

# Bald Mountain Lodge PUD Amendment

Ketchum City Council  
April 15, 2013



# City of Ketchum, Idaho

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April 9, 2013

Mayor Hall and City Councilors  
City of Ketchum  
Ketchum, Idaho

Mayor Hall and City Councilors:

## **Bald Mountain Lodge Planned Unit Development (PUD) Amendment Request**

### Introduction/History

The City Council considered a request by Bald Mountain Lodge LLC for an extension of one year to the dates in the adopted development agreement. The applicant proposed, as part of this request, to convert the fourth floor of the building to hotel rooms. The Council was receptive to this change, subject to an amendment to the PUD under the City's standard process.

Planning and Zoning Commission considered this proposed PUD Amendment at their March 11, 2013 meeting and recommended approval to the Council, with conditions as noted in the attached staff report.

### Current Report

See attached staff report.

### Financial Requirement/Impact

There will be a change in the long-term fiscal impacts of converting the fourth floor of the building from residential condominium uses to hotel rooms. This will likely be a positive revenue change for the City. That analysis has not been completed at this time.

While indirect fiscal impacts such as the loss of building permit revenues can be discussed, the likelihood of those revenues in the current economy is speculative.

### Recommendation

I respectfully recommend that the City Council approve the Bald Mountain Lodge PUD Amendment, subject to the conditions as noted in the staff report.

Suggested Motion

"I move to approve the Bald Mountain Lodge PUD Amendment, finding the application meets with the applicable review standards with the conditions 1 - 24, as noted in the staff report."

Sincerely,

Lisa Horowitz  
Community and Economic Development Director

**STAFF REPORT  
KETCHUM CITY COUNCIL  
REGULAR MEETING OF APRIL 15, 2013**

**PROJECT:** Bald Mountain Lodge

**FILE NUMBER:** 07-015

**OWNER:** Bald Mountain Lodge LLC, verified March 1, 2013

**REQUEST:** Amendment to Conditional Use Permit for a Planned Unit Development (PUD)

**NOTICE:** Mailing: All property owners within 300 feet of subject property were mailed on Wednesday, March 27, 2013, a notice of the public hearing to be held on April 15, 2013;  
Publish: The public hearing notice was advertised in Idaho Mountain Express on Friday, March 29, 2013; and  
Post: The public hearing notice was posted on the subject property on Monday, April 8, 2013.

**LOCATION:** Ketchum Townsite Amended Lot 1A, Block 20 (151 South Main Street)

**COMP PLAN LAND USE DESIGNATION:**  
Current: Community Core  
Proposed: No change proposed.

**ZONING:** Community Core (CC), Subdistrict A, Retail Core

**LOT SIZE:** 48,351 sf

**PROJECT TOTAL SQUARE FOOTAGE:** 231,400 sf (including sub-grade garage) (no change)

**OVERLAY:** None

**REVIEWERS:** Rebecca F. Bundy, Associate Planner, and  
Lisa Horowitz, Community and Economic Development Director

**NOTE:** Staff comments are in lighter type.

**ATTACHMENTS:**

- Attachment A: Letter from HMI, dated January 15, 2013, including fourth floor plans, original and current proposal
- Attachment B: Applicant narrative outlining proposed changes, dated March 11, 2013
- Attachment C: Planning and Zoning Commission, PUD Amendment Findings of Fact, signed March 25, 2013

- Attachment D: Bald Mountain Lodge Traffic Impact Update, LSC Transportation Consultants, Inc., dated March 4, 2013 (Earlier traffic studies available at the Planning Division offices.)
- Attachment E: First Amendment to the Bald Mountain Lodge Development Agreement, dated November 7, 2011
- Attachment F: Original Bald Mountain Lodge Development Agreement, dated September 17, 2010
- Attachment G: City Council PUD Findings of Fact, signed June 7, 2010
- Attachment H: Comments

## **BACKGROUND**

The Planning and Zoning Commission considered this proposed PUD Amendment at their March 11, 2013 meeting and recommended approval to the Council, with conditions as noted in this staff report. Findings of Fact were signed on March 25, 2013. (See Attachment C.)

On November 5, 2012, the City Council considered a request by Bald Mountain Lodge, LLC for a second extension of their Development Agreement. As a condition of that extension, the developer agreed to change the original fourth floor design from condominium units to hotel guest rooms. This current application is for modification of the approved PUD for the project, to reflect this change. The change from residential to hotel use on the fourth floor results in some minor changes to the following PUD requirements:

- Parking
- Employee housing
- Satisfaction of definition of "hotel"
- Traffic impact.

Staff noted a discrepancy in the number of residential units on the fifth floor between the letter from HMI, the narrative from Jim Garrison, the PUD Findings and the Development Agreement. The applicant addressed this at the meeting and it was determined that the final number is eleven (11). This discrepancy does not affect the fourth floor changes in question and does not have implications on the analysis below. It also does not change the parking analysis, since parking for residential uses is calculated by area, not number of units.

There are no proposed changes to the exterior of the building or to the site improvements, so there is no change to many of the already approved PUD standards. These are noted with N/A on the left margin. Since there are no exterior changes to the project, there are no Design Review modifications to consider at this time.

The Bald Mountain Lodge Planned Unit Development (PUD) was approved by the City Council on June 7, 2010. The PUD was subject to the adoption of a development agreement, which contractually binds the parties to the Conditions of Approval developed by the Council for the project. The Development Agreement is approved only by the Council, and is not subject to Planning Commission review. The Council adopted the Development Agreement on September 17, 2010.

At the October 17, 2011 City Council meeting, Highmark LLC requested an extension to the 2010 Development Agreement to roll all the dates forward by one year. After lengthy discussion, this change was approved by the Council, with the inclusion of language regarding property maintenance.

In November 2012, Highmark LLC, on behalf of Bald Mountain Lodge LLC, requested a second extension to the deadline regarding the application for a building permit outlined in Section 8 of the Amended Development Agreement. Section 8 provides for a full waiver of employee and community housing requirements if the applicant applies for a building permit by December 31, 2012 (along with several other trigger dates). This change would necessitate a change to all of the other deadlines in Section 8; each date would be rolled forward one year. The letter indicates that if the Council is willing to extend the Amended Development Agreement deadlines for an additional year, the applicant will apply for a modification to the PUD and Development Agreement to convert the fourth floor of the building from condominium units to hotel units. The Council agreed in concept, and directed the applicant to begin the PUD modification process.

#### **1. PLANNED UNIT DEVELOPMENT BACKGROUND:**

The Commission and Council reviewed the seventeen evaluation standards found in the City's Planned Unit Development (PUD) Ordinance, Chapter 16.08.080, Ketchum Subdivision Ordinance. The Planning and Zoning Commission is a recommending body to the City Council for PUD's. The PUD Ordinance permits the following:

**“Modification or waiver from certain standard zoning and subdivision requirements may be permitted subject to such conditions, limitations and/or additional development standards pursuant to Section 13 of this Ordinance as the City Council may prescribe to mitigate adverse impact of the proposal, or to further the land use policies of the City, or to ensure that the benefits derived from the project justify a departure from such regulations.”**

The PUD Ordinance states that waivers may be granted by the Council on a case-by-case basis. Application for waivers or deferrals must be in writing and submitted as part of the PUD application. The PUD Ordinance requires that:

**“Such application for waiver or deferral must state with particularity the matters on which the applicant seeks waiver or deferral and the waiver or deferral would not be detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area.”**

Several Waivers have been requested by the applicant and approved by the City Council. See Item 7, Table 5 below for a detailed table of the waiver requests.

## **2. STANDARDS OF REVIEW:**

The Planned Unit Development Ordinance, Chapter 16.08.080 establishes seventeen (17) standards of evaluation. The Planning and Zoning Staff analyzed the BML PUD application dated September 22, 2009, as well as other supplemental documents, in relation to the City's land use policies and ordinances, the 2001 Comprehensive Plan, 2006 Downtown Master Plan and 2008 Gateway Study (Winter & Associates) in preparing its report for the public hearing conducted April 8-9, 2010, April 19, 2010, May 4, 2010 and May 17, 2010.

## **3. PROCESS:**

The applicant has the following approvals:

Planned Unit Development (PUD) Conditional Use Permit: approved June 7, 2010

Design Review Approval: approved, with Findings of Fact signed March 22, 2010

Development Agreement Approval: September 17, 2010

First Amendment to the Development Agreement: November 7, 2011

The Planning and Zoning Commission makes recommendations on the PUD to the City Council. The City Council approves the Development Agreement. The Planning and Zoning Commission approves Design Review.

## **4. CONDITIONS OF APPROVAL:**

The PUD Ordinance outlines a list of conditions which may be imposed by the Council to mitigate adverse impact of the proposal, or to further the land use policies of the City, or to ensure that the benefits derived from the project justify a departure from standard regulations. Conditions are not limited to those itemized in the PUD Ordinance. Only the City Council is empowered to grant modifications or waivers from standard zoning and subdivision requirements. This staff report contains a few small changes to the adopted Conditions of Approval based on this application.

## **5. BALD MOUNTAIN LODGE PUD OVERVIEW AND SQUARE FOOTAGE BREAKDOWN**

The proposed project is described by the applicant as a four-star hotel. The original proposal contained the following "hotel" components: 82 guest suites, 9 Lock-off units, reception and lobby area, full service restaurant and bar, day spa, hotel-related retail space, conference/ballroom facilities, outdoor terrace and swimming pool, activities center and underground parking garage. The proposed conference capacity is 250-275. The conference center, day spa, restaurant and bar will be open to the general public as well as hotel guest. The 4<sup>th</sup> & 5<sup>th</sup> floors of the development will house twenty six (26) residential condominium units. Lock-Off units are shown on the 4<sup>th</sup> floor under Lock-Off Option A which is on record with the City of Ketchum. The following table is a summary of the project's area square footages by level/floor:

The current amended proposal converts the entire fourth floor from residential units to hotel rooms, resulting in a total of one hundred nineteen (119) guest rooms and eleven (11) residential units on the fifth floor.

**Table 1: Bald Mountain Lodge Square Footage  
Square Footage Summary**

Lot Size	219 ft x 219 ft	48,351 sf
Parking Level 2(P-2)	Underground parking/ BOH/Hotel Support Services	48,306 sf
Parking Level 1(P-1)	Underground parking/BOH/Spa/Ballroom	48,306 sf
First Floor	Retail/Lobbies/Spa/Activity Center	28,461 sf
Second Floor	Hotel Guest Rooms	29,711 sf
Third Floor	Hotel Guest Rooms	29,711 sf
Fourth Floor	Hotel Guest Rooms	25,006 sf
Fifth Floor	Residential condominiums Hotel Related Area (731 sf)	22,384 sf
<b>TOTAL BUILDING AREA</b>		<b>231,885 sf</b>
<b>TOTAL SUB GRADE/PARKING AREA</b>		<b>96,612 sf</b>
<b>TOTAL GROSS FLOOR AREA ABOVE GRADE</b>		<b>134,800 sf</b>

**Table 2. Detailed Square Footage and Use Breakdown by Level:**

P2 (below grade)

USE	SQUARE FOOTAGE
Hotel Related	17,129
Parking (51 stalls)	31,177
<b>Total</b>	<b>48,306</b>

P1 (below grade)

USE	SQUARE FOOTAGE
Spa	3,621
Ballroom	2,420
Pre-function	2,407
Back of House	4,528
Multi-Use	1,388
Conference	609
Bathrooms	636
Courtyard – 2,916 sf	(Not included in total)
Mechanical	773
<b>Total Hotel Use</b>	<b>16,460</b>

Parking(65 stalls)	31,846
<b>Total</b>	<b>48,306</b>

\*96,612 square feet below grade square footage (P1 + P2);

Level 1 (ground)

USE	SQUARE FOOTAGE
Retail	2,614
Restaurant	7,006
Café	735
Activity Room	4,726
Spa	1,885
Fitness	819
Lockers	432
Office	217
Great Room	5,660
Bathrooms	611
Loading	2,530
Circulation	1,427
<b>Total</b>	<b>28,461</b>

\*Outdoor Level 1 Pool/Deck area: +/- 5,500 sq.ft.

Level 2

USE	SQUARE FOOTAGE
Hotel (41 keys)	29,711
<b>Total</b>	<b>29,711</b>

Level 3

USE	SQUARE FOOTAGE
Hotel (41 keys)	29,711
<b>Total</b>	<b>29,711</b>

\*59,000 gross square footage for hotel use (L2 + L3) and 82 total hot beds/keys

Level 4

USE	SQUARE FOOTAGE
Residential (26 units)	23,369
Hotel Uses (support)	1,637
<b>Hotel Uses (Lock-Offs)</b>	<b>3,538</b>
<b>Total</b>	<b>25,006</b>

Level 5

USE	SQUARE FOOTAGE
Residential (8 units)	22,384
<b>Total</b>	<b>22,384</b>

**Floor Area Summary:**

**Existing:** None

**Proposed:** 231,885 (including sub-grade garage)

168,862 (not including sub-grade parking space)

**Lot Area:** 48,351 sf

**Floor Area Ratio:**

**Permitted:** Community Core regulations do not limit FAR's for 4 and 5 story hotels

**Proposed:** 2.8

**5. HOTEL DEFINITION**

Ketchum's hotel "matrix" for Bald Mountain Lodge is shown below (The number for total square footage of Guest Rooms has been revised since the staff report to include the area of the former lock off units, and the lock-off area has been removed from the BOH area. This does not change the total "Hotel" area or the "Hotel" percentage.):

**Table 3: BALD MOUNTAIN LODGE MATRIX/HOTEL DEFINITION**

<b>HOTEL CONFIGURATION</b>	<b>BML-2010 Approved</b>	<b>BML-2013 Proposed</b>
<b>Guest Rooms</b>	<b>82</b>	<b>119</b>
<b>Sq Ft</b>	<b>59,422</b>	<b>86,329</b>
<b>Dedicated Units –Lock-Out Units</b>	<b>9</b>	<b>N/A</b>
<b>Sq Ft</b>	<b>3,538</b>	<b>N/A</b>
<b>Hotel Key Count</b>	<b>91</b>	<b>119</b>
<b>BOH/Lobbies/Hotel Related Uses Sq Ft (P1,P2,Level 1*)</b>	<b>63,687</b>	<b>60,149</b>
<b>TTL "Hotel" sq ft (per definition)</b>	<b>126,647</b>	<b>146,478</b>
<b>Permitted "Non-Hotel" sq ft (25%)</b>	<b>42,215.5</b>	<b>22,384</b>
<b>Proposed Residential Units (4th &amp; 5th Floors minus lock-off units)</b>	<b>26</b>	<b>8</b>
<b>Sq Ft</b>	<b>42,215</b>	<b>22,384</b>
<b>TTL Bldg Sq Ft (includes sub-grade hotel-uses)</b>	<b>168,862</b>	<b>168,862</b>
<b>Pct of Building Area defined as "Hotel"</b>	<b>75 %</b>	<b>86.7%</b>
<b>Residential sq ft over allowable per definition</b>	<b>0</b>	<b>0</b>

\*included Level 4 lock-out units in the 2010 calculations

**Table 4: HOTEL DEFINITION**

COMPONENT	PZ 4/23/09	PZ 7/13/09	PZ 12/2- 3/09	CC 5/17/10	PZ 3/11/13
Total Gross Floor Area			168,539	168,862	168,862
Hotel Floor Area	122,031	126,931	125,389	126,647	146,478
% of Building Floor Area	71%	73.5%	74.4%	75%	86.7%
Residential Floor Area	50,005	45,608	43,890	42,215	22,384
% of Building Floor Area	29%	26.5%	25.6%	25%	13.3%

Supplemental Analysis: Applicant agreed at the December 3, 2009 Planning and Zoning Public Hearing that the project would comply with Ketchum’s “hotel” definition by adjusting/increasing the final lock-off unit configuration, which was included in the above “hotel” definition calculation. Also included is a hotel-support area on the 4<sup>th</sup> floor. Such an allowance was permitted, provided non-hotel (residential units) square footage were dedicated/included within the nightly rental pool of units as allowed within Ketchum’s Hotel Definition. The applicant previously committed to dedicated 3,538 square feet on the fourth floor as hotel lock off units, equating to 9 hotel units. The current proposal reconfigures the entire 4<sup>th</sup> floor as hotel rooms, for an increase of 19,831 sq. ft. of hotel uses. Lock-offs are no longer part of this proposal.

**7. WAIVER REQUESTS WITH FINDINGS:**

Modifications or waivers from certain standard zoning and subdivision requirements are permitted within the PUD process. The following table sets forth the applicant’s request and the corresponding findings by the Council.

**Table 5: Waiver Requests, Bald Mountain Lodge**

Code Section Zoning Ord.	Requirement	Waiver	Finding
<b>Subdivision Ordinance:</b> 16.08.080(A)(1)	Minimum lot size of three acres	Lot is 0.92 acres	Waiver specifically permitted for hotels - Approved
<b>Conditional Use Permits:</b> 17.116.080	12 month Term of CUP Approval	4 year term of CUP approval with incentives for accelerated schedule	The size and inherent complexity of the project warrants such a timeline. In addition, this is similar to timelines established for similar projects. - Approved <u>Note: One-year extension of all time lines is being requested at this time.</u>

<p><b>Community Core:</b> 17.64.010.L: Use Specifications</p>	<p>G. Private outdoor space: All residential uses shall have a private outdoor space (such as a deck, balcony, or private porch). The area of each private outdoor space shall be at least 50 square feet, with no dimension less than 6 feet.</p>	<p>On 4<sup>th</sup> and 5<sup>th</sup> floor residential units, decks have dimensions less than 6 ft.</p>	<p>Residential units have substantial outdoor spaces and waiver will not diminish their use of appearance. - Approved</p>
<p><b>Community Core:</b> <b>17.64.010.L:</b> Site Specifications</p>	<p>D. Building zone: 60 to 100 percent of this area shall be occupied by 1 or more buildings. 1. The minimum building depth shall be 50 feet as measured from the front and rear property line, except a portion of the building may be built anywhere within 30 feet of the front property line.</p>	<p>Rear Building Zone along Washington Avenue – 36% of this zone is building; 60% is required  *not including outdoor terrace area as building</p>	<p>This portion of the site is adjacent to the Forest Service park and less building mass is appropriate. In addition, the Gateway Mass and Scale Study recommend receding this corner in order to maximize views of Bald Mountain. - Approved</p>
<p><b>Community Core:</b> 17.64.010.L: Mass and Height Specifications</p>	<p>D.2. On streets and avenues the fourth floor and fifth floor shall be set back from the property line a minimum of 10 feet with an average of 15 feet. The average setback shall be calculated based on the built portion of the fourth and fifth floor facades and shall be calculated for each street or avenue elevation; the calculation of the average setback is not cumulative. In addition to the minimum and average setback requirement from the property line, the fourth and fifth floors shall be set back a minimum of 5 feet from the wall of the third floor.</p>	<p>4<sup>th</sup> and 5<sup>th</sup> floors do not meet 10 ft minimum setback on each street elevation. Average setback of 15 ft not met on 1<sup>st</sup> Street on 4<sup>th</sup> and 5<sup>th</sup> floors.</p>	<p>Overall massing of building and large setbacks along Main Street, River Street and Washington Ave reduce overall impacts of 4<sup>th</sup> and 5<sup>th</sup> floors. Said waiver will have minimal impacts on overall mass of 4<sup>th</sup> and 5<sup>th</sup> floors. In addition, the project has received design review approval from the Planning and Zoning Commission. - Approved</p>
<p><b>Community Core:</b> 17.64.010.L: Façade Elements</p>	<p>A. Awnings/marquees may project 3 feet to 6 feet from the facade. At major pedestrian entrances to the hotel, marquees may extend between 6 feet and up to <math>\frac{2}{3}</math> the distance between the front facade and the curb line of the sidewalk. Supporting posts are permitted at these entrances.</p>	<p>Marquees extend 7.5 to 12 feet from all four building facades at multiple locations. Only main entrances to the hotel may extend beyond 6 feet.</p>	<p>Larger marquees are appropriate for a large hotel building. - Approved</p>

<b>Community Core: 17.64.010.L: Mass and Height Specifications</b>	B. Upper floor ceiling heights: 8 feet minimum and up to 80 percent of the height of first floor ceiling.	5 <sup>th</sup> floor ceiling height exceeds 80% of the height of the first floor ceiling height	Required sloped roof design warrants larger ceiling height on 5 <sup>th</sup> floor. - Approved
<b>Community Core: 17.64.010.I: Hotels – Employee Housing</b>	3-5. Applicant is required to provide housing for 25% of the total number of employees calculated per hotel room or bedroom.	Full waiver of requirement/Partial Waiver of requirement. See condition #3 of the conditions of approval for complete waiver and timeline incentives	Project incentivized to begin construction with two years. - Approved

**ZONING CODE REQUIREMENTS**

**17.64 Community Core Zoning District**

**PROPOSED SETBACKS:** No change in PUD amendment request.

**REQUIRED SETBACKS:** No change in PUD amendment request.

**BUILDING HEIGHT:** No change in PUD amendment request.

**CURB CUT:** No change in PUD amendment request.

**PARKING SPACES:**

Required parking spaces are pursuant to 17.64.010.E. See table below:

**Table 6: Required Parking**

<b>Parking Requirements:</b>		
Commercial Space:	13,120 sf	2 per 1,000 sq. ft. = 26 spaces
Residential (net)	<u>16,725 sf</u>	1 per 1,500 sq. ft. = <u>11 spaces</u>
Hotel:	<u>119 units</u>	.75 per Room = <u>89 spaces</u>
<b>Total Spaces Required: <u>126 spaces</u></b>		
<b>Proposed:</b>		
<b>Garage:</b>	116 spaces	<b>On Street Credit*:</b> 9 spaces
<b>Total Spaces Proposed: 125 spaces</b>		
<b>Net New Parking Spaces Required: <u>1 space*</u></b>		

\* Section 17.64.010.E.3 of the Community Core District zoning regulations states that:  
*Four (4) on street parking spaces per five thousand five hundred (5,500) square feet of lot area may be counted toward the required parking demand.*

This would result in an on street parking credit of 35 spaces. However, between Pre-application Design Review and the original Design Review/PUD submittal, Staff and the Applicant negotiated a parking credit of 9 on street spaces, due to vehicular access requirements, desired pedestrian bulb-outs at intersections and other considerations.

Per the original Findings of Fact: “Sidewalk plan and surface parking configuration TBD with City Engineer, planning staff and final City Council approval (see condition #7). A net loss of surface parking spaces is anticipated. Project is credited with additional 9 surface parking spaces for determining parking compliance.”

The current project proposal project will require one (1) additional parking space. The Applicant has indicated that, at building permit submittal, the underground parking garage design will be refined to accommodate one (1) or more additional parking spaces. The conversion of the fourth floor from residential to hotel use eliminates the need for a number of storage units on the second level of the parking garage. These may be converted to parking spaces. In addition, some structural refinements may result in additional parking spaces in the garage. This zoning criteria has been satisfied with a new condition that:

- At building permit submittal, plans, showing that the parking requirements of Table 6 have been met, shall be submitted to the Design Review Subcommittee for review and approval. If the requirements of Table 6 cannot be met, prior to the issuance of a building permit, the Applicant shall pay the City the current parking in lieu fee for any parking deficit.

#### **17.64.010.I Hotel Uses**

N/A I. Hotel Uses:

**1. Transfer Of Development Rights: Hotels may build a fourth floor anywhere in designated receiving areas, as may be adopted by the city council, without purchase of transfer of development rights. If a site meets the criteria for five-story hotel site designation, the fifth floor may be built without the purchase of transfer of development rights. Five-story hotels may only be approved via a planned unit development (PUD) as outlined in [chapter 16.08](#) of this code. However, with the exception of limited architectural elements, hotel projects may not request waivers to the height and bulk requirements of subsection L1f of this section, building type 6 hotel.**

Staff Analysis/Recommendation: There are no changes to the approved hotel of five stories in height and within Sub-District A of the Community Core Zoning District. The site meets the criteria for a Five-Story Hotel Site Designation. The applicant received CUP PUD and Design Review approval. No exceptions to the current height limit for a five story hotel are proposed. No changes to this standard of review.

YES a. **Five-Story Hotel Site Designation Criteria: A property shall meet all of the following criteria to be designated as a five-story hotel site:**

**Commission Recommendation:**

- (1) Is located in Subdistrict A, retail core. Yes
- (2) Is highly visible to visitors. Yes
- (3) Is convenient to walk to retail center. Yes
- (4) Is near the center town plaza, Main Street and Sun Valley Road. Yes
- (5) Contributes to the retail vibrancy. Yes
- (6) Is not located on Main Street between First Street and Sixth Street. Yes
- (7) Has a minimum lot area of thirty three thousand (33,000) square feet. Yes
- (8) Respects the general parameters of any massing studies which may be applicable in the area. Yes – See Massing Study Analysis

N/A 2. **Designated Sending Areas Restricted: Without exception, hotels cannot build fourth or fifth floors in designated sending areas, as may be adopted by the city council.**

Staff Analysis/Recommendation: The proposed hotel project and property is not a designated sending area.

YES 3. **Employee Housing: Hotel developments are required to mitigate employee housing impacts at a ratio of twenty five percent (25%) of the total number of employees calculated by the following formula: One employee per hotel room or bedroom. A development agreement or other similar tool shall be utilized to outline employee housing commitments.**

Staff Analysis/Recommendation: The applicant did not submit an Employee Housing Plan in 2010. Employee housing calculations are based on a formula of one employee per hotel room. Based on the increase in the number of hotel rooms, the employee housing requirement increases as follows:

BML-2010 Approved: 23 employees required to be housed

BML-2013 Proposed 30 employees must be housed

The Council approved a waiver to this requirement structured through a construction timeline (see Condition #2 of these Findings of Fact, PUD Conditions of Approval and see Development Agreements). The waiving of the employee housing timed to a timeline was considered to be a major incentive by the Council. The applicant would be required to meet the entirety of this requirement if the construction timelines outlined in the Development Agreements are not

met. The applicant has been granted a one-year extension to the timeline, and is requesting an additional year as part of this application.

**YES 4. Employee Housing Plan: The applicant shall provide an employee housing plan 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 the mix of employee housing which addresses the range of employees needed to serve the hotel.**

Staff Analysis/Recommendation: No detailed employee housing plan was required by the City at the time the PUD and Development Agreements were approved. The Council approved a waiver to this requirement structured through a construction timeline. This is outlined in detail in the Development Agreements. The applicant would be required to meet the entirety of this requirement if the construction timelines are not met.

**YES 5. Alternate Means To Satisfy Square Footage: 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, or other considerations may be proposed by the hotel developer. Larger sites are encouraged to include employee and/or community housing on site. The city council has full discretionary power to deny said request.**

Staff Analysis/Recommendation: No employee housing plan was submitted. The Council has approved a waiver to this requirement structured through a construction timeline. Under Timeline A the applicant will receive a full waiver of the employee housing requirement. Under Timeline B the applicant will receive a partial waiver of the employee housing requirement, with the remainder satisfied via real estate transfer means of other means approved by the Council. Under Timeline C the applicant will be required to provide for the full employee housing requirement.

**YES 6. Development Agreement: Hotels shall enter into a development agreement with the city as part of the PUD 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 [chapter 16.08](#) of this code. Said development agreement shall be subject to sections [17.154.060](#), "Enforcement", and [17.154.070](#), "Modification And Termination", of this title.**

Staff Analysis/Recommendation: A Development Agreement was adopted by Council, dated September 17, 2010, and one amendment to the Development Agreement has also been adopted, dated November 7, 2011.

## PUD EVALUATION STANDARDS

### 16.08.080(A) STANDARDS:

N/A 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).

Staff Analysis: A waiver to the minimum three acre parcel size was granted in 2009. The existing proposal meets the definition of hotel and will provide employee housing as outlined in the Development Agreement. The PUD amendment request does not change any of the original waiver requests.

Recommendation: This standard does not apply at this time.

N/A 2. That the proposed project will not be detrimental to the present and permitted uses of surrounding areas.

Staff Analysis: There are no changes proposed to the exterior of the building or to any exterior improvements. Any resultant parking or traffic changes will be addressed in the Zoning Code analysis above and Section 6 below.

Recommendation: This standard does not apply at this time.

N/A 3. That the proposed project will have a beneficial effect not normally achieved by standard subdivision development.

Staff Analysis: This standard is not applicable because the proposed development is not a subdivision.

Recommendation: This standard does not apply. No land subdivision is proposed. See Section 14 below for a more detailed list of benefits.

N/A 4. The development shall be in harmony with the surrounding area.

Staff Analysis: The PUD amendment request involves no exterior changes to the approved project.

Recommendation: This standard does not apply at this time.

N/A 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.

Staff Analysis / Recommendation:

This standard does not apply. No densities are being transferred. The proposed density is permitted in the CC Zoning District.

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

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

Staff Analysis: The City Council PUD Findings of Fact stipulated that an updated transportation impact assessment be prepared prior to the City entering into a Development Agreement with the Applicant. This document, *Transportation Impact Assessment*, dated January 2010, was prepared by Galena Engineering, Inc.. The original Development Agreement, recorded on September 30, 2010 is based on this document and a subsequent review of it by Hales Engineering entitled *Ketchum – Bald Mountain Lodge TIA / 1<sup>st</sup> Street Review*, dated April 14, 2010.

A revised *Bald Mountain Lodge Traffic Impact Assessment Update* by LSC Transportation Consultants, Inc., dated March 4, 2013, assessed the current proposal's impacts, resulting from the conversion of fourth floor residential units to hotel units, to traffic on Main Street and cross streets River Street and First Street. The revised study was based

on the assumptions of the *Transportation Impact Assessment for Bald Mountain Lodge*, prepared by Galena Engineering, dated January 2010.

In summary, the revised assessment found that “The findings of the January 2010 *Bald Mountain Lodge Transportation Impact Assessment*, prepared by Galena Engineering, Inc. with regards to LOS and traffic queue lengths would not be changed noticeably by this change in traffic volumes, and remain appropriate.”

More specifically, the revised assessment found that:

- “The change to the proposed land uses of the Bald Mountain Lodge (as indicated in a letter from Michael K. Kirby of HighMark Investments to Lisa Horowitz of the City of Ketchum, dated January 15, 2013) would result in an increase in 101 daily one-way vehicle-trips to/from the project (about a 10% overall increase), including an increase in 3 trips during the AM peak hour and 6 in the PM peak hour. However, this change results in only a 0.2 percent increase in overall traffic volume on Main Street in this vicinity, which is negligible.
- With this change in land use, the Bald Mountain Lodge project would generate an estimated total 1,108 vehicle-trips per day, of which 46 would occur in the AM peak hour and 87 in the PM peak hour.”

The Commission considered the above information and expressed concern about the need to update baseline data in the traffic study in light of the timeline extensions currently being granted. The Commission expressed a desire to follow best practices, which, according to Traffic Consultant Gordon Shaw of LSC Consulting, would include updated baseline data approximately every three years. To address this concern, the Commission suggested an added condition to Timeline C that a revised traffic study would be “required, including new traffic baseline data. Said traffic study may result in modifications to approvals related to traffic and circulation.”

In addition, LSC Transportation Consultants, Inc. was asked to study the implications of a three-lane configuration of Main Street at the River and First Street intersections. The Main Street intersection approaches were assumed to have one shared thru-right and an exclusive left-turn lane in each direction, while the River and First Street approaches were assumed to retain their existing single-lane approaches. In summary, this limited analysis and simulation found that, in a 2013 scenario:

- Reducing the capacity along Main Street would cause excessive delays at intersections.
- Long traffic queues on Main Street that would persist throughout the AM and PM peak hours were predicted. Of particular concern were that:
  - Southbound queues, formed from the Main Street/1<sup>st</sup> Avenue intersection, would extend northward through the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Street intersections, creating the potential for “gridlock” conditions;
  - Westbound queues on 1<sup>st</sup> Avenue would form back through the Leadville Avenue intersection; and
  - Northbound queues on Main Street would extend back to Serenade lane.

- The analysis also mentions that, in reality, the extent of the above mentioned delays and queues would result in “substantial diversion off of Main Street and onto parallel routes, such as 2<sup>nd</sup> Avenue and Cottonwood Street/3<sup>rd</sup> Avenue.” It concludes that, “even with those diversions (and associated impacts on the parallel routes) long delays and queues would remain on Main Street.”

In addition, the 2018 scenario assumes a 2% annual growth in traffic volumes on Main Street, which would result in substantially worse conditions than the 2013 study predicts.

In conclusion, the current analysis suggests that a three-lane configuration for Main Street does not appear to be a reasonable future scenario and would certainly require additional study.

The Commission acknowledged that, while the three lane configuration analysis provided interesting information, this analysis had no bearing on the PUD amendment being considered.

Recommendation: The proposed PUD Amendment would not noticeably change the traffic impacts of the project. All conditions of the original PUD approval and Development Agreement pertaining to traffic impact still apply. This standard has been met, subject to Conditions #3-8 on pages 27-28 of this report, and a modification to Condition #2, Timeline C, requiring a traffic study.

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

Staff Analysis/Recommendation: See Section a. This standard has been met.

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

Staff Analysis: No change is proposed to the proposed configuration of vehicular and pedestrian access. The current traffic study does not find significant increase in vehicular activity due to the proposed use changes. The Commission clarified one condition related to striping of the entrance to the Porte Cochere off of First Street.

Recommendation: This standard has been met.

N/A **d. Is designed to provide adequate removal, storage and deposition of snow;**

Staff Analysis/Recommendation: There is no proposed change to the snow removal plan. This standard does not apply at this time.

YES **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.**

Staff Analysis/Recommendation: This standard has been met. See Section c.

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

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

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

Staff Analysis/Recommendation: No additional roads are being proposed. This standard does not apply.

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

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

YES 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.**

Staff Analysis: The proposed minor land use change does not negatively change the project with respect to the Comprehensive Plan, Downtown Master Plan, Zoning Ordinance or Subdivision Ordinance. The additional hotel rooms on the fourth floor bring the project further into compliance with the intent of the Comprehensive Plan and with the definition of "Hotel" in the Zoning Code.

Recommendation: This standard has been met.

N/A 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.**

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 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.

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

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

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 8. That the development plan incorporates the site's significant natural features.

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 9. Substantial buffer planting strips or other barriers are provided where no natural buffers exist.

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 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.

Staff Analysis/Recommendation: No change is proposed to the project phasing.

N/A 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.

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 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.

Staff Analysis/Recommendation: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A            **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.**

Staff Analysis/Recommendation: There is no proposed change to the recreational or daycare facilities of the proposed project. This standard does not apply at this time.

YES            **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.**

Staff Analysis: Table 11 summarizes the special development objectives of the proposal:

**TABLE 11: SPECIAL DEVELOPMENT OBJECTIVES**

<b>Special Development Objective, special Characteristics of the Site or Physical Conditions</b>	<b>Type of Objective</b>
4-Star Hotel of <u>119</u> "hot beds"	Economic
Conference Space (seating for 250-275 persons)	Economic
Employee Housing for <u>30</u> employees (required but no plan has been provided)	Social
Proposed contribution towards the undergrounding of overhead power lines (amount to be determined)	Aesthetic; Economic
Pedestrian improvements to public right-of-way to create enhance pedestrian experience	Aesthetic; Economic

The current PUD amendment proposes to convert the entire fourth floor from residential to hotel use. This results in an economic benefit of an additional thirty-seven (37) hotel rooms in the Community Core. The employee housing requirement has changed from a requirement of twenty-three (23) employee housing units to thirty (30) employee housing units. These are special development objectives that continue to justify the granting of a PUD. The City has established the need for hotels and hotbeds as a priority. The economic benefits of such a project are substantial.

Recommendation: This standard has been met.

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

Staff Analysis: See General Findings section, page 2 of this report. The Commission noted their concerns over the extensions to the project timelines, and suggest a condition of approval that would impose additional fees if any further extensions are requested. The Commission also noted that the applicant should pay attention to property maintenance and landscape care in the interim period before the site is developed.

Recommendation: This standard has been met with the condition that the project receive approval of a Second Amended Development Agreement, as outlined above, from the City Council prior to the end of the year 2013.

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

Staff Analysis/Recommendation: The proposed PUD amendment does not affect public services, facilities and utilities. The Fire, Street and Utility Departments have had no concerns or comments on the current proposal. This standard does not apply at this time.

Yes            **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.**

Staff Analysis: At the time of the original PUD hearings, the applicant received several waivers that are outlined in the waiver chart provided earlier in this staff report. No additional waivers have been requested. All other ordinances, rules and regulations of the City of Ketchum are met. The waivers require approval through the PUD process and should be evaluated accordingly.

Recommendation: This standard has been met. Several waivers have been requested and approved, and are outlined previously in this staff report. All other rules and ordinances have been met.

**PROPOSED CONDITIONS OF APPROVAL FOR BALD MOUNTAIN LODGE LLC – BALD MOUNTAIN LODGE PUD: (Changes to the original PUD approval are noted in strike/underline format.)**

**The following conditions are based on the findings made on each of the standards of evaluation as they have been applied to the submitted plans for the PUD:**

**Hotel Uses**

- ~~1. In order to meet the hotel definition as outlined in Chapter 17.08 of the Ketchum Zoning Code, a minimum of 9 lock-off hotel units shall be provided on the 4<sup>th</sup> floor. Based on hotel square footage calculations these lock-off units shall total a minimum of 3538 gross square feet.~~

2. Only residential units may be condominiumized and sold separately. The hotel portion of the building including the hotel guest rooms shall not be condominiumized. Occupancy of residential units shall be addressed in the development agreement to ensure that they are as “occupied” for purposes of Urban Renewal Revenue valuation once certificates of occupancy have been issued.

**Timing and Incentives**

3. Construction Incentives

Incentive Timeline	Community Housing Waiver	Workforce Housing Waiver	Infrastructure Partnering
<b>Timeline A</b> - Building permit applied for in <del>2011 2012 2013</del> with construction commencing by June <del>2012 2013 2014</del> and the hotel portion of the building completed by <del>2015 2016 2017</del> .	7,444 sf requirement or approximately \$2.36 million in lieu payment waived in full ( <del>based on extension of June 2010 deadline</del> )	Waive the employee housing requirement in its entirety.	Applicant will construct and pay for all project infrastructure requirements as outlined in the DA. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less.
<b>Timeline B</b> - Building permit applied for in <del>2012 2013 2014</del> with construction commencing by December <del>2013 2014 2015</del> and the hotel portion of the building completed by <del>2016 2017 2018</del>	7,444 sf requirement or approximately \$2.36 million in lieu payment waived in full (based on extension of June 2010 deadline)	50% waiver of housing requirement. 50% or \$1.38 million paid toward housing requirement via real estate transfer fee or other means <del>determined by applicant</del> <u>approved by the City</u>	Applicant will construct and pay for all project infrastructure requirements as outlined in the DA. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less.
<b>Timeline C</b> - Building permit application applied for within 4 years of <u>Amended</u> PUD approval	No waiver to requirement	No waiver to requirement	Applicant will construct and pay for all project infrastructure requirements as outlined in the DA. City of Ketchum does not contribute to said improvements.

\*This approval is not binding upon the URA as its independent jurisdiction and discretion are not waived by any conditions mentioning the URA.

- **Timeline A.** The project shall receive the following waivers if a Second Development Agreement is approved by the City Council prior to the end of year 2013 and a building permit is applied for in by December 2011 2012–2013 and construction commences by June 30<sup>th</sup> of ~~2012 2013~~ 2014. If a building permit is not applied for in ~~2011~~

~~2012~~ 2013, construction does not commence by June 30, ~~2012–2013~~ 2014 and the certificate of occupancy for the hotel portion of the building is not approved by January ~~2015–2016~~ 2017 these waivers shall not apply:

- i. Employee Housing: waive the employee housing requirement in its entirety.
- ii. Community Housing: the community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety.
- iii. Infrastructure Partnering: Applicant will construct and pay for all project infrastructure requirements including undergrounding of power lines and installation of street improvements. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. A list of qualified public infrastructure improvements should be identified in the Development Agreement. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less. Said reimbursement will be paid annually via URA revenues generated by the project, and shall be subordinate to existing debt accrued/obligated by the URA. A repayment plan shall be developed at such time as substantial URA revenues are generated from the project, at which time total URA increment revenues associated with this project shall be recalculated. Applicant and City Council acknowledge and agree that any project utilizing URA funds is subject to the sole discretion and decision of the URA and the URA is not bound by this agreement. URA financing and projects are also subject to applicable Idaho and federal law. Accordingly, there is no guarantee that URA funding will be available for this project.

● **Timeline B.** The project shall receive the following waivers if a building permit is applied for by December ~~in 2012–2013~~ 2014 and construction commences by December of ~~2013–2014~~ 2015. If a building permit is not applied for by December ~~in 2012–2013~~ 2014, construction does not commence in December ~~2013–2014~~ 2015 and the certificate of occupancy for the hotel portion of the building is not approved by January ~~2016–2017~~ 2018 these waivers shall not apply:

- i. Employee Housing: waive 50% of the total employee housing requirement as calculated by the following formula. The remaining 50% employee housing requirement which totals \$1.38 million shall be one of the following:
  - a. Constructed within City limits or the Area of City Impact, including concepts of partnership with the City or other entities;
  - b. Paid via a real estate transfer fee, with transfer fees accruing to the City Housing In Lieu fund at the time of closing of each unit, or
  - c. By another method determined by the applicant and approved by the City.

If housing requirement is to be paid through read estate transfer fee, a minimum of 30% of the total required in-lieu fee shall be paid within one year of issuance of

the certificate of occupancy of the hotel portion of the Project. The remaining fee shall be paid at the closing of each residential unit, at the rate of 4% of the remaining fee per unit closed until requirement 100% paid. In the event that the above schedule does not result in 100% of the fees being paid within ten years of Hotel COO, any remaining balance will be due and payable.

ii. Community Housing: the community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety

iii. Infrastructure Partnering: Applicant will construct and pay for all project infrastructure requirements including undergrounding of power lines and installation of street improvements. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. A list of qualified public infrastructure improvements should be identified in the Development Agreement. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less. Said reimbursement will be paid annually via URA revenues generated by the project, and shall be subordinate to existing debt accrued/obligated by the URA. A repayment plan shall be developed at such time as substantial URA revenues are generated from the project, at which time total URA increment revenues associated with this project shall be recalculated. Applicant and City Council acknowledge and agree that any project utilizing URA funds is subject to the sole discretion and decision of the URA and the URA is not bound by this agreement. URA financing and projects are also subject to applicable Idaho and federal law. Accordingly, there is no guarantee that URA funding will be available for this project.

● **Timeline C.** In the case that a building permit is not applied for and construction does not commence as outlined in the two alternate timelines, this amended PUD CUP shall be valid for a period of four (4) years from the date of signing of Findings of Fact. Impacts to traffic shall be fully re-evaluated, including new baseline data. An application for building permit shall be submitted within 4 years, unless extended by the City Council upon written request by the applicant prior to the CUP expiring.

i. In the event that the project falls under Timeline C, the applicant shall provide a detailed Employee Housing Plan, which provides for housing for 30 employees on a site acceptable to the Ketchum City Council, and within Ketchum City limits.

The following elements shall be required in the Employee Housing Plan:

- a) Provide salary/hourly wages (current dollars) for the various income categories of employees.
- b) The expected number of each level of employee that is intended to be served by the employee housing units.
- c) Which employee category will be served by which type/size of units.

- d) Provide information on anticipated rental rates (in current dollars) or subsidized and/or free rent to employees; will utilities and homeowner's dues (if any) be included in proposed rates.
- e) Establishment of maximum occupancy per unit type (i.e. 1 person per 1 bedroom unit; 2 persons per 2 bedroom units).
- f) Location of units to be within Ketchum City limits.
- g) Provide a matrix on breakdowns of the different types of units (1BD; square footage; total number of units; anticipated rent, etc.)
- h) 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.
- i) What units will be available and how will the pool of units available be determined.
- j) What minimum standards will be used to determine employee eligibility to live in the employee housing; is full-time status required for employees to qualify for the employee housing and what constitutes full-time status.
- k) How will overflow of demand of units by employees be handled; will there be a priority system.
- l) Provide information on housing families (with children) and/or married couples.

The proposed Employee Housing shall meet minimum size thresholds and income categories established by BCHA and/or the City.

The following information shall be provided to the City:

- 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 employees housed on-site
- Anticipated transport and parking scenarios for both on-site and commuting employees.

The Employee Housing Plan shall be submitted and approved by the City Council prior to issuance of a building permit. This plan shall be an exhibit to an amendment to the PUD agreement and recorded prior to issuance of a building permit.

All of the required Employee Housing shall be available prior to the issuance of any Certificates of Occupancy for the Hotel, or any other uses in the hotel.

- ii. The applicant shall contribute a proportionate share to the underground relocation of overhead utility lines in the vicinity of the project, as outlined in the Development Agreement for the project. However, if the City and Idaho Power do not complete this work as a city project, the applicant may relocate the power lines directly adjacent to the hotel as an off-site improvement.
- iii. A revised traffic study is required, including new traffic baseline data. Said traffic study may result in modifications to approvals related to traffic and circulation.

### **Traffic and Circulation**

4. Delivery vehicles associated with Bald Mountain Lodge, including the residential portion of the building, shall not interfere with the regular flow of traffic surrounding the building. In addition, delivery vehicles shall not block the regular flow of traffic on First Street and delivery vehicles shall not block the sidewalk along First Street.
5. Sidewalks shall be designed according to the approved sidewalk scheme for the site. The approved sidewalk scheme shall be recorded with the approved Development Agreement for Bald Mountain Lodge. The following requirements shall be met with regard to sidewalk designs and on-street parking:

#### River Street Frontage

- Bulb-out at River and Main St: 18 ft including curb and gutter
- Sidewalk 10 ft not including curb/gutter with angled parking along length of River Street
- Bulb-out with exit/entrance at intersection adjacent to Washington Ave: 18 ft including curb/gutter

#### Main Street Frontage (Based on two 12 ft southbound travel lanes)

- At 1st St: 16 ft bulb-out including curb and gutter
- Bus pull out 8 ft wide including curb and gutter leaving 8 ft wide sidewalk (subject to Mountain Rides requirements)
- Bulb-out at mid-block: 16 ft including curb/gutter
- 16 ft sidewalk/bulb-out from porte-cochere exit to River St

#### First Street Frontage

- 10 ft minimum sidewalk
- Parking from loading dock to Washington Ave (2 spaces)
- No bulb-outs permitted

#### Washington Ave Frontage\*

- Two 9.5 ft travel lanes
- Maintain existing angled parking along Forest service Park
- BML portion of sidewalk - Minimum 10 ft sidewalks with portions of sidewalk 18 ft in width
- Barriers needed between parking and sidewalks (planters, bollards...etc)
- Recommend stamped and colored asphalt or pavers
- Recommend curb-less sidewalks allowing for flexibility (events, festivals, vending, etc...)

*\* Applicant shall present final design/scheme for Washington Avenue to City Council prior to building permit submittal and modifications to aforementioned scheme may be modified.*

6. Washington Avenue between 1<sup>st</sup> Street and River Street shall be rebuilt by the applicant within the aforementioned parameters. In addition, this section of Washington shall be designed to serve events and functions taking place at both Bald Mountain Lodge and the Forest Service Park.
7. Snowmelt shall extend to curb-line at entrances and exits of building.
8. The recommendations of the City Engineer and of Ryan Hales of Hales Engineering with regard to traffic circulation in and out of the porte-cochere shall be followed. These recommendations are outlined in the memo from Hales Engineering titled "Ketchum – Bald Mountain Lodge TIA/1<sup>st</sup> Street Review" dated April 14, 2010.
9. Right-of-way encroachments, right turn lane and curb line alignment, slope and drainage, and sidewalk widths shall be resolved to the satisfaction of the City Engineer, Street Department and Fire Department prior to the issuance of a building permit.

#### **Additional Requirements**

10. The project shall, at a minimum, meet the requirements of and receive LEED Certification as outlined by the United States Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) Program. In addition, the project shall meet or exceed the minimum requirements set forth in the currently adopted version of the International Energy Conservation Code (IECC). These requirements shall be outlined in the development agreement for this project.
11. A construction staging and mitigation plan, including at a minimum provisions for off-site employee parking, off-site storage of bulk materials, and required ROW encroachments during construction, shall be submitted and approved by the Ketchum Building Department prior to building permit approval.

12. The proposed encroachments into the public street rights-of-way shall be allowed:
  - All marquees may extend into the public right of way as permitted through design review.
13. All water, sewer and other utility main lines, service lines, manholes and fire hydrants shall be maintained or improved as required by the Ketchum Water and Sewer Department.
14. The proposed development shall be completed substantially as presented in the plans dated April 8, 2010, as altered by relevant conditions of approval, and as set forth in the Planned Unit Development agreement, as amended by this amended PUD approval and any amendments to the Development Agreement. The PUD Development Agreement shall include the conditions herein, and other pertinent details from these Findings of Fact.
15. This PUD CUP approval is contingent upon the approved Community Core Design Review application, findings of fact dated March 22, 2010.
16. Applicant agrees to collaborate and participate financially with the City and other property owners on a gateway design, commissioning, construction and installation (as outlined for Hotel Ketchum in the development agreement dated November 17, 2008) for the intersection of Main St and River St.
17. The property shall be maintained appropriately per City code until construction commences. This shall include landscaping maintenance, noxious weed mitigation and irrigation of existing landscaping.
18. A Design Review Subcommittee shall be established through the development agreement for the project, as recommended in condition #8 of the design review findings of fact for Bald Mountain Lodge.
19. These conditions and other project details outlined in these findings of fact shall be enumerated in the development agreement for this project.
20. Upon issuance of building permit, applicant shall provide financial assurances, in the form of letter of credit, bonds or similar instruments to demonstrate to the City their ability to complete the permitted construction.
21. To reduce the appearance of building bulk, the upper floor steel diagonal columns shall be made vertical, subject to Design Review Subcommittee approval.
22. Applicant to provide a 'comfort letter' from its proposed project lender prior to execution of the development agreement. Such letter should memorialize any existing relationship between applicant and lender, and the lender(s)' interest in financing the project subject to market conditions and lenders' internal credit underwriting policies.

#### **ADDITIONAL CONDITIONS OF APPROVAL PERTAINING TO PUD AMENDMENT**

23. The applicant shall submit a revised parking plan showing that project parking requirements have been met, to the Design Review Subcommittee for review and approval prior to issuance of any building permit(s). If the parking requirements cannot be met, a payment of an in-lieu fee, at the current established rate, will be required for space(s) needed to meet requirements. Said fee shall be paid prior to issuance of a building permit.
24. A fee shall be imposed if any additional extensions are requested. The amount of said fee shall be determined by the City Council.
25. No exterior changes to the project are granted by this PUD Amendment.

**Attachment A:**  
**Letter from HMI, dated January 15, 2013**  
**including fourth floor plans, original and current proposal**



January 15, 2013

Lisa Horowitz  
Community and Economic Development Director  
City of Ketchum  
480 East Ave. North  
P.O. Box 2315  
Ketchum, ID 83340

**Re: Bald Mountain Lodge**

Mrs. Horowitz

This letter is regarding the recent extension granted from the City Council on November 5<sup>th</sup>, 2012. As condition of the extension we agreed to change our original 4<sup>th</sup> floor design from condominiums to hotel guest rooms. The new room total is outlined below:

Floor	Original Floor Design	New Floor Design
1st	Retail/Lobby	Retail/Lobby
2nd	41 Hotel Rooms	41 Hotel Rooms
3rd	41 Hotel Rooms	41 Hotel Rooms
4th	18 Residential Units	37 Hotel Rooms
5th	11 Residential Units	11 Residential Units
Total Hotel Rooms	82	119
Total Residential Units	29	11

The hotel will offer a variety of different styles of guestrooms and suites. Traditional guestrooms will range in size from approximately 430 – 625 square feet. The hotel will also contain 14 suites, ranging in size from 630 – 965 square feet. The 5<sup>th</sup> floor will remain unchanged providing 11 penthouse condominiums ranging in size from 1,200 - 2,600 square feet. All the other components of the hotel remain unchanged, including the exterior architectural design.

With this positive change, the Bald Mountain Lodge will provide the Ketchum community a true hotel to meet the demand for a higher end experience for its guest, while providing a premier restaurant, coffee shop, meeting and banquet services and spa for the community.

Please let me know if you need any additional information.

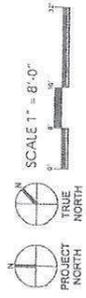
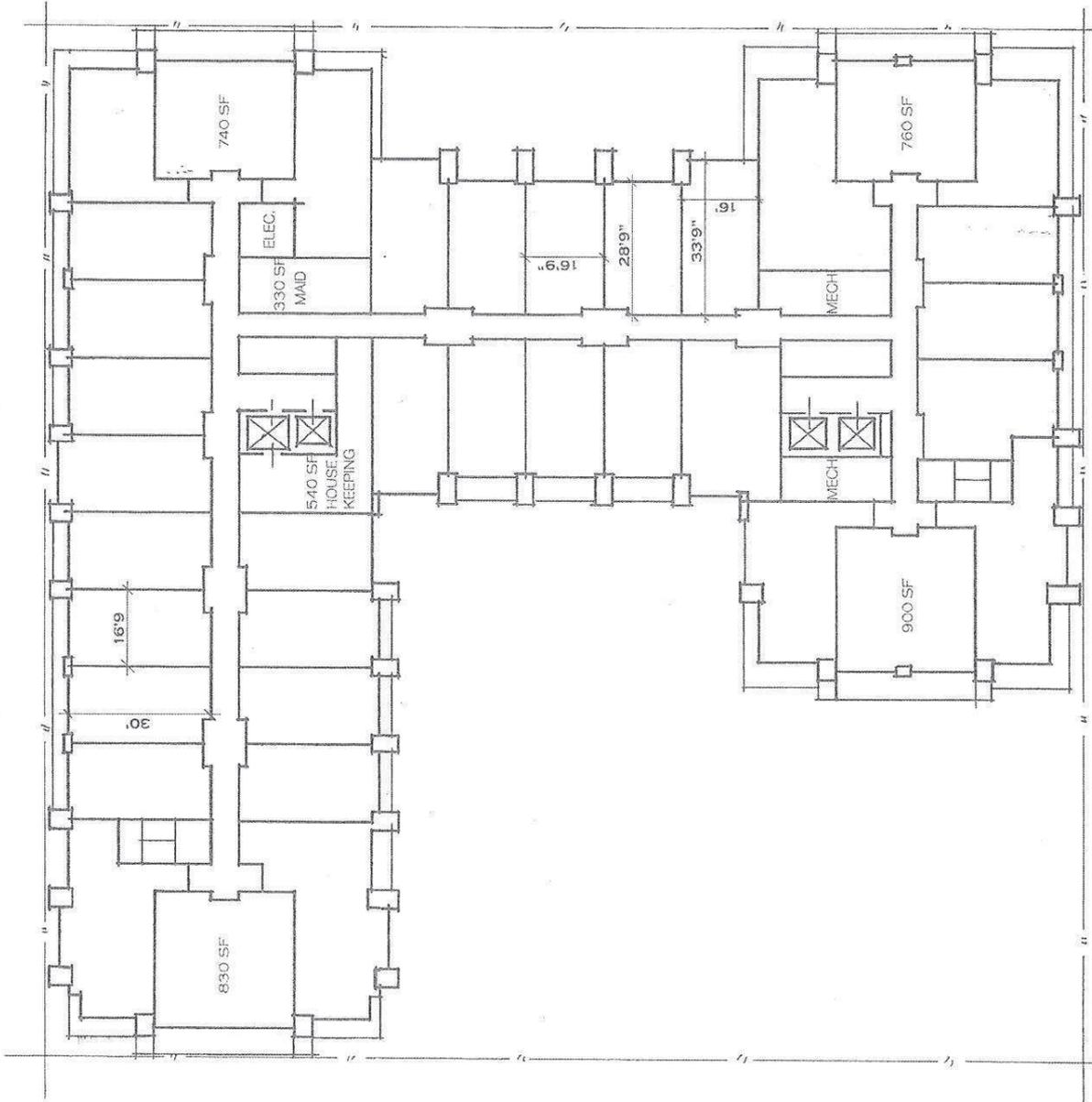
Sincerely,

A handwritten signature in black ink, appearing to read "Michael W. Kerby". The signature is fluid and cursive, with a large initial "M" and a long horizontal stroke at the end.

Michael W. Kerby, Member  
Bald Mountain Lodge  
HighMark Investments

Cc: *Mark Robison*  
*Steve Burnstead*  
*David Bever, Esq.*

(NEW)



LEVEL 4 FLOOR PLAN  
37 GUEST ROOMS AS SHOWN



**Attachment B:  
Applicant narrative outlining proposed changes,  
Dated March 11, 2013**

Bald Mtn. Lodge Planning & Zoning Narrative  
March 11, 2013

## **General Discussion**

As approved by the Ketchum City Council on November \_\_, 2012; Bald Mountain Lodge, LLC has modified the interior floor plan design for the project, most notably by converting the 4<sup>th</sup> floor condominium layout to a full hotel floor which has the minor effect of modifying parking, housing and other project calculations. No exterior or other interior layouts/plans are modified in any way.

### **1. Zoning Code Summary**

#### **Existing Approval**

Subdistrict : A – Retail Core  
Building Type: Type 6 – Hotel  
Permitted Land Use: Hotel, retail, office, multi-family residential  
Lot Area: 48,531 sf  
Lot Dimensions: Approximately 219 ft x 219 ft  
FAR: 2.8  
Number of Units (**existing Permit**)

Hotel Units: +87 (Applicant agrees to comply with Hotel definition)  
Residential Units: 26 units (on 4<sup>th</sup> and 5<sup>th</sup> floors)

#### **(As Modified)**

**No change**      Subdistrict : A – Retail Core  
“      “      Building Type: Type 6 – Hotel  
“      “      Permitted Land Use: Hotel, retail, office, multi-family residential  
“      “      Lot Area: 48,531 sf  
“      “      Lot Dimensions: Approximately 219 ft x 219 ft  
“      “      FAR: 2.8

Number of Units (**existing Permit**)  
Hotel Units: +87 (Applicant agrees to comply with Hotel definition)  
Residential Units: 26 units (on 4<sup>th</sup> and 5<sup>th</sup> floors)

*Number of Units (As Modified)*  
*Hotel Units: +119 (Project now meets Hotel definition)*  
*Residential Units: 11 units (on 5<sup>th</sup> Floor only)*

## 2. Parking Requirements

### Existing Approval

Commercial Space: 13,120                      2 per 1,000 sq. ft. = 26 spaces  
Residential: 35,100 sf. Net                      1 per 1,500 sq. ft. = 23 spaces  
Hotel: 87 units                                      .75 per Room = 65 spaces  
TOTAL SPACES REQUIRED: 114 spaces  
PROPOSED: **(Existing approved)**  
Garage: 116 spaces                      ON-STREET CREDIT: 9 spaces  
TOTAL SPACES PROPOSED: 125 spaces

*Excess parking count as approved: 125 – 114 = 11 extra parking spaces.*

### Parking count as modified.

**No Change** Commercial Space: 13,120                      2 per 1,000 sq. ft. = 26 spaces  
Residential: **16,725** sf. Net                      1 per 1,500 sq. ft. = **11** spaces  
Hotel: **119** units                                      .75 per Room = **89** spaces  
TOTAL SPACES REQUIRED: **126** spaces  
PROPOSED: **(Existing approved)**  
Garage: 116 spaces                      ON-STREET CREDIT: 9 spaces  
TOTAL SPACES PROPOSED: **125** spaces

*Net new parking spaces required: 1*

## 3. Community Housing Voluntary Contribution:

### Existing Approval

VOLUNTARY CONTRIBUTION; 7,582 s.f.

There is no CH requirement if the project obtains a complete building permit prior to June 1, 2010 or as determined by the City Council. **(Extended by Council to \_\_\_\_\_).**

**(Based on 44,600 s.f. of residential s.f.) (17% of gross residential s.f.)**

### *Modified Community housing calculation*

*(Based on 22,300 s.f. of gross residential s.f.)                      = 3,791 s.f.*

#### 4. Existing Waivers

It is anticipated that the BML ownership will conform to the existing waivers as contemplated within the Development Agreement and modified pursuant to the City Council Approval referenced above.

Existing permitted residential units =	Floor 4 =	18 units
	Floor 5 =	11 units
	Total =	29 units
<i>Reduction of Fourth floor units</i>	=	<i>(18) units</i>
<i>Revised Total Residential units</i>	=	<i>11 units</i>

#### 5. Traffic flows and circulation

(Based on discussion points by LSC letter dated January 30,2013)

1. Trip generation revision.  
Pursuant to the Hales Engineering TIA dated April 14, 2010, total volumes were projected to be within 1% of each other. We see no basis for any appreciable upward modification to trip counts based on the hotel room modification.
2. Distribution of site trip generation.  
As indicated in the LSC Assessment update of February 12, 2013, we anticipate assigned volumes will be minimal due to the hotel room modification.
3. LOS intersection  
First, we do not believe the 3 lane Main St. modification is advisable or, second, would have any adverse queuing impacts on the Main and First St. intersection in either event.
4. Prepare technical memorandum  
No comment required.
5. Attend and present update

**Attachment C:  
Planning and Zoning Commission, PUD Amendment Findings of Fact,  
signed March 25, 2013**

IN RE: )  
Bald Mountain Lodge ) KETCHUM PLANNING AND ZONING  
Conditional Use Permit ) COMMISSION  
(PUD) Amendment ) FINDINGS OF FACT, CONCLUSIONS  
OF LAW AND DECISION  
File Number: 07-015 )

### BACKGROUND FACTS

**PROJECT:** Bald Mountain Lodge Planned Unit Development (PUD) Amendment

**FILE NUMBER:** 07-015

**OWNER:** Bald Mountain Lodge LLC, verified March 1, 2013

**REQUEST:** Amendment to Conditional Use Permit for a Planned Unit Development (PUD)

**NOTICE:** Mailing: All property owners within 300 feet of subject property were mailed on Wednesday, February, 20, 2013, a notice of the public hearing to be held on March 11, 2013;  
Publish: The public hearing notice was advertised in Idaho Mountain Express on Friday, February 22, 2013; and  
Post: The public hearing notice was posted on the subject property on Monday, March 4, 2013.

**LOCATION:** Ketchum Townsite Amended Lot 1A, Block 20 (151 South Main Street)

**COMP PLAN LAND USE DESIGNATION:**  
Current: Community Core  
Proposed: No change proposed.

**ZONING:** Community Core (CC), Subdistrict A, Retail Core

**LOT SIZE:** 48,351 sf

**PROJECT TOTAL SQUARE FOOTAGE:** 231,400 sf (including sub-grade garage) (no change)

**OVERLAY:** None

**REVIEWERS:** Rebecca F. Bundy, Associate Planner, and  
Lisa Horowitz, Community and Economic Development

## GENERAL FINDINGS OF FACT

On November 5, 2012, the City Council granted the Bald Mountain Lodge a second extension of their Development Agreement. As a condition of that extension, the developer agreed to change the original fourth floor design from condominium units to hotel guest rooms. This current application is for modification of the approved PUD for the project, to reflect this change. The change from residential to hotel use on the fourth floor results in some minor changes to the following PUD requirements:

- Parking
- Employee housing
- Satisfaction of definition of "hotel"
- Traffic impact.

Staff noted a discrepancy in the number of residential units on the fifth floor between the letter from HMI, the narrative from Jim Garrison, the PUD Findings and the Development Agreement. The applicant addressed this at the meeting and it was determined that the final number is eleven (11). This discrepancy does not affect the fourth floor changes in question and does not have implications on the analysis below. It also does not change the parking analysis, since parking for residential uses is calculated by area, not number of units.

There are no proposed changes to the exterior of the building or to the site improvements, so there is no change to many of the already approved PUD standards. These are noted with N/A on the left margin. Since there are no exterior changes to the project, there are no Design Review modifications to consider at this time.

The Bald Mountain Lodge Planned Unit Development (PUD) was approved by the City Council on June 7, 2010. The PUD was subject to the adoption of a development agreement, which contractually binds the parties to the Conditions of Approval developed by the Council for the project. The Development Agreement is approved only by the Council, and is not subject to Planning Commission review. The Council adopted the Development Agreement on September 17, 2010.

At the October 17, 2011 City Council meeting, Highmark LLC requested an extension to the 2010 Development Agreement to roll all the dates forward by one year. After lengthy discussion, this change was approved by the Council, with the inclusion of language regarding property maintenance.

In November 2012, Highmark LLC, on behalf of Bald Mountain Lodge LLC, requested a second extension to the deadline regarding the application for a building permit outlined in Section 8 of the Amended Development Agreement. Section 8 provides for a full waiver of employee and community housing requirements if the applicant applies for a building permit by December 31, 2012 (along with several other trigger dates). This change would necessitate a change to all of the other deadlines in Section 8; each date would be rolled forward one year. The letter indicates that if the Council is willing to extend the Amended Development Agreement deadlines for an additional year, the applicant will apply for a modification to the PUD and Development Agreement to convert the fourth floor of the building from condominium units to hotel units. The Council agreed in concept, and directed the applicant to begin the PUD modification process.

## **1. PLANNED UNIT DEVELOPMENT BACKGROUND:**

The Commission and Council reviewed the seventeen evaluation standards found in the City's Planned Unit Development (PUD) Ordinance, Chapter 16.08.080, Ketchum Subdivision Ordinance. The Planning and Zoning Commission is a recommending body to the City Council for PUD's. The PUD Ordinance permits the following:

**"Modification or waiver from certain standard zoning and subdivision requirements may be permitted subject to such conditions, limitations and/or additional development standards pursuant to Section 13 of this Ordinance as the City Council may prescribe to mitigate adverse impact of the proposal, or to further the land use policies of the City, or to ensure that the benefits derived from the project justify a departure from such regulations."**

The PUD Ordinance states that waivers may be granted by the Council on a case-by-case basis. Application for waivers or deferrals must be in writing and submitted as part of the PUD application. The PUD Ordinance requires that:

**"Such application for waiver or deferral must state with particularity the matters on which the applicant seeks waiver or deferral and the waiver or deferral would not be detrimental to the public welfare, health and safety nor injurious to property owners in the immediate area."**

Several waivers have been requested by the applicant and approved by the City Council. See Item 7, Table 5 below for a detailed table of the waiver requests.

## **2. STANDARDS OF REVIEW:**

The Planned Unit Development Ordinance, Chapter 16.08.080 establishes seventeen (17) standards of evaluation. Planning and Zoning Staff analyzed the BML PUD application dated September 22, 2009, as well as other supplemental documents, in relation to the City's land use policies and ordinances, the 2001 Comprehensive Plan, 2006 Downtown Master Plan and 2008 Gateway Study (Winter & Associates) in preparing its report for the public hearings conducted April 8-9, 2010, April 19, 2010, May 4, 2010 and May 17, 2010.

## **3. PROCESS:**

The applicant has the following approvals:

Planned Unit Development (PUD) Conditional Use Permit: approved June 7, 2010

Design Review Approval: approved, with Findings of Fact signed March 22, 2010

Development Agreement Approval: September 17, 2010

First Amendment to the Development Agreement: November 7, 2011

The Planning and Zoning Commission makes recommendations on the PUD to the City Council. The City Council approves the Development Agreement. The Planning and Zoning Commission approves Design Review.

**4. CONDITIONS OF APPROVAL:**

The PUD Ordinance outlines a list of conditions which may be imposed by the Council to mitigate adverse impact of the proposal, or to further the land use policies of the City, or to ensure that the benefits derived from the project justify a departure from standard regulations. Conditions are not limited to those itemized in the PUD Ordinance. Only the City Council is empowered to grant modifications or waivers from standard zoning and subdivision requirements. These Findings of Fact contain a few small changes to the adopted Conditions of Approval based on this application.

**5. BALD MOUNTAIN LODGE PUD OVERVIEW AND SQUARE FOOTAGE BREAKDOWN:**

*The proposed project is described by the applicant as a four-star hotel. The original proposal contained the following "hotel" components: 82 guest suites, 9 Lock-off units, reception and lobby area, full service restaurant and bar, day spa, hotel-related retail space, conference/ballroom facilities, outdoor terrace and swimming pool, activities center and underground parking garage. The proposed conference capacity is 250-275. The conference center, day spa, restaurant and bar will be open to the general public as well as hotel guest. The 4<sup>th</sup> & 5<sup>th</sup> floors of the development will house twenty six (26) residential condominium units. Lock-Off units are shown on the 4<sup>th</sup> floor under Lock-Off Option A which is on record with the City of Ketchum. The following table is a summary of the project's area square footages by level/floor:*

The current amended proposal converts the entire fourth floor from residential units to hotel rooms, resulting in a total of one hundred nineteen (119) guest rooms and eleven (11) residential units on the fifth floor.

**Table 1: Bald Mountain Lodge Square Footage Square Footage Summary**

Lot Size	219 ft x 219 ft	48,351 sf
Parking Level 2(P-2)	Underground parking/ BOH/Hotel Support Services	48,306 sf
Parking Level 1(P-1)	Underground parking/BOH/Spa/Ballroom	48,306 sf
First Floor	Retail/Lobbies/Spa/Activity Center	28,461 sf
Second Floor	Hotel Guest Rooms	29,711 sf
Third Floor	Hotel Guest Rooms	29,711 sf
Fourth Floor	Hotel Guest Rooms	25,006 sf

Fifth Floor	Residential condominiums Hotel Related Area (731 sf)	22,384 sf
TOTAL BUILDING AREA		<b>231,885 sf</b>
TOTAL SUB GRADE/PARKING AREA		<b>96,612 sf</b>
TOTAL GROSS FLOOR AREA ABOVE GRADE		<b>134,800 sf</b>

**Table 2. Detailed Square Footage and Use Breakdown by Level:**

P2 (below grade)

USE	SQUARE FOOTAGE
Hotel Related	17,129
Parking (51 stalls)	31,177
<b>Total</b>	<b>48,306</b>

P1 (below grade)

USE	SQUARE FOOTAGE
Spa	3,621
Ballroom	2,420
Pre-function	2,407
Back of House	4,528
Multi-Use	1,388
Conference	609
Bathrooms	636
Courtyard – 2,916 sf	(Not included in total)
Mechanical	773
Total Hotel Use	16,460
Parking(65 stalls)	31,846
<b>Total</b>	<b>48,306</b>

\*96,612 square feet below grade square footage (P1 + P2);

Level 1 (ground)

USE	SQUARE FOOTAGE
Retail	2,614
Restaurant	7,006
Café	735
Activity Room	4,726
Spa	1,885
Fitness	819
Lockers	432
Office	217
Great Room	5,660
Bathrooms	611
Loading	2,530
Circulation	1,427
<b>Total</b>	<b>28,461</b>

\*Outdoor Level 1 Pool/Deck area: +/- 5,500 sq.ft.

Level 2

USE	SQUARE FOOTAGE
Hotel (41 keys)	29,711
<b>Total</b>	<b>29,711</b>

Level 3

USE	SQUARE FOOTAGE
Hotel (41 keys)	29,711
<b>Total</b>	<b>29,711</b>

\*59,000 gross square footage for hotel use (L2 + L3) and 82 total hot beds/keys

Level 4

USE	SQUARE FOOTAGE
Residential (26 units)	23,369
Hotel Uses (support)	1,637
<b>Hotel Uses (Lock-Offs)</b>	<b>3,538</b>
<b>Total</b>	<b>25,006</b>

Level 5

USE	SQUARE FOOTAGE
Residential (8 units)	22,384
<b>Total</b>	<b>22,384</b>

**Floor Area Summary:**

**Existing:** None

**Proposed:** 231,885 (including sub-grade garage)  
168,862 (not including sub-grade parking space)

**Lot Area:** 48,351 sf

**Floor Area Ratio:**

**Permitted:** Community Core regulations do not limit FAR's for 4 and 5 story hotels

**Proposed:** 2.8

**6. HOTEL DEFINITION**

Ketchum's hotel "matrix" for Bald Mountain Lodge is shown below (The number for total square footage of Guest Rooms has been revised since the staff report to include the area of the former lock off units, and the lock-off area has been removed from the BOH area. This does not change the total "Hotel" area or the "Hotel" percentage.):

**Table 3: BALD MOUNTAIN LODGE MATRIX/HOTEL DEFINITION**

HOTEL CONFIGURATION	BML-2010 Approved	BML-2013 Proposed
Guest Rooms	82	119
Sq Ft	59,422	86,329
Dedicated Units –Lock-Out Units	9	N/A
Sq Ft	3,538	N/A
Hotel Key Count	91	119
BOH/Lobbies/Hotel Related Uses Sq Ft (P1,P2,Level 1*)	63,687	60,149
TTL “Hotel” sq ft (per definition)	126,647	146,478
Permitted “Non-Hotel” sq ft (25%)	42,215.5	22,384
Proposed Residential Units (4th & 5th Floors minus lock-off units)	26	8
Sq Ft	42,215	22,384
TTL Bldg Sq Ft (includes sub-grade hotel-uses)	168,862	168,862
Pct of Building Area defined as “Hotel”	75 %	86.7%
Residential sq ft over allowable per definition	0	0

\*included Level 4 lock-out units in the 2010 calculations

**Table 4: HOTEL DEFINITION**

COMPONENT	PZ 4/23/09	PZ 7/13/09	PZ 12/2- 3/09	CC 5/17/10	PZ 3/11/13
Total Gross Floor Area			168,539	168,862	168,862
Hotel Floor Area	122,031	126,931	125,389	126,647	146,478
% of Building Floor Area	71%	73.5%	74.4%	75%	86.7%
Residential Floor Area	50,005	45,608	43,890	42,215	22,384
% of Building Floor Area	29%	26.5%	25.6%	25%	13.3%

Supplemental Analysis: Applicant agreed at the December 3, 2009 Planning and Zoning Public Hearing that the project would comply with Ketchum’s “hotel” definition by adjusting/increasing the final lock-off unit configuration, which was included in the above “hotel” definition calculation. Also included is a hotel-support area on the 4<sup>th</sup> floor. Such an allowance was permitted, provided non-hotel (residential units) square footage were dedicated/included within the nightly rental pool of units as allowed within Ketchum’s Hotel Definition. The applicant previously committed to dedicated 3,538 square feet on the fourth floor as hotel lock off units, equating to 9 hotel units. The current

proposal reconfigures the entire 4<sup>th</sup> floor as hotel rooms, for an increase of 19,831 sq. ft. of hotel uses. Lock-offs are no longer part of this proposal.

**7. WAIVER REQUESTS WITH FINDINGS:**

Modifications or waivers from certain standard zoning and subdivision requirements are permitted within the PUD process. The following table sets forth the applicant’s request and the corresponding findings by the Council. The only change proposed to these waiver requests from the original approval concerns the project timeline.

**Table 5: Waiver Requests, Bald Mountain Lodge**

<b>Code Section Zoning Ord.</b>	<b>Requirement</b>	<b>Waiver</b>	<b>Finding</b>
<b>Subdivision Ordinance: 16.08.080(A)(1)</b>	Minimum lot size of three acres	Lot is 0.92 acres	Waiver specifically permitted for hotels - Approved
<b>Conditional Use Permits: 17.116.080</b>	12 month Term of CUP Approval	4 year term of CUP approval with incentives for accelerated schedule	The size and inherent complexity of the project warrants such a timeline. In addition, this is similar to timelines established for similar projects. - Approved <u>Note: One-year extension of all time lines is being requested at this time.</u>
<b>Community Core: 17.64.010.L: Use Specifications</b>	G. Private outdoor space: All residential uses shall have a private outdoor space (such as a deck, balcony, or private porch). The area of each private outdoor space shall be at least 50 square feet, with no dimension less than 6 feet.	On 4 <sup>th</sup> and 5 <sup>th</sup> floor residential units, decks have dimensions less than 6 ft.	Residential units have substantial outdoor spaces and waiver will not diminish their use of appearance. - Approved

<p><b>Community Core: 17.64.010.L: Site Specifications</b></p>	<p>D. Building zone: 60 to 100 percent of this area shall be occupied by 1 or more buildings. 1. The minimum building depth shall be 50 feet as measured from the front and rear property line, except a portion of the building may be built anywhere within 30 feet of the front property line.</p>	<p>Rear Building Zone along Washington Avenue – 36% of this zone is building; 60% is required</p> <p>*not including outdoor terrace area as building</p>	<p>This portion of the site is adjacent to the Forest Service park and less building mass is appropriate. In addition, the Gateway Mass and Scale Study recommend receding this corner in order to maximize views of Bald Mountain. - Approved</p>
<p><b>Community Core: 17.64.010.L: Mass and Height Specifications</b></p>	<p>D.2. On streets and avenues the fourth floor and fifth floor shall be set back from the property line a minimum of 10 feet with an average of 15 feet. The average setback shall be calculated based on the built portion of the fourth and fifth floor facades and shall be calculated for each street or avenue elevation; the calculation of the average setback is not cumulative. In addition to the minimum and average setback requirement from the property line, the fourth and fifth floors shall be set back a minimum of 5 feet from the wall of the third floor.</p>	<p>4<sup>th</sup> and 5<sup>th</sup> floors do not meet 10 ft minimum setback on each street elevation. Average setback of 15 ft not met on 1<sup>st</sup> Street on 4<sup>th</sup> and 5<sup>th</sup> floors.</p>	<p>Overall massing of building and large setbacks along Main Street, River Street and Washington Ave reduce overall impacts of 4<sup>th</sup> and 5<sup>th</sup> floors. Said waiver will have minimal impacts on overall mass of 4<sup>th</sup> and 5<sup>th</sup> floors. In addition, the project has received design review approval from the Planning and Zoning Commission. - Approved</p>

<b>Community Core:</b> <b>17.64.010.L:</b> <b>Façade Elements</b>	A. Awnings/marquees may project 3 feet to 6 feet from the facade. At major pedestrian entrances to the hotel, marquees may extend between 6 feet and up to $\frac{2}{3}$ the distance between the front facade and the curb line of the sidewalk. Supporting posts are permitted at these entrances.	Marquees extend 7.5 to 12 feet from all four building facades at multiple locations. Only main entrances to the hotel may extend beyond 6 feet.	Larger marquees are appropriate for a large hotel building. - Approved
<b>Community Core:</b> <b>17.64.010.L: Mass and Height Specifications</b>	B. Upper floor ceiling heights: 8 feet minimum and up to 80 percent of the height of first floor ceiling.	5 <sup>th</sup> floor ceiling height exceeds 80% of the height of the first floor ceiling height	Required sloped roof design warrants larger ceiling height on 5 <sup>th</sup> floor. - Approved
<b>Community Core:</b> <b>17.64.010.I: Hotels – Employee Housing</b>	3-5. Applicant is required to provide housing for 25% of the total number of employees calculated per hotel room or bedroom.	Full waiver of requirement/Partial Waiver of requirement. See condition #3 of the conditions of approval for complete waiver and timeline incentives	Project incentivized to begin construction with two years. - Approved

**ATTACHMENTS to the March 11, 2013 Staff Report:**

- Attachment A: Letter from HMI, dated January 15, 2013, including fourth floor plans, original and current proposal
- Attachment B: Applicant narrative outlining proposed changes, dated March 11, 2013
- Attachment C: Bald Mountain Lodge Traffic Impact Update, LSC Transportation Consultants, Inc., dated March 4, 2013
- Attachment D: Ketchum Bald Mountain Lodge TIA / 1<sup>st</sup> Street Review, Hales Engineering, dated April 14, 2010
- Attachment E: Bald Mountain Lodge Transportation Impact Assessment, Executive Summary, Galena Engineering, Inc., dated January 2010
- Attachment F: First Amendment to the Bald Mountain Lodge Development Agreement, dated November 7, 2011
- Attachment G: Original Bald Mountain Lodge Development Agreement, dated September 17, 2010
- Attachment H: City Council PUD Findings of Fact, signed June 7, 2010
- Attachment I: Comments

## ZONING CODE REQUIREMENTS

### 17.64 Community Core Zoning District

**PROPOSED SETBACKS:** No change in PUD amendment request.

**REQUIRED SETBACKS:** No change in PUD amendment request.

**BUILDING HEIGHT:** No change in PUD amendment request.

**CURB CUT:** No change in PUD amendment request.

**PARKING SPACES:**

Required parking spaces are pursuant to 17.64.010.E. See table below:

**Table 6: Required Parking**

<b>Parking Requirements:</b>		
Commercial Space:	13,120 sf	2 per 1,000 sq. ft. = 26 spaces
Residential (net)	<u>16,725 sf</u>	1 per 1,500 sq. ft. = <u>11 spaces</u>
Hotel:	<u>119 units</u>	.75 per Room = <u>89 spaces</u>
<b>Total Spaces Required: <u>126 spaces</u></b>		
<b>Proposed:</b>		
Garage:	116 spaces	On Street Credit*: 9 spaces
<b>Total Spaces Proposed: 125 spaces</b>		
<b>Net New Parking Spaces Required: <u>1 space*</u></b>		

\* Section 17.64.010.E.3 of the Community Core District zoning regulations states that: *Four (4) on street parking spaces per five thousand five hundred (5,500) square feet of lot area may be counted toward the required parking demand.*

This would result in an on street parking credit of 35 spaces. However, between Pre-application Design Review and the original Design Review/PUD submittal, Staff and the Applicant negotiated a parking credit of 9 on street spaces, due to vehicular access requirements, desired pedestrian bulb-outs at intersections and other considerations.

Per the original Findings of Fact: "Sidewalk plan and surface parking configuration TBD with City Engineer, planning staff and final City Council approval (see condition #4). A net loss of surface parking spaces is anticipated. Project is credited with additional 9 surface parking spaces for determining parking compliance."

The current project proposal project will require one (1) additional parking space. The Applicant has indicated that, at building permit submittal, the underground parking garage design will be refined to accommodate one (1) or more additional parking spaces. The conversion of the fourth floor from residential to hotel use eliminates the need for a number of storage units on the second level of the parking garage. These may be converted to parking spaces. In addition, some structural refinements may result in additional parking spaces in the garage. This zoning criteria has been satisfied with a new condition that:

- At building permit submittal, plans, showing that the parking requirements of Table 6 have been met, shall be submitted to the Design Review Subcommittee for review and approval. If the requirements of Table 6 cannot be met, prior to the issuance of a building permit, the Applicant shall pay the City the current parking in lieu fee for any parking deficit.

### 17.64.010.I Hotel Uses

N/A I. Hotel Uses:

1. **Transfer Of Development Rights:** Hotels may build a fourth floor anywhere in designated receiving areas, as may be adopted by the city council, without purchase of transfer of development rights. If a site meets the criteria for five-story hotel site designation, the fifth floor may be built without the purchase of transfer of development rights. Five-story hotels may only be approved via a planned unit development (PUD) as outlined in chapter 16.08 of this code. However, with the exception of limited architectural elements, hotel projects may not request waivers to the height and bulk requirements of subsection L1f of this section, building type 6 hotel.

Findings / Conclusion: There are no changes to the approved hotel of five stories in height and within Sub-District A of the Community Core Zoning District. The site meets the criteria for a Five-Story Hotel Site Designation. The applicant received CUP PUD and Design Review approval. No exceptions to the current height limit for a five story hotel are proposed. No changes to this standard of review.

YES a. **Five-Story Hotel Site Designation Criteria:** A property shall meet all of the following criteria to be designated as a five-story hotel site:

**Commission Recommendation:**

- (1) Is located in Subdistrict A, retail core. Yes
- (2) Is highly visible to visitors. Yes
- (3) Is convenient to walk to retail center. Yes
- (4) Is near the center town plaza, Main Street and Sun Valley Road. Yes
- (5) Contributes to the retail vibrancy. Yes

- (6) Is not located on Main Street between First Street and Sixth Street. Yes
- (7) Has a minimum lot area of thirty three thousand (33,000) square feet. Yes
- (8) Respects the general parameters of any massing studies which may be applicable in the area. Yes – See Massing Study Analysis

N/A 2. Designated Sending Areas Restricted: Without exception, hotels cannot build fourth or fifth floors in designated sending areas, as may be adopted by the city council.

Findings / Conclusion: The proposed hotel project and property is not a designated sending area.

YES 3. Employee Housing: Hotel developments are required to mitigate employee housing impacts at a ratio of twenty five percent (25%) of the total number of employees calculated by the following formula: One employee per hotel room or bedroom. A development agreement or other similar tool shall be utilized to outline employee housing commitments.

Findings / Conclusion: The applicant did not submit an Employee Housing Plan in 2010. Employee housing calculations are based on a formula of one employee per hotel room. Based on the increase in the number of hotel rooms, the employee housing requirement increases as follows:

BML-2010 Approved: 23 employees required to be housed

BML-2013 Proposed 30 employees must be housed

The Council approved a waiver to this requirement structured through a construction timeline (see Condition #2 of these Findings of Fact, PUD Conditions of Approval and see Development Agreements). The waiving of the employee housing timed to a timeline was considered to be a major incentive by the Council. The applicant would be required to meet the entirety of this requirement if the construction timelines outlined in the Development Agreements are not met. The applicant has been granted a one-year extension to the timeline, and is requesting an additional year as part of this application.

YES 4. Employee Housing Plan: The applicant shall provide an employee housing plan 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 the mix of employee housing which addresses the range of employees needed to serve the hotel.

Findings / Conclusion: No detailed employee housing plan was required by the City at the time the PUD and Development Agreements were approved. The Council approved a waiver to this requirement structured through a construction timeline. This is outlined in detail in the Development Agreements. The applicant would be required to meet the entirety of this requirement if the construction timelines are not met.

YES 5. **Alternate Means To Satisfy Square Footage:** 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, or other considerations may be proposed by the hotel developer. Larger sites are encouraged to include employee and/or community housing on site. The city council has full discretionary power to deny said request.

Findings / Conclusion: No employee housing plan was submitted. The Council has approved a waiver to this requirement structured through a construction timeline. Under Timeline A the applicant will receive a full waiver of the employee housing requirement. Under Timeline B the applicant will receive a partial waiver of the employee housing requirement, with the remainder satisfied via real estate transfer means of other means approved by the Council. Under Timeline C the applicant will be required to provide for the full employee housing requirement.

YES 6. **Development Agreement:** Hotels shall enter into a development agreement with the city as part of the PUD 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 chapter 16.08 of this code. Said development agreement shall be subject to sections 17.154.060, "Enforcement", and 17.154.070, "Modification And Termination", of this title.

Findings / Conclusion: A Development Agreement was adopted by Council, dated September 17, 2010, and one amendment to the Development Agreement has also been adopted, dated November 7, 2011.

#### PUD EVALUATION STANDARDS

##### 16.08.080(A) STANDARDS:

N/A 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).

Findings: A waiver to the minimum three acre parcel size was granted in 2009. The existing proposal meets the definition of hotel and will provide employee housing as outlined in the Development Agreement. The PUD amendment request does not change any of the original waiver requests.

Conclusion: This standard does not apply at this time.

N/A 2. That the proposed project will not be detrimental to the present and permitted uses of surrounding areas.

Findings: There are no changes proposed to the exterior of the building or to any exterior improvements. Any resultant parking or traffic changes will be addressed in the Zoning Code analysis above and Section 6 below.

Conclusion: This standard does not apply at this time.

N/A 3. That the proposed project will have a beneficial effect not normally achieved by standard subdivision development.

Findings: This standard is not applicable because the proposed development is not a subdivision.

Conclusion: This standard does not apply. No land subdivision is proposed. See Section 14 below for a more detailed list of benefits.

N/A 4. The development shall be in harmony with the surrounding area.

Findings: The PUD amendment request involves no exterior changes to the approved project.

Conclusion: This standard does not apply at this time.

N/A 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.**

Staff Analysis / Conclusion:

This standard does not apply. No densities are being transferred. The proposed density is permitted in the CC Zoning District.

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

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

Findings: The City Council PUD Findings of Fact stipulated that an updated transportation impact assessment be prepared prior to the City entering into a Development Agreement with the Applicant. This document, *Transportation Impact Assessment*, dated January 2010, was prepared by Galena Engineering, Inc.. The original Development Agreement, recorded on September 30, 2010 is based on this document and a subsequent review of it by Hales Engineering entitled *Ketchum – Bald Mountain Lodge TIA / 1<sup>st</sup> Street Review*, dated April 14, 2010.

A revised *Bald Mountain Lodge Traffic Impact Assessment Update* by LSC Transportation Consultants, Inc., dated March 4, 2013, assessed the current proposal's impacts, resulting from the conversion of fourth floor residential units to hotel units, to traffic on Main Street and cross streets River Street and First Street. The revised study was based on the assumptions of the *Transportation Impact Assessment for Bald Mountain Lodge*, prepared by Galena Engineering, dated January 2010.

In summary, the revised assessment found that "The findings of the January 2010 *Bald Mountain Lodge Transportation Impact Assessment*, prepared by Galena Engineering, Inc. with regards to LOS and traffic queue lengths would not be changed noticeably by this change in traffic volumes, and remain appropriate."

More specifically, the revised assessment found that:

- "The change to the proposed land uses of the Bald Mountain Lodge (as indicated in a letter from Michael K. Kirby of HighMark Investments to Lisa Horowitz of the City of Ketchum, dated January 15, 2013) would result in an increase in 101 daily one-way vehicle-trips to/from the project (about a 10% overall increase), including an increase in 3 trips during the AM peak hour and 6 in the PM peak hour. However, this change results in only a 0.2 percent increase in overall traffic volume on Main Street in this vicinity, which is negligible.
- With this change in land use, the Bald Mountain Lodge project would generate an estimated total 1,108 vehicle-trips per day, of which 46 would occur in the AM peak hour and 87 in the PM peak hour."

The Commission considered the above information and expressed concern about the need to update baseline data in the traffic study in light of the timeline extensions currently being granted. The Commission expressed a desire to follow best practices, which, according to Traffic Consultant Gordon Shaw of LSC Consulting, would include updated baseline data approximately every three years. To address this concern, the Commission suggested an added condition to Timeline C that a revised traffic study would be “required, including new traffic baseline data. Said traffic study may result in modifications to approvals related to traffic and circulation.”

In addition, LSC Transportation Consultants, Inc. was asked to study the implications of a three-lane configuration of Main Street at the River and First Street intersections. The Main Street intersection approaches were assumed to have one shared thru-right and an exclusive left-turn lane in each direction, while the River and First Street approaches were assumed to retain their existing single-lane approaches. In summary, this limited analysis and simulation found that, in a 2013 scenario:

- Reducing the capacity along Main Street would cause excessive delays at intersections.
- Long traffic queues on Main Street that would persist throughout the AM and PM peak hours were predicted. Of particular concern were that:
  - Southbound queues, formed from the Main Street/1<sup>st</sup> Avenue intersection, would extend northward through the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Street intersections, creating the potential for “gridlock” conditions;
  - Westbound queues on 1<sup>st</sup> Avenue would form back through the Leadville Avenue intersection; and
  - Northbound queues on Main Street would extend back to Serenade lane.
- The analysis also mentions that, in reality, the extent of the above mentioned delays and queues would result in “substantial diversion off of Main Street and onto parallel routes, such as 2<sup>nd</sup> Avenue and Cottonwood Street/3<sup>rd</sup> Avenue.” It concludes that, “even with those diversions (and associated impacts on the parallel routes) long delays and queues would remain on Main Street.”

In addition, the 2018 scenario assumes a 2% annual growth in traffic volumes on Main Street, which would result in substantially worse conditions than the 2013 study predicts.

In conclusion, the current analysis suggests that a three-lane configuration for Main Street does not appear to be a reasonable future scenario and would certainly require additional study.

The Commission acknowledged that, while the three lane configuration analysis provided interesting information, this analysis had no bearing on the PUD amendment being considered.

**Conclusion:** The proposed PUD Amendment would not noticeably change the traffic impacts of the project. All conditions of the original PUD approval and Development Agreement pertaining to traffic impact still apply. This standard has been met, subject to Conditions #3-8

on pages 27-28 of this report, and a modification to Condition #2, Timeline C, requiring a traffic study.

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

Findings / Conclusion: See Section a. This standard has been met.

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

Findings: No change is proposed to the proposed configuration of vehicular and pedestrian access. The current traffic study does not find significant increase in vehicular activity due to the proposed use changes. The Commission clarified one condition related to striping of the entrance to the Porte Cochere off of First Street.

Conclusion: This standard has been met.

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

Findings / Conclusion: There is no proposed change to the snow removal plan. This standard does not apply at this time.

YES 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.

Findings / Conclusion: This standard has been met. See Section c.

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

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

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

Findings / Conclusion: No additional roads are being proposed. This standard does not apply.

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

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

YES        **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.**

Findings: The proposed minor land use change does not negatively change the project with respect to the Comprehensive Plan, Downtown Master Plan, Zoning Ordinance or Subdivision Ordinance. The additional hotel rooms on the fourth floor bring the project further into compliance with the intent of the Comprehensive Plan and with the definition of "Hotel" in the Zoning Code.

Recommendation: This standard has been met.

N/A    **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.**

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A    **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.**

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

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

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A        **8. That the development plan incorporates the site's significant natural features.**

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

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

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 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.

Findings / Conclusion: No change is proposed to the project phasing.

N/A 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.

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 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.

Findings / Conclusion: There is no proposed change to the exterior configuration of the proposed project. This standard does not apply at this time.

N/A 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.

Findings / Conclusion: There is no proposed change to the recreational or daycare facilities of the proposed project. This standard does not apply at this time.

YES 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.

Findings: Table 11 summarizes the special development objectives of the proposal:

**TABLE 11: SPECIAL DEVELOPMENT OBJECTIVES**

<b>Special Development Objective, special Characteristics of the Site or Physical Conditions</b>	<b>Type of Objective</b>
4-Star Hotel of <u>119</u> "hot beds"	Economic
Conference Space (seating for 250-275 persons)	Economic
Employee Housing for <u>30</u> employees (required but no plan has been provided)	Social
Proposed contribution towards the undergrounding of overhead power lines (amount to be determined)	Aesthetic; Economic
Pedestrian improvements to public right-of-way to create enhance pedestrian experience	Aesthetic; Economic

The current PUD amendment proposes to convert the entire fourth floor from residential to hotel use. This results in an economic benefit of an additional thirty-seven (37) hotel rooms in the Community Core. The employee housing requirement has changed from a requirement of twenty-three (23) employee housing units to thirty (30) employee housing units. These are special development objectives that continue to justify the granting of a PUD. The City has established the need for hotels and hotbeds as a priority. The economic benefits of such a project are substantial.

Conclusion: This standard has been met.

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

Findings: See General Findings section, page 2 of this report. The Commission noted their concerns over the extensions to the project timelines, and suggest a condition of approval that would impose additional fees if any further extensions are requested. The Commission also noted that the applicant should pay attention to property maintenance and landscape care in the interim period before the site is developed.

Conclusion: This standard has been met with the condition that the project receive approval of a Second Amended Development Agreement, as outlined above, from the City Council prior to the end of the year 2013.

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

Findings / Conclusion: The proposed PUD amendment does not affect public services, facilities and utilities. The Fire, Street and Utility Departments have had no concerns or comments on the current proposal. This standard does not apply at this time.

Yes 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.

Findings: At the time of the original PUD hearings, the applicant received several waivers that are outlined in the waiver chart provided earlier in this staff report. No additional waivers have been requested. All other ordinances, rules and regulations of the City of Ketchum are met. The waivers require approval through the PUD process and should be evaluated accordingly.

Conclusion: This standard has been met. Several waivers have been requested and approved, and are outlined previously in this staff report. All other rules and ordinances have been met.

### 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 of the Idaho Code, the City has passed a land use and zoning ordinance, Title 17 and a subdivision ordinance, Title 16.
3. The Planning and Zoning Commission has 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 Commission's public hearing 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.

### DECISION

**THEREFORE**, the Ketchum Planning and Zoning Commission unanimously recommends to the City Council approval of this Conditional Use Permit (CUP) for a Planned Unit Development (PUD) amendment this 11th day of March, 2013 provided the following conditions are met:

### AMENDED CONDITIONS OF APPROVAL FOR BALD MOUNTAIN LODGE LLC – BALD MOUNTAIN LODGE PUD:

The following conditions are based on the findings made on each of the standards of evaluation as they have been applied to the submitted plans for the PUD:

**Hotel Uses**

1. Only residential units may be condominiumized and sold separately. The hotel portion of the building including the hotel guest rooms shall not be condominiumized. Occupancy of residential units shall be addressed in the development agreement to ensure that they are as “occupied” for purposes of Urban Renewal Revenue valuation once certificates of occupancy have been issued.

**Timing and Incentives**

2. Construction Incentives

Incentive Timeline	Community Housing Waiver	Workforce Housing Waiver	Infrastructure Partnering
<p><b>Timeline A</b> – Building permit applied for in 2013 with construction commencing by June 2014 and the hotel portion of the building completed by 2017.</p>	<p>7,444 sf requirement or approximately \$2.36 million in lieu payment waived in full.</p>	<p>Waive the employee housing requirement in its entirety.</p>	<p>Applicant will construct and pay for all project infrastructure requirements as outlined in the DA. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less.</p>
<p><b>Timeline B</b> – Building permit applied for in 2014 with construction commencing by December 2015 and the hotel portion of the building completed by 2018.</p>	<p>7,444 sf requirement or approximately \$2.36 million in lieu payment waived in full (based on extension of June 2010 deadline).</p>	<p>50% waiver of housing requirement. 50% or \$1.38 million paid toward housing requirement via real estate transfer fee or other means approved by the City.</p>	<p>Applicant will construct and pay for all project infrastructure requirements as outlined in the DA. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less.</p>
<p><b>Timeline C</b> – Building permit application applied for within 4 years of Amended PUD approval.</p>	<p>No waiver to requirement.</p>	<p>No waiver to requirement.</p>	<p>Applicant will construct and pay for all project infrastructure requirements as outlined in the DA. City of Ketchum does not contribute to said improvements. In addition, a revised traffic study is required, including new traffic baseline data. Said traffic study may result in modifications to approvals related to traffic and circulation.</p>

\*This approval is not binding upon the URA as its independent jurisdiction and discretion are not waived by any conditions mentioning the URA.

- **Timeline A.** The project shall receive the following waivers if a Second Development Agreement is approved by the City Council prior to the end of year 2013, a building permit is applied for by December 2013 and construction commences by June 30<sup>th</sup> of 2014. If a building permit is not applied for in 2013, construction does not commence by June 30, 2014 and the certificate of occupancy for the hotel portion of the building is not approved by January 2017 these waivers shall not apply:

- i. Employee Housing: waive the employee housing requirement in its entirety.
- ii. Community Housing: the community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety.
- iii. Infrastructure Partnering: Applicant will construct and pay for all project infrastructure requirements including undergrounding of power lines and installation of street improvements. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. A list of qualified public infrastructure improvements should be identified in the Development Agreement. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less. Said reimbursement will be paid annually via URA revenues generated by the project, and shall be subordinate to existing debt accrued/obligated by the URA. A repayment plan shall be developed at such time as substantial URA revenues are generated from the project, at which time total URA increment revenues associated with this project shall be recalculated. Applicant and City Council acknowledge and agree that any project utilizing URA funds is subject to the sole discretion and decision of the URA and the URA is not bound by this agreement. URA financing and projects are also subject to applicable Idaho and federal law. Accordingly, there is no guarantee that URA funding will be available for this project.

- **Timeline B.** The project shall receive the following waivers if a building permit is applied for by December 2014 and construction commences by December 2015. If a building permit is not applied for by December 2014, construction does not commence by December 2015 and the certificate of occupancy for the hotel portion of the building is not approved by January 2018 these waivers shall not apply:

- i. Employee Housing: waive 50% of the total employee housing requirement as calculated by the following formula. The remaining 50% employee housing requirement which totals \$1.38 million shall be one of the following:
  - a) Constructed within City limits or the Area of City Impact, including concepts of partnership with the City or other entities;
  - b) Paid via a real estate transfer fee, with transfer fees accruing to the City Housing In Lieu fund at the time of closing of each unit, or
  - c) By another method determined by the applicant and approved by the City.

If housing requirement is to be paid through read estate transfer fee, a minimum of 30% of the total required in-lieu fee shall be paid within one year of issuance of the certificate of occupancy of the hotel portion of the Project. The remaining fee shall be paid at the closing of each residential unit, at the rate of 4% of the remaining fee per unit closed until requirement 100% paid. In the event that the above schedule does not result in 100% of the fees being paid within ten years of Hotel COO, any remaining balance will be due and payable.

- ii. **Community Housing:** the community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety
- iii. **Infrastructure Partnering:** Applicant will construct and pay for all project infrastructure requirements including undergrounding of power lines and installation of street improvements. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. A list of qualified public infrastructure improvements should be identified in the Development Agreement. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less. Said reimbursement will be paid annually via URA revenues generated by the project, and shall be subordinate to existing debt accrued/obligated by the URA. A repayment plan shall be developed at such time as substantial URA revenues are generated from the project, at which time total URA increment revenues associated with this project shall be recalculated. Applicant and City Council acknowledge and agree that any project utilizing URA funds is subject to the sole discretion and decision of the URA and the URA is not bound by this agreement. URA financing and projects are also subject to applicable Idaho and federal law. Accordingly, there is no guarantee that URA funding will be available for this project.
- **Timeline C.** In the case that a building permit is not applied for and construction does not commence as outlined in the two alternate timelines, this amended PUD CUP shall be valid for a period of four (4) years from the date of signing of Findings of Fact. Impacts to traffic shall be fully re-evaluated, including new baseline data. An application for building permit shall be submitted within 4 years, unless extended by the City Council upon written request by the applicant prior to the CUP expiring.
- i. In the event that the project falls under Timeline C, the applicant shall provide a detailed Employee Housing Plan, which provides for housing for 30 employees on a site acceptable to the Ketchum City Council, and within Ketchum City limits.

The following elements shall be required in the Employee Housing Plan:

- a) Provide salary/hourly wages (current dollars) for the various income categories of employees.
- b) The expected number of each level of employee that is intended to be served by the employee housing units.

- c) Which employee category will be served by which type/size of units.
- d) Provide information on anticipated rental rates (in current dollars) or subsidized and/or free rent to employees; will utilities and homeowner's dues (if any) be included in proposed rates.
- e) Establishment of maximum occupancy per unit type (i.e. 1 person per 1 bedroom unit; 2 persons per 2 bedroom units).
- f) Location of units to be within Ketchum City limits.
- g) Provide a matrix on breakdowns of the different types of units (1BD; square footage; total number of units; anticipated rent, etc.)
- h) 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.
- i) What units will be available and how will the pool of units available be determined.
- j) What minimum standards will be used to determine employee eligibility to live in the employee housing; is full-time status required for employees to qualify for the employee housing and what constitutes full-time status.
- k) How will overflow of demand of units by employees be handled; will there be a priority system.
- l) Provide information on housing families (with children) and/or married couples.

The proposed Employee Housing shall meet minimum size thresholds and income categories established by BCHA and/or the City.

The following information shall be provided to the City:

- 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 employees housed on-site
- Anticipated transport and parking scenarios for both on-site and commuting employees.

The Employee Housing Plan shall be submitted and approved by the City Council prior to issuance of a building permit. This plan shall be an exhibit to an amendment to the PUD agreement and recorded prior to issuance of a building permit.

All of the required Employee Housing shall be available prior to the issuance of any Certificates of Occupancy for the Hotel, or any other uses in the hotel.

- ii. The applicant shall contribute a proportionate share to the underground relocation of overhead utility lines in the vicinity of the project, as outlined in the Development

Agreement for the project. However, if the City and Idaho Power do not complete this work as a city project, the applicant may relocate the power lines directly adjacent to the hotel as an off-site improvement.

- iii. A revised traffic study is required, including new traffic baseline data. Said traffic study may result in modifications to approvals related to traffic and circulation.

### **Traffic and Circulation**

3. Delivery vehicles associated with Bald Mountain Lodge, including the residential portion of the building, shall not interfere with the regular flow of traffic surrounding the building. In addition, delivery vehicles shall not block the regular flow of traffic on First Street and delivery vehicles shall not block the sidewalk along First Street.
4. Sidewalks shall be designed according to the approved sidewalk scheme for the site. The approved sidewalk scheme shall be recorded with the approved Development Agreement for Bald Mountain Lodge. The following requirements shall be met with regard to sidewalk designs and on-street parking:

#### River Street Frontage

- Bulb-out at River and Main St: 18 ft including curb and gutter
- Sidewalk 10 ft not including curb/gutter with angled parking along length of River Street
- Bulb-out with exit/entrance at intersection adjacent to Washington Ave: 18 ft including curb/gutter

#### Main Street Frontage (Based on two 12 ft southbound travel lanes)

- At 1st St: 16 ft bulb-out including curb and gutter
- Bus pull out 8 ft wide including curb and gutter leaving 8 ft wide sidewalk (subject to Mountain Rides requirements)
- Bulb-out at mid-block: 16 ft including curb/gutter
- 16 ft sidewalk/bulb-out from porte-cochere exit to River St

#### First Street Frontage

- 10 ft minimum sidewalk
- Parking from loading dock to Washington Ave (2 spaces)
- No bulb-outs permitted

#### Washington Ave Frontage\*

- Two 9.5 ft travel lanes
- Maintain existing angled parking along Forest service Park

- BML portion of sidewalk - Minimum 10 ft sidewalks with portions of sidewalk 18 ft in width
- Barriers needed between parking and sidewalks (planters, bollards...etc)
- Recommend stamped and colored asphalt or pavers
- Recommend curb-less sidewalks allowing for flexibility (events, festivals, vending, etc...)

*\* Applicant shall present final design/scheme for Washington Avenue to City Council prior to building permit submittal and modifications to aforementioned scheme may be modified.*

5. Washington Avenue between 1<sup>st</sup> Street and River Street shall be rebuilt by the applicant within the aforementioned parameters. In addition, this section of Washington shall be designed to serve events and functions taking place at both Bald Mountain Lodge and the Forest Service Park.
6. Snowmelt shall extend to curb-line at entrances and exits of building.
7. Additional signs and pavement markings shall be delineated in a striping plan in the area where the Porte Cochere intersects with First Street.
8. Right-of-way encroachments, right turn lane and curb line alignment, slope and drainage, and sidewalk widths shall be resolved to the satisfaction of the City Engineer, Street Department and Fire Department prior to the issuance of a building permit.

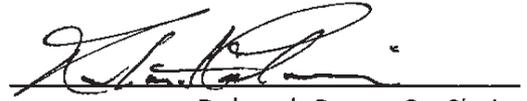
#### **Additional Requirements**

9. The project shall, at a minimum, meet the requirements of and receive LEED Certification as outlined by the United States Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) Program. In addition, the project shall meet or exceed the minimum requirements set forth in the currently adopted version of the International Energy Conservation Code (IECC). These requirements shall be outlined in the development agreement for this project.
10. A construction staging and mitigation plan, including at a minimum provisions for off-site employee parking, off-site storage of bulk materials, and required ROW encroachments during construction, shall be submitted and approved by the Ketchum Building Department prior to building permit approval.
11. The proposed encroachments into the public street rights-of-way shall be allowed: all marquees may extend into the public right of way as permitted through design review.
12. All water, sewer and other utility main lines, service lines, manholes and fire hydrants shall be maintained or improved as required by the Ketchum Water and Sewer Department.

13. The proposed development shall be completed substantially as presented in the plans dated April 8, 2010, as altered by relevant conditions of approval, and as set forth in the Planned Unit Development agreement, as amended by this amended PUD approval and any amendments to the Development Agreement. The PUD Development Agreement shall include the conditions herein, and other pertinent details from these Findings of Fact.
14. This PUD CUP approval is contingent upon the approved Community Core Design Review application, findings of fact dated March 22, 2010.
15. Applicant agrees to collaborate and participate financially with the City and other property owners on a gateway design, commissioning, construction and installation (as outlined for Hotel Ketchum in the development agreement dated November 17, 2008) for the intersection of Main St and River St.
16. The property shall be maintained appropriately per City code until construction commences. This shall include landscaping maintenance, noxious weed mitigation and irrigation of existing landscaping.
17. A Design Review Subcommittee shall be established through the development agreement for the project, as recommended in condition #8 of the design review findings of fact for Bald Mountain Lodge.
18. These conditions and other project details outlined in these findings of fact shall be enumerated in the development agreement for this project.
19. Upon issuance of building permit, applicant shall provide financial assurances, in the form of letter of credit, bonds or similar instruments to demonstrate to the City their ability to complete the permitted construction.
20. To reduce the appearance of building bulk, the upper floor steel diagonal columns shall be made vertical, subject to Design Review Subcommittee approval.
21. Applicant to provide a 'comfort letter' from its proposed project lender prior to execution of the development agreement. Such letter should memorialize any existing relationship between applicant and lender, and the lender(s)' interest in financing the project subject to market conditions and lenders' internal credit underwriting policies.
22. The applicant shall submit a revised parking plan showing that project parking requirements have been met, to the Design Review Subcommittee for review and approval prior to issuance of any building permit(s). If the parking requirements cannot be met, a payment of an in-lieu fee, at the current established rate, will be required for space(s) needed to meet requirements. Said fee shall be paid prior to issuance of a building permit.
23. A fee shall be imposed if any additional extensions are requested. The amount of said fee shall be determined by the City Council.

24. No exterior changes to the project are granted by this PUD Amendment.

Findings of Fact **adopted** this 25th day of March, 2013.

A handwritten signature in black ink, appearing to be 'D. Burns', written over a horizontal line.

Deborah Burns, Co-Chair  
Or Rich Fabiano, Co-Chair