait longer for the gaps to materialize and coincide in both the west and eastbound directions.

Based on a current Forsgren Associates traffic study being done on the entire Warm Springs Road, it has been documented, based on current traffic, that a traffic signal is needed and meets one signal warrant. With the future growth, including WSRR, it is a matter of time before additional signal warrants will be met, further justifying the need. Due to existing poor visibility, the City Engineer recommends that a signal be installed within the next two or three years. The Applicant, due to its traffic volume increase, should pay a pro-rata share of the signal cost.

Flower/Warm Springs Road Intersection: The Applicant is currently proposing a four-way intersection, which will include designated left- and right-turn lanes. With the future traffic volumes and based on extensive traffic modeling it is projected that adequate vehicle stacking can be accomplished. Based on this analysis, the proposed configuration should avoid any undue congestion.

Although this solution appears to be acceptable, a four-way intersection is not the recommended solution for this intersection. A roundabout would provide better traffic flow and further minimize undue congestion. In the update submittal (Sheet E.5.2) a more detailed conceptual representation of a roundabout was illustrated. Less than 0.50 acres of additional right-of-way would be required. Both Staff and the City Engineer recommend that this option be considered.

A preliminary design of a roundabout has been submitted by the Applicant. In order to construct a roundabout, additional right-of-way (ROW) will need to be acquired to the north side of Warm Springs Road which includes:

- Parcel 1: Approximately 13,733 square feet from the Schernthanner parcel; and
- Parcel 2: Approximately 937 square feet acquired from The Fields Condominiums common area.

The City should require the Applicant's assistance, including funding, to negotiate and obtain the necessary property to construct the roundabout.

The Commission found that the roundabout alternative as recommended by the City Engineer and Staff is the preferred alternative. A contingency plan shall be developed in the case that the ROW could not be obtained by the City. The Lewis Street/Warm Springs Road Intersection has been and will continue to be evaluated by the City Engineer through the Warm Springs Road Transportation Study and the signal recommended for installation will be deliberated on by the City Council. The Commission found, based on Staff recommendations that the Applicant, due to its traffic volume increase, should pay a pro-rata share of the signal cost.

CONCLUSION: The Council found that this standard was satisfied. The roundabout alternative as recommended by the City Engineer and Staff is the preferred alternative. Further detail on the design, ROW acquisition, and a contingency plan shall be developed in the event that the ROW cannot be obtained by the City. The Lewis Street/Warm Springs Road Intersection has been and will continue to be evaluated by the City Engineer through the Warm Springs Road Transportation Study. The Council affirms the Commission's recommendation that the Applicant shall pay a proportionate amount of the cost of the installation of a traffic light/signal at the intersection of Lewis Street and Warm Springs Road, and the associated redesign of the intersection. The exact dollar amount will be identified at the time of design of this intersection.

c. Is designed to provide automotive and pedestrian safety and convenience;

FINDING:

Internal roads: No on-street parking will be allowed. The Bald Mountain Road section within the property boundary will be upgraded to a crowned roadway with guardrail installed along the downhill side and dedicated to the City.

The City Engineer recommends that the development portion of Bald Mountain Road be vacated along with the Warm Springs Road intersection. Vacation of this portion of Bald Mountain Road will require approval of the City Council pursuant to the Ketchum City Code and state law. Public access between Warm Springs Road and Bald Mountain Road will be through the new development along "Private Road #1." As such, "Private Road #1," as denoted on Sheet E.1.3, is recommended to be a public road dedicated to the City, with curb and gutter, and an appropriate pavement width. The condition of no on-street parking also helps alleviate potential hazards. Addition of sidewalks along "Private Road #1," Townhouse Lane, and "Private Road #3" to the bridge are recommended to provide more pedestrian safety and convenience. The Applicant has stated it will route pedestrian traffic through the property and not on sidewalks adjacent to internal roads. The Commission found that further analysis of this issue will be conducted during the Design Review process.

The pathway system as illustrated in S.14 provides pedestrian circulation throughout the development in a safe and convenient manner. Staff recommended, as an addition to the Trails Plan, to include either a pathway or sidewalk along Townhouse Lane and "Private Road #3" to the bridge in order to provide a means for these residences to safely access the proposed project's trail system and existing multi-use path adjacent to Warm Springs Road.

External roads: Signalized intersections with a four-way stop or roundabout intersection at Flower Drive will provide greater safety for pedestrian and bicyclists.

With the implementation of a traffic signal and a recommended roundabout, the City Engineer anticipates little inconvenience to the non-motorized public. The application for a roundabout fits this situation and will mitigate concerns associated with automotive and pedestrian safety and convenience.

The Commission found that the City Engineer and Staff recommendation to abandon Bald Mountain Road and to develop Private Road #1, along with the roundabout proposed on Warm Springs Road is the preferred alternative from a public safety standpoint. The Commission noted that the Fire Chief, Police Chief, Street Department and City Engineer are united in the recommendation to abandon Bald Mountain Road due to access and line of site issues and general public safety.

Work is currently being completed on the Warm Springs Road Corridor Study for the City of Ketchum. A draft copy of the study by Hales Engineering was submitted to the City on September 18, 2008 for review and comment. Discussion at a meeting with the City Council on Monday, September 29, 2008 included the following comments and requests.

1. In general, the Ketchum CC noted that the study was conservative with regard to the projected growth rates. Although the growth rates can be lowered to produce a lower the traffic volume on Warm Springs Road, the outcome will not change the recommendations, e.g., the two lane road will remain as a two lane road, intersection improvement recommendations at Lewis Street and Warm Springs Road will remain the same.

2. The Warm Springs Road Corridor will have a new cross section (not too much different from the existing) see the Ketchum – Warm Springs Transportation Study.

    a. The multi use path on the north side of Warm Springs Road will be widened to 12' from 8' (expanded TSM strategies)
    b. A barrier curb will be used to separate the trail from the travel lanes instead of the rolled curb that currently exists
    c. Travel lanes will be 12' with a south shoulder back out area of 12'
    d. At designated intersections, turn pockets will be included (TSM strategy)
    e. Guardrail will be installed at some locations where adequate clear zones do not exist

3. The Lewis Street / Warm Springs Road intersection will have a change of control (one way stop control to either roundabout or traffic signal) – roundabout is the preferred alternative designated by the Ketchum CC.

    a. Future delays at the Saddle Road might also dictate the use of a roundabout at that location

4. Additional evaluation will likely be completed on the Warm Springs Road / SH-75 / 6th Street intersection to separate the future conflicts and minimize queuing.
    a. One alternative might include realignment of Warm Springs Road to a 10th Street alignment

Further detail on Warm Springs Corridor and costs associated with proposed improvements can be found under Standard #16, which includes comments from the City Engineer, based on a recent review of the updated Warm Springs Ranch Resort Traffic Study submitted on November 3 and updated on November 12 and December 2, 2008.

CONCLUSION: The Council found this standard was met and that the City Engineer and Staff recommendation to abandon a portion of Bald Mountain Road and to reroute this road as Private Road #1, along with the roundabout proposed on Warm Springs Road is the preferred alternative from a public safety standpoint.

d. Is designed to provide adequate removal, storage and deposition of snow;

FINDING: The project proposal states all internal roadways are to be privately owned and maintained. All snow removal shall be the responsibility of the owner. The primary snow storage areas will be within the designated 40 foot easements, which coincide with all internal roadway alignments. Minimum fire access widths will be maintained. Portions of the planned golf course and events lawn shall be available for snow storage when necessary. Also, "Private Road #1" is in close proximity to Warm Springs Road and may interfere with snow removal along Warm Springs Road.

If the golf course areas adjacent to the internal roadways are utilized, then it appears that adequate storage and deposition of snow has been provided for on-site.

Due to "Private Road #1" being downhill and in close proximity to Warm Springs Road, there will very likely be some snow removal issues that the City will need to resolve when removing snow off Warm Springs Road. Removal for the roundabout will need to figured out and an efficient process developed. When acquiring right-of-way for the road construction the City Engineer recommends consideration of acquiring more land for snow storage, which could be an issue at this intersection.

The Commission found that the design provides adequate removal, storage and deposition of snow. Additional research and details during the Design Review stage will need to be provided by the Applicant and City regarding snow removal in and around the roundabout.

CONCLUSION: The Council found that the design provides adequate removal, storage and deposition of snow. Additional research and details shall be developed during the Design Review.

e. Is designed so that traffic ingress and egress will have the least impact possible on adjacent residential uses. This includes design of roadways and access to connect to arterial streets wherever possible, and design of ingress, egress and parking areas to have the least impact on surrounding uses;

FINDING: General access to the development is possible from three separate locations along Warm Springs Road: (1) Irene Street, (2) Bald Mountain Road, and (3) the primary resort entrance of Flower Drive. Much of the traffic flow will be centered around the Flowers Street intersection with some residual WSRR traffic utilizing Bald Mountain Road and Irene Street. No intersection improvements are proposed for Bald Mountain Road and Irene Street.

The improvement of either a four-way signalized intersection or a roundabout at Flower Drive will provide for the least impact to the adjacent residences with regards to traffic ingress and egress. Parking will be provided within the development to discourage parking along any external or internal roadway.

With the abandonment of the Bald Mountain Road intersection, residences will need to become accustomed to using the Flower Drive intersection and the recommended new public road ("Private Road

#1"). Although current residences will be required to "drive through" the development, the abandonment of the Bald Mountain Road intersection will largely discourage new residences and guests from driving through the existing residential subdivisions.

The proposed roundabout for the Flower Drive/Warm Springs intersection is viable; however, some land ownership issues will need to be resolved for additional right-of-way to the north of Warm Springs Road.

A 30' roadway easement was created with the platting of the Warm Springs Townhouse Condominiums. The easement is shown on the plat recorded as instrument number 129007, records of Blaine County, Idaho. One other easement was created and extends from the original easement as shown on the attached document titled Townhouse Lane Easement. This easement is referred to in instrument numbers 165890 & 306216, records of Blaine County. The Applicant intends to relocate portions of the easement as allowed by Idaho Statute. Staff recommends (and as required by Idaho Statute) the Applicant maintain access to the properties that benefit from this easement. The Applicant stated in the June 12, 2008 meeting that the non-exclusive easement that crosses the Helios property can be relocated both under common law and Idaho Statute. The Applicant also stated that the existing parking and dumpster will remain along the easement unless the Warm Springs Ranch Townhome Condominium Association agrees to relocate it.

CONCLUSION: The Council found this standard has been satisfied and determined that the upper portion of Bald Mountain Road shall be vacated based on Staff and City Department Head recommendations and the public road will be re-routed on to Private Road #1. At Flower Drive and Warm Springs Road, the roundabout is the preferred alternative to mitigate transportation/traffic impacts. Land Ownership issues and ROW shall be pursued by the City as necessary.

f. Includes the use of buffers or other physical separations to buffer vehicular movement from adjacent uses;

FINDING: Based on the Conceptual Landscape Plan as found on sheet S.13 there are trees and shrubs throughout the project, including along the property boundaries.

Of particular concern is the buffer between this development and the existing development, particularly condominiums and townhomes on the east and southeast boundary to subject property. Enhanced natural vegetation should be utilized to establish sufficient and efficient buffers, including visual and sound buffers. The City Engineer proposed an alternative method of compliance in consideration of placing landscaped dirt mounds (berms) of a height consistent with the residences needs and desires. Such buffering should fit into the dynamics of the subject property. The Staff recommends that natural vegetation be a substantial part of a detailed landscape plan to provide buffers and physical separation of vehicular movement from adjacent development. Additionally, water features such as small-scale fountains and pools with moving water could create sound buffers to separate noise from adjacent property and vehicular movement on-site.

Another area of potential concern is along Bald Mountain Road, especially if the intersection is abandoned. A combination of native vegetation and rock features should be incorporated into the northwestern boundary if the aforementioned portion of Bald Mountain Road is removed.

Natural vegetation buffers will create not only visual buffers from daytime activity on subject property but buffer light from the core hotel building and additional areas adjacent to existing residential development.

The Commission found that the Design Review process shall require a detailed landscaping plan where specifics, which are not exhaustive, shall include significant stepping and retaining walls between the development and existing development particularly condominiums and townhomes to the east and southeast boundary of the property.

CONCLUSION: The Council concurred with Commission recommendation that the Design Review process shall require a detailed landscaping plan with additional detail regarding buffers between the proposed development and existing development, particularly condominiums and townhomes to the east and southeast boundary of the property.

g. Is designed so that roads are placed so that disturbance of natural features and existing vegetation is minimized;

FINDING: The proposed project will be located in part on previously disturbed lands. With the exception of a few habitat types, the native plant communities have been extirpated and little remains of the original vegetation on Warm Springs Ranch. Considering all project aspects and implementation of appropriate mitigation measures, the development as proposed will not result in significant direct or indirect impacts to habitat, wildlife and fisheries, waterways, and wetlands.

There do not appear to be significant natural features or vegetation that will be impacted by roadway design, with two exceptions:

1) The proposed golf cart path proposed on the hillside connecting the north and south sides of the site;
2) The long driveway to the southern estate lot could disturb existing vegetation.

Warm Springs Creek has been significantly altered by human actions over the last thirty years. These actions have affected things like the native vegetation to altering the flood plain. The intent of the project proposal to restore the Creek to a more natural state than it is in currently. The layout of the roads will have little impact on the Creek.

The Commission found that proposed golf cart path on the hillside needs further analysis through the Design Review process. This process shall determine extent of visual impacts, and any mitigation required from the impacts of the proposed golf cart path on the hillside, as well as the access and driveway to the southern estate lot and Bald Mountain Road. This includes visual and environmental impacts. Details on the slope area, rock area and path travel zones through these areas shall also be further evaluated through the Design Review process.

CONCLUSION: The Council found that roads are proposed consistent with this standard provided the design of the roadway leading to the southern estate lot in Large Block 8 should be designed to minimize the impact on wildlife passage through the area, particularly with regards to landscaping and lighting.

h. Includes trails and sidewalks that creates an internal circulation system and connect to surrounding trails and walkways.

FINDING: The public shall have access to the following trails from the resort's on-site parking:

The existing Bald Mountain Trail System, the existing multi-use non-motorized path along Warm Springs Road (which provides a link to Heidelberg Trail connecting to Adams Gulch), and multiple accessible points for fishing that are adjacent to the Warm Springs Stream.

The pathway system, as illustrated in Sheet S.14, provides pedestrian circulation throughout the development in a safe and convenient manner. Existing and proposed trails are connected such that access to each trail and path are convenient. The proposed project will include a public multi-use, non-motorized (walk/bike/ski, etc.) access easement through the property that will provide access to the trail improvements and Fisherman's and Nature Study Easements will be granted along Warm Springs Creek.

The current multi-use trail adjacent to the north side of Warm Springs Road will be realigned to a safe location for crossing the north leg of the proposed roundabout or intersection.

The City Engineer recommends an addition to the Trails Plan to include either a pathway or sidewalk along Townhouse Lane and "Private Road #3" to the bridge crossing to provide a means for the Townhouse residences to access the proposed project's trail system and safely access the existing multi-use path adjacent to Warm Springs Road. The Applicant stated in the July 1, 2008 meeting that a pedestrian pathway for circulation and interconnectivity with adjacent existing development will be provided. A sidewalk along "Private Road #1" is also recommended.

The Commission found that the Staff recommendation of detailing the process of constructing the proposed on-site trail system and linkages should be specified in the Development Agreement. This includes who pays for the National Environmental Policy Act (NEPA) analysis that is required on federal lands. Some trails, with the exception of trails on the hillside, shall meet ADA standards; to be determined in the Design Review process. The Applicant has stated they will build the trail on their property and are coordinating discussion with the Ketchum Park and Recreation Department and the USFS regarding trails beyond property boundaries.

CONCLUSION: The Council determined that further detail regarding the process of constructing the proposed on-site trail system and linkages should be specified in the Development Agreement.

____ 7. **That the plan is in conformance with and promotes the purposes and goals of the comprehensive plan, zoning ordinance, and other applicable ordinances of the city, and not in conflict with the public interest.**

a. Pursuant to Section 16.08.070.D, all of the design review standards in Chapter 17.96 shall be carefully analyzed and considered. This includes detailed analysis of building bulk, undulation and other design elements. The site plan should be sensitive to the architecture and scale of the surrounding neighborhood;

b. The influence of the site design on the surrounding neighborhood, including relationship of the site plan with existing structures, streets, traffic flow and adjacent open spaces shall be considered;

c. The site design should cluster units on the most developable and least visually sensitive portion of the site.

FINDING: Numerous attachments to the May 27, 2008 Staff Report is integral to the Commission Findings with respect to this Standard. Attachment 5 provides a detailed analysis of the Ketchum Comprehensive Plan with respect to the proposal. The November 3, 12 and December 2, 2008 Updated Submittal materials do not change the Comprehensive Plan Analysis found in Attachment 5 of the May 27, 2008 Staff Report. Attachment 7 of the May 27, 2008 Staff Report analyzes the proposal with respect to the Zoning Code; Hotel Definition; Housing Plan; Tourist Zone; GR-L Zone; Avalanche Zone, and the Subdivision standards with respect to natural resources. Attachment 5 also contains a memo dated May 22, 2008 from the City's special legal counsel, Moore Smith Buxton and Turcke, Chartered, regarding the role of Comprehensive Plans in annexation, land use and zoning decisions. The Commission considered all of the analyses in these attachments in making a finding with respect to this Standard. Attachment 7 has been updated to reflect technical corrections in some of the numerical calculations, as directed by the Commission.

A separate Staff Report entitled "Annexation and Land Use" analyzes the proposed zoning, and the Staff-recommended zoning for the areas to be annexed.

Attachment 8 is an analysis of building bulk and massing, including basic undulation, prepared by Winter and Company ("the Winter Study"). Discussion of this analysis is also found under Standard 4.

The Winter Study acknowledges that this site is unique in Ketchum as a location that may be able to accommodate more bulk than sites in the downtown, Gateway area or Warm Springs Base Area. The Winter Study cites the unique topography, with the site dropping over 30 feet from Warm Springs Road and the backdrop of Bald Mountain as two key characteristics that differentiate this site from other hotel sites. The Commission found that this site is unique within Ketchum, as analyzed in the Winter Study. Several issues raised in the Massing Study were considered by the Commission:

1) Building Length: The Winter Study includes a digital massing model of Schemes 9 and 10. The report creates some scale comparisons with other sites in Ketchum: downtown and the Sun Valley Lodge. The length of the primary hotel building has been raised by the Winter Study as an issue of greater significance than height. The primary building in Scheme 9 is 680 feet in length; in Scheme 10 this building is 870 feet in length. These are contrasted with the overall scale of other buildings and areas in our community: the Warm Springs Base Area Village (less than 650 feet in length), the Sun Valley Lodge (430 feet in length) and downtown Ketchum (two City blocks plus the roadway, less than 500 feet in length). The Commission found that this issue could be mitigated by requiring some breaks in the building(s) as illustrated in the Tent Diagram, Drawing A.6, and related text, Condition # 5. The Applicant has stated that these additional building breaks require additional circulation to link portions of the building that are now separated (Approximately 7,000 square feet). Additional circulation is also needed to service the hotel; for a total increase in circulation areas of 30,000 square feet.

2) Building Height: The Winter Study notes that the nine (9) foot decrease in height between Schemes 9 and 10 may not be significant. The Winter Study notes, on page 13, that the change in view to surrounding mountains between Schemes 9 and 10 is "negligible," and that the height change to the traveling public on Warm Springs Road will be barely perceptible. The report notes

that just east of Townhouse Lane, the height difference between the two schemes is more obvious, although in its opinion, the difference is still minimal. This view point along Warm Springs Road is just past the intersection with Wanders Way. The Commission found that overall building height within the ranges considered was not a determining factor in meeting this standard; and that the variations between the schemes under consideration with respects to height were for the most part insignificant.

Traveling from the west back towards town, the Winter Study states that the main mass of the hotel will be clearly visible in both schemes. From here the mass of the main hotel structure obscures the majority of the view to the mountains through the project site. The difference between the impacts of the height in the two schemes is clearly visible from this point. The Winter Study notes that although Scheme 10 allows for increased views, the decreased level of articulation in its height and mass makes it appear as a larger, less interesting building than in Scheme 9.

The Commission found that maximum heights as modified by the Commission in Tent Diagram, Drawing A.6, have been mitigated based on the openings required in the building mass and the unique characteristics of the site outlined herein. The opening required in building mass are further outlined in the written language developed by the Staff and adopted by the Commission in response to the tent language, as recommended Condition of Approval #5. In consideration of the Tent Diagram, Drawing A.6, and accompanying language, the Commission noted that the Tent Diagram, Drawing A.6 is the appropriate tool to be utilized at the PUD stage of project review, and that the Design Review process will result in an actual building design that must meet the City's Design Review Standards in order to be approved. The Commission found that this PUD approval is conditioned on the future Design Review approval. The November 3, 12 and December 2, 2008 Updated Submittals do not change building heights as reviewed by the Commission: all additional square footage is within the Tent Diagram. However, building mass at higher elevations could increase if the building footprint for the Core Hotel Building is increased.

The Applicant has stated the necessity to keep the maximum footprint as outlined in the Staff Report. However, the Applicant has stated the need for flexibility to utilize the 25% and 15% of the footprint for areas on the upper floors as outlined in the Development Height Standards. The Commission shall discuss this specificity during Design Review.

3) Mass adjacent to Warm Springs Creek (Scheme 10): The Winter Study presents views back to the primary building from Warm Springs Creek. Scheme 10 in particular, due to the new hotel wing, presents an imposing façade along the creekside. This is examined with images on pages 25 and 26 of the Winter Massing Study. The Commission found that mass should be reduced in this area, as illustrated in the Tent Diagram, Drawing A.6, and related text.

The November 3, 2008 Resubmittal Binder contains the following information about the Scheme 11 Version 1 Building design reviewed by Council, and the Tent Diagram;

Height Planes and Footprints

Height Plane	Tent Diagram	Scheme 11, Version 1
At grade	132,000 sq.ft. footprint of Core	N/A (Footprint is 119,262 sq. ft.)

	Hotel Bldg.	
Above 65 feet		43,994 sq. ft. (8.3% of the bldg gross square footage)
Above 70 feet	Tent Diagram allows for 25% of the Core Bldg footprint above this height (33,000 sq. ft.)	
Above 80 feet	Tent Diagram allows for 15% of the Core Bldg Footprint above this height (19,800 sq. ft.)	11,146 sq. ft. (2.1% of bldg footprint) 17,900 would be allowed under the tent provisions for the Scheme 11 footprint
Above 93 feet	Architectural features such as spires, chimneys, similar architectural elements that do not include habitable space and covering not more than 10% of the adjacent roof area up to a maximum of 18 feet	

Based on the requested increase of 59,531 square feet, the Applicant has stated that the Core Hotel Building footprint will be a maximum of 132,000 square feet. The exact amount of floor area permitted at upper floors will be based on the Tent Diagram parameters. This would allow a maximum of 33,000 square feet above 70 feet, and 19,800 square feet above 80 feet.

Percent (%) of Tent Covered by Scheme 11, Version 1 and the Revised November 3, 12 and December 2, 2008 Submittals.

Project Version	**% of Tent Diagram Filled**
Scheme 9 (Plans and Sketch-up)	31%
Scheme 9 (Commission Recommended in the Findings of Fact)	29%
Scheme 11, Version 1	34%
Revised December 2, 2008 Updated Submittal	32%

The Winter Study (Attachment 8) also includes discussion of the influence of the site design on the surrounding neighborhoods from several viewpoints. Discussion of this analysis is also found under Standards 2 and 4.

Western Neighborhoods: The Winter Study contains a view point taken from the intersection of Bald Mountain Road and Warm Springs Road. The Study finds that there is almost no difference between the effects on the view corridor of the core hotel between the two schemes; both block the entire bottom portion of Bald Mountain. The Commission found that significant views to Bald Mountain were retained in the solution shown in the Tent Diagram, Drawing A.6. It is not known at this time what portion of the possible 59,531 square feet would be below the grade of Warm Springs Road. It is not known at this time what kind of visual impact, if any, this additional square footage will have on the western neighborhood

below the grade of Warm Springs Road. The Applicant has stated only that the increase of 28,625 square feet in the parking structure would be below grade.

Northern Neighborhoods: The Winter Study contains a view from Flower Drive towards the project site and Bald Mountain. The Study finds that the backdrop of Bald Mountain and dropped topography of the site help mitigate the height of the hotel building. The slightly lower height of Scheme 10 is noticeable here as well, though only minimally. However, in both scenarios the Winter Study notes that the length of the tall building mass still creates impacts to the view corridor from this public right-of-way and increase the perceived scale of the project. The Commission found that this impact could be mitigated by requiring some "breaks" in the building mass, as further described in Condition #5, Section C, Maximum Horizontal Dimensions.

Eastern Neighborhoods: The Winter Study at this view point looks up Warm Springs Creek from near the end of Townhouse Drive. At this point in Scheme 9, the hotel facade is 8 stories in height, with only minor articulation of the mass facing the creek, proposed town homes and adjacent residential neighborhoods. The large portion of this facade, clearly visible over and around the lower scaled residential uses, could give the hotel a looming quality. The drop in height in Scheme 10 does not have significant impact here; however, the addition of the large hotel wing in Scheme 10 now carries this scale through to the edge of the development. This additional hotel wing could create a canyon effect along this section of the creek corridor, and block views through the valley along the creek corridor. The Commission considered this analysis, and modified maximum building heights in the areas of closest proximity to Warm Springs Creek and townhouse drive. Since the majority of the Tent Diagram is oriented to the west, it does not appear as if the possible additional square footage would have a significant impact on these neighborhoods. Full impacts will be analyzed in the Design Review process.

The Applicant Submittal package shows the evolution of the site design. Section EV – Environmental— of the February 11, 2008 submittal shows the overlay of sensitive areas of the site. The majority of the site sensitive features are on the west side of Warm Springs Creek. Various design considered early in the design development process included greater density in these areas. Density is concentrated on the east side of Warm Springs Creek, which is the more urban and "developable" portions of the site. The one exception to this clustering is the southerly estate lot. This impact, combined with the red and blue avalanche slide path that must be crossed to reach this site, have resulted in a Staff recommendation that the building site be moved approximately 150 feet to the northwest, closer to the more developed portions of the property. The Commission found that the exact location of this building envelope was a subdivision issue, and should be reviewed in the Large Block Plat. The Commission will make a determination of the final location of the building envelope for the southern estate lot in their consideration of the Large Block Plat.

The more developable portions of the site are closer to Warm Springs Road, the primary travel corridor from which the site will be viewed. Therefore, buildings will be more visible at close range. Alternatively, if buildings were pushed back into the more environmentally sensitive portions of the site west of Warm Springs Creek, they would be visually more in the background, but would block views to the lower portions of Bald Mountain. The Commission found that the tradeoff of developing in the least developable portions of the site (floodplain and avalanche areas) do not outweigh the possible visual benefits of pushing buildings farther back from Warm Springs Road to the west of Warm Springs Creek.

Scheme 10 has a greater impact than 9 on views from the trails along Warm Springs Creek due to the new hotel wing proposed adjacent to the creek (see Attachment 9). The Commission found that heights in this area should be modified, as reflected in the Tent Diagram, Drawing A6.

The Commission found that the increases in bulk and square footage as requested by the Applicant in December 2, 2008 Updated Submittal does not violate the tent parameters as approved in the July 31, 2008 Findings of Fact, nor have a significant impact on surrounding neighborhoods. Complete impacts will be analyzed and mitigation proposed in the Design Review process. Further, the Commission found that the plan is in conformance with and promotes the purposes and goals of the comprehensive plan, zoning ordinance, and other applicable ordinances of the city, and not in conflict with the public interest.

The Council considered all of the analyses in these attachments and the Commission's recommendation in making a finding with respect to this Standard.

CONCLUSION: The Council found that this standard has been satisfied, including the increases in bulk and square footage as requested by the Applicant on December 2, 2008 are in conformance with and promotes the purposes and goals of the comprehensive plan, zoning ordinance, and other applicable ordinances of the city, and not in conflict with the public interest.

___ 8. **That the development plan incorporates the site's significant natural features.**

FINDING: The project includes many natural features, including Warm Springs Creek, a forested hillside, wetlands, a riparian forest, some riparian vegetation along the banks, and other existing trees within the site.

1) Warm Springs Creek. The property contains a mile-long stretch of Warm Springs Creek, which runs through the center of the property. Currently, the creek is in a relatively poor condition. There is little in the way of riparian vegetation along the banks and the stream has had prior stabilization work, which has caused channelization of the creek. Consequently, there is little ecological value to this section of Warm Springs Creek. The Applicant proposes to restore the creek by re-vegetating the banks (25' width on the north side and 50' width on the south side) with native riparian trees, shrubs and grasses, which will help stabilize the bank naturally and will allow for improved fish, bird and wildlife habitat. The Applicant also proposes to conduct stream alteration work that will eliminate some of the existing riprap and allow for a more natural appearance, as well as create riffles and pools supportive of good aquatic habitat. Because this property contains such a large section of Warm Springs Creek, the proposal could have a positive effect on the general ecosystem of the Warm Springs drainage.

2) Conifer forest and hillside. The south portion of the property is a tree-covered hillside at the base of Bald Mountain. The Applicant proposes to keep all development off of this hillside with the exception of a portion of the golf cart path. This golf cart path will require a 10-foot wide path to travel approximately 470 feet through the steep treed hillside in order to access Holes 6-9, proposed in the south portion of the lot. The Applicant proposes that the proposed golf cart path be constructed using retaining walls and benching the path into the side slope. Disturbed areas are proposed to be planted with native plants specific to the mountain area. The Commission noted that this proposed golf cart path needs further analysis through the design review process.

Specifics on the number of trees, extent of cut and effect on avalanche danger related to the proposed golf cart path have not been addressed. An alternative to this path would be to route golf carts through the hotel property and over the vehicle bridge proposed on the south end of the property. The small benefit of the proposed golf cart path location may not outweigh the cost to the habitat and hillside.

3) Cottonwood Forest. The south portion of the site contains riparian vegetation including a substantial cottonwood forest at the southernmost half of the parcel. Vegetation and habitat will be disturbed with the proposed golf course, the driveway access, the golf cart path and the construction of the estate home. Currently, this parcel does not have any permanent (and rarely any temporary) human presence on it. This area is almost entirely within the 100-year floodplain or in avalanche zones. This area has also been identified by the environmental consultants as an area currently used by big game and birds. The Environmental Report states: "The south portion of the property currently has low human use and no permanent human presence and is used by big game for cover and by songbirds for nesting and feeding. An increase in human presence as well as the indirect effects of lighting, pets, and urban wildlife will affect how wildlife uses the area."

The estate lot and driveway are proposed within this cottonwood forest. The building envelope is proposed to be mostly within an opening in the forest, but still results in the removal of some trees. The proposed driveway to the estate will cause removal of some of the identified cottonwood riparian forest. The Applicant proposes that "the area surrounding the estate lot will be replanted with native vegetation to enhance the cottonwood riparian forest and reduce the overall effect of the estate lot." With a future property owner, however, this proposal could be difficult to monitor and enforce. Mitigation of tree removal in this area may be addressed in the Development Agreement. The Commission noted that roadway design should respect specimen trees.

The golf course proposed on this portion of the lot will cause a removal of the some riparian vegetation, including trees, although it would be designed to still allow for natural flooding. While the Applicant does a commendable job of minimizing the turf area for the golf course, the golf course will still change the existing vegetation of this site and the aesthetics of the parcel.

Through Staff recommendations the Commission found that the exact location of the proposed southern estate lot should be determined through the Large Block Plat process. Because of the intrusion into vegetated areas and the location of the avalanche red and blue zones, staff initially recommended that the estate house building parcel be moved further north. This may need to be balanced with post-fire analysis.

4) Existing trees within the property. The Applicant has submitted a plan that identifies which trees are proposed to be preserved, which ones they will attempt to save and which ones will be removed (see Tree Conservation Plan S.17, dated April 29, 2008). The Applicant proposes to replant trees that need to be removed within the site. Many of these trees are substantial in size and may be difficult to successfully transplant. The Applicant has provided the environmental consultant with documentation of successful large tree relocation. This information would be valuable to the City. The Applicant should also identify where trees would be relocated and replace the same quantity of tree caliper in the event the trees cannot be transplanted. The smallest caliper of tree allowed for replacement shall not be less than three inches.

The Commission found that the cost of the habitat versus hillside cart path should be further explored in the Design Review process. The portion of the golf course proposed around the southern estate lot and

driveway areas should be further reviewed in the Design Review process. Larger specimen trees in the cottonwood forest area shall be preserved. Through Staff recommendations the Commission found that the roadway providing access to the southern estate lot, and its location, will be further discussed during the Large Block Plat process and deliberations of the City Council.

The Council found that the roadway providing access to the southern estate lot, and its location as proposed in the application, are acceptable subject to guidelines regarding access during high avalanche danger and a roadway design that is sensitive to the wildlife corridors.

CONCLUSION: The development plan incorporates the site's significant natural features.

___ 9. **Substantial buffer planting strips or other barriers are provided where no natural buffers exist.**

FINDING: The Conceptual Site and Landscape Plans, as respectively found on sheets S.8 and S.13, and have been directly referenced by the City Engineer in comments below.

The most significant property boundaries for landscape buffering appear to be the east boundary, adjacent to the existing condominiums, the north boundary adjacent to Warm Springs Road, and the northwest boundary adjacent to Bald Mountain Road. A conceptual Landscape Site Plan was submitted with the PUD application Sheet S.13. It shows conceptual plant massing on project perimeters. This drawing shows the following perimeter details:

East Boundary (adjacent to the existing condominiums): The property edge to the east butts up to existing development with no natural buffer. Of particular concern, is the buffer between this development and the existing Townhomes on Townhouse Lane. A 105-foot buffer provides a reasonable separation without encroaching on the privacy of the current residences. The trees and shrubs should also provide a visual block from activities originating from the new development. A landscaped dirt mound may be another option to consider in areas where grades and distances would permit.

North Boundary (Warm Springs Road): Aspen groves on the hillside where the grade drops off from the road; pond feature; trees of various types (cannot be determined) between the parking structure and the roadway. The Commission found that this issue should be further evaluated during the Design Review process.

The Council found that this issue should be further evaluated during the Design Review process.

Northwest Boundary (Bald Mountain Road): Mix of evergreens and deciduous trees; screening is unclear at this time, especially if the intersection with Warm Springs Road is abandoned. The only natural feature that exists would be the grade of the land. Roof tops will be noticeable from Warm Springs Road and neighbors to the north, however, the majority of the development and activities should be largely unnoticed since they will be downhill and out of view. Warm Springs Road also provides an existing buffer from neighbors to the north. Trees and landscaping are proposed around the buildings and along the roadway where possible. Building separation distances from existing residences range from 120- to 250-feet. The closest distance of approximately 50-feet occurs with a new townhouse along Bald Mountain Road and an existing residence; trees and vegetation are illustrated between these buildings.

The natural grade change, existing and proposed vegetation, combined with the existing Warm Springs Road provides adequate separation and preserves the privacy of the existing residences. The trees, shrubs, and elevation differences should also provide a visual block and some noise reduction from activities originating from the new development. The townhouse separation along Bald Mountain Road is acceptable as the separation is consistent with surrounding neighborhoods. The added trees and vegetation proposed around the buildings and along Warm Springs Road and Bald Mountain Road will reduce any visual impacts of the neighbors. The smallest tree caliper for trees used in these buffer zones shall exceed three inches.

With regard to the resort hotel and the many activities and visitors that will frequent this building, the townhouses and villas within the development also act as a transitional buffer from the neighboring residences, i.e., residential, lower-density transitioning to a resort, higher-density use. This type of transition is consistent with existing development throughout the City.

The Warm Springs Creek is a natural buffer that exists along the entire length of this boundary and in essence serves as the property boundary. There are also existing cottonwood and willow trees on both sides of the Creek with additional trees and shrubs proposed. The existing golf course further adds to the buffer separation from the proposed new villas and existing residences along Irene Street and Bald Mountain Road. Building separation distances range from 230- to 360-feet. The closest distance shown is 170-feet from the proposed estate home site to an existing residence.

South Boundary: Native upland vegetation blending in to existing conifer forest. This boundary adjoins Bald Mountain and subsequent BLM and Forest Service land. As such, there is no development or residences existing or proposed. Bald Mountain provides a significant natural feature and buffer.

West Boundary: Native plants as per Environmental Plan. Warm Springs Creek also serves as natural buffer that exists along portions of the length of this boundary and in essence serves as the property boundary. There are also existing cottonwood and willow trees on both sides of the Creek with additional trees and shrubs proposed. The existing golf course further adds to the buffer separation from the proposed new villas and existing residences along Irene Street and Bald Mountain Road. Building separation distances range from 230- to 360-feet. The closest distance shown is 170-feet from the proposed estate home site to an existing residence.

An Environmental Plan has also been prepared which shows upland and riparian plant restoration areas. At this time, the plans are conceptual in scale and do not detail plant sizes, species or quantities.

Currently, there are no natural buffers that are significant enough to provide adequate barriers from surrounding properties. Natural vegetation should be used to establish primary buffers. The City Engineer recommends berms to be considered of a height consistent with the residences' needs and desires as well as something that fits into the dynamics of the subject property and adjacent uses. Staff recommends that significant natural vegetation be installed as a part of a comprehensive landscape plan which shall be provided in the Design Review process to provide adequate barriers from adjacent uses. The Commission will need to determine if enough information is provided to analyze this issue. Public input should be heard on this topic in order to adequately address any issues that may exist unknown to the City Engineer and Staff.

The Commission found that an independent landscape architect should be retained to perform a substantive review of the landscaping plans provided by the applicant in Design Review.

The Council found that a detailed landscaping plan be provided by the applicant in Design Review and referenced in the Development Agreement.

CONCLUSION: Substantial buffer planting strips or other barriers are provided where no natural buffers exist.

___ 10. **Each phase of such development shall contain all the necessary elements and improvements to exist independently from proposed future phases in a stable manner.**

FINDING:
The development schedule and a phasing plan will be finalized in conjunction with the City's Design Review process. A full Construction Mitigation Plan is a requirement of the Development Agreement that includes a public process in front of the City Council.

The Commission found that the commencement and duration of each phase should be determined during the Design Review process. The actual duration of each phase should be established, including maximum time limits. Each phase of the development contains all the necessary elements and improvements to exist independently from proposed future phases in a stable manner. Since the May 9, 2008 Updated Submittal and subsequent recommendations of approval by the Commission on July 31, 2008, the Applicant has stated the conceptual phasing plan has become outdated due to turmoil in the global capital and real estate markets.

The Council found that the commencement and duration of each phase should be determined and through the development of a Phasing Plan, to be incorporated in the Development Agreement prior to Design Review. The specific components and approximate duration of each phase should be established.

CONCLUSION: The Council found that the proposed phasing schedule and commitment at this time by the Applicant is sufficient based on the current market environment, with the condition that a detailed Phasing Plan, including the number of phases, buildings, amenities and other elements made part of each phase, be specifically approved by the Council as an amendment to the Development Agreement. This phasing plan will be made a part of or coincide with Design Review.

___ 11. **Adequate and useable open space shall be provided. The applicant shall dedicate to the common use of the homeowners or to the public adequate open space in a configuration useable and convenient to the residents of the project. The amount of useable open space provided shall be greater than that which would be provided under the applicable "aggregate lot coverage" requirements for the zoning district or districts within the proposed project. Provision shall be made for adequate and continuing management of all open spaces and common facilities to ensure proper maintenance thereof.**

FINDING: Under Chapter 16.08 of Title 16-Subdivisions, the PUD definition of "Useable Open Space shall not include the area encompassed by streets, parking areas, slopes over twenty-five percent (25%), or areas included within the required twenty-five (25) foot riparian zone setback.

The Commission also determined in previous PUD's that the areas that meet the definition of "useable open space" in the PUD Ordinance are areas of continuous open space which can be used by the public or by project residents/employees. The Commission did not recommend that landscaping around buildings and areas used for circulation be considered as "useable open space" as these areas are provided as a function of all projects and are standard requirements of the Zoning Code. In reviewing the Thunder Spring PUD, the Commission made a determination and examined the proposed PUD with respect to open space that does not include streets and parking areas.

The total "useable open space" proposed by the Applicant, land outside of the creek and below 25% slope is approximately 55 acres or approximately 71% percent of the entire site. The total "useable" open space includes the golf course area which is to be semi-public use. The following table details preliminary open space and landscape calculations:

Table 12: SCHEME 11 - Preliminary Open Space Calculations

Sub Area	**Square Footage**	**Acreage**	**Percentage of Area in Open Space**
Creek	172,110	3.95	5.04%
(Landscape Areas)			
Proposed Ponds	46,970	1.08	1.38%
Existing Wetlands	95,970	2.20	2.81%
Golf Course/Events Lawn (active)	417,290	9.58	12.22%
Existing/Proposed Cottonwoods	498,935	11.45	14.61%
Existing/Proposed Aspens	105,480	2.42	3.09%
Existing/Proposed Firs	887,830	20.38	26.00%
Existing/Proposed Uplands	120,970	2.78	3.54%
Proposed Riparian Areas	50,380	1.16	1.48%
Proposed Transitional Areas	484,597	11.12	14.19%
Miscellaneous Hardscape	53,857	1.24	1.58%
Total Useable Open Space	**2,708,422**	**62.18**	**79.31%**
Total (including B.L.M. parcel	3,414,725	78.39	N/A
Area in buildings	285,515 It is possible that this footprint could increase as a result of the increased square footage proposed in the December 2, 2008 Updated Submittal; to be further discussed in Design Review.	6.55 It is possible that this footprint could increase as a result of the increased square footage proposed in the December 2, 2008 Updated Submittal; to be further discussed in Design Review.	N/A

Area in Streets/ Surface parking	194,821 It is possible that this number will decrease as a result of the decreased number of exterior parking spaces proposed in the November 3 and 12, 2008 Updated Submittals and the possible increase of 70 below grade parking spaces in the December 2, 2008 submittal; to be further discussed in Design Review.	4.47 It is possible that this number will decrease as a result of the decreased number of exterior parking spaces proposed in the November 3 and 12, 2008 Updated Submittals and the possible increase of 70 below grade parking spaces in the December 2, 2008 submittal; to be further discussed in Design Review.	N/A

This can be compared to the following PUD's approved by the City:

Thunder Spring PUD: The Thunder Spring PUD provided 14.85 percent of the site as useable open space in the form of plazas, courtyards and fountains.

Fields at Warm Springs PUD: The Fields at Warm Springs contained 17 percent useable open space in the form of a shared courtyard, landscape areas and gazebo.

Northwood PUD: The Northwood PUD provided a public park of 6.25 acres which was 12 percent of the land area of the Northwood PUD. The park was dedicated to the City as a permanent passive public park. Additional dedications to the City included a bike path along Saddle Road (easement and construction) and an equestrian path running north/south through the project (easement and construction).

Bigwood PUD: The Bigwood PUD dedicated 61 percent of the total land area as open space. This included 102 acres of golf course (28 percent), 122 acres of hillside open space with public trails (33 percent), pedestrian/equestrian and bicycle easements of 1.2 acres (.3 percent) and a ravine easement of .3 acres (.1 percent). This PUD also included a recreation center, clubhouse, swimming pool, 8 tennis courts, weight room and 2,500 feet of pathways dedicated to the City.

Pines PUD: The Pines PUD included two open space parcels totaling 5 percent of the PUD site area. Recreational amenities included a cabana, spa and barbecue area.

The Applicant has proposed approximately sixty-eight (68) acres of open space consisting of an active recreational use comprised of the golf course which will be open for semi-public use. Approximately fifty-eight (58) additional acres of natural passive open space is proposed. The golf course and open space areas will be designed to restore and enhance the natural setting within its boundaries.

Riparian and Creek: The Forest on Bald Mountain, and the Cottonwood Forest and wetlands, on the south portion of the property, have been proposed to be maintained in their existing condition with minor removal of diseased and unhealthy trees. In design, the restoration and enhancement of the golf course will reduce cultivated lawn areas within the golf course. This will provide the opportunity to plant multi-layered vegetations that mimics natural habitats for wildlife. A fifty (50) foot buffer will be established between the Warm Springs Creek and the proposed golf course. The existing bank of Warm Springs Creek bank shall be enhanced with a revitalized stream bank habitat as existing rip-rap will be replaced with native riparian vegetation and bed grading. While the existing habitats will be disturbed by the golf

course and human activity in general the plan for open space shall provide consistent healthy riparian habitats that are comparable to the surrounding area.

Trails: The proposed project is planned in a prime location that can provide linkage to the various trail systems within Ketchum and Blaine County, Idaho. The Applicant has proposed that the public, residents and hotel guests shall be able to access the following trails from the origin point of the planned surface parking:

- Existing Bald Mountain Trail System,
- Existing multi-use path along Warm Springs Road (which provides a link to Heidelberg Trail connecting to Adams Gulch),
- Multiple accessible points for fishing and nature viewing that are adjacent to the Warm Springs Creek

The trail planned to run along Warm Springs Creek consist of pavers and/or a boardwalk system (proposed within the riparian areas) that will meander through a 50'wide easement on the south side of the stream. The two proposed private estate lots will not have public access through their respective properties.

The Commission determined adequate open space has been dedicated and that it is useable for the public and residents of the proposed project.

The Council determined that adequate open space has been dedicated and that it is useable for the public and residents of the proposed project.

CONCLUSION: Adequate and useable open space has been provided. The Applicant shall dedicate to the common use of the homeowners or to the public adequate open space in a configuration useable and convenient to the residents of the project. The amount of useable open space provided is greater than that which would be provided under the applicable "aggregate lot coverage" requirements for the zoning district or districts within the proposed project. Provision has been made for adequate and continuing management of all open spaces and common facilities to ensure proper maintenance thereof.

___ 12. **Location of buildings, parking areas and common areas shall maximize privacy within the project and in relationship to adjacent properties and protect solar access to adjacent properties.**

FINDING: The core hotel building is oriented towards Warm Springs Creek. The angle of this primary building and the step-down of the various floors on the creekside are designed to create privacy within the project. The majority of the parking for the project is within a parking structure, and is screened from surrounding areas. Exhibits S.9, S.10 and S.11 of the May 9, 2008 Updated Application Submittal packet provide distances from neighboring structures to a variety of points within the project. The primary hotel building varies in distance between 105-250 feet from the closest surrounding building. This closest distance of 105 feet is on the east side of the property, where the primary hotel building is 105 feet from the Warm Springs Tennis Condominiums. Scheme 11 Conceptual Floor Plan/Tent Overlay presented during the CC work sessions shows the setbacks of the Tent Diagram. The Tent steps back 80 feet from Warm Springs Road; 90 feet from the Warm Springs Tennis Condos and 280 feet from the southeast corner of the site near the Warm Springs Townhouses. The Tent also includes some "No Build" Zones:

30 feet from the western portion of Warm Springs Road; 70 feet from the eastern portion of Warm Springs Road; and approximately 75 feet along the eastern property boundary. There would be no changes to these "No Build" Zones and Tent Diagram setbacks resulting from the November 3, 12 and December 2, 2008 Updated Submittal materials. Distances outlined above related to the Primary Hotel Building could change, as the building could shift within the tent, and could possibly become larger if the Commission approves the square footage increase requested. The following table compared setback requirements of the zone for different areas within the project based on proposed building heights on Schemes 9 and 10 reviewed by the Commission.

Table 13: Setbacks Required by Ketchum Zoning Code Based on Scheme 11 Proposed Building Height and Tent Diagram

Proposed Area/ Building	**Proposed Building Height**	**Zoning**	**Setback Required by Zone**	**Proposed setback to nearest adjacent property line** (from proposed building envelope to existing residence property line)
Villas along the Golf Course	35 ft.	Existing County RD Zone: Proposed T Zone: 44 ft. for roofs greater than 5:12 pitch; 35 ft. if less than 5:12 pitch	RU: T: 15'	192 – 347 feet
Primary Hotel Building	Scheme 9: 93 ft. Scheme 10: 84 ft. <u>November 5 and 12 Updated Submittal:</u> 93 ft.	T Zone: 44 ft. for roofs greater than 5:12 pitch; 35 ft. if less than 5:12 pitch	T: 30 ft. on Warm Springs Road	The proposed building wall setbacks* from Warm Springs Road are as follows: Closest point / Easternmost Section 6th floor: 130 feet / 280 feet 5th floor: 110 feet / 270 feet 4th floor: 90 feet / 200 feet 3rd floor: 90 feet / 200 feet 2nd floor: 90 feet / 200 feet 1st floor: 90 feet / 200 feet
Tent Diagram	93 feet; 80 feet; 65 feet	T Zone: 44 ft. for roofs greater than 5:12 pitch; 35 ft. if less than 5:12 pitch GR-L Zone: 35 ft.	T/GR-L: 30 ft. on Warm Springs Road	93 feet; 80 feet; 65 feet areas of the Tent: 80 feet on WS Road, 90 feet east of the WS Tennis Condos; 280 feet near the WS Townhouse Condos No Build Zone: 30 feet on east side of WS Road; 70 feet on the west side of WS Road; average of 75 feet on the east property boundary
Townhouses: Bald Mtn Road	44/35 ft.	T Zone: 44 ft. for roofs greater than 5:12 pitch; 35 ft. if less than 5:12 pitch	T: 1 ft. for every 3 ft.	41 feet across Warm Springs Rd./Bald Mtn. Lane intersection; 80 feet across Bald Mtn. Rd.; 50 feet from Albertson residence
Townhouses: Creekside	44 /35 ft.	T Zone: 44 ft. for roofs greater than 5:12 pitch;	T: 1 ft. for every 3 ft.	152 feet from existing residences on Townhouse Lane

		35 ft. if less than 5:12 pitch		
Employee Housing	44/35 ft.	T Zone: 44 ft. for roofs greater than 5:12 pitch; 35 feet if less than 5:12 pitch	T: 1 ft. for every 3 ft.	129 feet from existing residences on Townhouse Lane
Estate Lots	35 ft.			Western Estate Lot: 108' Eastern Estate Lot: 102'

Minimum setback permitted along Warm Springs Road in the T Zone = 30 feet
* Roof plan identifies a setback of 80 feet. (For all zones, overhangs are permitted to extend into a required setback no more than 3 feet).

The Commission found that key setbacks from surrounding properties were important to the evaluation of this standard; these setbacks are reflected in the Tent Diagram, Drawing A6.

The primary common areas within the project include the golf course and events lawn. The reconfiguration of the Golf Course introduces golf course play on the southwest side of Warm Springs Creek in a previously undeveloped area. Properties across the creek will have filtered views of golf course green and golf course players at a distance of approximately 50 feet from Warm Springs Creek. The events lawn is located to the interior of the site, on the west side of Warm Springs Creek near the primary hotel building. It is approximately 200 feet from the closest house exterior to the project. Riparian plantings and a golf course fairway intervene. The Commission found that the setbacks and height restrictions which limit building mass on the project perimeters, developed through the Tent Diagram, Drawing A.6, and related text, further maximize privacy in relationship to adjacent properties.

The Applicant has developed a Solar Study, Section 1.11 of the May 9, 2008 Updated Application Submittal. The Solar Study consists of plan view depictions of the spring and fall equinox and winter and summer solstices at 9:00 am, noon and 3:00 pm of each day. At 9:00 am on the winter solstice, the townhouses in the northwest corner of the site cast a shadow onto Bald Mountain Road and a small portion of Warm Springs Road. By comparison, the existing townhouses between Bald Mountain Road and Warm Springs Road cast an even greater shadow onto Warm Springs Road at 9:00 am on the winter solstice. A note on the drawing states that the mountain fully shades the remainder of Warm Springs Road at 3:00 pm in advance of any shadowing resulting from the primary hotel building. This would be evident from a movie depiction of the shadow movement; it is not evident from the static images submitted. No other shading of public ways is evident. The Commission found that solar access from adjacent properties is not negatively impacted by the proposal. The Commission found that further analysis of actual solar impacts resulting for a proposed building design will be conducted during the Design Review process to ensure that Design Review standards related to solar access have been met.

The Council found that key setbacks from surrounding properties were important to the evaluation of this standard; these setbacks are reflected in the Tent Diagram, Drawing A6. The Council found that solar access from adjacent properties is not negatively impacted by the proposal given the specific geographic of the site. Further analysis of actual solar impacts resulting for a proposed building design will be conducted during the Design Review process to ensure that Design Review standards related to solar access have been met.

CONCLUSION: The location of buildings, parking areas and common areas maximize privacy within the project and in relationship to adjacent properties and protect solar access to adjacent properties.

___ 13. **"Adequate recreational facilities" and/or daycare shall be provided. Provision of adequate on-site recreational facilities may not be required if it is found that the project is of**

insufficient size or density to warrant same and the occupant's needs for recreational facilities will be adequately provided by payment of a recreation fee in lieu thereof to the city for development of additional active park facilities. On-site daycare may be considered to satisfy the adequate recreational facility requirement or may be required in addition to the recreational facilities requirement.

FINDING: The Council, like the Commission, discussed park needs and mitigation as the proposal relates to the standards in the PUD ordinance and as a part of the annexation request. The Council determined the Warm Springs Ranch PUD is of sufficient size to require "adequate recreational facilities" as part of the PUD process.

The Applicant proposes approximately ten (10) acres of active open space consisting mainly of the golf course which will be open for semi-public use. Approximately fifty-seven (57) additional acres of natural passive open space is proposed.

The Warm Springs Ranch property has traditionally provided recreational activities in both active and passive forms including tennis courts and a golf course, access to Warm Springs Creek for fishing, nature walks and general scenic viewing of the landscape. Historically, the public has greatly benefited mainly from the active recreational uses of golf and tennis.

Ketchum Comprehensive Plan

The Ketchum Comprehensive Plan is very specific regarding the need for active park space. It is also specific in directing the City to "actively pursue active recreational or useable open space for the Warm Springs Neighborhood, particularly on flat, undeveloped land in Central Warm Springs" (Policy 4.9.6). "Adequate recreational facilities" are not defined in the PUD, Subdivision or Zoning Ordinances or in the Ketchum Comprehensive Plan. This standard would be used to address impacts associated specifically with this proposal. This includes the decommissioning of a major active recreational facility on subject property - eight (8) tennis courts.

Chapter 2.8 of the Ketchum Comprehensive Plan; Parks, Recreation Trails, and Cultural Resources lists Ketchum's developed parks. Table 14 (below) in Chapter 2.8 provides further detail consisting of the park, its acreage, and function. Map 8 (page 125 of the Comprehensive Plan); Open Space, Recreation and Heritage, provides graphical details on park locations, other open spaces and trail system serving the City.

Table 14: Ketchum Developed Parks

Park	Acreage (approx.)	Function
Atkinson Park	16.5	Active sports, recreation building
Forest Service Park	1.1	Passive, historic park, open space and museum
Little Park	0.2	Small passive park space adjoining Ore Wagon Museum
Rotary Park	1.9	Passive open space, river frontage

Currently, there are 19.7 acres of active and passive parks in the City of Ketchum. This is an average of approximately 6.1 acres of community park land per thousand (1,000) community population. The Blaine

County Recreation District (BCRD) has a standard of 12 acres of neighborhood and community parks per one-thousand (1,000) population. Ketchum is well below this standard and Staff recommended the Commission require extensive public access to the golf course and a thorough assessment of the donation (in lieu of tennis) to provide an adequate off-site tennis facility park that would also increase the City of Ketchum's active park acreage.

The Parks Department has placed a high priority on "no net loss" of recreational facilities in reviewing PUD and annexation proposals. The 2001 Ketchum Comprehensive Plan outlines current park facilities within the City and compares these facilities to adopted Park Standards. Almost all jurisdictions that plan for recreation needs separate park facilities into categories such as "active" and "passive". These categories are important as user needs and are very different for different facilities and activities.

Jurisdictions that have more complete park planning underway often break down "active" and "passive" into more detailed categories such as:

- Sports Fields (Soccer/Multi-Use Field, Base Ball Field)
- Courts (Tennis Court, Basketball Court, Volleyball Court)
- Outdoor Recreation (Skate Park, BMX Track, Paved Multi-use Trail, Dirt/Gravel Trail, Fishing Accessible Shoreline, River Put-in, Take-out)
- Leisure (Playground, Family Picnic Area, Park Benches)
- Other (Swimming Pool, Ice Hockey Rink, Outdoor Events Venue)

Some of the facilities listed above do not fall easily into either category. Until the City can undertake a more detailed Parks and Recreation Plan, and for purposes of this project proposal, Staff recommended that active facilities be those facilities that are designed for group team sports and intensive high activity: Soccer/Multi-Use Fields, Base Ball Fields, Tennis Courts, Basketball Courts, Volleyball Courts, Swimming Pools, Golf Courses, Ice Hockey Rinks, Skate Parks and BMX Tracks. The Commission found that the golf course shall be considered an active recreational use.

Applicant Active Recreation Program Proposal

The eight (8) existing tennis courts on the property will be permanently decommissioned due to the Applicant's Statement of Constraints and the Construction Development Program. In lieu of tennis, the Applicant proposed a financial donation of $300,000 to the City to be used for the creation of new, off-site tennis courts, improvements to existing tennis courts and/or facilities supplemental to tennis courts (i.e. bathrooms, water fountains, etc.) or to build a children's splash park. The November 3, 2008 Updated Submittal indicates an applicant commitment of a $500,000 financial donation towards active recreational facilities.

Golf: The Applicant also proposed to redesign and augment the previous existing golf course. An executive nine (9) hole par three (3) golf course with a pro-shop of approximately 1,000 square feet is proposed. Five (5) of the holes are proposed west of the core hotel and south of Warm Springs Creek, traversing along the creek and amongst the Villas. The remaining four (4) holes are proposed for the southeast portion of subject property. A Golf Course Program has been proposed, with distinctive scheduling and pricing for locals. Highlights of the Golf Course Program include:

- Pricing of no less than twenty (20) percent off the regular resort rate for locals;

- Access to the golf course seven (7) days a week, yet limited to one (1) tee time per hour during peak hours (8-10 AM and 4-6 PM) and no more than two (2) tee times per hour; and
- Special programs and events at the golf course including Junior and Ladies Play Days, a Warm Springs Championship, and Charity Tournaments.

Detail on the Golf Course Program is included in Section 4.6 of the WSRR Recreation Program in the Applicant Updated Submittal on May 9, 2008. During the June 10, 2008 meeting the Applicant stated that during peak season (Memorial – Labor Day) locals will have access to the golf course and allowed up to 50% of tee times on weekdays, and up to 44% on weekends. During shoulder season (before Memorial and after Labor Day) locals will be allotted up to 78% of tee times on weekdays and weekends with tee times every ten (10) minutes or six per hour.

The Applicant believes that with its project proposal and planned golf course, that there is no overall net loss of recreational facilities on subject property. This supplemented with the fact that prior to the submittal of the PUD and Annexation Application, the tennis and golf were already decommissioned.

Trails: An integrated year round trail system is proposed that includes connections with future trails to Warm Springs. The Applicant has submitted a Conceptual Trails Plan for the site in Part 2, Exhibit S.14 of the May 9, 2008, Updated Submittal. A public multi-use, non-motorized easement will be dedicated for access to the proposed trail system throughout the property as designated and along Warm Springs Creek. A variety of trails have been proposed including a streamside trail on both the north side of Warm Springs Creek near the core hotel building and on the south side of the creek along the northwest portion of subject property. Additionally, connectivity to the existing Warm Springs Road multi-use path for access to Heidelberg Trail and Adam's Gulch is proposed in addition to a cross country ski trail and mountain trail linkage. (Staff has stated that recreational trails do not appear to meet the spirit of Active Recreational Needs as described in the Ketchum Comprehensive Plan).

The Commission and the Parks Department requested information and analysis from the Applicant on Trail Connectivity to Existing Parks (specifically Atkinson Park) during the April 1, 2008, Open House and P&Z Workshop. Section 4.7 of the May 9, 2008 Updated Submittal details the Applicant's analysis, which consists primarily of design and financial barriers to the proposed trail linkage. Staff recommends that a collaborative effort between the Applicant, Blaine County Recreation District, and the City be explored to assist in overcoming design and financial barriers. This trail linkage would provide additional public passive recreational space and provide walkable access to the golf course and Warm Springs Creek and other public amenities on the subject property.

Per the December 10, 2008 public hearing and presentation to the City Council, the Applicant has committed $115,000 for environmental review, design and construction of the Bald Mountain Connector Trail.

Pool and Spa: The core hotel will include a spa of approximately 13,000 square feet that will be open to the public for a fee. An indoor/outdoor pool is also proposed but public access has not been stated. The Commission found that neither of these amenities meet the City's needs for "Useable open space" or "Active Recreation," given the potentially limited public access to these amenities.

Warm Springs Creek: The project proposal details design and restoration of Warm Springs Creek along portions of the property to augment the existing scenic experience and fishing access. A ten (10) foot

fisherman and nature study easement and a twenty-five (25) foot scenic easement will both be dedicated along the banks of Warm Springs Creek through the property as required by Section 16.04.040 (J) of the Ketchum Subdivision Ordinance. (Staff has stated that the proposed fishing access does not appear to meet the spirit of Active Recreational Needs as described in the Ketchum Comprehensive Plan).

It has not been determined if on-site day care will be provided by the Applicant. At this time no details have been provided.

Parks Department Active Recreational Programs: Tennis and Golf

The Parks and Recreation Department has submitted a detailed memo and materials, including data on tennis and golf programs offered through their department and in the North Valley, as well as community benefits from these recreational programs and historical involvement with the Parks Department.

Tennis: Since the previously existing eight (8) tennis courts on the Warm Springs Ranch property have been decommissioned, Staff feels it is important to discuss and provide a brief history of Warm Springs Tennis Club to understand the ramifications of the loss of tennis.

Table 15: Historical Programs and Estimated Daily Participation at Warm Springs Tennis Club

Program/Event	Daily Participation
Monday & Wednesday Ladies' Day (two sessions)	40
Tuesday & Thursday Men's Day (two sessions)	36
Friday Mixed Doubles	24
Monday – Thursday Junior Clinics (3 sessions)	45
Private Instruction	18
Membership and Guest Play	60
Two USTA sanctioned tournaments (per summer) Adult and Junior age brackets	300
Community School Practices and Matches	40

The Warm Springs Tennis Club provided a multitude of community benefits including:

- A venue for adults and youth to socialize.
- Provided opportunity and facilities for youth to establish the skills necessary for high school team participation.
- Provide youth the opportunity to increase tennis skill level.
- Attracted numerous visitors to town.
- Employment for 8 persons.

The Ketchum Parks Department was heavily involved with the Warm Springs Tennis Club and allowed for the sharing of instructors, provided courts for Park Junior Tournaments, provided training clinics for park tennis staff and shared equipment to help reduce overhead costs for tennis programs.

Tennis has been the most successful high school sport throughout this valley within the past ten (10) years. Many (individual and team) district and state champions have come out of Wood River High School and the Community School. This has been a direct result of the junior programs offered at the

Warm Springs Tennis facilities. In the spring of 2008 approximately forty (40) children participated in tennis at the Community School and over seventy (70) children played at Wood River High School.

The Parks Department currently offers a variety of seasonal tennis programs with a full participation level at Atkinson Park. These are listed below with participation levels.

Table 16: Current Ketchum Parks Department Tennis Programs

Program	Participation
Spring after school programs (4th - 9th grade)	20
20 Summer programs (4 days/wk, 9am-4pm, 2-12th grade)	516
Winter program at Zenergy (7th – 12th grade)	40
Fall after school program	30
Tennis Block Party (June)	30
3 mid-summer tournaments	200

The costs for these programs are very minimal; Forty dollars ($40) for a ten (10) class session (1½ hr long classes). The Parks Department currently has three (3) full-time recreation staff and many part-time staff. Six (6) youth-staff are hired during the summer months to run the tennis program and many of those staff historically have been participants in the program. Presently, four (4) outdoor tennis courts are available at Atkinson Park for the programs. In the summer months, the courts are exclusively used from 9am-4pm for the junior program with approximately 30-40 children on the courts at any given time. Men's groups also meet informally at the Atkinson Park courts to play and practice after the daily programs have completed. During these times, other members of the public stop by to see if the courts are available for general public use.

Currently, North Valley Tennis facilities are limited and have varying scheduling and availability.

Municipal Courts: There are four (4) public tennis courts in the City of Ketchum at Atkinson Park (free of charge, no reservations, first come-first served). These are used from June 2nd-Aug 8th between the hours of 9am-4pm held exclusively for the Youth Tennis Program. Public can use them before 9am and after 4pm Monday through Thursday, and all day Friday, Saturday, and Sunday.

Private Courts: There are courts in Sun Valley and Elkhorn that are used by lodge and resort guests. Public can pay a fee for use when they are not occupied. Zenergy has two (2) private indoor courts that are used by the parks program in the winter. Bigwood, Weyyakin and Lane Ranch have private courts for their homeowners. The Ketchum Parks Department has been fortunate to have access to Lane Ranch and Bigwood for some of their junior tournaments.

School District Courts: There are six (6) courts at the high school that are used for the tennis team and run by the school district. There are two (2) courts at the middle school in Hailey that are also run by the school district. Nearly eighty percent (80%) of the children on the two local high school tennis teams have come up through the programs offered at the four courts at Atkinson Park as well as the eight courts at the previous Warm Springs Ranch.

Golf: The Parks Department currently offers a limited schedule of summer golf programs primarily due to facility limitations. Golf continues to be the second most-popular program (behind tennis) offered

through the Parks Department. The following is a summary of current programs offered and supplemental details:

- Six (6) golf programs for 2nd-10th grades (200 participants).
- One (1) annual junior tournament in June at Bigwood Golf Club (30 participants).
- Three (3) out of town excursions to other golf courses (30 participants).

The use of the Warm Springs Ranch and Bigwood golf courses has been valuable for the Parks 6th -10th grade program. Costs of these programs are minimal as well: Forty dollars ($40) for a ten (10) class session with 1½ hr long classes. Participants in the 6th-10th program receive a Bigwood Season Golf Pass. Ten (10) youth-staff are hired to teach and coach the children in the Summer Golf Program. Many of the children that have participated in the Parks program presently play on the Wood River and Community School's golf teams.

There are currently four (4) golf courses in the North Valley that are either public or private.

Bigwood Golf Club at Thunder Spring is public ($42 9-hole rate). Sun Valley Golf Course is public ($80 9-hole rate); Elkhorn Golf Course is semi-private ($185 18-hole rate), and has not been supportive of junior play. The Valley Club is private.

Currently, Bigwood Golf Club at Thunder Spring ($25 All day Junior rate) is the only course in the valley that is a viable and economical option for our youth to play. Bigwood has historically been very generous with their acceptance of the Parks golf program, but tee times are very hard to come by during peak season in the summer. The City has been able to stage the annual Junior Chuck Gates tournament for junior golfers and usually attracts around 30 players.

Warm Springs Golf Course was an ideal type of course for junior golfers as well as a valuable public recreation amenity with affordable greens fees.

As related to golf, Parks Department Staff recommended the following:

1. Public use for the golf course to be published seasonally in the paper.
2. Locals shall have the ability to purchase passes.
3. Two (2) tee times shall be allowed back to back.
4. A twilight pricing plan shall be available for locals.
5. The course shall be walkable if desired.
6. Regular access for the Park's Junior Golf Program in the summer with passes available.
7. Endowment shall be set up by the developer unless sufficient access, facilities and programs are made available.

Specific comment by the Parks Department has been provided on the Warm Springs Ranch Recreation Program and proposal as a whole related to public recreation. Staff recommended the following requirements:

1. If new courts are constructed off-site with an in-lieu donation, they shall be available to the public just as the previous Warm Springs Tennis Club.

2. A $500,000 donation (in-lieu of tennis) for the (six) 6 court construction with a clubhouse/restroom facility. This recommendation of an increased donation places into consideration the net loss of two tennis courts (active) and the current lack of land available for construction and that acquired or shared land is still necessary to build the courts.
3. $7,500 annually for a recreation program endowment to be used towards renting courts, and hiring tennis professionals to teach our youth.
   (A bid for six tennis courts totaling approx. $335,000, dated April 9, 2008, from Valley Paving in Bellevue, Idaho has been submitted part of Department comment, found in Attachment 3).

Staff recommended that as the Commission reviewed this standard they should consider the in-lieu donation and whether a net loss of two (2) tennis courts (8 existing decommissioned) and the current lack of land available for construction of tennis courts should be offset in the difference between the aforementioned bid and the $500,000 recommended donation (in-lieu of tennis).

As related to golf, Parks Department Staff recommended the following:

1. Public use for the golf course to be published seasonally in the paper.
2. Locals shall have the ability to purchase passes.
3. Two (2) tee times shall be allowed back to back.
4. A twilight pricing plan shall be available for locals.
5. The course shall be walkable if desired.
6. Regular access for the Park's Junior Golf in the summer with passes available.
7. Endowment shall be set up by the developer unless sufficient access, facilities and programs are made available.

The Parks Department has commented that with construction of this type of resort, there will be additional "guest impacts" on the existing active and passive City recreational facilities. People come to this area to recreate and enjoy their lives outdoors. Visitors to mountain towns love to play tennis and golf and we do not currently have the space to accommodate those visitors with our existing facilities.

The Commission found that a range of $300,000-$500,000 is adequate mitigation for the loss of active recreational facilities. The Commission recommends that the exact amount should be determined during City Council deliberations and in the Development Agreement. Additionally, the Commission found that the public access to the golf course as proposed by the Applicant on June 10, 2008 was sufficient with the addition of a twilight pricing and replay rates.

The Commission found that the $7,500 annually for a recreation program endowment to be used towards renting courts, and hiring tennis professionals to teach our youth was not necessary and the economic contribution for recreation is sufficient in the lump sum donation as determined by the City Council during negotiation of the Development Agreement.

The Council found that a contribution of $500,000 is adequate mitigation for the loss of active recreational facilities. The Council determined that the timing of this donation should be outlined in the Development Agreement. Additionally, the Council found that the public access to the golf course as proposed by the Applicant was sufficient.

CONCLUSION: "Adequate recreational facilities" have been provided. Provision of adequate on-site recreational facilities have been provided in the form of the golf course, including public use of the course as outlined herein. On-site daycare is not a requirement.

___ 14. **There shall be special development objectives and special characteristics of the site or physical conditions that justify the granting of the PUD conditional use permit.**

FINDING: This standard allows the Commission to weigh the various special development objectives and special site characteristics against the waivers requested in order to reach a determination if the benefits derived from the project exceed the modifications or waivers to zoning or other standards. This analysis of benefits includes all site planning decisions that preserve open space, cluster development, submit for LEED certified construction Certification, etc. Key special development objectives and special characteristics of the site are listed below. (Note that the Applicant has identified additional special development objectives in the February 11, 2008 submittal package, Section 1.4, Community Benefits). In this table, the objective has been grouped into a general category for discussion purposes only.

Table 17: Special Development Objectives

Special Development Objective, special Characteristics of the Site or Physical Conditions	Type of Objective	Where Analyzed in this Report
Iconically Designed, Core Hotel operated at industry acknowledged 5-Star standards with a minimum of 120 units ("hot beds/keys")	Economic	Attachment 6, Caplan Fiscal Report; Attachment 5, Ketchum Comprehensive Plan
Conference Space (13,000-20,000 sq. ft.)	Economic	Attachment 6, Caplan Fiscal Report
Approx. 35,000 sq. ft. of Workforce Housing	Social	Attachment 5, Ketchum Comprehensive Plan; Attachment 7, Ketchum Zoning Code
Approx. 54 ac. passive open space	Environmental, Aesthetic	Attachment 5, Ketchum Comprehensive Plan; Attachment 7, Ketchum Zoning and Subdivision Code; Standards 8 and 11 herein
Active Open Space: Program for semi-public use of a 9-hole executive par 3 golf course	Recreational; Economic	Attachment 5, Ketchum Comprehensive Plan; Standard 12 herein
Active Open Space: Contribution of $500,000 towards loss of 8 private tennis courts with semi-public use	Recreational; Economic	Attachment 5, Ketchum Comprehensive Plan; Standard 12 herein
Additional Nonmotorized Trails	Recreational; Economic	Attachment 5, Ketchum Comprehensive Plan; Standard 12 herein
Restoration of Warm Springs Creek and upland wildlife	Environmental; Aesthetic; Recreational	Attachment 5, Ketchum Comprehensive Plan; Attachment

corridors		7, Zoning and Subdivision Code; Standard 8 herein
Improvements to deficiencies to Bald Mtn. Road by rerouting Bald Mtn. Road through the project	Health and Safety	Attachment 5, Ketchum Comprehensive Plan; Standard 6 herein
Sustainable Design/ Green Building Practices	Environmental	Standard 14 herein
Trail Enhancement and Connectivity: $115,000	Recreation; Environmental	Standard 12 herein

The waivers requested to achieve these special development objectives are listed at the beginning of the Staff Report. The Commission found that the most significant waiver requested is the height waiver. The Winter Study, Attachment 8, notes that the height itself is not the primary issue; the issue is the distribution of bulk on the site, and overall building length. The Winter Study suggested some ideas for modifications to bulk and mass that could mitigate the impacts of the proposal. These are found on page 27-31 of the report. Ideas from the report include breaking up the hotel into separate masses. If an "iconic" structure is desired this can still be accomplished with multiple buildings and a primary structure with smaller complementary buildings around it. Programmatically, the Winter Study suggests that the secondary buildings could serve as the different residence wings for the hotel rooms. This approach would work best with a cluster of three or more buildings, which would enable views through the site and break the mass. If the hotel is developed as one structure then the massing proportions could be modified. The majority of the mass could be on the lower levels (B2 through Floor 3 or 4) and the mass on the upper floors could be sized and arranged to give the appearance of separate building masses. This should include a stepping down of the building height (and mass) towards the edges, especially along the creek. One goal would be to provide views through the complex in several locations. A combination of methods to achieve this goal was found to be appropriate by the Commission. These include:

- Imposing a maximum percentage footprint for upper floors, as described in recommended Condition of Approval #5, text for the Tent Diagram, Drawing A6.

- Articulation of building walls, also outlined in Condition #5.

- Overall maximum square footage established for the core hotel building(s).

- Description of building blocks to articulate the Core Hotel Building. The Commission found that the core hotel building (s) may be attached for practical purposes of operating a hotel, but that the design needs to include an iconic, recognizable mass which reads as the primary structure with several distinct step-downs in mass.

- Maximum Horizontal dimensions

- Maximum Vertical Dimensions

- Maximum Roof Lengths

- Maximum Building Heights

The Commission discussed on several occasions the issue of whether upper floors of the core hotel building should be required to be "hot beds/keys", i.e., rooms or units that meet the City's definition of Hotel. In summary, the Commission stated a goal that upper floors of the primary hotel building read like a hotel, and that they not be "dark," or perceived as empty residential units.

The Commission also discussed the concept of a "designated 5-star hotel" as a Special Development objective. The Commission determined that it was infeasible to impose this as a condition on this or any other development project, since the City has no authority to control the designation of the 5-star standard. The Commission directed Staff to modify the Development Agreement to require the project to be operated at industry acknowledged "5-star standards".

The Council discussed the concept of a "designated 5-star hotel." The Council determined that it was infeasible to impose this as a condition on this or any other development project, since the City has no authority to control the designation of the 5-star standard. However, the Council directed the Applicant to modify language in the Development Agreement to require the project to be operated at industry acknowledged "4 or 5-star standards" and have standards in place as a guideline.

CONCLUSION: There are special development objectives and special characteristics of the site or physical conditions that justify the granting of the PUD conditional use permit.

___ 15. **The development will be completed within a reasonable time.**

Finding: The Applicant has submitted a revised narrative and graphical Conceptual Development/Phasing Plan as part of the May 9, 2008 Updated Application Submittal package; Section 2.8 and Exhibit 2.8. More details will be provided during the Design Review process and once an operator has been determined.

The Commission found that this standard is comparable to Standard #10 and the extent of the construction process (including phasing) shall be further analyzed during the design review process. This standard shall match the findings of Standard #10 in that the actual duration of the phases and overall construction should have maximum time limits established. The Applicant stated at the July 1, 2008 meeting that the more realistic estimates on construction phasing will be dependent upon the duration of the Design Review process.

The Council found that this standard is comparable to Standard #10 and the extent of the construction process (including phasing) shall be further encapsulated in the Phasing Plan developed as a part of or coinciding with Design Review. This standard shall match the findings of Standard #10 in that the actual duration of the phases and overall construction should have established components and time frames regarding the permitting and development process.

CONCLUSION: The development will be completed within a reasonable amount of time.

___ 16. **That public services, facilities and utilities are adequate to serve the proposed project and anticipated development within the appropriate service areas.**

FINDING: The Applicant has stated public utility easements will be provided where necessary and within the rights-of-way of the new roads proposed on the property. Utility easements of 40 feet will coincide with the private roadways.

The following public services and facilities should be addressed:

Roads and nonmotorized needs: (See PUD Evaluation Standard Number 6). The City Engineer, Steven Yearsley, has provided comments which are included in Attachment 3.

Comments from the City Engineer include:

- A roundabout at Warm Springs Road and Flower Drive is the preferred alternative over a standard intersection; this provides traffic calming, safer access in and out of the resort and fits the City's ideology of context sensitive solutions. Additional right-of-way to be obtained from two adjacent property parcels for construction of the roundabout.

- Bald Mountain Road should be vacated.

- On-site Workforce Housing Parking numbers are low; provisions should be demonstrated for increased employee parking.

Comments from the Street Department are anticipated during the design review process. Mountain Rides submitted a memo to the Applicant on March 31, 2008, to outline their concerns and initial preferences for bus stop locations. The Applicant also supports a collaborative effort with Mountain Rides. Further detail on Mountain Rides is included below in the Transit Service section of this Standard.

The City Engineer has reviewed the updated Warm Springs Traffic Study incorporated in the November 3, 2008 and December 16, 2008 Updated Submittals, and the estimated average daily trips for the proposed Warm Springs Ranch Resort. The project's impact and necessary improvements on Warm Springs Road shall be deliberated by the Council and incorporated into the Development Agreement.

Transit Service: Public transportation is currently provided to the proposed project area and the larger Warm Springs Road corridor by Mountain Rides throughout the year with different schedules for winter, summer and off-peak seasons. The winter schedule (Thanksgiving to mid-April) runs on 20-minute headways, the summer bus schedule (June through August) runs on 30-minute headways and the off-season (shoulder seasons) runs hourly. In the vicinity of the WSRR project, the westbound bus stop is located immediately west of Four Seasons Way and the eastbound bus stop is located in the vicinity of Geezer Alley.

Mountain Rides will inevitably become a valuable link for the project proposal due to the local and Down Valley service. It is anticipated that 50% of the workforce will be housed on-site and an additional 40% will be incentivized to park off-site and use transit. It is anticipated that the townhouses, villas and restaurant (employees) will use transit at the 4% level. Some of the resort guests may choose to ride the local transit system as well.

The Applicant has discussed several options with Mountain Rides to provide service to the proposed project, including, a three level approach to the transit needs of the project patrons, employees and guests. That approach includes:

1. Shuttle Service to/from the airport
   a. This shuttle service would be exclusive from the proposed project to and from the airport.
2. Demand Based Shuttle Service
   a. This would be an on-call (demand based) shuttle service that would move people from the proposed project to a desired destination. This service would be phoned in and the guest picked up or dropped off to various parts of the city as requested.
3. Current Bus Service
   a. The current bus service could be used and possibly expanded to meet the needs of the resort and the growing needs of the community at large, e.g., shift changes could be serviced more frequently at the resort.

Additional comments from the Applicant include:

Bus Service is anticipated to be expanded and Shuttle Service may be implemented through or independent of Mountain Rides. If Mountain Rides is unable to implement this service the Applicant will do so independently. Discussions are on-going with Mountain Rides in regard to Demand Based Shuttle Service. Mountain Rides is currently re-evaluating their bus service routes and schedules in response to the potential impact of the project proposal.

Staff and the City Engineer recommended that transit stops on Warm Springs Road in the vicinity of the resort would be necessary and very beneficial to promoting alternative modes of transportation and promote ridership for Mountain Rides. Staff also concurred with recommendations from Hales Engineering and Mountain Rides that:

- A westbound stop west of Flower Drive and an eastbound stop east of Flower Drive, in front of the resort, is best suited for the project.

Section S.8 of the May 9, 2008, Updated Application Submittal provides conceptual details of the location of a preferred transit stop, with the City of Ketchum determining the exact location. Including in the Updated Submittal (Section 7.11) is a letter dated April 25, 2008, from the Applicant's transportation and traffic engineer, Ryan Hales, of Hales Engineering, to Mountain Rides Executive Director, Jason Miller, regarding Applicant's commitment to work cooperatively with Mountain Rides.

The Commission recommended that further research be performed on bus stops in other Mountain Towns, specifically the Tahoe area.

The Council found that transit stops should be located on Warm Springs Road. Further design details and specific location to be determined as a part of Design Review.

<u>Sewer Service:</u> On behalf of the City of Ketchum, Brad Bjerke, Pharmer Engineering, reviewed the impact from the development on the City's sewer collection system and wastewater treatment plant. The review was based on previous submittals. The Updated Application Submittal (May 9, 2008) was not

reviewed; however, there were no substantial changes noted that would significantly affect the previously calculated flows and subsequent impacts to the collection and treatment systems. As such, the data summarized below may be different based on the current proposal but still provides background information as to the approach taken when analyzing the sewer system.

Mr. Bjerke's comments included:

- Collection system – he proposed project flow can be accommodated with the existing facilities and no off-site improvements are recommended.
- Treatment Capacity – the proposed property wastewater load has been accounted for in future growth for the wastewater treatment plant; no improvements or additions are suggested to the wastewater treatment plant as a result of this development.

Rerouting of the 10-inch sewer line below the resort hotel (Sheet E.3.2) is much better for access and maintenance. The City will need to insure that vehicle access to each manhole is possible via a roadway or other stable alternative.

Additional comments from Steve Hansen, Utilities Manager, dated April 18, 2008, are located in Attachment 3, and are summarized below:

- While the proposed Warm Springs Ranch Resort development will impact the City's existing and future ability to provide adequate water and sewer service to all customers, the City has the basic capacity to serve this development as proposed.
- The cost for a new water source, less the expense for additional water rights, is approximately $905,000. The City has already expended $40,000 in studies and improvements to the water and sewer systems related to Warm Springs Ranch. While Warm Springs Ranch Resort is not solely responsible for the needed improvements, Staff believed that the Applicant is fiscally responsible for at least a portion of them. An adequate method for determining the Applicant's share will need to be determined, and provided for in the Development Agreement.
- The basic utility plan submitted by Psomas Engineering shows a general view of some relocated existing water and sewer main lines. These plans are not detailed in any way; however, the basic concept is approved. Final approval of all proposed water and sewer lines, and changes to existing lines, will come after detailed drawings have been submitted to IDEQ and the Ketchum Utilities Department for review and comment.

Water Service: Preliminary comments dated November 15, 2007, from the Utilities Department are included in Attachment 3. New comments from Steve Hansen, Utilities Manager, dated March 18, 2008, are also included in Attachment 3, and are summarized below.

Utilities Department comments include:

- The City has the basic capacity to serve this development as proposed in the application
- Recently completed improvements, as well as future improvements are needed to continue to provide adequate water service to all customers of the municipal water system, including Warm Springs Ranch.
- The JUB Engineering report provided by Tracy Ahrens indicates that the City needs additional water storage in the Warm Springs vicinity, and the addition of a new water supply well to satisfy

the IDEQ requirement of meeting our peak day demand with our largest well offline. The addition of the Warm Springs Ranch Resort development amplifies both of these needs. Mr. Ahrens report also points out the need to loop the City's existing 12" water mains in the vicinity of the development.

- In 2005, the City studied the impacts of the proposed Warm Springs Ranch Resort development on the water and sewer systems and it was determined that improvements were necessary at the Warm Springs Booster station to accommodate proposed domestic, irrigation and fire flows.
- The addition of Warm Springs Ranch Resort would reduce pressures to existing water system customers, prompting the need for improvements to the 150hp booster pump. The City invested approximately $40,000 into these improvements with the commitment of being reimbursed by the former Warm Springs Ranch developers, which did not happen when the project ceased. This cost should be recouped at this time.
- The proposed Warm Springs Ranch Resort development will impact the City's existing and future ability to provide adequate water and sewer service to all customers.
- Furthermore, the installation of a new 12" looped water main line between the upper and lower 12" water mains in the area should be the responsibility of the developer.
- The Applicant should transfer its irrigation water rights to the City for its water needs and the City shall deliver surface irrigation to the project.

The Applicant has supplied a response letter from Psomas, dated January 2, 2008, found in section 7.6f of the Updated Application Submittal on May 9, 2008, addressing Steve Hansen's comments.

The transfer of existing water rights from the Applicant to the City and other associated issues will be determined in the Development Agreement.

School District: Warm Springs Ranch Resort is projected to generate relatively few public school age children. There may however be school children generated by some of the new workforce housing units. It is estimated that approximately 220 new primary jobs will be created as a result the proposal. Excluding employees who live on-site in single room occupancy units, it is estimated that 118 employee households (including off-site jobs) have the potential to generate school children.

Blaine County School District has developed a formula for the impact relating to new subdivisions across Blaine County. A generation rate of 0.2 public school age children is used for the Ketchum/Sun Valley area. Details, comments and the formula from Mike Chatterton, Business Manager of the Blaine County School District (BCSD) are included in Attachment 3, and are summarized below:

- In subdivisions where a new school site is not warranted, the BCSD is asking for building lots.
- The formula is based on the number of lots proposed in the subdivision and the impact said subdivisions will have on enrollment and staffing.
- Assumptions are made with reference to value of land per acre as well as current market value of lots in the proposed development.

The BCSD feels the financial and student impact of the proposed Warm Springs Ranch Resort will be minimal, and therefore, will not be asking for anything from the development.

Telecommunications (phone, cable, internet): Will serve letters have been routed to dry utilities by Psomas Engineering for the applicant. The following will be the providers of dry utilities to the proposed project:

- Electric – Idaho Power
- Natural Gas – Intermountain Gas
- Telephone – Qwest Communications
- Cable Television – Cox Communications
- Internet – TBD (Cox and/or Qwest)

In response to the individual memos (will serve letters), each provider has guaranteed service to the entire project. Copies of the letters were included in the formal application submittal in Part 3, Appendix, Section 8 – Utility Service Providers' Letters.

Parks and Recreation: (Comments from the Parks Department are included in Attachment 3). Existing recreational details, including active and passive parks and recreation program participation numbers for golf and tennis are included in Attachment 3. A current bid for six (6) tennis courts has been submitted as a part of the Parks Department comment.

The Department places a high priority on "no net loss" of recreational facilities in reviewing PUD and annexation proposals.

- The eight (8) tennis courts located at Warm Springs Tennis Club were an integral part of the active recreational facilities available to City residents. If courts are constructed off-site with in-lieu donation, they will be available to the public.
- A reasonable location within the City for additional tennis courts shall need further examination and possibly scoping for a public-private venture or a long-term lease of land agreement on existing land. This is mainly due to the loss of land for other needed active recreational purposes.
- Staff recommends a $500,000 in-lieu payment for the construction of the six (6) courts including a clubhouse/restroom facility (A bid dated April 9, 2008, from Valley Paving has been submitted as a part of Department comment and can be found in Attachment 3).
- A junior tennis and golf endowment shall be set up by the developer unless sufficient access, facilities and programs are made available.
- The proposed passive recreation proposed on-site by the applicant would not result in a net gain of recreational facilities by the City.

The Commission found that an economic contribution with a range of $300,000-$500,000 would mitigate impacts to active recreation. It was decided that the exact amount determined will be reviewed during City Council deliberations and in the Development Agreement. Additionally, the Commission found that the public access to the golf course as proposed by the Applicant on June 10, 2008 was sufficient with the addition of a twilight pricing and replay rates.

The Commission found that the $7,500 annually for a recreation program endowment to be used towards renting courts, and hiring tennis professionals to teach our youth was not necessary and the economic contribution for recreation is sufficient in the lump sum donation as determined by the Applicant and City Council during negotiations in the Development Agreement.

The Council found that a contribution of $500,000 is adequate mitigation for the loss of active recreational facilities with the timing of the payment of this donation to be specified in the Development Agreement. Additionally, the Council found that the public access to the golf course as outlined herein is sufficient to meet this standard.

General Government: No comments received from the City Administrator.

Police: Comments from the Police Chief, Cory Lyman, have been incorporated as a part of PUD Evaluation Standard Number 7, Section c., which is related to public safety and the City's responsibility of development in the avalanche zone. This impact, combined with the red and blue avalanche slide path that must be crossed to reach this particular site, have resulted in a Staff recommendation that the building site be moved to the northwest, out of the avalanche zones and closer to the more developed portions of the property.

The Council determined that the Applicant's proposed location of the residence in Block 8 is feasible given that appropriate guidelines regarding avalanche hazard and environmental sensitivity are incorporated into the Development Agreement.

Fire: Preliminary comments from Fire Chief, Mike Elle of the City's Fire Department, dated March 31, 2008, are included in Attachment 3, and are summarized below:

- Concern about the very unlikely, but possible avalanche hazard in the event that vegetation on the slopes above the project changes.
- Section D104 of the 2006 International Fire Code requires three (3) means of fire apparatus access to the main hotel building in this project.
- The landscape plan in the submitted drawings shows trees impinging on required road widths. Consideration to maintaining required road widths overhead clearances for emergency vehicle access needs to be documented.
- The project is in close proximity to heavy wildland fire fuels. Extensive planning for the prevention of fires, including types of construction, and emergency plans for public safety need to be provided.
- Since the building will be classified as a high-rise due to height of the core hotel building, it shall be constructed and protected as such by the 2006 International Codes.
- The Fire Department is concerned about emergency access to all buildings and lands during the construction of the project. A meeting with all public safety departments and a complete construction mitigation plan will be required prior to commencing any site work on this project.

The Applicant has supplied a response letter from Fire Protection Solutions, dated April 23, 2008, found in Section 3.1 of the updated submittal on May 9, 2008, addressing Chief Elle's Memo.

The Fire Chief provided details concerning existing fire issues surrounding the 2006 International Fire Codes and that the proposed design sufficiently meets those standards.

Building: Preliminary comments from the Building Department are in summary and as follows:

- A proposal of this size will impact the Building Department's ability to provide services related to permit review time, inspection scheduling and manpower.

- The project will generate the need for an additional internal certified plans examiner or these services would need to be outsourced.
- A study has been requested regarding the Building Department's ability to ensure proper building and mechanical code enforcement.

Housing: The Blaine County Housing Authority (BCHA) has commented on the application in regard to the Applicant's Workforce Housing Plan. Jim Frackrell, Director of the BCHA, has provided preliminary comments in a memo dated May 16, 2008, and are in summary as follows:

The BCHA requests additional information to complete their review of the Workforce Housing Plan submitted by the Applicant and is in summary as follows:

- Wage/salary range and a breakdown the number of employees within the aforementioned classifications.
- Information on type of housing provided per employee classification.
- Costs incurred in rent (and utilities) and transportation/parking by employees.
- Details on anticipated lease terms/rental agreements for on-site employees.
- Anticipated transport and parking scenarios for both on-site and commuting employees.

Further, the BCHA recommends the Applicant review and comment on the BCHA's 2008 Community and Employee Housing Guidelines.

Additional detail and Staff recommendations on the proposed Workforce Housing Plan can be found in Attachment 7, Section e. Employee Housing Plan. Specific requirements related to the Workforce Housing Plan will be incorporated into the Development Agreement. The Applicant has conveyed that as part of the Design Review process a discussion of the Workforce Housing Plan will be undertaken.

The Commission found that the Applicant need not use the recommendations of BCHA as rigid requirements or submit the plan directly to the BCHA when developing the Workforce Housing Plan. The BCHA should be used mainly as a resource for developing the plan and the Staff recommendations will be used for primary review and direction.

The Council recommended that stringent design requirements, consistent with the BCHA design guidelines regarding the interiors of units, should be followed. These requirements should also conform to language in the Workforce Housing Plan and as referenced in the Development Agreement. The Council determined that the BCHA guidelines be used solely as a reference source and that exterior design requirements be evaluated by the Commission during the Design Review process.

Power: The City has not received comments from Idaho Power due to the following comments below.

The Applicant has conducted preliminary discussions with Idaho Power regarding the proposed project. Idaho Power cannot provide any preliminary estimates until the Applicant provides them with a projected load for the site. The Applicant cannot provide a projected load until they know the outcome of our PUD application.

Additional comments are based on the Applicant's conversations with Steve Gutches, Sr. Facilities Representative, held primarily on January 8, 2008.

The resort entrance configuration (roundabout or stop controlled) will ultimately drive the location where the Idaho Power facilities will enter the property. The current facilities on the poles running along Warm Springs Road are double circuit distribution circuits and they are close to maxed out. With the previous application, Idaho Power was looking at ways to reconfigure their circuits at the Sun Valley substation to provide Warm Springs Ranch with service. That process was not completed once the application was no longer under consideration.

The Applicant also inquired about the cost to underground the power lines. This has proven to be another situation where Idaho Power cannot provide an acceptable estimate until they know the projected load and how the development will be provided with service. Staff recommended that there should be no new above ground power poles in any location as a result of this project.

As the Applicant moves into the Design Review phase of this application, they should solidify the project proposals' electricity requirements. Project loads can better be provided by the Applicant and Idaho Power can begin evaluating their current system and engineering design to service the project proposal.

The Commission found that in no circumstances should any new above-ground power lines be permitted to provide power service to this project, and that existing above ground power lines should be reviewed for the potential to be undergrounded. The Applicant stated this would be considered.

The Council found that all new power lines serving the project, both on and off-site, should be undergrounded, consistent with the adopted Franchise Agreement.

Mail: The Commission found that a mailroom inside the resort should be considered for guests and residents to offset the impact of the development on community postal services.

The Council found that public services, facilities and utilities are adequately addressed with further deliberation to occur regarding impact fees from these services during review of the Development Agreement.

CONCLUSION: Public services, facilities and utilities are adequate to serve the proposed project and anticipated development within the appropriate service areas.

___ 17. **That the project complies with all applicable ordinances, rules and regulations of the city of Ketchum, Idaho except as modified or waived pursuant to this subsection A.**

Finding: In concluding their evaluation of the 17 PUD standards of review, the Commission made the following Findings:

- The Tent Diagram and related text serves as a Framework for the Design Review process, and is the appropriate regulatory tool at the PUD stage. The setbacks imposed by the Tent Diagram and text are significant, and are greater than are required of other projects in the zone districts under consideration. The Commission determined that the increase of 59,531 square feet proposed on December 2, 2008 does not impact this finding.

- This approval is predicated on Design Review, and the Design Review process is a very important step in the execution of the parameters imposed by the Tent Diagram and related text. The Commission anticipates an "exceptional" design to come forward in the Design Review process. The Commission noted that Design Review will become even more important if the possible square footage increase inside the Tent is utilized.

- The Tent Diagram, Drawing A.6 and related text creates view corridors through the project which protect significant public views. These view corridors are respected in the November 3, 12, and December 2, 2008 Resubmittal materials.

- Building heights outlined in the Tent Diagram are appropriate given the unique characteristics of the site, including the over 2,000 foot backdrop of Bald Mountain which frames the property. The recommended building heights have been modified through the process based on the analysis of Staff and consultants, and by public input. Condition #5 places limitations on the amount of floor area permitted for the highest portions of the building, allowing for the creation of an iconic mass that reflects the character of the area. See also analysis under standard #7 for further discussion of possible buildings within this area.

- The total Floor Area proposed is within the requirements of the Tourist Zone, and a waiver to maximum floor area has not been requested. The December 2, 2008 Resubmittal materials request a maximum FAR of 1.43 for the Tourist-zoned areas in Block 1 and the GR-L and unincorporated areas within this Block. As noted in Standard #5, the GR-L zoning is not computed by FAR, so a waiver to maximum floor area has not been requested for this zone.

- Public health, safety and welfare issues related to the project can be mitigated as outlined throughout these findings.

- The Applicant is to be recognized for the extensive public outreach conducted outside of the City's public hearing process.

With respect to the Waivers requested, outlined in Table 2 of these Findings, the following findings are made:

- The waiver request to Zoning Code Section 17.52.010.I.2 is not detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area based on the Findings herein, including: all of the Analysis in the Staff Reports and attachments, specifically the Massing Study prepared by Winter and Company; specific analysis of the unique characteristics of this site and the backdrop of Bald Mountain; proposed setbacks which are greater than those required of the underlying zone; the fact that the overall Floor Area proposed is under the maximum permitted in the zone; and the recommended Conditions of Approval;

- The waiver request to Zoning Ordinance 17.08, Definition of Hotel is not detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area based on the Findings herein, including: the Commission's finding that the intent of the definition has been met; that employee housing will be provided in excess of the minimum requirement; that the excess employee housing in conjunction with the dedicated housing revenue steam and housing assistance plan described in these findings mitigates impacts to community housing. that a

minimum of 120 hotel rooms which meet the definition of Hotel will result from this project, and that these rooms will increase on a sliding scale proportional to any increases in building size up to a maximum of 5% for Block 1; and the recommended Conditions of Approval;

- The waiver request to Street Standards Chapter 12.04 is not detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area based on the Findings herein, including: that additional lands will be provided for snow storage; that the proposed Road #1 will provide for a safer solution for the entire neighborhood; and the recommended Conditions of Approval;

- The waiver request to Zoning Code Section 17.116.080 is not detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area based on the Findings herein, including: that most PUD's approved by the City over the last 10 years have requested a longer time frame for completion; that the scope of the project, even if phased, will require multiple years to complete; and the recommended Conditions of Approval.

In concluding their evaluation of the 17 PUD standards of review, the Council concurred with the above Commission noted Findings.

CONCLUSION: This standard has been met.

M. ZONING DESIGNATION AND SUBDIVISION STANDARDS.

The Commission also considered and evaluated the application under the following zoning designation and subdivision standards. A discussion of the application in relation to these standards is found in Attachment 7 (Zoning Code and Subdivision Preliminary Compliance Review) to the Staff Report.

The Council considered and evaluated the following zoning designation and subdivision standards.

Chapter 17.52: Tourist Zone

17.52.010. H.3 Hotels

> **3. Hotels: Hotels which meet the definition of Hotel in Chapter 17.08 may exceed the maximum floor area and height or minimum open site area requirements of this chapter subject to the following review process:**
>
> **a. A Planned Unit Development shall be prepared for the proposal and approved by the City which specifically outlines the waivers to bulk regulations requested.**

This project is being processed as a Planned Unit Development. Waivers to bulk regulations are found in the Applicant's Updated Application Submittal of May 9 and May 12, 2008 and Section 6 of the PUD Staff Report.

> **b. A subarea analysis shall be prepared which addresses the Comprehensive Plan designation for the subarea; impacts of the proposed hotel on the character and scale of the surrounding neighborhood; impacts on proposed height and mass relative to the City's**

Design Review Standards and the PUD Standards, and the appropriateness of the subarea for a hotel which exceeds the bulk requirements of this Section.

Attachment 8, Winter and Company Massing Analysis, is a subarea analysis of the area. This report describes the unique characteristics of this part of the City with respects to the mountain backdrop and change in grade. Comprehensive Plan policies are outlined briefly this report, and more fully in Attachment 5, Comprehensive Plan Analysis.

Design Review standards are not proposed to be analyzed at this time. Section 16.08.070.D of the PUD Ordinance gives the option for Design Review to be conducted at a later date after the PUD is considered. The Commission found that this approach was appropriate given the size of the redevelopment. This approach was also used by the City for the Bigwood PUD and the Thunder Springs PUD.

The Council concurs with the Commission finding in that Design Review shall be conducted at a later date after the PUD application is heard.

c. For hotels developments, Community Housing calculations apply to all residential units. However, 100% of the Community Housing requirement will be waived only for the residential portion of Hotel Projects that meet the Hotel definition adopted by the Ketchum City Council provided the project obtains a complete building permit prior to June 1, 2010.

The City has recently modified the definition of Hotel as follows:

> **"Hotel"** means a building designed and used for overnight occupancy by the general public on a short term basis for a fee. Hotels shall include adequate on-site food and beverage service with kitchen facilities, common reservation and cleaning services, meeting room space combined utilities, on-site management and reception services, access to all sleeping rooms through an inside lobby supervised by a person in charge no less than eighteen (18) hours per day, and where appropriate, adequate on-site recreational facilities. Unless otherwise approved by the City council, occupancy periods of a Hotel, or unit thereof, by any one person or entity with an ownership interest in the Hotel, or unit thereof, shall not exceed 30 consecutive days or exceed 90 days within any calendar year, regardless of the form of ownership. Occupancy periods for persons or entities with no ownership interest (e.g. vacationers) shall be limited only by the 90-days per calendar year requirement. A hotel room which includes cooking facilities shall not be considered a dwelling for the purposes of density, area and bulk regulations of this Title and other land use regulations. For the purposes of granting height and density bonuses, a ~~A~~ hotel building may contain other residential uses not used in connection with the Hotel operation, so long as the total gross square footage of the hotel rooms, associated common areas, and other hotel uses outlined above comprises seventy five percent (75%) or more of the entire project's gross square footage.) Parking which meets the definition of Gross Floor Area shall not be counted towards the seventy five percent (75%) calculation ~~those uses does not exceed twenty percent~~

~~(20%) of the sleeping rooms and/or sleeping units unless otherwise approved by the Council.~~

The November 12, 2008 letter (Attachment A) from the Applicant describes several product types that will be part of the Warm Springs Ranch Resort: Hotel Rooms, Condo Suites, Residences and Fractional Units. (Townhouses and Villas are also part of the project, but not discussed in this Attachment). The Applicant has committed to providing the same number of "hot bed/keyed" rooms that meet the City's definition of Hotel as was considered by the Commission originally. However, the type of room may vary as outlined in Attachment C of the November 12 and December 2, 2008 Updated Submittals. The analysis below demonstrates how these products relate to the City's definition of Hotel:

Hotel Rooms: considered "hot beds/keys," meets City's definition of Hotel. Considered a traditional hotel room in that one owner owns the entire group of rooms. These rooms are subject to local option tax. Attachment C of the November 12, 2008 Updated Submittal states that 0 to 60 traditional hotel rooms may be provided.

Per the December 2, 2008 Updated Submittal, the Applicant has committed to a minimum of 120 hot beds/keys. The Applicant is requesting a 5% increase in Block 1 square footage from what was approved per the Commission's July 31, 2008 Findings of Fact. The Applicant has additionally committed to a 5% proportional increase in the number of hot beds/keys. There is no indication of increasing the square footage outside of Block 1. The Commission has recommended approval of the 5% increase in Block 1 square footage.

Condo Suites: As noted in the November 12, 2008 Updated Submittal, Condo Suites, as the Applicant has defined them in the submittal process, are interchangeable with hotel rooms. They both generate hot beds/keys. Condo suites, as described in Attachment A, can be considered hot beds/keys if the developer agrees to include the suites in the short term rental pool for no less than 275 days per year, or out of the rental pool for 90 days maximum. Additionally, owners shall be limited to a maximum of 30 consecutive days of stay.

These condo suites are configured to contain approximately 2.4 keys per unit. The units range from approximately 1,120 to 2,800 square feet, averaging approximately 1,910 square feet per unit. Per attachment C, there would be a range of 36,400-142,800 square feet of this type of product, with a range of 46-180 keys, which equates to 19.6 to 75 suites. (Keys/2.4 = suites). Disadvantages of this use include: (1) these units would not be subject to local option tax when owner-occupied; and (2) only approximately 85-95% of the owners on average agree to place these units in the rental pool (per the November 14, 2008 PKF letter), so more than 120 keys may be needed to achieve the 120 minimum hot bed requirement recommended by the Commission.

According to the Applicant, these units will generally garner a higher room rate. The Applicant has also provided details on national statistics and testimony from its hotel consultant, PKF, which demonstrate that Condo Suite participation in rental programs coupled with rental occupancies and periodic owner use generate higher occupancy numbers than Hotel Room occupancies. Condo suites are generally of a higher quality than traditional hotel rooms and thus yield a higher average daily rate. These units are designed to be in a rental program which allows a certain number days per year of personal use. Buyers are required to buy the units furnished with the "approved" furniture, fixtures and equipment ("FF&E") and the "approved" operating supplies and equipment ("OS&E"). Common in mountain resorts, this arrangement

allows the owner of the Condo Suite to justify the annual ownership expenditures of such units by offsetting these costs with potential rental income. The Applicant states that the purchase of these units is not an investment decision, but a lifestyle decision predicated upon the desire to have a place to "occupy" for a period time each year. These statistics and determination of condo suites as hot beds/keys is specifically described and confirmed in a letter to the City from PKF Consulting and is included as an attachment to the Staff Report and also included in Section 1.6 of the November 2008 Updated Submittal binder.

The Commission discussed the issue of condo suites versus traditional hotel rooms at its December 8, 2008 meeting, the primary issue being the loss of LOT tax revenue. Rich Caplan, the City's fiscal consultant, has estimated that if all 120 hotel rooms were held out of the short term rental pool for 90 days as permitted in the City's hotel definition, LOT tax loss would be $35,588 per year, with an assumption of a room rate of $250 and 65% occupancy. The Applicant letter of December 16, 2008 regarding community housing proposes a revenue stream derived from a real estate transfer tax described elsewhere in this report. The Applicant states in the letter that this revenue stream should mitigate any possible loss of LOT revenue resulting from condo hotels being used by owners. The Commission noted that the estimated LOT tax loss of +/- $35,588 would be relatively insignificant.

Residences: Attachment A describes residences as larger units used for residential purposes. The Applicant calls these "warm beds" since, in their experience, 30-50% of these units are placed in a rental program. The City's hotel definition and the height bonuses permitted for Hotels do not provide a benefit for this type of product. Residences were recommended by the Commission at a total square footage of 99,515 square feet. The December 2, 2008 Updated Submittal requests a possible 5% overall increase in square footage in Block 1, with a commitment that the ratio of hot bed keys will remain the same as the project grows. In the proposal reviewed by the Commission, there were 120 hot beds/keys within the 560,615 square feet of Block 1. A proportional increase would mean that for every 4,672 square feet of Block 1 increase, one additional hot bed would be provided. If the entire 5% increase were utilized, an additional six (6) keys would be provided using a proportional formula.

Fractional units: Attachment A describes fractional units as a legally structured timeshare, generally falling within the industry standard of being in shares of 15 or less. The Applicant terms these types of units as "warm beds", as have other developers that have come before the City over the last year. The City's hotel definition and the height bonuses permitted for Hotels do not provide a benefit for this type of product. In the November 12, 2008 Updated Submittal, fractional product ranges from 0 to 52,600 square feet, as compared to 51,615 square feet in the Commission-recommended version of the project.

Commission Deliberation and Findings on the Hotel Definition

Attachment 2 to the Commission Staff Report dated January 7, 2009 contains a chart that shows how the City's definition of hotel is used to calculate how much of a project meets this definition, and how much additional Community Housing may be required. Also included in Attachment 2 is a chart prepared by the Applicant related to this definition.

The Hotel definition requires that at least 75% of a building be for hotel-related uses to apply for height variances. The Applicant is asking for a waiver to this definition based on the unique nature of the resort. The Council recognized that this project was somewhat unique when they adopted the Hotel definition, as noted in the minutes from the Council adoption hearing. Community housing must be provided for that

portion of a hotel project that is over 25% of uses that are not "hotel", such as warm and cold beds. The intent of the Council was that all projects in the Tourist and CC zones be treated equally in this regard.

The chart in Attachment 2 of the December 8, 2008 Staff Report walked through the calculation for the Community Housing requirement. It also noted where Staff and the Applicant used different calculations to address this issue. The Commission walked through this chart point-by-point at the December 8, 2008 meeting. At this point, square footages used in the chart are examples, since an actual building has not yet been designed. The Commission is recommending a methodology to the Council, and not necessarily an exact amount of Community Housing. This includes a discussion of whether the Villas are exempt due to the density being lower than .5 on this portion of the site. Staff recommended that this was a reasonable application of the definition. A further argument could be made that the entire project is exempt because the overall density of the entire project is lower than .5 FAR due to the open space provided. Staff is of the opinion that due to the intensity of uses in the core Hotel Building, it would be inappropriate to exempt the entire project from a discussion of the provision of Community Housing. The Commission found that the project should not be exempt from Community Housing requirements.

In making a recommendation to the Council on this project, the Commission felt that the additional Employee Housing, provided on-site by the Applicant, which was above the City's minimum requirement for housing 25% of the employees, satisfied this requirement. The Council asked the Commission to review this issue again in light of the changes requested by the Applicant. This includes revisiting the number of employees anticipated and the square footage needed to house these employees, as compared to the amount of square footage in Community Housing.

The December 16, 2008 letter from the Applicant outlines a new proposal to address community housing. The Applicant has proposed a revenue stream derived from a voluntary real estate transfer fee. The fee is applied upon conveyance of property interest. At the time of closing, 0.5% of the sale price for that unit or lot will be paid to a dedicated Community Housing fund. With an estimated first sale of all of the real estate within the project of $600 million, the first sales on all of the real estate would generate approximately $3 million towards that dedicated revenue stream. The Applicant is also requesting that 1) the City match this revenue stream from URA tax increment revenue derived from the project; and 2) that no other fees or costs be required of the City that have not already been identified in the entitlement process, such as the loss of LOT tax mentioned earlier in this Staff Report.

The URA funds derived from this property over a 15 year period are estimated as follows:

Years 1-5: $3,800,000 revenue
Years 1-10: $13,007,000
Years 1-15: $22,800,000

The project build-out is estimated at approximately 12 years. Therefore, the City is being asked to commit approximately ¼ of the URA revenues from this site during the project buildout towards Community Housing.

Staff supports this proposal, as a dedicated revenue stream of $6 million would greatly contribute towards a variety of programs underway by ARCH with support from BCHA to assist valley residents in owning a home in Ketchum. This includes mortgage down payment assistance, permanent affordability of existing units in town, and other tools to increase the community housing base.

The Council found that this proposal in lieu of the required Community Housing is adequate to meet this requirement, subject to specifics on the timing of the payments spelled out in the Development Agreement.

Per the December 2, 2008 Updated Submittal, the Applicant has brought forward the statement that the City has discretion to interpret its own ordinance and it can reasonably conclude that the for-sale residential units are used in connection with the hotel operation. Moreover, the City can transfer density within a PUD (16.08.080 A5). The City can grant requested waiver of hotel definition as recommended by the Commission in the July 31, 2008 adopted Findings of Fact. The for-sale residential units may be offered for rent and will contribute funds to costs of hotel operations.

The Commission noted that the $3 million revenue stream derived from the property would actually be a much greater sum when taken over time, in perpetuity, as proposed. With a typical turnover rate of 3-1/2 to 4 years per unit, this revenue will multiply over time, creating a dedicated revenue stream for community housing.

Commission Recommended Hotel/Community Housing Methodology
To re-evaluate how the revised project meets the City's Definition of a Hotel, in particular the Community Housing waivers permitted under that definition, a methodology was agreed upon by the Commission, specific to this PUD.

The City's definition of "hotel" acknowledges that hotels will likely be developed in today's market with a portion being exclusive "non-hotel" (i.e. residential) and sold to offset the some of the hotel development cost. The Hotel definition requires that at least 75% of a building be for hotel-related uses to apply for height variances. Applying this specific criteria to the WSRR proposal produces the following results:

Rooms/Keys	
• Dedicated nightly rentals ("hot beds/keys")	102,856 sf
Hotel Support	
• Circulation	53,810 sf
• Back of House	23,417 sf
• Mtg Space, Public Space, Spa	59,378 sf
Total "Hotel"	239,461 sf

Dividing the "Total Hotel" square footage by .75 produces the total permitted square footage, including the "non-hotel" portion:

239,461 / .75 = 319,281 sf

Therefore, the sum resulting from subtracting the "actual" hotel square footage from the "permitted" gross square footage is the amount of "non-hotel" square footage permitted within the "Hotel" definition, and NOT subject to any Community Housing requirements if a building permit is applied for prior to June, 2010:

319,281 – 239,461 = 79,820 sf

Community Housing calculations apply to any square footage in excess of the permitted "non-hotel" square footage. WSRR is comprised of the following "non-hotel (warm/cold bed)" segments:

• Core Hotel Building Residences & Fractionals	158,687 sf
• Townhomes	75,953 sf*
• Villas (not including garages)	77,500 sf
• Estate Lots (2)	11,800 sf
	323,940 sf

* Based upon 5% "Flex space" being allocated to both hotel rooms & residential units

Subtracting the permitted "non-hotel" square footage:	(79,820 sf)
Results in the total square footage subject to the Community Housing calculation:	**244,120 sf**
Multiplied by the Community Housing requirement	20 %
= Community Housing square footage (Gross)	48,824 sf
- 15% Circulation Credit	(7,324 sf)
= Community Housing Requirement (Net)	**41,500 sf**

The above methodology details the approximate net community housing requirement for that portion of the project that does not meet the City's current definition of a hotel. This project is also providing an excess of Employee Housing on site.

The Applicant states that 93 employees will be housed on site, which would be 34% of the Applicant's estimated upper range of 275 employees. In the December 16, 2008 letter the Applicant identified that the expected employee count is 225-275. This new calculation still exceeds the twenty-five percent (25%) on-site employee housing requirement for hotel developments. The Commission noted that a higher employee count is needed for a 5-star hotel, as is evidenced by the employee estimate provided above by the Applicant. Per the City's formula, 176 employees would require that 44 employees be housed which reflects the ordinance requirement. Even if the 275 employees were used in the City's formula, 69 employees would be required to be housed on-site. In either scenario, the Applicant has exceeded the total number of employees required to be housed.

The Commission has recommended that the overage in Employee Housing that the Applicant is providing based on the City's Workforce Housing requirement should count towards or offset a portion of the Community Housing requirement, credited on a square-foot basis.

In addition, the Commission has reviewed Applicant's Community Housing proposal, which is a combination of a revenue stream derived from a voluntary real estate transfer tax and a Housing Assistance Benefits Package detailed in the letter dated December 16, 2008. This Package recognizes that housing rentals and purchase potential is an important part of employee attraction and retention. The Commission found that the combination of additional employee housing provided on-site combined with the Applicant Community Housing proposal is adequate to recommend that the Council waive the Net

Community Housing Requirement derived from the above methodology (see Condition #6 of the Proposed Conditions of Approval).

The Commission further deliberated on to how to ensure Community Housing or a methodology in the future for hotel projects that may not meet the definition of a hotel. The Commission noted that Community Housing and Employee Housing are not equal products, with issues of square footage, ownership and the disadvantages of being on-site being some of the differentiating characteristics. However, even though workforce housing and community should not be considered equal in weight, each hotel is unique, warranting independent deliberations. The Commission found that this project, Warm Springs Ranch, is a resort hotel, and not a traditional hotel as the City's definition intends, and that an equal credit of square footage of Employee Housing to Community Housing was merited in this case.

The Council reviewed Applicant's Community Housing proposal, which is a combination of a revenue stream derived from a voluntary real estate transfer tax and a Housing Assistance Benefits Package detailed in the letter dated December 16, 2008. This Package recognizes that housing rentals and purchase potential is an important part of employee attraction and retention. The Council found that the combination of additional employee housing provided on-site combined with the Applicant Community Housing proposal is adequate to recommend that the Council waive the Net Community Housing Requirement derived from the above methodology and that the Applicant's Real Estate Transfer Fee be incorporated into the Development Agreement.

CONCLUSION: The Council concurred with the Commission recommendation and found that the Community Housing requirement per the City definition of "hotel" is herby waived, and is satisfied as described in these Findings in Condition #6.

d. Employee Housing. Hotel developments are required to mitigate employee housing impacts at a ratio of twenty five (25) percent of the total number of employees calculated by the following formula: 1 employee per hotel room or bedroom.

FINDING: The Applicant has submitted a revised Employee Housing Plan, which is conceptual in nature. The Updated Application Submittal, dated May 9, 2008, states that 71 employees will be housed on site, which is 46.7% of the hotel's total, estimated employees. No breakdown as to the revised total square footage or unit mix since the initial February 11, 2008, submittal has been provided.

There will be a total of 36,295 (or 35,290 livable) square feet of Employee Housing consisting of approximately 10,500 square feet of co-housing units, 4,550 square feet of one-bedroom units, and 20,240 square feet of two-bedroom units. The Applicant has stated verbally that this information holds true in the December 2, 2008 Updated Submittal.

The November 3 and December 2, 2008 Updated Submittals provide details on the new numbers of employees to be housed on site which is 93. For further detail on percentages of employees housed on site, City requirements, and anticipated employee generation, please refer the discussion and calculations stated above under Commission Recommended Hotel/Community Housing Methodology under the Hotel Definition Section of the Findings.

Note that the number of employees estimated by the Applicant is greater than the City's formula of one employee per hotel room. This formula was created as a way of calculating employee housing requirements in a simple manner, and was not intended to reflect the actual number of employees that would be needed to serve any one project.

CONCLUSION: The Council found that the Applicant has met the requirements to mitigate employee housing impacts at a ratio of twenty five percent (25%) of the total number of employees calculated by the following formula: 1 employee per hotel room or bedroom.

e. **Employee Housing Plan. The applicant shall provide an Employee Housing Plan that outlines the number of employees, income categories and other pertinent data. The Employee Housing Plan shall be the basis of the applicant's proposal for a mix of employee housing which addresses the range of employees needed to serve the hotel.**

FINDING: The Updated Application Submittal received on May 9, 2008 solely contained a section on Workforce Housing Location. This indicated that due to response to the concern of location and mass of the workforce housing (in the February 11, 2008, submittal) the building will be relocated to the southeast of the core hotel. And, since the mass and height have been reduced by moving the workforce housing specific parking (structured) in the February 11, 2008, submittal, the amount of employees to be housed has been reduced from 92 to 71.

The Applicant provided further details on the configuration of the Workforce Housing on June 5, 2008 and confirmed that the location, southeast portion of the core hotel, has been selected as the location for the Workforce Housing, as further detailed by the Applicant on June 19, 2008. The specific building envelope of the Workforce Housing has additionally been designated in the Tent Diagram, Drawing A.6, Development Height Standards.

The Applicant provided additional information in the November 3, 2008 Updated Submittals (Sections 14.1 – 14.4) on the Employee Housing Plan and employee generation.

Currently, the Applicant has classified hotel employees into three groups: 1) upper management, 2) mid-level management, and 3) service workers. The Applicant has stated that it would be premature to finalize the Employee Housing Plan at this time, and that the Plan would be completed as part of the Design Review process. The following table distinguishes the City of Ketchum's Workforce Housing requirements.

Table 2: Warm Springs Ranch Resort, Calculation of Ketchum Workforce Housing Requirements

Scheme	# of Rentable Rooms in the Hotel	Employees (= # of Rentable Rooms)	# of Employees to be housed on site	% of Employees Housed on site	# of Employees per Unit	Livable Square Feet for WF Housing	Type of Rooms	Square Feet of Each Room	Total Employees
9	152	152	92	60.53%	8 per co-	40,741	5 co-	Co-	152

(Feb. 11, 2008)					housing unit; 1 per 1BD; 2 per 2BD		housing units; 14 1BDs; 19 2BDs	housing = 2100; 1 BD = 800; 2 BD = 1000	
9 & 10 (May 9, 2008)	152	152	71	46.71%	8 per co-housing unit; 1 per 1BD; 2 per 2BD	30,718	4 co-housing; 9 1BDs; 15 2BDs	Co-housing = 2100; 1 BD = 800; 2 BD = 1000	152
11 (Nov. 5, 2008)	176	176	93	52.84%	8 per co-housing unit; 1 per 1BD; 2 per 2BD	35,290	5 co-housing units; 7 1BDs; 23 2BDs Total units = 35	Co-housing = 2100; 1 BD = 650; 2 BD = 880	176
December 2, 2008	120-182	225-275	93	34-41%	8 per co-housing unit; 1 per 1BD; 2 per 2BD	36,295 (35,290 net livable sf.)	5 co-housing units; 7 1BDs; 23 2BDs Total units = 35	Co-housing = 2100; 1 BD = 650; 2 BD = 880	225-275

In the February 11, 2008, submittal, the Applicant proposes a variety of co-housing units, one-bedrooms and two-bedrooms for employees housed on site. Each dorm configuration will be approximately 2,100 square feet and contain the following:

- Four bedrooms housing 2 employees in each bedroom (8 total)
- A common area with couches and television
- Kitchenette
- Two full bathrooms

As stated in Table 2 above, as of Applicant's submittal dated May 9, 2008, 71 employees will be housed on-site. The Applicant stated in the June 5, 2008 meeting that four co-housing units, nine one-bedroom units and 15 two-bedroom units will make up the configuration. The one and two-bedroom units will have traditional living room space, kitchen-dining area, and bedroom and bath. The co-housing has four bedrooms and community living/kitchen/dining space and separate bathroom areas. Small decks and terraces are planned for the exterior, and the materials incorporated will be consistent with that of the core hotel building. Additionally, workforce housing entrances are designed to face inward, towards the core hotel building and away from existing development on Townhouse Lane.

Section 2.7 in the May 9, 2008 Updated Application Submittal proposes 53 stalls in the parking structure will be provided for workers, including 38 stalls for workforce housing and 15 additional stalls for managers and carpools. Based on anticipated commuting patterns, information in the BC 2008 Needs Assessment on transport and commuting and unknown parking scenarios for commuting employees, more detail in regard to workforce housing parking configuration should be provided.

The Blaine County Housing Authority (BCHA) has reviewed the Warm Springs Ranch Workforce Housing Plan (See Attachment 3) and would like to see additional information on the following:

- Wage/salary range and a breakdown of the number of employees within the previously mentioned classifications.
- Information on type of housing provided per employee classification.
- Costs incurred in rent (and utilities) and transportation/parking by employees.
- Details on anticipated lease terms/rental agreements for on-site employees.
- Anticipated transport and parking scenarios for both on-site and commuting employees.

Attachment 3 includes a memo from Jim Fackrell, Director of the BCHA, dated May 16, 2008.

Staff recommended the Applicant provide resources and information related to off-site housing opportunities for employees who are unable, due to on-site demand or lifestyle needs, to live on-site.

The Commission reviewed the information requests from Blaine County Housing Authority (BCHA) and they have recommended that there is overlap with Staff needs regarding information on the Workforce Housing Plan. The Commission has stated that these items requested by the BCHA don't need to be submitted separately from what Staff will review. The BCHA will be used as a resource and Staff will continue to receive guidance regarding employee housing guidelines.

The City Engineer has stated that the Workforce Housing Parking numbers are low and provisions should be demonstrated for increased employee parking. The Commission recommended further exploration of this item during the Design Review process.

Section 5.2 of the May 9, 2008 Updated Application Submittal references a Conceptual Employee Recruitment Plan. Employees will be recruited from local, national and international markets. Employees housed on-site will have guidelines established for housing/living as determined during the design review process. Employees shall be targeted first and foremost from the Wood River Valley to promote local employment opportunities. Positions requiring unique skills and abilities (including experienced management level) not readily available shall be recruited regionally, nationally and internationally. The Applicant will conduct national and international job marketing and recruitment and hold job fairs both in Idaho and Utah. The City is pursuing an effort to create a collaborative relationship with the College of Southern Idaho (Main – Twin Falls and Hailey campuses) to train and expand education and skill sets to serve this hotel and restaurant market.

Due to a lack of detailed components within the Applicant's Workforce Housing Plan and inquiries provided by the BCHA, Staff suggested that the Commission require additional information in a revised Workforce Housing Plan, either as part of the PUD approval or as a condition of Design Review approval. This shall include general information regarding employees served, administrative process, employee income and costs of housing, operating information/administration of units, proper design and monitoring

of reasonable housing plan oversight. The Applicant has stated that a detailed Workforce Housing Plan will be provided during the Design Review process.

The following elements should be included in the revised Workforce Housing Plan:

1. Provide salary/hourly wages (2008 dollars) for the three categories of employees identified.
2. The expected number of each level of employee that is intended to be served by the employee on-site housing units.
3. Which employee category will be served by which type/size of units.
4. Provide information on anticipated rents (in 2008 dollars)
5. What units will be available and how will the pool of units available be determined.
6. What minimum standards will be used to determine employee eligibility to live in on-site housing; is full-time status required for on-site housing and what constitutes full-time status.
7. How will overflow of demand of units by employees be handled; will there be a priority system.
8. Provide information about rental rates or subsidized and/or free rent to employees; will utilities and access to on-site amenities be included in proposed rates.
9. Establishment of maximum occupancy per unit type (i.e. 2 persons per 1 bedroom unit).
10. Additional detail on dorm configuration and establishment of maximum number of persons per dorm. Staff is currently researching the utilization of dorms in other intermountain west resort towns which have established guidelines as a reference point.
11. Provide a matrix on breakdowns of the different types of units (1BD; square footage; total number of units; anticipated rent, etc.)
12. Create a priority for occupancy program of these units; (i.e. first availability employees that are full-time, secondly to seasonal employees, and third to persons that are verified to be working in the City of Ketchum. For dorms, some type of priority related to higher education, particularly Hospitality Programs.
13. Provide information on housing families (with children) and/or married couples

Based on Staff recommendations the Commission found that additional design details and the operation of the workforce housing shall be discussed and provided during the Design Review process.

Based on Staff recommendations and Commission findings, the Council found that additional design details and the operation of the workforce housing shall be discussed and provided during the Design Review process.

In regard to item ten (10), Staff has reviewed Aspen/Pitkin Housing Authority guidelines and key issues surrounding employee dorm housing and found the following:

> The City of Aspen's Zoning Code has a brief mention of "dormitory," which shall be limited to no more than eight (8) persons and each shall provide a minimum of one hundred fifty (150) square feet per person. More specifically:

- No less than 150 "net livable sq.ft. of living area per person in dorm configuration"
- At least one bathroom per four (4) occupants must be provided
- Kitchen must be adequate in size for number of occupants
- Twenty (20) net leasable square feet per person of enclosed storage space per person shall be provided

Staff recommended a 250 net livable square footage of living area per person. This includes all conditioned square footage, yet excludes garages, outdoor public areas, hallways, storage and other common areas. Additionally, Staff recommended the Commission limit the amount of square footage that dorms are used to meet the on-site Workforce Housing Requirement to thirty-five (35) percent which is generally used to house mainly seasonal employee. While these seasonal employees are important to the overall efficiency and operation of the proposed hotel, providing adequate accommodations for the more permanent staff should take priority. Promotion and retention of year-round employees can be augmented through higher quality and accommodating living quarters that can ultimately mean more long-term housing.

Staff recommended that stringent design requirements, consistent with the BCHA design guidelines, should be followed. These requirements should also conform to language in the Workforce Housing Plan.

The Commission has recommended that the BCHA guidelines be used solely as a reference source and that design requirements be determined by both Commission and staff during the Design Review process.

A preliminary monitoring system could be set up internally in an agreement between the City and the Applicant. Staff recommends the Applicant provide to the City an accounting of its actual workforce to insure they are meeting their proposed percentage of on-site housing and meeting the City's twenty-five percent (25%) requirement. The accounting shall be provided on a yearly basis until final build-out of the Warm Springs Ranch Resort project. If at any time until build-out there is not enough dedicated on-site housing capable of housing at least twenty-five percent (25%) of the number of full-time employees, the Applicant shall commence to cure the deficiency by using commercially reasonable efforts to provide its employees immediate access to temporary housing.

It should also be demonstrated that developer/owners has a willingness to enter into a Development Agreement which is recorded with the land that outlines the terms of development and operation of the Employee Housing Units. This Development Agreement would run in perpetuity with the land.

The Council found that additional regulations regarding the development and operation of Workforce Housing should be as specified in the Development Agreement.

November 12, 2008, Submittal:

This plan illustrates an increase in the amount of overall square footage and common area, and therefore an increase in the number of overall employees. Additionally, there is an increase in the number of employees that can be housed on site. As Table 2 shows, the total number of employees will be 176 and 93 employees can be accommodated on site. The Applicant has stated that they will research the feasibility of placing more housing on site and attempt to locate some housing at an off-site location in the future.

While the City's regulations for Employee Housing are based on a percentage of employees generated, it should be noted that the Commission's recommendation is 97,959 square feet of "hot" beds divided by the previous number of 71 employees = 1 employee per 1,379 square feet.

The November 12, 2008 Updated Submittal contains 142,800 square feet of "hot beds/keys." To compare proportionally the amount of Employee Housing proposed in this Updated Submittal compared to the project versions recommended by the Commission, 142,800 square feet divided by 1,379 square feet = 104 employees to be housed on site.

The Applicant has described the demographics of the employees that will be housed on site as mid-level managers, singles, and married couples. Upper management and families are anticipated to live in outlying Wood River communities such as Ketchum, Hailey, and Bellevue. The average square feet of living space per employee housed on site is 379.

The income categories of the hotel employees will be as follows:

Service Workers: $8 - $22/ hour; includes servers, dishwashers, housekeeping, front desk staff, administrative, and maintenance workers, etc. This component of employees will account for 86% of the resort staff.

Mid-level Management: $45,000 - $150,000/ annually; includes entry and mi-level managers, accounting for 9% of the resort staff.

Upper Management: $85,000 – 250,000/ annually; includes senior management, division heads, general manager. This category of employee will account for 5% of the resort staff.

Work Force Housing Layout:

The design of the work force housing places the buildings around a courtyard area. This in turn screens the units from adjacent properties while reducing noise and light from the housing units. The floor plans submitted show 44 units, however, the revised submittal states that there will be a total of 35 units, see Table 2 of the November 3, 2008 Updated Submittal binder.

The floor plans for the workforce housing units have been provided. The first floor of the building shows 13 units. The co-housing units are on the northwest side of the ground level. The ground level units on the east and south sides consist of 7 two-bedroom units and a single one-bedroom unit.

The second floor of the building shows 18 units consisting of 10 two-bedroom units and 8 one-bedroom units. The third floor of the north workforce housing building shows a total of 13 units (9 one-bedroom units and 4 two-bedroom units).

CONCLUSION: The Commission found that the Applicant has provided a sufficient Employee Housing Plan, for this stage of the project proposal, which outlines the number of employees, income categories and other pertinent data. The Employee Housing Plan shall be the basis of the Applicant's proposal for a mix of employee housing which addresses the range of employees needed to serve the hotel.

The Council recommended that stringent design requirements, consistent with the BCHA design guidelines regarding the interiors of units, should be followed. These requirements should also conform to language in the Workforce Housing Plan and as referenced in the Development Agreements.

The Council determined that the BCHA guidelines be used solely as a reference source and that external design requirements be determined by the Commission during the Design Review process.

f. The City Council may consider a request by the hotel developer to satisfy any required employee or community housing square footage by alternate means. Off site mitigation, payment of in lieu fees, land in lieu of units, voluntary real estate transfer fees or other considerations may be proposed by the hotel developer. Larger sites are encouraged to include workforce housing on-site. The City Council has full discretionary power to deny said request.

FINDING: The November 3, 2008, conceptual submittal (Sections 14.4 through 14.4) shows that 93 employees will be housed on site, which will be 52.84% of the hotel's estimated 176 employees based on the City's formula where hotel developments are required to mitigate employee housing impacts at a ratio of twenty-five (25) percent of the total number of employees calculated by the following: 1 employee per hotel room or bedroom.

However, the Applicant has stated in the December 16, 2008 letter regarding Community Housing, that to achieve a five-star level operation the number of employees far exceeds the City's requirement. The Applicant has stated the anticipated employee count to be in range of 225-275 persons. If the Applicant uses the upper range of the anticipated employee count versus the proposed 93 to be housed on site the project proposal is still distinctly above the on-site workforce housing requirement of twenty-five (25) percent at approximately thirty-four (34) percent.

See also item d. Employee Housing as earlier stated in the Findings and the discussion of Community Housing under Hotel Definition in this Staff Report.

CONCLUSION: The Council has determined that employee and community housing square footage requirements have been satisfied.

g. Hotels shall enter into a Development Agreement with the City as part of the approval process. Said Development Agreement may address the following subjects: Community housing, hotel room uses and restrictions, public access on the property, alternatives and remedies if the hotel use ceases, and any other issue the Planning and Zoning Commission or City Council deems appropriate. Said Development Agreement shall follow the public hearing process as outlined in Section 16.08 Ketchum Municipal Code, Planned Unit Developments. Said Development Agreement shall be subject to Section 17.154.060, Enforcement and Section 17.154.070, Modification and Termination, Title 17, Ketchum Municipal Code.

FINDING: A draft Development Agreement was attached to the Commission Staff Report as Attachment 9. Staff and legal counsel propose that the Conditions of Approval of the PUD be enumerated in the

Development Agreement. A revised Development Agreement will be developed by Staff for Council review after deliberations are complete on the Annexation and PUD.

A draft Development Agreement will be provided to the City Council prior to any deliberations between the Applicant and the Council. A revised Development Agreement will be developed and entered as a contract between the City and Applicant prior to final adoption of these Findings.

CONCLUSION: The Council has determined that a Development Agreement will be entered into with the Applicant satisfying this standard.

I. Maximum Height of Buildings

1. for buildings with a roof pitch under 5:12 or for mansard roof buildings, the maximum building height shall be 35 feet.

FINDING: Scheme 10: The proposed highest roof ridges of the 5th floor of the core hotel is 84 feet tall above the lowest exposed elevation of 5820' on Warm Springs Creek; roof pitch is less than 5:12.

The November 3, 2008 Updated Submittal Binder contains the following information about the Scheme 11 Version 1 Building design seen by Council, and the Tent Diagram; additional information on the December 2, 2008 Resubmittal is also detailed.

Height Planes and Footprints

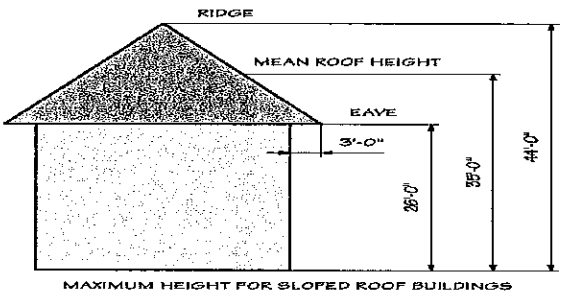
Height Plane	Tent Diagram	Scheme 11, Version 1	December 2 Resubmittal
At grade		Footprint is 119,262	132,000 square feet footprint of Core Hotel Building
Above 65 feet		43,994 sq. feet (8.3% of the bldg footprint)	
Above 70 feet	Tent Diagram allows for 25% of the Core Bldg footprint above this height		The Applicant requests to retain the maximum allowed under the Tent provisions; based on Core Hotel Bldg. = 33,000 sf.
Above 80 feet	Tent Diagram allows for 15% of the Core Bldg Footprint above this height	11,146 sq. feet (2.1% of bldg footprint) 17,900 would be allowed under the tent provisions for the Scheme 11 footprint	The Applicant requests to retain the maximum allowed under the Tent provisions; based on Core Hotel Bldg.= 19,800 sf.

Above 93 feet	Architectural features such as spires, chimneys, similar architectural elements that do not include habitable space and covering not more than 10% of the adjacent roof area up to a maximum of 18 feet		

The Applicant is requesting a waiver of Zoning Ordinance Tourist District (T) Sec. 17.52.010.I.2: Building Height 84'-35' (maximum allowable height) = 49' waiver request.

CONCLUSION: The Council found the height waiver request acceptable and the Tent Diagram, Drawing A.6 shall guide the maximum height of the buildings.

2. For buildings with a roof pitch greater than 5:12 the maximum height to the mean point of the ridge or ridges measured from eave line to the ridge top shall be 35'. Roof ridges above the mean point may extend up to a height of 44'.



FINDING: Scheme 9: The proposed highest roof ridges of the 6th floor of the core hotel building is 93 feet tall above the lowest exposed elevation of 5820' on Warm Springs Creek; roof pitch is greater than 5:12.

The Applicant is requesting a waiver of Zoning Ordinance Tourist District (T) Sec. 17.52.010.I.2: Building Height 93' - 44' (maximum allowable height) = 49 foot waiver request.

The Tent diagram, Drawing A6, includes maximum roof heights of 93 feet.

CONCLUSION: The Council found the height waiver request acceptable and the Tent Diagram, Drawing A.6 shall guide the maximum height of the buildings.

J. Minimum Open Site Area - To maintain a sense of open space in all new building sites, a minimum amount of open site area of 35% is required of all projects.

a. This minimum open site area shall be a percentage of the total development parcel.

FINDING: The total open space proposed by the Applicant is approximately 68.7 acres or approximately 87% percent of the entire site. Note that this number may change slightly based on the possible increase in the overall project square footage and has not been determined at this time. The total open space includes the Creek and proposed golf course area and events lawn.

The total "useable open space", land outside of the creek and below 25% slope is approximately 55 acres or approximately 71% percent of the entire site. The total "useable" open space includes the golf course area which is to be semi-public use.

CONCLUSION: The Council found the minimum open site area has been met.

b. The required open site area shall be exclusive of buildings, structures, private decks or patios, parking areas, driveways, cul-de-sacs or streets. A maximum of five percent (5%) open site area may be used for private decks or patios and walkways subject to design review approval.

FINDING: The total open space proposed by the Applicant is approximately 68.7 acres or approximately 87% percent of the entire site. The total open space includes the Creek and proposed golf course area and events lawn. Note that sections pertaining to Avalanche and Subdivision were not updated in the P&Z Findings as they did not pertain to the remand items.

The total "useable open space", land outside of the creek and below 25% slope is approximately 55 acres or approximately 71% percent of the entire site. The total "useable" open space includes the golf course area which is to be semi-public use.

CONCLUSION: The Council found this standard has been met.

Chapter 17.92 Avalanche Zone District

17.92.010 A - Avalanche Zone District.

The A, Avalanche Zone District, is established to identify those areas where, after due investigation and study, the City Council finds that avalanche potential exist. Avalanches are caused by steepness of slope, exposure, snow pack composition, wind, temperature, rate of snowfall and other little understood interacting factors. Due to the potential avalanche hazard, special regulations should be imposed within said district.

A. Purposes. An Avalanche Zone District is established as a zoning overlay district for the following purposes:

1. To identify those areas within the City where, after due investigation and study, avalanche potential is found to exist;

2. To give notice to the public of those areas within the City where such avalanche potential has been found to exist;

3. To give notice to and provide the public with the opportunity to review pertinent avalanche studies and reports including the avalanche study report made by Mr. Norm Wilson, dated September, 1977, and the avalanche study report made by Mr. Art Mears,

dated July, 1978, and avalanche study report made by Mr. Art Mears, dated January, 1979, together with any future studies made. Copies of said studies are available for public inspection at the office of the Ketchum City Clerk. It is recommended that said studies be examined prior to purchase, development, construction or use of land located within the avalanche zone;

4. **To minimize health and safety hazards, disruption of commerce and extraordinary public expenditures;**
5. **To promote the general public health, safety and welfare;**
6. **To allow for construction of single-family residences by persons informed of potential avalanche danger with regard to a specific parcel of real property, while providing regulations to protect lessees, renters and subtenants of property within such zone.**

Overview: The purpose of the Avalanche Zoning District is to protect the public while allowing for property rights for existing properties. The ordinance is intended to protect not only property owners, but also the general public, renters, visitors, service workers, and emergency responders the public from avalanche hazards while allowing informed owners who have existing property in an avalanche zone to acknowledge that they have been fairly warned of the hazards and to make their own decision regarding engineering for the hazard.

The potential issues with regard to the Avalanche Zone include:

1. The construction of a new road and a driveway that are in the red and blue avalanche zones.
2. The potential for proposed building sites to be within an avalanche zone if there is a change to the hillside, such as a wildfire would cause.
3. The avalanche zone crosses Warm Springs Creek directly in front of the proposed hotel. If an avalanche occurs, what is the potential flooding for the site?
4. The extent of the avalanche danger that surrounds the southern estate lot could be significant. If this lot were approved, service workers, emergency responders, visitors and the property owner could be put at risk unnecessarily.

Because subdivisions are generally not permitted within the avalanche zone, there have been very few, if any, new streets within an avalanche zone since the ordinance's creation (We believe there may be only one: Eagle's Wing, which had to be probe-searched by emergency responders twice this winter).

The Commission considered this issue in detail, and determined that a gate or other effective mechanism that limits access to roads that cross avalanche zones would be an appropriate solution. The Commission found that gate should be placed at the entrance to all roads located within avalanche zones. Said gate shall be closed in times of high avalanche hazard, as determined by the City of Ketchum in consultation with the Sawtooth National Forest Avalanche Center, and that all access shall be restricted from these areas when the gate is closed.

The Council questioned the appropriateness of a gate, or whether other appropriate means to mitigate avalanche risk should be considered. Council concluded that the details of appropriate avalanche mitigation, including signage and standard protocols, will be addressed in the Development Agreement or by a separate agreement with the Applicant, which agreement will be processed on the same timeline and in the same manner as the Phasing Plan required by the Development Agreement.

B. Avalanche Zone District Boundaries. The Avalanche Zone District boundaries shall be an "overlay district" and designate those areas within the City found subject to potential avalanche danger. The Avalanche Zone shall consist of two sub-zone designation areas as follows:

1. High avalanche zone;

2. Moderate avalanche zone.

The Avalanche Zone shall include all of those areas within the City so designated by the amendment to the Ketchum zoning map adopted in this Chapter. Designation as Avalanche Zone, High Avalanche or Moderate Avalanche Zone shall replace any existing avalanche zoning designation.

C. Uses Permitted. The Avalanche Zoning District shall be an "overlay district", and shall apply the additional requirements of the Avalanche Zoning District to the uses otherwise permitted in the district. All uses allowed in the district with which the Avalanche Zone District combines shall be subject to the additional restrictions of the Avalanche Zoning District. If any of the regulations specified in this Section differ from corresponding regulations specified for a district with which the Avalanche Zone District is combined, the regulations contained in this Section shall apply and govern.

D. Use Restrictions. The following restrictions are imposed upon construction, development and use of all real property located within the Avalanche Zone:

1. All utilities installed after the effective date of this Title for development of a subdivision or providing utility services to a building, or replacing existing utility services to a building or subdivision shall be installed underground in order to minimize possible avalanche damage to such utilities and injury to persons and property.

The Applicant proposes to install all power lines underground. All gas meters near avalanche run-out paths should be located in such a manner to be protected in the event of an avalanche.

2. Avalanche protective, deflective and preventative structures, devices or earthwork which threaten to deflect avalanches toward property of others or otherwise threaten to increase the danger to persons or property are prohibited. The construction of such structures, devices or earthwork shall be permitted only as a conditional use. Prior to granting of a conditional use permit, the applicant shall submit to the City plans signed by an engineer licensed in the state of Idaho, certifying that the proposed construction will withstand the avalanche forces set forth in the avalanche studies on file with the City and that the proposed construction will not deflect avalanches toward the property of others. Other information and engineering studies may be requested in consideration of an application for a conditional use permit. As a further condition of any conditional use permit, appropriate landscaping may be required where such structures, devices or earthwork alter the natural slope or beauty of the land. This shall not apply to reforestation. Alteration or removal of any existing natural barriers is prohibited.

The Applicant does not currently propose to build any avalanche attenuation devices. Portions of the access roads are located in the red and blue avalanche zones (high and moderate hazards).

3. **Prior to issuance of a building permit for any structure within the Avalanche Zone, except a single-family residence, the applicant shall submit to the Ketchum Building Inspector plans signed by an engineer licensed in the state of Idaho, certifying that the proposed construction as designed will withstand the avalanche forces as set forth in the avalanche studies on file with the City, or the avalanche forces set forth in a study of the property in question prepared at the owner's expense and submitted to the City by a recognized expert in the field of avalanche occurrence, force and behavior. WARNING - The avalanche forces set forth in such studies are to be considered minimum standards only, and the City does not represent, guarantee or warrant the ultimate safety of any construction, use or occupancy of structures constructed to those standards. Avalanches may occur with forces greater than those set forth in said studies, and areas of the City not designated as Avalanche Zone may be subject to potential avalanche danger.**

The Applicant does not propose to position any structures in the avalanche zone, as identified by its avalanche consultant Art Mears. The majority of the roadways on the south side of the property (accessing the villas and the estate lots) are located within the avalanche zone. In the event of a change in the vegetation on the avalanche-prone hills above the villas, the avalanche zone could change to include the area where the buildings are proposed. The City has not considered this potential in past applications. However, due to the recent avalanche and wildfire incidents that have threatened the citizens and visitors of Ketchum, and due to the unique nature of the site and this application, the Fire Chief in his memo of March 31, 2008, states "The fire department is concerned about the avalanche hazard in the very unlikely but possible event that the vegetation on the slopes above the project changes. Consideration of this hazard needs to be evaluated, documented." The response from the Applicant is in the May 12, 2008 Updated Application Submittal.

4. **Any structure which has been constructed within the Avalanche Zone and without engineering study, shall not be leased, rented or sublet from November 15th through April 15th of each year. Any residence being leased or rented on the effective date of the ordinance codified in this Subsection shall be deemed a zoning violation and shall be governed by Chapter 17.92.**

None of the proposed structures are located within an avalanche zone. However, the road access is within the avalanche zone, which would cause numerous people, not just the homeowner, to travel through a dangerous area. If at some point in the future there were change in the avalanche zone boundaries (due to alteration of hillside vegetation), then many of the villa residences could end up in a high hazard avalanche area. This issue needs to be addressed in the report requested by the Fire Chief. Detail on road access to structures that requires traversing across the avalanche zones shall be made a part of the Development Agreement.

5. **There shall be no further subdivision of any real property, including lot splits, which would result in the creation of a lot or building site, in whole or part, within the Avalanche Zone. A variance to this provision may be granted if a**

lot can be created in which the building site conforms to all other provisions of this Title and is located entirely outside of the Avalanche Zone.

Although the building sites are proposed to be outside of the identified avalanche zones, the Commission considered the following:

a. With the actual emergencies of homes struck, searches conducted on streets and neighborhoods evacuated due to avalanches that occurred this year, the City should limit access to any new street or driveway within an avalanche zone at time of high avalanche hazard. In addition to the residents who will need to travel on those avalanche-prone roads, (who may opt to make the decision to reside in the avalanche zone) other people may not be given the ability to decide, including service workers, snow removal employees, emergency responders, and guests. The proposed road is almost entirely within the avalanche zone, with the above terrain hidden by trees (unlike existing roads where obvious chutes are visible and sporadic along the road). The proposed estate lot on the southeast end of the property is surrounded by red avalanche zones. Although the house itself would not technically be in an avalanche zone, the access to the house would require the owner, its visitors, service workers and emergency responders to be in danger to access the home.

b. With recent wild fire incidents, the City may want to consider how the avalanche danger might be expanded farther into the property in the possible event that the hillside burns from a wild fire. Avalanche expert Bruce Smith expressed this concern with written public comment and identifies the potential run out if the hillside lost stabilizing vegetation. Smith states that he agrees with the proposed avalanche zones identified in the Art Mears study, but only if the hillside remains intact as it is today. This concern was also voiced by Ketchum Fire Chief Mike Elle (in his letter dated March 31, 2008) and by Janet Kellam, with the Sawtooth National Forest Avalanche Center.

If the City chooses to only recognize the existing avalanche hazard, at a minimum it should require information regarding this potential as a condition of the general notice requirements below (with information provided in writing as well as with lines drawn on the plat map). The Applicant has begun investigating possible ways to mitigate the avalanche danger if, at a later date, the avalanche zones changed.

E. General Notice Requirements. In order to provide reasonable notice to the public of the avalanche potential within all areas designated Avalanche Zone, the following notice regulations and requirements are adopted for all real property and structures located within said zone:

1. All subdivision plats shall identify and designate each lot and block, or portions thereof, located within the Avalanche Zone together with applicable sub-zone designation by a stamp or writing in a manner providing reasonable notice to interested parties.

2. All plans submitted with a building permit application for property within said Avalanche Zone shall be stamped "Avalanche Zone," together with the applicable sub-zone designation.

3. Prior to the issuance of any building permit for construction or improvements within the Avalanche Zone, the applicant shall submit to the Building Inspector a written acknowledgment signed by the applicant under seal of a notary public of the applicant's actual knowledge that the proposed building or improvement will be

located within the Avalanche Zone. The applicant will also acknowledge that he or she has actual knowledge of the studies conducted to date regarding the Avalanche Zone that are on file with the Planning Department.

The acknowledgment shall state the following:

"I, (applicant's name), the applicant named in building permit number ( ) intend to construct (type of building, outbuildings and/or improvements) on (property description, including legal description and street address). I acknowledge that this development and the parcel of land on which the development will be situated are within the Avalanche Zoning District. I have thoroughly read and fully understand Ketchum Zoning Code Title 17, Chapter 17.92 'Avalanche Zone District' and the reports by Art Mears and Norman Wilson on file with the City of Ketchum Planning Department. I fully understand that building within the Avalanche Zone may pose a substantial hazard to life, health, and property for residents, guests, visitors, both invited and uninvited, children, City employees, utility workers, public servants, and animals. I also fully understand that City services, including fire protection, police, and medical and ambulance service may be suspended during times of high hazard.

I, on behalf of myself, my personal representatives and my heirs, hereby voluntarily agree to release, waive, discharge, hold harmless, defend and indemnify the City of Ketchum and its officers, employees, agents, and contractors from any and all claims, actions, or losses for bodily injury, death, wrongful death, property damages, and loss of services which may arise out of the construction of the buildings, outbuildings, and/or improvements that are the subject of my building permit number ( ).

I also promise and agree to file an executed copy of this Acknowledgment, conformed or stamped as received by the Ketchum Planning Department as an addendum to my deed to the real property described herein with the County Recorder.

4. **The City shall file with the office of the Blaine County Recorder such document(s) as necessary to provide record notice of each existing lot and/or parcel of real property within the Avalanche Zone; and such document(s) as necessary to provide record notice that each owner who rents or leases any structure located in whole or part, within the Avalanche Zone shall provide the tenant, lessee or subtenant with written notice that said property is located within the Avalanche Zone prior to any occupancy.**
5. **The City shall post signs in the public right-of-way to reasonably identify the boundaries of the Avalanche Zone.**
6. **All persons who rent, lease or sublet any structure or premises within the Avalanche Zone shall provide the tenant, lessee or subtenant with written notice that said property is located within said Avalanche Zone prior to occupancy.**
7. **Each and every real estate agent, sales person and broker, and each and every private party who offers for sale or shows a parcel of real property and/or structure for sale, lease or rent within said Avalanche Zone shall upon first inquiry provide the prospective purchaser, lessee or tenant prior to viewing said real property with written notice that said real property and/or structure is located within said Avalanche Zone. Furthermore, said written notice shall state that the studies referred to in Subsection H of this Section are available for public inspection at the office of the Ketchum City Clerk and that said studies should be reviewed prior to any party entering any agreement, contract or lease.**

8. **All brochures and other printed materials advertising and/or soliciting reservations for sale, rental or lease of living units within the Avalanche Zone shall contain a provision designating that said unit or units are located within the Avalanche Zone.**

Any lot that is located within an avalanche zone, regardless of the building location will need to meet the above notice requirements.

F. **Suspension of City Services. During periods of avalanche danger, City services may be suspended or otherwise not be provided to property within the Avalanche Zone; nor shall the City accept responsibility for or guarantee that such services, rescue efforts or emergency services will be provided during periods of avalanche danger.**

G. **Warning and Disclaimer of Safety and Liability. Avalanches occur naturally, suddenly and unpredictably based upon steepness of slope and run out area, exposure, snow pack composition, wind, temperature, rate of snowfall and other little understood interacting factors. The Avalanche Zone designated in this Title is considered reasonable for regulatory purposes and is based upon and limited by the engineering and scientific methods of study. This Title does not represent or imply that areas outside the Avalanche Zone District are free from avalanches or avalanche danger.**

The fact that the City has not prohibited development, construction or use of real property within the Avalanche Zone District does not constitute a representation, guarantee or warranty of any kind as to the safety of any construction, use or occupancy. The granting of any permit or approval for any structure or use, or the declaration or failure to declare the existence of an avalanche hazard shall not constitute a representation, guarantee or warranty of any kind or nature by the City, or any official or employee, of the practicality or safety of any construction, use or occupancy thereof, and shall create no liability upon or cause of action against such public body, or its officials or employees for any injury, loss or damage that may result.

Avalanches occur naturally, suddenly and unpredictably and persons who develop or occupy real property within said Avalanche Zone do so at their own risk.

H. **Notice of Avalanche Studies. The City has received the following avalanche studies of areas within the City:**

1. **Avalanche study report by Norm Wilson, dated September, 1977;**
2. **Avalanche study report by Art Mears, dated July, 1978;**
3. **Avalanche study report by Art Mears, dated January, 1979.**

Copies of said studies are available for public inspection at the office of the Ketchum City Clerk, City Hall. Persons interested in building, using or occupying real property within the Avalanche Zone are encouraged and should examine the studies. However, the City does not represent or warrant the completeness or accuracy of those studies.

I. **Amendment to Zoning Map. The official zoning map of the City is amended to include the Avalanche Zone with subcategory designation of High Avalanche Zone and Moderate Avalanche Zone as part of the Avalanche Zone District. The boundaries of said Avalanche Zone are adopted as set forth on said amended official**

zoning map made a part of this Title. (Ord. 862 § 17.92.010, 2001; Ord. 852 § 17.92.010, 2000; Ord. 772 § 4, 1999; Ord. 208 § 16, 197

CONCLUSION: The Council found the application meets the standards of 17.92.

Chapter 17.88 Floodplain Management Overlay Zoning District (FP)

17.88.050(C):

Uses Permitted. Due to the potential hazard to individuals as well as public health, safety and welfare, uses allowed in the Floodplain Management Overlay Zoning District are those which are permitted, conditional, and accessory as contained in the underlying zoning district; due to the sensitive ecology of the river system and riparian area and the detrimental impacts that uncontrolled use of pesticides and herbicides can create to both the river system and human health;

3. **No use of restricted chemicals or soil sterilants will be allowed within one hundred (100) feet of the mean high water mark on any property within the City limits at any time.**
4. **No use of pesticides, herbicides, or fertilizers will be allowed within twenty-five (25) feet of the mean high water mark on any property within the City limits unless approved by the City Arborist.**
5. **All applications of herbicides and/or pesticides within one hundred (100) feet of the mean high water mark, but not within twenty-five (25) feet of the mean high water mark, must be done by a licensed applicator and applied at the minimum application rates.**
6. **Application times for herbicides and/or pesticides will be limited to two (2) times a year; once in the spring and once in the fall unless otherwise approved by the City Arborist.**
7. **The application of dormant oil sprays and insecticidal soap within the riparian zone may be used throughout the growing season as needed.**

With regard to the introduction of pesticides, herbicides, nitrates and other contaminants into the waterways, the Applicant proposes that "superior design features mitigation measures as proposed, the use of native landscape materials, and stream and wetland buffers will be incorporated into the project design to eliminate or mitigate any effects" (pg.33 of Environmental Report, April 29, 2008).

17.88.050(D)

General Notice Requirements: In order to provide reasonable notice to the public of the flood hazard potential within all areas of the floodplain management overlay zoning district, the following notice regulations and requirements are hereby adopted for all real property and structures located within said district:

1. **All subdivision plats shall identify and designate the one hundred (100) year floodplain boundary and the floodway boundary including a certification by a registered surveyor that the boundaries were established consistent with the FIRM Map for the City or Blaine County, whichever applies. All subdivision plats shall contain a note or notes that warn prospective buyers of property that sheet flooding**

can and will occur and that flooding may extend beyond the floodway and floodplain boundary lines identified.

The plat identifies a 100-year floodplain boundary that is established by the Applicant's consultant. The floodway boundary has not been identified on the plat. It does not appear in the FEMA maps that any development is proposed within the floodway. This information should be added to the plat. Additionally, the above language regarding sheet flooding will need to be added to the plat.

2. **All subdivision plats shall contain note(s) that refer to the required twenty-five (25) foot setback from all waterways called the riparian zone in which no structure is permitted and require that riparian vegetation shall be maintained in its natural state for the protection and stabilization of the river bank, and that removal of trees or other vegetation will be considered as part of the function of design review as set forth in Section 17.88.060 and Chapter 17.96.**

The plat shows the 25' Riparian Setback from Warm Springs Creek. Language should be added that states "riparian vegetation shall be maintained in its natural state for the protection and stabilization of the river bank. Removal of trees or other vegetation is prohibited unless approved by the City of Ketchum through Design Review as set forth in Section 17.88.060." Any side channels within the property should also be identified on the plat with appropriate setbacks shown. A side channel is considered a waterway that receives water from and deposits water back into a main channel. The Applicant proposes two ponds that presently will not flow back into the creek. In order to protect water quality and habitat, the Applicant proposes to provide a 25' vegetated buffer/setback around the two ponds. Although not required, it may be appropriate for these buffer zones to be identified on the plat as well.

17.88.060(E):

Criteria for Evaluation of Applications. The criteria of floodplain development permit applications, Waterways Design Review applications, and stream alteration permit applications shall be as follows:

1. **Preservation or restoration of the inherent natural characteristics of the river and creeks and floodplain areas. Development does not alter river channel;**

Page 20 of the updated Environmental Report, dated April 29, 2008, has a thorough description of the history and current conditions of Warm Springs Creek. The report explains how prior alteration (within the last 60 years) to the creek has eliminated aquatic habitat, side channels, a greater flood-carrying capacity of the site, riparian vegetation including a cottonwood forest, and wildlife habitat. The Report also emphasizes that there is not a great deal of natural vegetation remaining on the flat portions of the site, but does point out the existing cottonwood forest on the south portion of the lot and remnant patches and thin bands along the creek upstream from the former restaurant.

<u>Streambed</u>
The Applicant proposes to restore the streambed and banks of the portion of Warm Springs Creek that flows through the property. This will cause an alteration of the river channel, which, if done properly, would be a long-term benefit to the public. The site currently has little riparian vegetation and Warm Springs Creek, in general, is in poor shape due to lack of vegetation and channeling. The Applicant has

not submitted specific plans on how they propose to restore the streambed, but have identified possibilities (on page 36 of the Preliminary Environmental Report), including:

1. Widening and lowering the stream's floodplains to provide safer flood conveyance, increased riparian habitat and greater habitat connectivity between the stream and floodplains.
2. Lowering and decreasing the slope of the stream banks to provide greater habitat connectivity between the stream and floodplains
3. Sculpting pools, riffles, runs and glides and incorporating in-stream wood and boulder structures to direct flows more naturally;
4. Maintaining the native riparian vegetation to the greatest extent possible.
5. Utilizing native vegetation for long-term stream bank stability and habitat diversification.

Any work that is proposed within the waterway will need specific analysis and approval from the City and other state and federal agencies. Some of the possible options would likely increase the flood carrying capacity of the creek and the site and could cause a change in the FP lines. From the plans, it appears that the Applicant proposes to build up areas of human habitation and access so they are not in the floodplain. The first option would alter the stream channel. This standard specifically states that development does not alter channel. The City should consider if a waiver to this standard is appropriate, if the alteration can be shown to be a long-term benefit to the public (and the river system). Some potential short-term issues with this proposal include disruption to any fish, fish habitat, and stream banks and release of sedimentation and pollutants from heavy equipment into the water. With the proper planning and implementation, a combination of the above options could result in a greatly improved stretch of Warm Springs Creek and its surrounding riparian and floodplain areas. An approved restoration plan of Warm Springs Creek and the riparian areas should be spelled out in the Development Agreement.

Re-vegetation

The Applicant proposes to re-vegetate the riparian zone with a twenty-five foot (25') wide area on the existing (north) City side and with a fifty foot (50') wide area on the (south) County side. The landscape plan is not specific as to what type of landscape material, and how much is proposed along the banks. The landscape plan currently shows a twenty-five foot (25') wide riparian planting area, although the Applicant has stated that this area will, in fact, be fifty foot (50') wide to match the current requirements of the County's ordinance.

The Environmental Report (pg. 34) states "the landscape vision is to provide a sustainable design that preserves and enhances the native landscape and provides a sense of tradition and outdoor stewardship for future generations to enjoy." Proposed vegetation for the riparian zone includes Black Cottonwood, Quaking Aspen, Mountain Alder, Red Osier Dogwood, Currant, Woods Rose, Willow Species, Choke Cherry, Elder Berry and Gooseberry, Rush and Sedge. These species are native to the area and are riparian species. The size and proximity (or quantity) of the material should be provided.

The Applicant proposes to re-vegetate the riparian areas within their property that are in essence the waterfront portion of other people's properties. This is of great benefit to the creek, specifically if trees are planted, and could be a contentious issue (from property owners who want to maintain their view of the creek). It will be important for the City to evaluate this part of the proposal and to be specific to those areas with any approved landscape plans and/or conditions of approval. The Environmental Consultation

states that the Applicant has been working closely with the neighbors and intends to continue that relationship.

Bridges

The Applicant also proposes to construct up to three (3) new bridges (one for vehicles and one or two for pedestrians) for access to the south side of the property. The Applicant proposes that the bridges will span the mean high water mark and the floodplain. This is an important component to minimize impacts up and down stream and to hopefully, eliminate future needs for bank stabilization around the bridge. These bridges will need to get Waterways Design Review approval from the City as well as approval from the appropriate state and federal agencies (IDWR, Army Corps and Idaho Department of Environmental Quality). The bridge proposed for vehicular travel will provide access to one home and for maintenance vehicles for a section of the golf course. The construction of the bridge will likely cause short-term impacts to the stream. The vehicular bridge is proposed for access to one lot and the south portion of the golf course.

Golf Course

Within the west portion of the lot, the proposed golf course will generally be located in areas where the old golf course existed. The south portion of the course will be in an area that is currently undeveloped, except for by use as a horse pasture. Page 27 of the Environmental Report states that the construction of the golf course on the south portion of the site will have an impact on the cottonwood riparian forest and that human activity may affect natural patterns of use by wildlife through this area.

2. **Preservation of riparian vegetation and wildlife habitat, if any, along the stream bank and within the required minimum twenty-five (25) foot setback or riparian zone. No construction activities, encroachment or other disturbance into the twenty-five (25) foot riparian zone, except for restoration, shall be allowed at any time;**

South Portion

As identified above, the south portion of the lot currently contains a cottonwood riparian forest and other riparian vegetation along the Creek. This vegetation and the habitat for wildlife will be affected by the proposed estate lot and golf course (Holes 6-9). The estate lot has a building envelope that is proposed within a clearing. It appears that there are only a few trees that would need to be removed for the house, but a portion of the forest would also need to be removed for the driveway. The golf course would require further removal of the existing vegetation. In addition to removal of habitat, the development within the south site would disturb existing wildlife that currently utilizes the site. The Applicant proposes to preserve as much of the vegetation as possible and also proposes to require only native vegetation around the estate and to minimize the turf areas for the golf. The Applicant does a commendable job trying to balance the ecological needs of the site with the economical desires of the development.

West Portion

The Applicant proposes to preserve as much of the existing riparian vegetation as possible. This evaluation will need to be addressed when the Applicant provides the specific plan for the overall stream restoration project. The Applicant proposes to construct a foot trail for passive recreation along the Warm Springs Creek. This trail is will be constructed of pavers and boardwalk and is proposed to meander in and out of the riparian setback. This location of this trail does not meet this standard and will require City approval based on a specific design. A waiver will also be needed. The Environmental Report (pg. 27)

states: "the location of the trail within the riparian setback may have a direct impact on riparian vegetation and habitat functions and values".

North side

There is little riparian vegetation within the north portion of the property. Conceptual Tree Conservation Plan, S.17, shows that majority of the vegetation on the north side will be removed. The proposed hotel and townhomes are proposed to be constructed right up to the twenty-five foot (25') setback line.

Construction

The Applicant proposes to submit a construction mitigation plan. With the proximity of the proposed hotel and townhomes to the riparian zone, this plan should be evaluated prior to any approvals of the PUD. History has shown that requiring the orange fencing to be located along the twenty-five foot (25') mark prior to construction is generally not an effective method of protecting the riparian zone during construction. Even if there is little vegetation to be preserved, water quality and bank stability are important. The construction mitigation plan should adequately show how all riparian areas within the site will be protected during construction. Trees that are proposed to be preserved should be protected no less than the perimeter of the trees drip line.

3. **No development other than development by the City of Ketchum or development required for emergency access shall occur within the twenty-five (25) foot riparian zone with the exception of approved stream stabilization work. The Planning and Zoning Commission may approve access to property where no other primary access is available. Private pathways and staircases shall not lead into or through the riparian zone unless deemed necessary by the Planning and Zoning Commission.**

The Applicant proposes up to three new bridges, a paver or boardwalk trail system and a stream restoration project, all which will cause development within the twenty-five foot (25') riparian zone. The stream work will require approval as a stream stabilization project. With regard to the vehicle bridge, it appears that the south portion of the development is currently a separate parcel. The Applicant proposes one home site and a portion of the golf course to be accessed by the new bridge. There is no other primary access to this individual parcel. The pedestrian bridge and footpath, however, are also proposed within riparian zones. The pedestrian bridge is proposed to span the ordinary high water mark, but it should be considered if this bridge can be designed to span the riparian zone as well. The footpath in the riparian zone will require City approval based on a specific design.

4. **A landscape plan and time frame shall be provided to restore any vegetation within the twenty-five (25) foot riparian zone that is degraded, not natural or which does not promote bank stability;**

A specific landscape plan and time frame have not been submitted. This item will be required of the Design Review submittal. The Applicant proposes to use native riparian species for re-vegetating the riparian zone, including the following species: Black Cottonwood (the species that is/was most prevalent in the Wood River Valley drainages), Quaking Aspens, Mountain Alder, Willow, Woods Rose, Elder Berry, Choke Cherry, Currant, Gooseberry, Red Osier Dogwood, Rush and Sedge. The Applicant proposes to restore the vegetation within 50 feet of the MHW on the County side (which is what would be required by the County). The planting of Cottonwoods, although not always popular with homeowners, is an important component of restoring Warm Springs Creek and its riparian area. This species should be

incorporated into the landscape plan in accordance with its historical presence as much as possible. The Applicant proposes conditions, protections and monitoring requirements for project development (See page 41 of the Environmental Report) that address many of the concerns of this ordinance.

5. **New or replacement planting and vegetation shall include plantings that are low-growing and have dense root systems for the purpose of stabilizing stream banks and repairing damage previously done to riparian vegetation. Examples of such plantings include: red osier dogwood, common choke cherry, service berry, elder berry, river birch, skunk bush sumac, beb's willow, drummond's willow, little wild rose, gooseberry, and honeysuckle;**

New plantings include Black Cottonwood (the species that is/was most prevalent in the Wood River Valley drainages), Quaking Aspens, Mountain Alder, Willow, Woods Rose, Elder Berry, Choke Cherry, Currant, Gooseberry, Red Osier Dogwood, Rush and Sedge.

6. **Landscaping and driveway plans to accommodate the function of the floodplain to allow for sheet flooding. Flood water carrying capacity is not diminished by the proposal. Surface drainage is controlled and shall not adversely impact adjacent properties including driveways drained away from paved roadways. Culvert(s) under driveways may be required. Landscaping berms shall be designed to not dam or otherwise obstruct floodwaters or divert same onto roads or other public pathways;**

There will be some fill within the floodplain proposed as part of the golf course. Information regarding building foundations is not proposed, but the southeast estate lot's building site is within the 100-year floodplain. It is also possible that the floodplain lines and stream channel may be affected by the extensive flooding that is predicted in the next few years. These standards may need to be reevaluated in the event that a major flood happens.

7. **Impacts of the development on aquatic life, recreation, or water quality upstream, downstream or across the stream are not adverse;**

With the present condition of Warm Springs Creek, little could be done to have an adverse impact. However, the construction of the infrastructure and buildings should be regulated to prevent sedimentation and the release of pollutants into the creek. Bridges should be built to span the floodplain and stream channel (as is proposed). The Applicant should address how the project will ensure prohibition of use of pesticide, herbicides and fertilizers. Any stream channel work needs to be reviewed to address this criterion.

8. **Building setback in excess of minimum required along waterways is encouraged. An additional ten (10) foot building setback is encouraged to provide for yards, decks and patios outside the twenty-five (25) foot riparian zone;**

The Applicant proposes a riparian zone of twenty-five feet (25') (which matches the City's requirement) on the plat and a riparian zone of fifty feet (50') (which matches the County's requirement) on the landscape plan. The west end buildings along the south side of Warm Springs Creek are far in excess of the minimum required. The southeast estate lot has a fifty foot (50') setback.

On the north side, the core hotel building and town homes are proposed to be constructed at the minimally required twenty-five foot (25') required setback. With the extent and height of the proposed development, a greater setback should be considered.

9. **The bottom of the lowest floor in the floodplain shall be a minimum of one foot above the I.R.F.;**

This information has not been provided, but can be a condition of approval.

10. **The back fill used around the foundation in the floodplain shall provide a reasonable transition to existing grade, but shall not be used to fill the parcel to any greater extent. Compensatory storage shall be required for any fill placed within the floodplain;**

This information has not been provided, but will need to be evaluated as the project progresses. It appears that the estate lot and its associated driveway will be built to be outside of the floodplain. The floodplain lines may also change with the proposed stream alteration.

11. **Driveways shall comply with effective street standards; access for emergency vehicles has been adequately provided for;**

Access to the southeast estate lot requires a driveway through flood- and avalanche-prone areas. The driveway is proposed at twenty-five feet (25') wide. The access road to the west is twenty feet (20') wide. See comments from Fire Chief Mike Elle.

12. **Landscaping or re-vegetation shall conceal cuts and fills required for driveways and other elements of the development;**

This standard will need to be evaluated when the more detailed plans are submitted.

13. **(Stream Alteration.) The proposal is shown to be a permanent solution and creates a stable situation;**
14. **(Stream Alteration.) No increase to the one hundred (100) year floodplain upstream or downstream has been certified by a registered Idaho engineer;**
15. **(Stream Alteration.) The recreational use of the stream including access along any and all public pedestrian/fisher's easements and the aesthetic beauty shall not be obstructed or interfered with by the proposed work;**
16. **Wetlands shall not be diminished;**

There are wetlands located on the site. The Environmental Report states (pg 30) that wetlands will be protected from development, that residential structures will be set back a minimum of seventy-five feet (75'), and that jurisdictional wetlands will be protected and managed in accordance with federal regulations and permitting requirements. The updated Report, dated April 29, 2008, states that portions of the wetlands will be "excavated in order to regain hydraulic connectivity between the stream and floodplain and to appropriately manage flooding. These impacts will be offset by reestablishing wetlands in these exact locations, increasing hydraulic connectivity to the restored wetlands, enhancing wetland

complexity, and by reestablishing the historic cottonwood/willow corridor along the majority of the project reach. Disturbances to the riparian vegetation will be mitigated by increasing the amount, extent and diversity of the existing riparian areas." The City may want additional expert feedback regarding the effect of this proposal on the wetlands and its ecosystem. Wetlands are valuable for their water-holding capacity (which is what interests the Army Corps), but they are also valuable for the ecosystem they provide.

17. **(Stream Alteration.) Fish habitat shall be maintained or improved as a result of the work proposed;**
18. **(Stream Alteration.) The proposed work shall not be in conflict with the local public interest, including, but not limited to, property values, fish and wildlife habitat, aquatic life, recreation and access to public lands and waters, aesthetic beauty of the stream and water quality;**
19. **(Stream Alteration.) The work proposed is for the protection of the public health, safety and/or welfare such as public schools, sewage treatment plant, water and sewer distribution lines and bridges providing particularly limited or sole access to areas of habitation. (Ord. 941 § 17.88.060, 2004)**

The Applicant will need to submit a specific stream alteration plan in order for the above stream alteration standards to be evaluated.

17.88.060(F):

Conditions. Conditions of approval may include, but not be limited to the following. These items will be considered during the Design Review and/or large Block Plat process.

1. Riparian vegetation and other landscaping is maintained in perpetuity as shown on approved plans.
2. As-built certification shall be required, to be submitted prior to occupancy of structure or upon completion of the proposed work. (Stream alteration.)
3. Other permits (i.e., Idaho Department of Water Resources and Corps of Engineers) shall be obtained by the applicant prior to commencement of construction.
4. Restoration of damaged riparian vegetation within riparian zone shall be required prior to completion of the proposed project. A bond to assure such restoration may be required prior to commencement of such work.
5. The large block plat should be amended to add the following:
   a. Floodway lines
   b. Language regarding sheet flooding;
   c. Language regarding the preservation of riparian vegetation in perpetuity.
6. Elevation certificates for all buildings are required.
7. Trails within riparian zones to be approved by the Planning and Zoning Commission, or by staff as determined by the Commission.
8. If feasible, the pedestrian bridge shall not be located within the riparian zone.
9. Cottonwoods shall be considered within the re-vegetation plan to represent their historic presence.
10. An Affidavit shall be signed by any property owner within the 100-yr floodplain.

11. The re-vegetation of the riparian zones is required of design review. This plan will need to be reviewed and approved prior to any improvements to the PUD and the applicant will need to post security or complete the work prior to commencement of the PUD.
12. Bridges should span the Mean High Water and 100-yr floodplain. Construction of bridge activities should be scheduled to avoid fish spawning, rearing and migration periods as regulated by Idaho Department of Fish and Game.
13. Chain link fencing shall be installed to demarcate at the edge of construction and shall be maintained throughout construction for any portion of the development adjacent to the creek.
14. No fertilizers or pesticides shall be used in riparian areas unless specifically approved by the City's arborist or allowed by the project's Environmental Plan as approved by the City.

CONCLUSION: The Council found the application meets the standards of 17.88.

Title 16: Subdivisions

16.04.040 Development and Design.

A. Required Improvements. The improvements set forth in this section shall be shown on the preliminary plat and installed prior to approval of the final plat. Construction design plans thereof shall be submitted and approved by the city engineer. All such improvements shall be in accordance with the comprehensive plan and constructed in compliance with construction standard specifications adopted by the city. Existing natural features which enhance the attractiveness of the subdivision and community, such as mature trees, water courses, rock outcroppings, established shrub masses, and historic areas shall be preserved through design of the subdivision.

The project includes many natural features, including Warm Springs Creek, a forested hillside, wetlands, a riparian forest, some riparian vegetation along the banks, and other existing trees within the site.

I. Warm Springs Creek. The property contains a mile-long stretch of Warm Springs Creek, which runs through the center of the property. Currently, the creek is in a relatively poor condition. There is little in the way of riparian vegetation along the banks and the stream has had prior stabilization work, which has caused channelization of the creek. Subsequently, there is little ecological value to this section of Warm Springs Creek. The Applicant proposes to restore the creek by re-vegetating the banks (25' width on the north side and 50' width on the south side) with native riparian trees, shrubs and grasses, which will help stabilize the bank naturally and will allow for improved fish, bird and wildlife habitat. The Applicant also proposes to conduct stream alteration work that will eliminate some of the existing riprap and allow for a more natural appearance, as well as create rifles and pools supportive of good aquatic habitat. Because this property contains such a large section of Warm Springs Creek, the proposal could have a very positive effect on the general ecosystem of the Warm Springs drainage.

II. Conifer forest and hillside. The south portion of the property is a tree-covered hillside at the base of Bald Mountain. The Applicant proposes to keep all development off of this hillside with the exception of a portion of the golf cart path. This golf cart path will require a 10-foot wide path to travel approximately 470 feet through the steep treed hillside in order to access Holes 6-9, proposed in the south

portion of the lot. The Applicant proposes that the proposed golf cart path will be constructed using retaining walls and benching the path into the side slope. Disturbed areas are to be planted with native plants specific to the mountain area.

Specifics on the number of trees, extent of cut and effect on avalanche danger have not been addressed. An alternative to this path would be to route golf carts through the hotel property and over the vehicle bridge proposed on the south end of the property. The benefit of the path location may not outweigh the cost to the habitat and hillside.

III. Cottonwood Forest. The south portion of the site contains riparian vegetation including a substantial cottonwood forest at the southernmost half of the parcel. Vegetation and habitat will be disturbed with the proposed golf course, the driveway access, the golf cart path and the construction of the estate home. Currently, this parcel does not have any permanent (and rarely any temporary) human presence on it. This area is almost entirely within the 100-year floodplain or in avalanche zones. This area has also been identified by the environmental consultants as an area currently used by big game and birds. The Environmental Report states: "The south portion of the property currently has low human use and no permanent human presence and is used by big game for cover and by songbirds for nesting and feeding. An increase in human presence as well as the indirect effects of lighting, pets, and urban wildlife will affect how wildlife uses the area."

The estate and its driveway are proposed within this forest. The building envelope is proposed to be mostly within an opening in the forest, but still results in the removal of some trees. The proposed driveway to the estate will cause removal of some of the identified Cottonwood Riparian Forest. The Applicant proposed, "the area surrounding the estate lot will be replanted with native vegetation to enhance the cottonwood riparian forest and reduce the overall effect of the estate lot". With a future property owner, this proposal could be difficult to monitor and enforce.

The golf course proposed on this portion of the lot will cause a removal of the some riparian vegetation, including trees, although it would be designed to still allow for flooding. While the Applicant does a commendable job of minimizing the turf area for the golf course, the golf course will still change the existing vegetation of this site and the aesthetics of the parcel.

Because of the intrusion into areas otherwise free of human impact and the location of the avalanche red and blue zones, Staff is recommending that the estate house building parcel be moved back to the northwest.

The Council determined that the location of the estate lot is sufficient given that appropriate avalanche hazard warning and that the roadway design respects wildlife corridors.

IV. Existing trees within the property. The Applicant has submitted a plan that identifies which trees are proposed to be preserved, which ones they will attempt to save and which ones will be removed (see Tree Conservation Plan S.17, dated April 29, 2008). The Applicant proposes to replant trees that need to be removed within the site. Many of these trees are substantial in size and may be difficult to successfully transplant. The Applicant has provided the environmental consultant with documentation of successful large tree relocation. This information would be valuable to the City. The Applicant should also identify where trees would be relocated.

F. Lot and Block Requirements.

1. Lot size, width, depth, shape, and orientation, and minimum building setback lines shall be in compliance with the zoning district in which the property is located and compatible with the location of the subdivision and the type of development, and preserve solar access to adjacent properties and buildings,

2. Whenever a proposed subdivision contains lot(s), in whole or in part, within the floodplain, or which contain land with a slope in excess of twenty-five (25) percent based upon natural contours, or create corner lots at the intersection of two or more streets, building envelopes shall be shown for the lot(s) so affected on the preliminary and final plats. The building envelopes shall be located in a manner designed to promote harmonious development of structures, minimize congestion of structures, and provide open space and solar access for each lot and structure. Also, building envelopes shall be located to promote access to the lots and maintenance of public utilities, to minimize cut and fill for roads and building foundations, and minimize adverse impact upon environment, water courses and topographical features. Structures may only be built on buildable lots. Lots shall only be created that meet the definition of "buildable lot". Building envelopes shall be established outside of hillsides of 25% and greater and outside of the floodway. A waiver to this standard may only be considered for the following:

a. for lot line shifts of parcels that are entirely within slopes of 25% or greater or that do not have sufficient area outside of slopes of 25% or greater to create a reasonable building envelope, and Mountain Overly Design Review Standards and all other City requirements are met.

b. for small, isolated pockets of 25% or greater that are found to be in compliance with the purposes and standards of the Mountain Overlay District and this section,

Building envelopes are identified on the site.

I. North site. The building envelope established for the hotel and townhomes shows a twenty-five foot (25') setback along the creek and exclusion of the floodplain. The FP Ordinance encourages setbacks in excess of twenty-five feet (25'). The Commission should consider if a proposal of this scale, with a stated goal of restoring Warm Springs Creek, should provide additional building setback to decrease the potential pressures on the creek. Proposed development will also still need to meet the general front, side and rear yard setbacks as established by the zoning ordinance.

II. West site. The proposed villas and estate lot have building envelopes that are located outside of the floodplain, with a minimum setback of fifty feet (50'). Building envelopes are located outside of the avalanche zones. There are areas within the building envelopes that contain slopes of 25% or greater. This includes the west end of the road where several villas are proposed on the bench. The resulting elevation is approximately ten feet (10') higher in elevation than Warm Springs Road. There is no Mountain Overlay district identified on the site, as this is currently in the County. The plans identify building envelopes that are outside of the floodplain. The proposed building envelopes require road or driveway access through avalanche zones and areas with slopes greater than 25%.

III. South site. The south portion of the lot proposes a building envelope with a fifty foot (50') riparian zone setback (from the MHW). Currently, the floodplain spans almost the entire south site. The Applicant proposes to build up the road access and building envelope to remove it from the floodplain. It has not been identified how this build-up might affect other properties upstream. The building envelope is proposed outside of avalanche zones and on the flat portion of the site. The building envelope would result in loss of a portion of the existing riparian forest. This building envelope location also is located in an area currently used by big game and songbirds.

7. Every lot in a subdivision shall have a minimum of twenty (20) feet of frontage on a dedicated public street. (Ord. 884 § 16.04.040, 2001)

A waiver to this standard may be needed for the southern estate lot, which does not front a street. This will be further determined during Design Review.

G. Block Requirements. The length, width, and shape of blocks within proposed subdivisions shall conform to the following requirements:

1. No block shall be longer than one thousand two hundred (1,200) feet, nor less than four hundred (400) feet between the street intersections, and shall have sufficient depth to provide for two tiers of lots,

2. Blocks shall be laid out in such a manner as to comply with the lot requirements,

3. The layout of blocks shall take into consideration the natural topography of the land to promote access within the subdivision and minimize cuts and fills for roads and minimize adverse impact on environment, watercourses and topographical features,

The location of the road that accesses Blocks 3-6 (west portion) causes some cut within the conifer forest and hillside. The proposed Block 8 (south portion) will cause disturbance to the riparian cottonwood forest and to wildlife and will necessitate the construction of a new bridge.

H. Street Improvement Requirements.

1. The arrangement, character, extent, width, grade, and location of all streets put in the proposed subdivision shall conform to the comprehensive plan and shall be considered in their relation to existing and planned streets, topography, public convenience and safety, and the proposed uses of the land,

The proposed accesses on the west and south portions of the lot are proposed within the avalanche zone. This location causes a safety issue for the public; the Council has determined that these accesses be permitted provided proper avalanche hazard and environmental guidelines are made a part of the Development Agreement. Road locations will also require cuts and fill and the removal of existing mature trees. More details should be provided during Design Review to better evaluate this standard. Additionally, street lighting should be evaluated for dark sky friendliness. Lighting should be designed for safety and should not be over-designed, which could decrease the safety and cause light pollution.

14. Street alignment design shall follow natural terrain contours to result in safe streets, useable lots, and minimum cuts and fills,

The proposed road within the west parcel will require cuts and fill within hillside areas. More detailed information, including markers on the site, should be provided to better evaluate this standard. This will be further determined during Design Review.

J. Required Easements. Easements, as set forth hereinafter, shall be required for location of the utilities and other public services, to provide adequate pedestrian circulation and access to public waterways and lands.

1. A public utility easement at least ten (10) feet in width shall be required within the street right-of-way boundaries of all private streets. A public utility easement at least five feet in width shall be required within property boundaries adjacent to Warm Springs Road and within any other property boundary as determined by the city engineer to be necessary for the provision of adequate public utilities.

2. Where a subdivision contains or borders on a water course, drainage way, channel or stream, an easement shall be required of sufficient width to contain said water course and provide access for private maintenance and/or reconstruction of said water course.

The Applicant should address what access will be needed for long-term maintenance of the restoration efforts. A plat note and easement should be added if appropriate.

3. All subdivisions that border the Big Wood River, Trail Creek, and Warm Springs Creek shall dedicate a ten (10) foot fisherman and nature study easement along the river bank. Furthermore, the council shall require in appropriate areas an easement providing access through the subdivision to the bank as a sportsman's access. These easement requirements are minimum standards and in appropriate cases where a subdivision abuts a portion of the river adjacent to an existing pedestrian easement, the council may require an extension of that easement along the portion of the river bank which runs through the proposed subdivision.

The Applicant proposes a ten foot (10') wide fisherman and nature study easement along the banks of Warm Springs Creek. The Applicant is also proposing a trail system that will be accessible to the public. This public amenity easement should be identified on the plat.

4. All subdivisions which border on the Big Wood River, Trail Creek, and Warm Springs Creek shall dedicate a twenty-five (25) foot scenic easement upon which no permanent structure shall be built in order to protect the natural vegetation and wildlife along the river bank and to protect structures from damage or loss due to river bank erosion.

The Core Hotel Block appears to have portions of the building that are slightly over the SE line, which may be due to the scale of the drawings.

No buildings are proposed over the scenic easement line.

5. Areas within a subdivision which are not well suited for development because of existing soil conditions, steepness of slope, geology or hydrology shall be allocated for open space for the benefit of future property owners within the subdivision.

Block 8 is the least suited for development due to avalanche concerns from steepness of slopes, geology and floodplain issues. However, all development is within suitable areas based on soil conditions, slope geology and hydrology.

6. **Where existing soils and vegetation are disrupted by subdivision development, provision shall be made by the subdivider for revegetation of disturbed areas with perennial vegetation sufficient to stabilize the soil upon completion of the construction. Until such times as said revegetation has been installed and established, the subdivider shall maintain and protect all disturbed surfaces from erosion.**

The Applicant proposes to re-vegetate all areas of disturbance.

6. **Where cuts, fills, or other excavation are necessary, the following development standards shall apply:**
   a. **Fill areas shall be prepared by removing all organic material detrimental to proper compaction for soil stability.**
   b. **Fills shall be compacted to at least ninety-five (95) percent of maximum density as determined by AASHO T99 (Am. Assoc. State Highway Officials) and ASTM D698 (Am. Stnd. Testing Methods).**
   c. **Cut slopes shall be no steeper than two horizontal to one vertical. Subsurface drainage shall be provided as necessary for stability.**
   d. **Fill slopes shall be no steeper than three horizontal to one vertical. Neither cut nor fill slopes shall be located on natural slopes of three to one or steeper, or where fill slope toes out within twelve (12) feet horizontally of the top and existing or planned cut slope.**
   e. **Toes of cut and fill slopes shall be set back from property boundaries a distance of three feet plus one-fifth of the height of the cut or the fill, but may not exceed a horizontal distance of ten (10) feet; tops and toes of cut and fill slopes shall be set back from structures at a distance of at least six feet plus one-fifth of the height of the cut or the fill. Additional setback distances shall be provided as necessary to accommodate drainage features and drainage structures.**

More information will be available during the subdivision of each block in order to evaluate this standard.

O. **Drainage Improvements. The subdivider shall submit with the preliminary plat application, such maps, profiles, and other data prepared by an engineer to indicate the proper drainage of the surface water to natural drainage courses or storm drains, existing or proposed. The location and width of the natural drainage courses shall be shown as an easement common to all owners within the subdivision and the city on the preliminary and final plat. All natural drainage courses shall be left undisturbed or be improved in a manner that will increase the operating efficiency of the channel without overloading its capacity. An adequate storm and surface drainage system shall be a required improvement in all subdivisions and shall be installed by the subdivider. Culverts shall be required where all water or drainage courses intersect with streets, driveways, or improved public easements and shall extend across and under the entire improved width thereof including shoulders.**

More information will be available during the subdivision of each block in order to evaluate this standard.

P. Utilities. In addition to the terms mentioned hereinabove, all utilities including but not limited to, electricity, natural gas, telephone, and cable serves shall be installed underground as a required improvement by the subdivider. Adequate provision for expansion of such services within the subdivision or to adjacent lands including installation of conduit pipe across and underneath streets shall be installed by the subdivider prior to construction of street improvements.

Utilities should be designed to be safe in the event of flooding or avalanche.

Q. Off-Site Improvements - Where the off-site impact of a proposed subdivision is found by the commission or council to create substantial additional traffic, improvements to alleviate that impact may be required of the subdivider prior to final plat approval, including, but not limited to, bridges, intersections, roads, traffic control devices, water mains and facilities, and sewer mains and facilities. (Ord. 803 § 1, 1999; Ord. 316 § 4, 1979)

Offsite improvements that are necessary as a result of the impacts of this project include:

Traffic/Circulation;

1) Improvement to Warm Springs Road along the project frontage: roundabout and reconfigured roadway design
2) Improvements to Bald Mountain Road
3) Proportionate share to the signalization of a traffic signal at Lewis Street and Warm Springs Road
4) Proportionate share to the traffic calming improvements needed at Warm springs Road and Highway 75
5) Bus pullout along Warm Springs Road

Water System improvements: Sewer System Improvements, and Undergrounding of existing overhead power lines on Warm Springs Road.

PUBLIC HEARING BEFORE THE COUNCIL

1. Public hearings on the application were held on December 1, 2008 and February 11 and 12, 2009. The public hearing was closed on February 12, 2009. Email and written public comment on the project was received up until February 9, 2009. At the conclusion of the public hearing, the Council took up the matter and rendered its decision. The Council also held public meetings and workshops, consisting of public testimony, in August, September, October, and December 2008.

2. Oral testimony in opposition to the application was presented by several individuals, as reviewed in the minutes, who were opposed to the application for the following reasons: the bulk, mass and size of the project; the consistency of the project with the Comprehensive Plan; traffic volume and congestion; visual impacts on the community; lack of tennis as a recreational amenity; height waiver requested; ability of the Applicant to finance the project; public safety (fire, flood, avalanche) infrastructure costs to the City; construction impacts on surrounding neighborhoods; lack of viewsheds and corridors for adjacent

property owners; setbacks from the Warm Springs Creek; environmental impact on existing habitat and; quality of hotel/resort.

3. Oral testimony in favor of the application was presented during the public hearings by theAapplicant and several other individuals, as reviewed in the minutes, who were in favor of the application for the following reasons: economic stimulus; recreational amenities (open space, golf course, trails, fishing access); on-site workforce housing component; eco-conscious theme/green concepts; marketing appeal to community; establishment of world-class destination resort; construction-related and permanent employment opportunities; renewed retail purchasing; restoration of Warm Springs Creek; increase in hotel rooms/hot beds/keys; increase in City's Local Option Tax base; enhancement of area aesthetics; and inspiration for future generations.

To allow for adequate review of written material, public comment specific to the remand was taken until 5pm on February 9, 2009. The Council was provided the recorded public comment prior to the Wednesday, February 11, 2009 meeting.

4. The City has fielded, recorded and housed public comment for the project proposal since August of 2007. Email and written comments were catalogued for the public record by Staff.

CONCLUSIONS OF LAW

1. The City of Ketchum is a municipal corporation organized under Article XII of the Idaho Constitution and the laws of the State of Idaho, Title 50, Idaho Code.

2. Under Chapter 65, Title 67, Idaho Code, the City has passed a land use and zoning code, encompassed in Ketchum City Code Title 17.

3. The City Council has the authority to hear the applicant's Conditional Use Permit application pursuant to Idaho Code Section 67-6512 of the Local Land Use Planning Act and Chapter 16.08 of Ketchum Subdivision Code Title 16.

4. The City Council's December 1, 2008 and February 11 and 12, 2009 public hearings and consideration of the applicant's Conditional Use Permit application was properly noticed pursuant to the Local Land Use Planning Act, Idaho Code Section 67-6512.

5. The application does comply with Ketchum Zoning Code Title 17 and Ketchum Subdivision Code Title 16 and the Ketchum Comprehensive Plan only if the following conditions of approval are met.

COUNCIL DECISION

THEREFORE, the Ketchum City Council **approves** this PUD Conditional Use Permit, subject to the following conditions:

COUNCIL PROPOSED CONDITIONS

1. This PUD Conditional Use Permit shall be issued in writing. The issuance thereof shall not be considered a binding precedent for the issuance of other conditional use permits. A conditional use permit is not transferable from one parcel of land to another.

2. Failure to comply with any condition or term of said permit may cause said permit to be revoked upon motion and hearing of the City Council, pursuant to Ketchum City Code 16.08.130 (C).

3. All projects receiving a PUD Conditional Use Permit, as a condition of said permit, shall be required to submit and receive Design Review approval for each structure to be constructed within the project prior to making application for a building permit irrespective of what zoning district or districts within which the project is located.

4. The binding conditions of this PUD Conditional Use Permit are embodied in the Warm Springs Ranch Resort Annexation and Development Agreement, which Agreement stipulates benefits received that offset the waivers requested; mitigation of impacts of the project; conditions of annexation, and all other terms of this approval.

5. All height and bulk limitations shall be in accordance with Tourist District except those items waived by the Council as part of the PUD. Drawing # A.6, Development Height Standards, illustrates areas where buildings may exceed height and bulk limitations, subject to the following limitations. These limitations shall be implemented by the Council in conjunction with the standards of Chapter 17.96, Design Review, during the Design Review process.

A. Total Permitted Gross Floor Area, Core Hotel and other Buildings in Block 1. The total permitted gross floor area as defined in Ketchum zoning Code Section 17.08.020 square footage for Block 1, including the core Hotel Building shall not exceed 620,146 square feet. Total Floor Area Ratio for all of Block 1 shall not exceed a FAR of 1.43, excluding all roadways and lands below mean high water mark.

B. Building Blocks. The core hotel building shall be designed to read as a series of buildings through the use of building blocks, limited by the horizontal and vertical dimensions listed below. Within the core hotel building there should be an iconic, recognizable elevated mass, which reads as the primary structure (area shown as 93' max. height area). The core building should also incorporate several distinct steps in mass to the east and west; these steps should average 15%-20% from the floor above.

A. Maximum Horizontal Dimensions.

1) Large building planes shall be broken into smaller building blocks, which are generally 120, 160 and 180 feet in length.
2) Building blocks shall vary in size: not all building blocks may be of the maximum dimensional size.
3) No dominant building block shall be more than 180' long without a "break" (a break shall be an interruption of the building wall plane with either a recess or an offset measuring at least 15' in depth, and 1/8 of the building in length (the offset angle constituting the "break" recess shall be between 30 and 90 degrees to the wall. For example, a façade of 180 feet in length must have a break that is 15 feet in depth by 22.5 feet in length.
4) No individual façade face w/in the 180' building block shall be longer than 60' without an offset of 8' or greater.

5) The overall diagonal dimension of any structure shall not exceed 500' without a true building mass "opening" no less than 45' feet wide. Buildings may be connected through transparent openings that allow for light, air and public access. Such openings will not restrict the use of upper story bridges to connect volume as long as these bridges appear subordinate to the openings, a sense of transparency is maintained and the roofline of the bridges and adjacent buildings do not align.

B. Maximum Vertical Dimensions. With the exception to the 93' tall area considered to be the recognizable mass of the core hotel building, no building façade shall be taller than 35' in height without a horizontal articulation of 8' or greater as measured from average of finished grade.

C. Maximum Roof lengths. With the exception to the 93' tall area considered to be the recognizable mass of the core hotel building, no uninterrupted roof ridge shall run longer than 180'. An interruption in roof ridge is created through the use of a visible change in ridge elevation.

D. Building Height. Building height and height location shall be restricted by the Tent Diagram, Drawing A.6, titled Development Height Standards. Exceptions to height limits are as follows:

1) Architectural features such as towers, spires, chimneys, and similar architectural elements that do not include habitable space and covering not more than 5% of the adjacent roof area may exceed the allowed maximum building height by a height of 18 feet. Elevators and other mechanical structures must be fully concealed within the roof form.
2) The Applicant may request limited interior or exterior space above the maximum building height that is fully available to the public, such as a restaurant or bar. Said request shall be subject to Design Review approval.

E. Building Height Area Restrictions. The building mass shall be restricted within the illustrated building envelope boundaries shown on the Tent Diagram, Drawing A.6, titled Development Height Standards, at different elevations by the following standard:

1) The gross floor area of a building will be limited to 15% of the gross building footprint when located above 80' above site elevation, which is an average of 5' above the mean high water mark of Warm Springs Creek across the length of any individual mass. For example, if the building footprint is 100,000 square feet, than no more than 15,000 square feet may be above 80 feet in height.
2) The gross floor area of a building will be limited to 25% of the building footprint when located above 70' above site elevation, an elevation which is an average of 5' above the mean high water mark of Warm Springs Creek across the length of any individual mass. For example, if the building footprint is 100,000 square feet, than no more than 25,000 square feet may be above 70 feet in height.
3) Building mass permitted by subsections G1 and G2 above shall not be fully located at the perimeter of the building.

6. The Community Housing requirement identified in the calculations in the Staff Report and Commission deliberations is hereby waived. The proposal to mitigate Community Housing outlined in

the letter to the Commission from DDRM dated December 16, 2008 is considered to mitigate community housing impacts. Details of this proposal shall be incorporated into the Development Agreement prepared for this project.

Findings of Fact **adopted** by motion and executed the 7th day of April, 2009.

Randy Hall, Mayor
City of Ketchum