

**FINDINGS AND RECOMMENDATIONS
BALD MOUNTAIN LODGE PLANNED UNIT DEVELOPMENT
KETCHUM CITY COUNCIL PUBLIC HEARINGS OF
APRIL 8, 2010; APRIL 9, 2010; APRIL 19, 2010;
MAY 4, 2010 AND MAY 17, 2010**

GENERAL INFORMATION

PROJECT: Bald Mountain Lodge
FILE NUMBER: 07-015
OWNER: Bald Mountain Lodge LLC, verified with Assessor June 10, 2009
Michael Kerby, Managing Member
Jim Garrison, Project Manager
Architect: Gary Wakatsuki, Callison Architecture
Operator: Tim Estes, Rock Resorts International, LLC
REQUEST: Conditional Use Permit for a Planned Unit Development (PUD)
LOCATION: Amended Lot 1A, Block 20 (151 South Main Street)
ZONING: Community Core (CC)
REVIEWER: Mark Goodman, Associate Planner
Lisa Horowitz, Community and Economic Development Director
Lisa Enourato, Planning Technician
NOTE: Staff comments are in lighter type.

NOTICE:

- All property owners within 600 feet of subject property were mailed by Wednesday, March 17, 2010, a notice of the public hearing to be held on April 8 and 9, 2010;
 - The public hearing notice was advertised in Idaho Mountain Express on Wednesday, March 24, 2010;
 - Two display ads were published over two consecutive weeks prior to the hearing, and
 - The public hearing notice was posted on the subject property on Thursday, April 1, 2010.
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ATTACHMENTS AT THE APRIL-MAY, 2010 PUBLIC HEARINGS:

Attachment 1 - Department Head and Agency comments
Attachment 2 – Application Submittal (includes PUD application and cover letters)
Attachment 3 – Waiver Request Letter from Applicant
Attachment 4 - Traffic Impact Analysis
Attachment 5 - Comprehensive Plan Analysis
Attachment 6 - Staff Analysis of Gateway Area Mass & Scale Study
Attachment 7 – Downtown MP Analysis
Attachment 8 – Permitted and Conditional Uses in the CC and T Zoning Districts
Attachment 9 – Public Comment

Applicant Submittal dated April 8, 2010 and includes the following (Note that sidewalk design will be updated as part of design review and PUD conditions):

Civil

Topographic Survey dated 12/12/06

Bald Mountain Lodge Large Block Plat dated October 2006

C1 – Preliminary civil plan (will be updated based on final sidewalk design)

C2 – Civil details

Building Plans

- 1) Project Goals
- 2) Aerial View
- 3) Vicinity Map and Area Summary
- 4) Early Site Concept
- 5) Site Plan
- 6) Parking Level P2 – Plan
- 7) Parking Level P1 – Plan
- 8) Ground Level Plan
- 9) Level 2 – Hotel
- 10) Level 3 – Hotel
- 11) Level 4 Plan – Residential
- 12) Level 5 Plan – Residential
- 13) Roof Plan
- 14) Revised Snowmelt Plan
- 15) Signage Plan
- 16) Landscape Plan
- 17) Site Lighting Plan
- 18) Plant Materials
- 19) Site Furnishings
- 20) Shadow Analysis
- 21) Building Sections
- 22) Material Board
- 23) Building Elevations – Main Street
- 24) Building Elevations – River Street
- 25) Building Elevations – Washington Avenue
- 26) Building Elevations – First Street
- 27) Building Elevations with Proposed Exterior Lighting
- 28) Building Elevations with Proposed Exterior Lighting
- 29) Site Aerial
- 30) View of BML from Hwy 75
- 31) Approach from South Main Street
- 32) Main Street Looking North
- 33) Main Street Looking South
- 34) First Street Looking East
- 35) Washington Ave Looking South
- 36) Washington Ave Courtyard
- 37) River Street Looking West
- 38) River and Washington Aerial View
- 39) First and River Aerial
- 40) Materials – Exterior
- 41) Materials – Tower
- 42) Materials – Porte Cochere
- 43) Materials – Arrival/Lobby Interior
- 44) Materials – Balconies
- 45) River and Washington Aerial View

SUPPLEMENTAL MATERIALS TO PUD FINDINGS AND RECOMMENDATIONS:

- a) Area Summary provided at April 8, 2010 Public Hearing (Gross Square Footages and Lock-Off Options)
- b) Traffic Impact Analysis by Galena Engineering, dated April 2008
- c) Height analysis dated 10/27/09

SUMMARY

COMP PLAN LAND USE DESIGNATION:

Current: Community Core
Proposed: No change proposed.

ZONING: Community Core

LOT SIZE: 48,351 sf

PROJECT TOTAL SQUARE FOOTAGE: 231,400 sf (including sub-grade garage)

OVERLAY: None

NOTE: Staff comments are in lighter type.

BACKGROUND

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 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.

In addition to the foregoing, the Council relied upon the applicant’s presentation and, questioning during the public hearings, citizen testimony, and staff comments in concluding deliberations relative the findings and conclusions contained herein.

3. PROCESS:

Timelines established by the PUD Ordinance are as follows:

	<u>Permitted</u>	<u>Actual Date</u>
Application (Dated 9-22-09)		Sep 23, 2009
Application Certified as Complete	30 days	Oct 1, 2009
Application Deficiencies cured	30 days	
Agency/Departmental Review	30 days	Oct 7 – Nov 6, 2009
Commission Review	60 days *	Dec 2-3, 2009
Findings and Recommendations	N/A	Dec 21, 2009
City Council Review	120 days	April 8, 2010

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.

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

The proposed project is described by the applicant as a four-star hotel. The proposal contains 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 4th & 5th floors of the development will house twenty six (26) residential condominium units. Lock-Off units are shown on the 4th 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:

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	Lock Off Hotel Rooms (3,538) Residential Condominiums	25,006 sf
Fifth Floor	Residential condominiums Hotel Related Area (731 sf)	22,384 sf
TOTAL BUILDING AREA		231,885 sf
TOTAL SUB GRADE/PARKING AREA		96,612 sf
TOTAL GROSS FLOOR AREA ABOVE GRADE		134,800 sf

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
Total	48,306

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
Total	48,306

*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
Total	28,461

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

Level 2

USE	SQUARE FOOTAGE
Hotel (41 keys)	29,711
Total	29,711

Level 3

USE	SQUARE FOOTAGE
Hotel (41 keys)	29,711
Total	29,711

*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
Hotel Uses (Lock-Offs)	3,538
Total	25,006

Level 5

USE	SQUARE FOOTAGE
Residential (8 units)	22,384
Total	22,384

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:

Table 3: BALD MOUNTAIN LODGE MATRIX/HOTEL DEFINITION

HOTEL CONFIGURATION	BML
Guest Rooms	82
Sq Ft	59422
Dedicated Units –Lock-Out Units	9
Sq Ft	3538
Hotel Key Count	91
BOH/Lobbies/Hotel Related Uses Sq Ft (P1,P2,Level 1, Level 4)	63687
TTL “Hotel” sq ft (per definition)	126,647
Permitted “Non-Hotel” sq ft (25%)	42,215.5
Proposed Residential Units (4th & 5th Floors minus lock-off units)	26
Sq Ft	42,215
TTL Bldg Sq Ft (includes sub-grade hotel-uses)	168,862
Pct of Building Area defined as “Hotel”	75 %
Residential sq ft over allowable per definition	0

Table 4: HOTEL DEFINITION

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

**Revised Hotel Numbers based on Attachment A – Revised Area Summary.*

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. Note that included in the above “hotel” definition calculation is a hotel-support area on the 4th floor. Such an allowance is

permitted provided non-hotel (residential units) square footage is dedicated/included within the nightly rental pool of units as allowed within Ketchum’s Hotel Definition. The applicant has committed to dedicated 3538 square feet on the fourth floor as hotel lock off units. This equates to 9 hotel units.

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
Subdivision Ordinance: 16.08.080(A)(1)	Minimum lot size of three acres	Lot is 0.92 acres	Waiver specifically permitted for hotels - Approved
Conditional Use Permits: 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
Community Core: 17.64.010.L: Use Specifications	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 th and 5 th 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
Community Core: 17.64.010.L: Site Specifications	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.	Rear Building Zone along Washington Avenue – 36% of this zone is building; 60% is required *not including outdoor terrace area as building	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>Community Core: 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>4th and 5th floors do not meet 10 ft minimum setback on each street elevation. Average setback of 15 ft not met on 1st Street on 4th and 5th floors.</p>	<p>Overall massing of building and large setbacks along Main Street, River Street and Washington Ave reduce overall impacts of 4th and 5th floors. Said waiver will have minimal impacts on overall mass of 4th and 5th floors. In addition, the project has received design review approval from the Planning and Zoning Commission. - Approved</p>
<p>Community Core: 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 $\frac{2}{3}$ 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>
<p>Community Core: 17.64.010.L: Mass and Height Specifications</p>	<p>B. Upper floor ceiling heights: 8 feet minimum and up to 80 percent of the height of first floor ceiling.</p>	<p>5th floor ceiling height exceeds 80% of the height of the first floor ceiling height</p>	<p>Required sloped roof design warrants larger ceiling height on 5th floor. - Approved</p>
<p>Community Core: 17.64.010.L: Hotels – Employee Housing</p>	<p>3-5. Applicant is required to provide housing for 25% of the total number of employees calculated per hotel room or bedroom.</p>	<p>Full waiver of requirement/Partial Waiver of requirement. See condition #3 of the conditions of approval for complete waiver and timeline incentives</p>	<p>Project incentivized to begin construction with two years. - Approved</p>

ZONING CODE REQUIREMENTS

17.64 COMMUNITY CORE ZONING DISTRICT

PROPOSED BUILDING OFFSETS: See site plans and floor plans

REQUIRED SETBACKS:

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. 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: A waiver to this standard has been approved. Please see Table 5: Waiver Requests, Bald Mountain Lodge for more details on this waiver request and the fourth and fifth floor setbacks. In addition, more details on the 4th and 5th floor setbacks are provided in the design review findings of fact dated March 22, 2010. No other setbacks are required for this project.

BUILDING HEIGHT:

Proposed: 68 ft (see updated height analysis plan)

Permitted: 68 ft

Additional Analysis: The height shall be measure from the average elevation of Main Street and average elevation of Washington Avenue. The applicant indicated that the height limit will be met. The average elevations have been set at:

Main St Average Elevation:	5832.7
Washington Ave Average Elevation	5929

CURB CUT:

Main Street: 16 ft

First Street: 22 ft

River Street: 22 ft

PARKING SPACES:

Proposed: 125 spaces (with on street Credit)

Required: 114 spaces

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

Table 6: Required Parking, Hotel Ketchum

Parking Requirements:

Commercial Space: 13,120 sf	2 per 1,000 sq. ft. = 26 spaces
Residential: 35,100 sf	1 per 1,500 sq. ft. = 23 spaces
Hotel: 87 units	.75 per Room = 65 spaces

Total Spaces Required: 114 spaces

Proposed:

Garage: 116 spaces **On Street Credit:** 9 spaces

Total Spaces Proposed: 125 spaces

Surface Parking:

Existing: 32 **Proposed:** estimated on-street parking loss of 16 (±10)

* Note: 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. Applicant does not need the on-street parking credit to comply with the ordinance.

17.64.010.I Hotel Uses

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.

Finding/Conclusion: The proposed hotel is 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 applied for CUP PUD and received Design Review approval. No exceptions to the current height limit for a five story hotel are proposed.

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

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.

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

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.

Finding/Conclusion: The applicant did not submit an Employee Housing Plan. For the hotel rooms proposed including dedicated lock-off units, a minimum 23 employees must be housed. A development agreement is being drafted. The Council has approved a waiver to this requirement structured through a construction timeline. This is outlined in detail under condition #3 of these findings. The applicant will be required to meet the entirety of this requirement if the construction timelines outlined in condition #3 are not met.

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.

Finding/Conclusion: No detailed employee housing plan was submitted. The Council has approved a waiver to this requirement structured through a construction timeline. This is outlined in detail under condition #3 of these findings. The applicant will be required to meet

the entirety of this requirement if the construction timelines outlined in condition #3 are not met. Included with the original staff report was a letter from the BCHA (Attachment 1: Department and Agency Comments) suggesting developing a timeline for submittal of a plan. The Commission recommended that the Council reference the action taken relative to the Hotel Ketchum. The following information was included in the workforce housing analysis for Hotel Ketchum:

Table 7: City of Ketchum Workforce Housing Requirements

Proposal	# of Rentable Rooms in the Hotel	Employees (= # of Rentable Rooms)	# of Employees to be housed on site	% of Employees Housed on site	# of Employees per Unit	Livable Square Feet for WF Housing	Type of Rooms	Square Feet of Each Room	Total Employees
hot beds									
cold beds									
Total Sq. Ft:									

Additionally, the following elements should be considered in developing a workforce housing plan:

1. Provide salary/hourly wages (2009 dollars) for the various income categories of employees.
2. The expected number of each level of employee that is intended to be served by the employee housing units.
3. Location of units to be within Ketchum City limits.
4. Provide a matrix on breakdowns of the different types of units and occupancy programs for those units.

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.

Finding/Conclusion: No employee housing plan was submitted. The applicant and Commission discussed this requirement at the public hearing. The Commission recommended that this requirement be met. The Council has approved a waiver to this requirement structured through a construction timeline. This is outlined in detail under condition #3 of these findings. 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.

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.

Finding/Conclusion: Adoption and approval of a development agreement shall take place prior to building permit approval. Staff is currently drafting this document based on the PUD findings of fact. The agreement will be available for City Council Review and approval.

PUD EVALUATION STANDARDS

16.08.080(A) STANDARDS:

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

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

Finding:

Waiver to three acre minimum lot size is requested.

The subject property is 1.12 acres. The proposed development is a hotel which meets the definition of hotel in Chapter 17.08 (shall meet the definition of a hotel by condition). This standard states that a waiver of the minimum lot size may be granted for hotels.

Conclusion: The applicant has requested a waiver of this requirement. The Commission recommended approval of this waiver because of the proposed hotel use. The City Council has considered this standard and found that it has been met.

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

Finding:

The present/permitted uses of the surrounding area include:

- The Kentwood Lodge hotel across Main Street to the East.
- The US Bank Building (formerly First Bank of Idaho) directly to the north.
- The City owned Forest Service Park directly to the west.
- A mix of residential and commercial properties directly to the south.
- Approved 4-Star Hotel Ketchum (Trail Creek Village)

The subject property is zoned Community Core and surrounding zoning includes Tourist (T), Community Core (CC) and Flood Plain Overlay District. The property is presently vacant and previously housed Bald Mountain Hot Springs Resort. See Attachment 9 from the Planning and Zoning Commission PUD Staff Report for the complete list of permitted and conditional uses allowed in the CC and surrounding districts. Also see the Table 8 below for a list of surrounding densities.

Table 8: Approximate Surrounding Area Floor Area Ratios:

Density Allowed	Tourist (T)	Community Core (CC)
Density allowed per zoning district	0.5 FAR per lot (approx. 21 units per 1 acre site)	1.0 FAR; 2.25 FAR w/CH
Current Density of surrounding area		Kentwood Lodge: 1.14 FAR US Bank Building: 1.7 Hotel Ketchum: 2.4

The proposed project is at a floor area ratio (FAR) of 2.8. The most similar building in downtown Ketchum having an FAR of over 2.0 is the new Lot 5A building at the corner of Leadville Avenue and Sun Valley Road, with a FAR of 2.21. In addition, the approved Hotel Ketchum at the corner of Main Street and River Street will have an FAR of 2.4. This building is located in the Tourist (T) Zoning District and received a waiver to build to this density. The proposed hotel is not subject to a FAR requirement and the Downtown Master Plan adopted in 2006 anticipated greater FAR's for hotel uses.

Other aspects of the project that could impact the surrounding neighborhood:

The height, bulk, and uses are evaluated in other standards throughout this report. The use of lighting has been evaluated during the design review of this project. The applicant has submitted exterior lighting plans that appear to conform to the Dark Sky Ordinance.

Construction mitigation will conform to the City of Ketchum's Construction Mitigation Ordinance and will be extremely important. A formal plan will be developed through the building permit process.

Conclusion: The City Council has considered this standard and found that it has been met. The proposed development will not be detrimental to the current and permitted uses in the area. The proposed hotel is a permitted use within the CC zoning district and comparable in bulk and mass with the previously approved Hotel Ketchum on the southeast corner of Main and River Streets, although the proposed hotel is substantially larger.

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

Finding:

This standard is not applicable because the proposed development is not a subdivision. However, potential benefits include economic development, significant contribution toward the undergrounding of overhead power lines along the Main Street corridor at this gateway area, and an increase in the overall number "hotbeds" in the City. For additional discussion of benefits, see standard #14 below.

Conclusion: The City Council considered this standard and found that it does not apply. No land subdivision is proposed. See #14 below for a more detailed list of benefits.

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

Finding:

This standard is subjective and should include evaluation of uses, densities, bulk, architectural design, materials, landscaping, building and parking layout. Uses in the surrounding neighborhood include a hotel and commercial uses, as well as residential. The hotel, restaurant, spa, other commercial uses are permitted under the Community Core (CC) Zoning District and Tourist (T) Zoning District.

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

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

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

The following table shows projects located adjacent to or within the general vicinity of from the proposed hotel. Building footprint, setback from street, and building height are noted for each one.

Table 9: Chart of Setbacks of Surrounding Projects

PROJECT	FOOTPRINT SIZE (sq. ft.)	SETBACK FROM STREET	NUMBER OF STORIES
Kentwood Lodge	21,780	1 ft	3
Trail Creek Crossings	16,086	100' from Main; 75' from Leadville	2
Sotheby's	770	7 ft	1 + daylight
US Bank Building	?	4 ft	3
Forest Service Park	>1000 sq ft	varies	1
Hotel Ketchum	Approx 20,000 sf	HW 75 – 11 ft Leadville Ave – 0 ft River St (3 ft)	4-5 stories

*Note: Figures shown are approximate.

The most sensitive adjacent property is the Forest Service Park to the west. This historic site has been retained in condition close to the original in terms of scale and building placement. The park houses the Historical Society Museum, and is used for a variety of special events. The applicant has provided computer simulated renderings showing the proposal and surrounding buildings from various points as well as aerial viewpoints. The elevation drawings submitted indicate that the architectural design and materials contain detailing found in surrounding buildings such as stone, heavy timber and wood siding. All parking is underground and therefore hidden from view. The building is set back for a significant portion of the façade on the west side adjacent to the Forest Service Park. This setback will provide a buffer for the park from the scale and bulk of the proposed hotel.

The waiver request to the required 4th and 5th floor setbacks pertains to this standard. This waiver was approved with a 4-1 vote by the Commission and unanimous approval by the City Council.

Conclusion: The City Council has considered this standard and found that it has been met. The surrounding area consists of a mix of commercial uses including a hotel across Main Street. Although the proposed Hotel Ketchum will provide comparable size and scale, the project will be substantially larger than other buildings in the area, but perceived impacts resulting from height and bulk have been limited through the required design review. The proposed design is sensitive to the adjacent Forest Service Park, and incorporating a connection along Washington Street which includes a new streetscape design, angled parking, redefined park entrance would further enhance this heritage site. The Commission approved the 4th and 5th setback waiver with a 4-1 vote and the City Council unanimously approved the 4th and 5th floor setback waiver (see waiver chart on page 10).

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.

Finding/Conclusion:

The City Council has considered this standard and found that it does not apply. No densities are being transferred. The proposed density is permitted in the CC Zoning District.

6. **That the proposed vehicular and non-motorized transportation system:**
a. **Is adequate to carry anticipated traffic consistent with existing and future development of surrounding properties;**

Finding:

A final traffic study for this specific project was submitted for City Review (Final Transportation Impact Assessment dated January 2010). The City Engineer did not have any issues or comments pertaining to this final traffic study. A Preliminary Transportation Impact Assessment for the project which was completed by Galena Engineering, Inc. (March 2009). At the request of the City LSC Transportation Consultants, Inc. completed a Traffic Review of the Transportation Impact Assessment on April 13, 2009. In addition, Hales Engineering completed a Transportation Planning Study of Main Street for the City and also presented a review of the BML Transportation Impact Assessment at the April 19, 2010 City Council Hearing. Comments from Hales Engineering are included with the project record and are dated April 14, 2010. Ryan Hales of Hales Engineering also presented at the April 19, 2010 public hearing and presented several traffic simulations pertaining to turning movements associated with the project. The Council had expressed concern that the left turn movements from Main Street onto 1st Street would create delays in high traffic periods. Ryan Hales simulations showed that with the appropriate mitigations as outlined in his memo, the traffic flow in and around the project would be acceptable. LSC Transportation, Hales Engineering and the City Engineer found that the proposed transportation plan and mitigation measure proposed were suitable for the project.

The project is located in the Downtown Core and no new roadways are proposed.

The Transportation Impact Assessment (Galena Engineering, March 2009) proposed the following scenario for traffic generation:

Resort Hotel	82 Rooms
Luxury Condos	26 Units
Quality Restaurant	7040 Square Feet
Apparel Store	2733 Square Feet
Spa/Fitness	7697 Square Feet

Additional assumptions for the traffic generation include the following:

- Average occupancy rate is assumed to be 60 percent.
- Reducing the Quality Restaurant trip generation rate by 66 percent, assuming that 66 percent of the restaurant patrons during the peak period are guests of the hotel.

- Reducing the apparel store a.m. peak hour generation rate to 0 since these shops will not be open during the a.m. peak hour.
- Reducing the apparel store p.m. peak hour generation rate by 50 percent, assuming that 50 percent of the retail shop patrons are guests of the hotel.
- Reducing the health/fitness club trip generation rate by 66 percent, assuming that 66 percent of the spa patrons during the peak period are guests of the hotel.

With the reductions the estimated traffic generated is as follows:

Average Weekday Trips	885 trips per day
Weekday A.M. Peak Hour:	
Total	37 trips
In	19 trips
Out	18 trips
Weekday P.M. Peak Hour:	
Total	72 trips
In	39 trips
Out	33 trips

LSC Transportation Consultants' comments on the Transportation Impact Assessment were as follows:

- The traffic assessment prepared by Galena Engineering is intended to be a preliminary look at the traffic issues associated with the proposed Bald Mountain Lodge development. The Galena Engineering study is not intended to be a complete traffic impact analysis. A complete traffic impact analysis should be completed as development of this project moves forward.
- The trip generation estimates should be reevaluated assuming 100 percent occupancy for the hotel land use.
- The trip assignment process should reflect movements between the porte-cochere area and the parking structure access (both by valets and self parkers).

The Main Street Transportation Study (Hales Engineering) included modeling of the estimated Bald Mountain traffic. Main Street is able to handle the increased traffic and with the proposed mitigation measures:

- Main Street from River Street to 6th Street: Initially switch to a 3 lane section with a center turn lane. As traffic increases change to a future 5 lane section with a center turn lane. Sequence the traffic lights to move traffic through town more efficiently.
- Main Street from River Street to Serenade: Add another outbound lane on Main Street for a total of one inbound lane and two outbound lanes.
- Add a T intersection or Roundabout at Main Street and Serenade Lane.

- Reroute Warms Springs Road to 10th Street with a signal.
- Future left-turn pockets on 5th and 1st Streets.

Conclusion: The City Council considered this standard and found that it has been met. The City Engineer requested that a final traffic impact analysis be completed prior to completion of a development agreement. The applicant has provided this document and it has been reviewed by the City Engineer and Hales Engineering. The circulation scheme proposed for the hotel is found to be acceptable. The proposed mitigation measures shall be outlined and incorporated into the development agreement. This should include measures for pedestrian safety at entry/exit points from the service area, porte-cochere and underground garage. See Condition #10 which addresses this standard. In addition, the Commission recommended against implementation of a 5 lane street section for Main Street.

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

Finding/Conclusion:

See Section a. The City Council considered this standard and found that it has been met.

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

Finding:

The development has access to the hotel off of 1st Street and exits onto 1st Street and Main Street. The access to the underground parking is off of River Street. There is a delivery access on 1st Street at the alley.

LSC Transportation Consultants' comments on the ingress and egress from the site are as follows:

- The exit-only access point from the porte-cochere onto Main Street should be allowed, as it is not an undue traffic safety concern and it helps to reduce overall traffic congestion generated by the proposed project.
- Traffic queuing at the Main Street exit-only access point would only occur on site property and during peak hours. Queuing would not be an issue because the traffic signal at First Street provides adequate gaps in Main Street Traffic.
- Proper signage at the Main Street exit-only access point will be required both to direct traffic around to the First Street access point and to inform drivers that inbound traffic is prohibited at the Main Street access point.
- Clear line of sight should be provided for drivers exiting onto Main Street from the porte-cochere looking to the north. This may require reduction in on-street parking along the west side of Main Street north of this access point from what would otherwise be allowed.
- The close proximity of the First Street access point to the Main Street/First Street intersection would cause the eastbound traffic queue to block access to the driveway to left-turning vehicles a few times per hour. These left-turning vehicles would then block the westbound travel lane along First Street. Simulation analysis indicates that this would not create congestion at the First

Street/Main Street intersections except under very rare conditions during a limited number of peak hours.

The following is listed as a condition of approval regarding final sidewalk designs for the project. The final design of the Washington Avenue sidewalks will require City Council approval prior to building permit approval (see condition #7).

- Limit impacts of delivery vehicles (see condition #6)

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...)

Conclusion: The City Council considered this standard and found that it has been met with the condition that the development complies with the recommendations of the City Engineer/Hales Engineering and that the City Council approves the final design of the Washington Ave right of way improvements.

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

Finding: The Developer is proposing to heat melt the sidewalks. The commission discussed implementing a ground source heat pump system for the snowmelt areas if

possible. This could be accomplished under the garage or adjacent streets. The Council also discussed snowmelt and the possibility of utilizing ground source heat pumps. This was left to the applicant to determine if such a system would be feasible.

Conclusion: The City Council considered this standard and found that it has been met.

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

Finding/Conclusion:

The City Council considered this standard and found that it has been met.. See Section c.

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

Finding/Conclusion:

The project is located in downtown Ketchum and is similar to other surrounding uses on Main Street (Kentwood Hotel). The most sensitive adjacent use is the Forest Service Park to the west. The project is proposing street trees to soften the streetscape around the hotel. The building is set back on a large portion of the west side, holding building walls back from the Forest Service Park. The City Council considered this standard and found that it has been met.

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

Finding/Conclusion:

No additional roads are being proposed at this time. The City Council considered this standard and found that it does not apply.

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

Commission Finding/Conclusion:

The project is proposing to have a connection to the Forest Service Park to the west of the site. A public plaza space adjacent to the restaurant will be open to the public and this area will provide public access to the hotel sub-grade conference area. The City Council considered this standard and found that it has been met.

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.

Finding:

Comprehensive Plan

Please refer to Attachment 8 of the Planning and Zoning Commission PUD Staff Report for the Comprehensive Plan analysis, including the specific sub-area analysis.

Downtown Master Plan

An analysis of the Downtown Master Plan was provided under Attachment 7 of the Planning and Zoning Commission PUD Staff Report. This highlights applicable goals and policies established in this document. In addition, an analysis of the Gateway Massing Study was provided under Attachment 6 of the Planning and Zoning Commission PUD Staff Report.

Zoning Ordinance:

The proposed development will meet the standards of the zoning ordinance with the exception of the waivers that are granted by the City through the PUD process.

Subdivision Ordinance:

No subdivision of land is proposed at this time. The proposed development is not subject to other standards of the Subdivision Ordinance.

Conclusion: The Council concluded that the proposed hotel is in conformance with and promotes the purposes and goals of the comprehensive plan. No goals or policies within the comprehensive plan directly conflict with the proposed development. This standard was met with a Commission vote of 4-1. One Commissioner voted against because of the 4th and 5th floor setbacks and conflicts with the Gateway Mass and Scale Study. The Council unanimously approved this standard.

- 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.

Finding/Conclusion:

A concurrent Design Review application was submitted by the applicant and approved by the Planning and Zoning Commission (see Design Review Findings of Fact dated March 22, 2010. Analysis of architecture including bulk, undulation and site planning are reviewed under design review.

- 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.

Finding/Conclusion:

Standards of evaluation for Design Review as well as the PUD include consideration of these issues.

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

Finding/Conclusion:

N/A – a single building is proposed.

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

Finding/Conclusion:

The most significant features of the site include several mature trees which are to be removed. No other significant natural features exist on the site. The scale and required underground parking structures for this development will not allow preservation of the existing trees. The City Council considered this standard and found that it has been met.

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

Finding:

The project is located in the Community Core and is built to or adjacent to the property line. Street trees will be planted within the sidewalk to provide a landscape buffer at street level. In addition, the southwest corner of the property adjacent to the Forest Service Park will feature a large outdoor terrace with substantial plantings providing additional buffer. Main Street will feature planting baskets and a landscape planter. Street trees along Main Street where appropriate will also be included.

Conclusion: The City Council considered this standard and found that it has been met. Buffering is provided appropriately for a building in the Community Core District. Street trees shall be provided along Main Street in addition to a potential Gateway feature.

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.

Finding/Conclusion: No phasing is proposed. The project will feature one building/structure which will be built at one time. The City Council considered this standard and found that it does not apply.

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

Finding:

Useable open space within the project includes the outdoor terrace area which provides a swimming pool available to residents and hotel guests. Such "open space" may be appropriate for this urban hotel type of project as it is "useable and convenient" to the residents of the project – in this case the hotel guests and condominium owners. The amount of land available for outdoor open space is limited do the size and location of the lot. The outdoor terrace space provided is appropriate for this type of downtown development.

Conclusion: The City Council considered this standard and found that it has been met. The applicant is providing an appropriate amount of useable open space for hotel guests and residents. A large outdoor terrace is provided.

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

Finding:

A single building is located on the site and is located on an entire city block. Two levels of underground parking are proposed with access to the parking along First Street. A solar study was provided at the December 2-3, 2009 Planning and Zoning Commission public hearings as well as at the April 8-9 City Council Public Hearings. Access to and from parking is in the appropriate location. The building itself is also located in a permitted location and other suitable locations are not available.

Conclusion: A solar study was presented by the applicant. The Council had no concerns or comments concerning the solar study. The City Council considered this standard and found that it has been met.

___ 13. **"Adequate recreational facilities" and/or daycare shall be provided. Provision of adequate on-site recreational facilities may not be required if it is found that the project is of insufficient size or density to warrant same and the occupant's needs for recreational facilities will be adequately provided by payment of a recreation fee in lieu thereof to the city for development of additional active park facilities. On-site daycare may be considered to satisfy the adequate recreational facility requirement or may be required in addition to the recreational facilities requirement.**

Finding:

A swimming pool and spa pool are provided in the courtyard for residents and hotel guests. A fitness center is also proposed. An activity center is also proposed that will provide services for guests and residents. This activity center may feature bike rentals, ski rentals and other similar activities and may also include general retail activities. There will be an outdoor deck suitable for small gatherings. A plaza space outside the restaurant will be available to the public.

Conclusion: The City Council considered this standard and found that it has been met. The applicant is providing an appropriate amount of recreational facilities for this type of downtown development.

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

Finding:

Table 10 summarizes the special development objectives of the proposal:

TABLE 10: SPECIAL DEVELOPMENT OBJECTIVES

Special Development Objective, special Characteristics of the Site or Physical Conditions	Type of Objective
4-Star Hotel	Economic (see fiscal impact analysis by Randy Young dated January 31, 2010)
Conference Space (seating for 250-275 persons)	Economic
Employee Housing for 23 employees (waived if construction commences by 2012; partial waiver if construction commences by 2013)	Social and Economic
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, Gateway Architectural Element	Aesthetic; Economic

A fiscal impact study was not prepared at the time of Planning and Zoning review. A detailed fiscal impact analysis was prepared for the City Council. The fiscal and economic impacts of these development objectives were thoroughly analyzed through this study. The financial benefit to the URA was perceived as substantial. In addition, Randy Young noted that this was not an economic impact analysis and did not include all the multiplier effects such a development can have on a City. The following is a general summary of the fiscal impact associated with the project.

	During Construction	Annually After Buildout
City of Ketchum		
Revenue	\$ 593,751	\$ 285,430
Cost	- 319,351	- 446,176
Cost Sharing Benefit	0	+ 164,072
Positive or Negative	274,400	3,327
Ketchum URA		
Revenue	\$ 0	\$ 217,698
Cost	0	0
Positive or Negative	0	217,698

As noted in #7 above, undergrounding power lines along Main Street is a goal mentioned frequently in the Comprehensive Plan. The applicant is required to provide a proportionate amount toward the undergrounding of overhead power lines in the vicinity of the project. This will consist of a pro-rated share and include late coming development. The City's and Idaho Power's timing on the undergrounding of these lines is unknown, and may not occur until well after the hotel's construction. The applicant has indicated that they are working with Idaho Power and an adjacent property owner to establish parameters for undergrounding power line. The precise contribution to undergrounding of power shall be addressed within the development agreement. In addition, the undergrounding of power has been addressed under condition #5 of these findings of fact.

The Downtown Master Plan recommends placement of Gateway features at the four corners intersecting River Street and Main Street. The final sidewalk design at this intersection provides space for a gateway element. A bulb out into River Street has been discussed, although no particular gateway feature has been identified. The Commission recommended incorporating a requirement that the applicant work with the City in creating a gateway element at the corner of River St and Main St. The Council has included this as a condition of approval. See condition #8 which requires that the applicant participate with the City in gateway design, commissioning, construction and installation.

Conclusion: The City Council found that there are special development objectives that justify the granting of this PUD. The City has established that increasing tourist accommodations by encouraging hotel development is a priority. The economic benefits of such a project are substantial as shown in the fiscal impact analysis provided by Randy Young. The final contribution towards undergrounding of power shall be finalized through the development agreement and the applicant shall provide a proportionate share. The applicant is required to participate with the City in the commissioning, construction and installation of a gateway element. In addition, the economic benefits of such a development have been recognized by the City Council as an important factor in approving the project.

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

Finding:

The project will require significant excavation and will have an extensive construction period. Actual construction is anticipated to take 22 months. The applicant has stated that a detailed construction staging and mitigation plan will be submitted through the building permit process. Off-site parking for construction workers and an off-site staging area for bulk materials are anticipated. Provision of these mitigation plans and programs are suggested as a condition of approval, to be provided prior to issuance of a building permit. Construction mitigation will conform to the City of Ketchum's Construction Mitigation Ordinance.

The Commission recommended a four (4) year approval window for the PUD. The applicant originally requested 5 years. The largest project approved in the City over the last 20 years, Warm Springs Ranch Resort, was granted a four (4) year approval window with a requirement

that building permits for Phase 1 be applied for within 48 months of the approval of the Development Agreement. The applicant has been given a four (4) year time frame, with significant incentives tied to accelerated construction schedules. Please see condition #3 of these findings of fact for more detail. The Council felt that an accelerated timeline was an important factor in granting waivers for the project. The Council concluded that breaking ground as soon as possible would have a substantially positive impact on the City's economy. Although the project has been given a total of four (4) years, significant incentives have been approved by the Council in order to accelerate the construction process. These incentives include waivers pertaining to the workforce housing requirement and dedication of URA funds generated by the project.

Conclusion: A detailed construction mitigation plan including details for parking and material storage should be produced prior to building permit approval. The City Council granted a four year overall approval period with incentives tied to accelerated construction schedules. Please see condition #3 of these findings of fact. The City Council considered this standard and found that it has been met.

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

Finding:

The Utilities Department made several comments related to the existing main lines, service lines, manholes, etc. that will need to be maintained or improved. These comments have been forwarded to the applicant and are included as a condition of approval. The applicant has met with the Fire Department and Fire Department comments were included with the original staff report for this project. Concerns have been raised regarding potential impacts to the Ketchum Fire Department's ability to provide emergency services to the building. The Fire Department will be reviewing this further during the building permit process. The sidewalk design will also be crucial with regard to fire apparatus access. Staff and the applicant have collaborated with the Fire Department and City Engineer to ensure appropriate sidewalk widths. Please see condition #7 which outlines the required sidewalk widths. The Street Department and City Engineer have also worked with the applicant to ensure appropriate sidewalk and street parking designs that will allow for proper maintenance and snow removal.

Conclusion: The City Council has considered this standard and found that it has been met. Adequate public services are provided for.

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

Finding:

The applicant has requested several waivers that are outlined in the waiver chart provided earlier in these findings. The Commission recommends approval of all requested waivers. The waiver request for 4th and 5th floor setbacks was the only non-unanimous vote by the Commission, with a 4-1 approval. The City Council unanimously approved all of the waiver requests. All other ordinances, rules and regulations of the City of Ketchum are met.

Conclusion: The City Council has considered this standard and found that it has been met. The City Council approved all of the requested waivers as outlined in the waiver chart (Table 5, Page 9. All other rules and ordinances have been met.

COUNCIL ACTION:

Upon motion by Councilman Helzel, seconded by Councilman Kemp, and vote in favor (3-1, Councilman Jonas voted against due to the use of URA funds towards the project infrastructure) the Ketchum City Council finds that this project, Bald Mountain Lodge PUD - Conditional Use Permit, **does** meet the standards for approval under Chapter 16.08 of Ketchum Subdivision Ordinance Title 16, Planned Unit Developments, with the approved waivers outlined in these findings of fact. The Ketchum City Council approves this Conditional Use Permit for a Planned Unit Development (PUD) this 24th day of May, 2010, provided the following conditions are met:

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. 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 4th 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.

Conditions continued on next page...

Timing and Incentives
3. Construction Incentives

Incentive Timeline	Community Housing Waiver	Workforce Housing Waiver	Infrastructure Partnering
<p>Timeline A - Building permit applied for in 2011 with construction commencing by June 2012 and building completed by 2015</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>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>Timeline B - Building permit applied for in 2012 with construction commencing by December 2013 and building completed by 2016</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 determined by applicant</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>Timeline C - Building permit application applied for within 4 years of 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.</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 building permit is applied for in 2011 and construction commences by June of 2012. If a building permit is not applied for in 2011, construction does not commence in June 2012 and certificate of occupancy for the hotel portion of the building is not approved by January 2015 these waivers shall not apply:

i. Employee Housing: waive the employee housing requirement in its entirety.

ii. 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 in 2012 and construction commences by December of 2013. If a building permit is not applied for in 2012, construction does not commence in December 2013 and certificate of occupancy for the hotel portion of the building is not approved by January 2016 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 certificate of occupancy of the hotel. 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. 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 PUD CUP shall be valid for a period of four (4) years. 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.

4. In the event that the project falls under Timeline C, the applicant shall provide a detailed Employee Housing Plan, which provides for housing for 23 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:

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

5. 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.

Traffic and Circulation

6. 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.
7. 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.*

8. Washington Avenue between 1st 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.

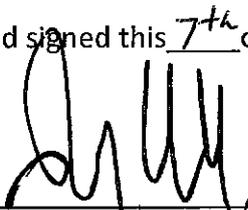
9. Snowmelt shall extend to curb-line at entrances and exits of building.
10. The recommendations of the City Engineer and of Ryan Hales of Hales Engineering with regard to traffic circulation in and out of the porte-cochere shall be followed. These recommendations are outlined in the memo from Hales Engineering titled "Ketchum – Bald Mountain Lodge TIA/1st Street Review" dated April 14, 2010.
11. 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

12. 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.
13. 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.
14. 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.
15. 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.
16. 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. The PUD Development Agreement shall include the conditions herein, and other pertinent details from these Findings of Fact.
17. This PUD CUP approval is contingent upon the approved Community Core Design Review application, findings of fact dated March 22, 2010.

18. 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.
19. The property shall be maintained appropriately per City code until construction commences. This shall include noxious weed mitigation and irrigation of existing landscaping.
20. 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.
21. These conditions and other project details outlined in these findings of fact shall be enumerated in the development agreement for this project.
22. 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.
23. To reduce the appearance of building bulk, the upper floor steel diagonal columns shall be made vertical, subject to Design Review Subcommittee approval.
24. 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.

Findings of Fact **adopted** this 7th day of June, 2010 and signed this 7th of June, 2010.



Randy Hall, Mayor