

RIVER RUN ANNEXATION AND DEVELOPMENT AGREEMENT

By and Between

CITY OF KETCHUM

And

SUN VALLEY COMPANY

Exhibit S PUD Findings

Prepared for: Sun Valley Company
1 Sun Valley Road
Sun Valley, ID 83353

Prepared by: Design Workshop, Inc.
1390 Lawrence Street
Suite 200
Denver, CO 80204

July 9, 2010

Exhibit S - PUD Findings

**FINDINGS, DECISION, AND CONDITIONS
RIVER RUN HOTEL CORE
PLANNED UNIT DEVELOPMENT (PUD) CONDITIONAL USE PERMIT (CUP)**

**CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO
PUBLIC HEARINGS:
December 8 AND 9, 2009,
January 13, 2010 (hearing was noticed but cancelled)
February 11, March 9, April 12, 13, 21, and 22, June 7, 2010**

PROJECT: RIVER RUN HOTEL CORE PLANNED UNIT DEVELOPMENT

FILE NUMBER: 09-068

OWNER: Sun Valley Company

REQUEST: Planned Unit Development (PUD) Conditional Use Permit (CUP)

LOCATION: The Sun Valley Company property consists of portions of Government Lot 6 in Section 18, Township 4 North, Range 18 East, Governmental Lots 1 and 2 of Section 19, Township 4 North, Range 18 East, and the NENE of Section 24, Township 4 North, Range 17 East, Boise Meridian, Blaine County, Idaho, containing approximately one hundred, thirty-eight point two (138.20) acres. The property is generally known as River Run.

NOTICE: The Ketchum Planning & Zoning Commission determined at its September 14, 2009, Commission meeting that additional notice shall be given for hearings related to the River Run Annexation and PUD applications. The same notice was provided for City Council meetings as follows:

Notice provided for the December 8 and 9, 2009 City Council hearings:

1. Notice published in the Idaho Mountain Express on November 8 and November 25, 2009
2. Property owners within 600 feet were mailed notice on November 20, 2009
3. Agencies and political subdivisions were mailed notice on November 20, 2009
4. Notice was posted at three (3) places on the subject property on November 27, 2009
5. Notice was posted at three (3) places within the Ketchum city limits on November 20, 2009
6. Display ad published in the Idaho Mountain Express on December 5, 2009

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Notice provided for the January 13, 2010 City Council hearing:

The City Council continued the public hearing on the record from December 9, 2009, to January 13, 2010.

Agencies and political subdivisions were re-mailed a courtesy notice on December 16, 2009

Note: This meeting was cancelled.

Notice provided for the February 11, 2010 City Council hearing:

1. Notice published in the Idaho Mountain Express on January 27, 2010
2. Property owners within 600 feet were mailed notice on January 26, 2010
3. Agencies and political subdivisions were mailed notice on January 26, 2010
4. Notice was posted at three (3) places on the subject property on January 28, 2010
5. Notice was posted at three (3) places within the Ketchum city limits on January 25, 2010
6. Display ad published in the Idaho Mountain Express on February 10, 2010

Notice provided for the March 9, 2010 City Council hearing:

The City Council continued the public hearing on the record from February 11 to March 9, 2010.

Display ad published in the Idaho Mountain Express on March 3, 2010.

Notice provided for the April 12 & 13, 2010 City Council hearings:

1. Notice published in the Idaho Mountain Express on March 24, 2010
2. Property owners within 600 feet were mailed notice on March 25, 2010
3. Agencies and political subdivisions were mailed notice on March 25, 2010
4. Notice was posted at three (3) places on the subject property on March 30, 2010
5. Notice was posted at three (3) places within the Ketchum city limits on March 26, 2010
6. Display ad published in the Idaho Mountain Express on April 7 and April 9, 2010

Notice provided for the April 21 & 22, 2010 City Council hearings:

The City Council continued the public hearing on the record from April 13 to April 21, and from April 21 to April 22, 2010.

Notice provided for the June 7, 2010 City Council hearing:

1. Notice published in the Idaho Mountain Express on May 19, 2010
2. Property owners within 600 feet were mailed notice on May 20, 2010
3. Agencies and political subdivisions were mailed notice on May 20, 2010
4. Notice was posted at three (3) places on the subject property on May 28, 2010
5. Notice was posted at three (3) places within the Ketchum city limits on May 28, 2010
6. Display ad published in the Idaho Mountain Express on May 28, 2010

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COMP PLAN

LAND USE

DESIGNATIONS:

Current: The City of Ketchum Comprehensive Plan and Land Use Map designate Residential Occupancy (RO) and Recreation/Open Space (R/OS) Land Use Designation for the River Run area. The River Run area is within the Area of City Impact. These designations establish River Run as an area appropriate for housing of permanent and second home residents and selected short term uses supporting the tourist industry and open space preservation and/or primarily open recreation with areas over twenty-five percent (25%) generally precluded from development. The entire River Run property is planned for annexation into the City. The terms PUD Property and Hotel Core are used synonymously throughout this document. Both terms refer to Block 1 that is approximately 21.76 acres comprising this PUD and shown in Applicant's Addendum #12, on Figure 44, Sheet 15.1, Amended Large Block Plat/Zoning.

Approved: No changes to the Land Use Map Designations are proposed by the Applicant. The Commission recommended that no changes to the Comprehensive Plan or Land Use Map are necessary to accommodate the requested annexation and recommended zoning. On April 22, 2010, the City Council accepted the Commission's recommendation as memorialized in the Council's written Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

ZONING:

Current: The County zoning currently applicable to the property is Recreation Development District (RD) on the area between the floodplains of the Big Wood River and Trail Creek (and therefore the Hotel Core); Rural Residential District/Urban Influence Boundary (R-10/UIB) on the hillsides; Floodplain Management and Riparian Setback District (FP) on the floodplains of the Big Wood River and Trail Creek; and Low Density Residential District (R-1) on a relatively narrow strip of land between the Trail Creek floodplain and the Reinheimer Ranch.

Approved: The Commission recommended and the Council agreed the zoning for the River Run annexation area as a combination of Tourist (T), Recreational Use (RU) and Agricultural/Forestry (AF) Zoning Districts. The Hotel Core is recommended to be Tourist (T) with off-street parking and recreation uses *permitted* instead of *conditional*. Please refer to Table 1: "RR Annexation Area: Approved Zoning; Prohibited Uses; Permitted Uses Formerly Conditional; and Conditional Uses" in the Council's written Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

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OVERLAY: Mountain, Floodplain and Avalanche Overlays apply to portions of the property; however do not apply to the Hotel Core.

LOT SIZE: The whole site is approximately one hundred-forty (140) acres in size. The Hotel Core is 21.76 acres.

FLOOR AREA RATIO:	Retail/Restaurant	35,000 Sq Ft
	Residential (and other permitted uses per the Annexation Findings of Fact, Table 1, Zoning/Uses)	500,000 – 610,000 Sq Ft
	Hotel	250,000 – 300,000 Sq Ft
	Total	785,000 – 945,000 Sq Ft*

Size of Block, less land needed for Roads: 827,640- 155,940 = 671,700

PROPOSED FAR: 1.4 PERMITTED FAR: 1.6*

*not including above or below-grade parking

REVIEWERS: Lisa Horowitz, Community and Economic Development Director
Stefanie Leif, Planning Manager

STAFF CONSULTANT TEAM: Winter and Company
Haavik Consulting, LLC
Forsgren Associates
Moore Smith Buxton and Turcke, Chartered
Henderson and Young, Inc.
Trent Stumph

NOTE: Code language is in bold type; Council findings are in lighter type.

APPLICATION MATERIALS:

Complete Applicant Submittal dated August 11, 2009 and received August 12, 2009, and supplemented by letter dated September 4, 2009.

1. River Run Annexation and Zoning Designation and PUD Application, August 2009 binder containing:

- Application
- Project Team
- Introduction
- Context and Boundary
 - Figure 1, Property Context
 - Figure 2, Property Boundary
- Existing Conditions
 - Figure 3, Existing Zoning
 - Figure 4, Existing Easements

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- Figure 5, Existing Public Use
 - Figure 6, Existing Utilities
 - Figure 7, Existing Site Conditions
 - Annexation/Zoning Designation
 - Figure 8, Annexation Map
 - Figure 9, Proposed Zoning Designation
 - Conceptual Site Plan
 - Figure 10, Conceptual Site Plan
 - Figure 11, Land Use Diagram
 - Figure 12, PUD Concept Plan
 - Figure 13, Proposed Public Use
 - Figure 14, Proposed Roads
 - Figure 15, Proposed Utilities
 - Figure 16, New and Relocated Easements
 - PUD Application
 - Figure 17, Tent Diagram and Tent Coverage
2. River Run Annexation and Zoning Designation Application, Exhibits, August 2009 binder containing:
- Exhibit 1: Legal Description
 - Exhibit 2: PUD Legal Description
 - Exhibit 3: Title Report
 - Exhibit 4: Title Report - Legal Instruments
 - Exhibit 5: Transportation Study
 - Exhibit 6: Preliminary Environmental Report
 - Exhibit 7: Avalanche Hazard and Mapping Report
 - Exhibit 8: Preliminary Geotechnical Evaluation Report
 - Exhibit 9: Fiscal Impact Analysis:
 - River Run Fiscal Impact Analysis, August 3, 2009
 - River Run Economic Analysis, February 2, 2010
 - Exhibit 10: 2009 Preliminary Base Flood Evaluation
3. Plans consisting of Sheets:
- 1.0 Cover Sheet
 - 2.0 Site Survey
 - 3.0 Existing Conditions
 - 4.0 Existing Slopes
 - 5.0 Floodway, Floodplain, Wetlands
 - 6.0 Existing Zoning
 - 7.0 Proposed Annexation and Zoning Designation
(See Addendum #11 for Sheet 7.1 - Amendment)
(See Addendum #12 for Fig. 43, Sheet 7.1 - Amendment)
 - 8.0 Proposed Land Use
 - 9.0 Land Use & Grading Plan
 - 10.0 Conceptual Site Plan
 - 11.0 Proposed Utilities

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- 12.0 Proposed New & Relocated Easements
- 13.0 Proposed Roadway Drainage Plan
- 14.0 Major Vehicle Circulation & Road Cross Sections
- 15.0 Large Block Plat
 - (See Addendum #11 for Sheet 15.1 - Amendment)
 - (See Addendum #12 for Fig. 44, Sheet 15.1 - Amendment)
- 4. River Run Annexation and Zoning Designation Application Addendums:
 - Addendum #1, dated October 9, 2009: Text;
 - Figure 18, Public Improvement Sequencing;
 - Figure 19, Detail Diagram;
 - Figure 20, PUD Detail Diagram;
 - Figure 21, Revised Tent Diagram;
 - Figure 22, Tent Diagram Section
 - Addendum #2, October 20, 2009:
 - Figure 23, Revised Tent Diagram (with square footages);
 - Figure 24, Tent with Square Footages on Plan and Setbacks
 - Addendum #3, October 23, 2009:
 - Figure 25, River Run Parking Requirements
 - Figure 26, Comparable Properties Parking Comparisons (6 pages)
 - Addendum #4, October 29, 2009
 - Figure 27, Revised Sequencing Table (3 pages)
 - Figure 28, Updated Road Phasing
 - Addendum #5, November 4, 2009
 - Hornberger + Worstell, Inc., Letter dated November 3, 2009, together with 2009-11-03 Design Standards Conditions (applicant mark-up) (17 pages)
 - Figure 29, Conceptual Massing Model
 - Figure 30, Example Section Along Big Wood River with Maximum Height Shown
 - Figure 31, Tent Diagram Plan (with Conceptual Building Forms Shown)
 - Addendum #6, November 17, 2009
 - Figure 32, Tent Diagram with Dimensions
 - Figure 33, Design Guidelines Illustration 01
 - Figure 34, Design Guidelines Illustration 02
 - Figure 35, Aerial Site Plan with Buildings
 - Figure 36, Aerial Site Plan with River Setback Zones
 - Figure 37, Setback Diagram (with Conceptual Building Forms Shown)
 - Addendum #7, November 17, 2009
 - Figure 38, Park on the River Concept Plan
 - Addendum #8, November 23, 2009
 - Figure 39, Revised Bike Trail Alignment
 - Addendum #9, December 14, 2009
 - McMillen, LLC, Memo dated December 7, 2009, response to Stumph Memo (November 22, 2009)
 - Addendum #10, December 29, 2009
 - Figure 40, Updated Design Guidelines Diagram

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Addendum #11, February 18, 2010

Sheet 7.1, Amended Proposed Zoning

Sheet 15.1, Amended Large Block Plat/Zoning

Addendum #12, April 2, 2010

Figure 43, Sheet 7.1, Amended Proposed Zoning

Figure 44, Sheet 15.1, Amended Large Block Plat-Zoning

Addendum #13, April 7, 2010

Figure 45, Tent Diagram Relative to Known Elevation

Addendum #14, April 19, 2010

River Run Fiscal Impact Study: Sensitivity Analysis - Hotel Timing (11 pages)

Addendum #15, April 26, 2010

Figure 46, Size of Development Parcel D

Addendum #16, April 26, 2010

Figure 47, N2 Parcel

5. Additional Applicant Submittals:

River Run Water /Sewer/Irrigation Audit, prepared by Benchmark Associates, dated November 9, 2009 (found in "Water Audit" tab in Council binder)

ATTACHMENTS TO THE STAFF REPORTS:

ATTACHMENT 1:	Massing Analysis Staff Report, dated October 21, 2009
ATTACHMENT 1.2:	Winter and Company Massing Study, dated October 19, 2009
ATTACHMENT 1.3:	Winter and Company Massing Study, dated October 26, 2009
ATTACHMENT 2:	Surrounding Density Analysis Map
ATTACHMENT 3:	Ketchum Planning and Zoning Commission Findings and Recommendations, River Run Hotel Core Planned Unit Development, dated December 1, 2010, and executed December 21, 2010.

COUNCIL DECISION ON ANNEXATION/COMPREHENSIVE PLAN/ZONING:

Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, together with attachments thereto made a part hereof by reference:

- (1) Comprehensive Plan Map 2, Land Use;
- (2) Comprehensive Plan Analysis;
- (3) Comprehensive Plan Map 6, Area of City Impact;
- (4) Recommended Zoning and Conceptual Large Block Plat;
- (5) Analysis of Zoning and Subdivision Codes (includes employee, community housing, and floodplain);
- (6) Agency and Department Comments;
- (7) Public Comments;
- (8) Public Improvement Sequencing;
- (9) Draft Development Agreement;

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- (10) Ketchum Planning and Zoning Commission Findings and Recommendation on Annexation, Comprehensive Plan and Zoning, dated November 10, 2010; and,
- (11) Matrix Memo, Horowitz to Mayor and Council, November 20, 2009.

AGENCY AND DEPARTMENT COMMENTS:

See Attachment 6 to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

PUBLIC COMMENTS:

See Attachment 7 to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

1. PLANNED UNIT DEVELOPMENT BACKGROUND:

The Commission considered the seventeen evaluation standards found in the City's Planned Unit Development ("PUD Ordinance"), Chapter 16.08.080, Ketchum Subdivision Ordinance and made its recommendation to the City Council. That recommendation is attached. 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."

PUD's are typically on lots of three (3) acres or greater. The totality of the subject property is approximately one hundred, forty (140) acres and has been requested and approved for annexation into the City limits. The PUD for the Hotel Core is on 21.76 acres of the one hundred, forty (140) acres and is located east of the Big Wood River, south of the existing City limits in West Ketchum, west of Trail Creek and north of the proposed Eco-Park at the confluence of the Big Wood River and Trail Creek. The waivers recommended for approval by the Commission with concurrence by the Council are hereinafter stated with particularity to location, use, type, frequency and duration to the extent possible given the conceptual nature of the PUD Application and Master Plan.

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2. PUD STANDARDS OF REVIEW:

Findings are made regarding each of the seventeen (17) standards laid out in the PUD Ordinance and contained below.

3. PROCESS:

The PUD Ordinance establishes timelines for the Administrator to certify the Application as complete, departmental and governmental agency review, Commission review/action and Council review/action. These timelines are as follows:

- Administrator certifies Application as complete: 30 days, Certified August 28, 2009.
- Applicant cures deficiencies in Application: 30 days, additional information submitted September 4, 2009
- Agency/Department review period: 30 days, September 25, 2009
- Commission Review : Hearing dates were October 27, 28, and 29, November 10 and December 1, 2009: 60 days from the date the first public hearing is closed, unless the Commission makes a finding that, due to the complexity of the project, or changes in the project, or the need for additional information, or due to weather conditions, adequate review of the project is not possible and additional review time is necessary, the length of the extension to be determined by the Commission based upon relevant factors and evidence before the Commission.
- Commission Recommendation: Action December 1, 2010, written recommendation executed December 21, 2010.
- Council review: Hearing dates were December 8 and 9, 2009, January 13, 2010 (hearing was noticed but cancelled), February 11, March 9, April 12, 13, 21, and 22, June 7, 2010.
- Council Action: Annexation approved April 22, 2010 with written decision approved June 7, 2010; PUD approved June 7, 2010 with written decision approved July 6, 2010.

In November of 2008, the Applicant presented preliminary plans for the River Run Neighborhood to the City Council, Planning and Zoning Commission and general public. On August 12, 2009, the River Run Annexation and Zoning Designation and PUD Applications were submitted to the City. The contents of binder #1 are:

1. Application dated August 11, 2009
2. Project Team
3. Introduction
4. Context and Property Boundary
5. Existing Conditions
6. Annexation and Zoning Designation Information
7. Conceptual Site Plan
8. Planned Unit Development (PUD) Application

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The following exhibits were submitted in binder #2 along with the Application:

1. Legal Description
2. PUD Legal Description
3. Title Report
4. Title Report - Legal Instruments
5. Transportation Study, August 13, 2009
6. Environmental Report, August, 2009
7. Avalanche Hazard and Mapping Report, March 2009
8. Preliminary Geotechnical Evaluation Report, April 27, 2009
9. Fiscal Impact Analysis, August 3, 2009
10. 2009 Preliminary Base Flood Evaluation, May 29, 2009.

After review of the Application for the purpose of certification, the City requested additional information by letter dated August 28, 2009. The Applicant provided a letter dated September 4, 2009, in response. These letters are found in the front of binder #1.

The Application was certified as complete on August 28, 2009.

The following is the Commission review process and schedule for this project following the August 12, 2009 formal Application submittal:

- Friday, August 28: City requested additional information
- Friday, September 4, 2009: Applicant submitted supplemental information
- Wednesday, September 9, 2009: P&Z Commission Base Area Virtual Tour
- August 28, 2009: Application certified complete.
- Monday, September 14, 2009: P&Z Commission Overview of Annexation Process
- Thursday, September 24, 2009: P&Z Site Visit and Special Meeting: "What else do we need to make a decision?"
- Tuesday, October 13, 2009: P&Z receives staff report
- Tuesday-Thursday, October 27-29, 2009: Special P&Z Meetings/Render Recommendations on Annexation and Zoning
- Tuesday, November 10, 2009: Special P&Z Meeting/Render Recommendations PUD and associated waiver requests
- Tuesday, December 1, 2009: Special P&Z Meeting/ Render Recommendations PUD and associated waiver requests

The following is the Council review process and schedule for this project following receipt of the Commission's recommendations on Annexation, Comprehensive Plan and Zoning and PUD:

- Tuesday, December 8, 2009: Applicant presentation of applications; Staff presentation of Commission recommendations; public comment taken
- Wednesday, December 9, 2009: continued application presentation; public comment taken
- Tuesday, January 13, 2010: meeting noticed but cancelled
- Thursday, February 11, 2010: financials issues; presentation by City consultant Randy Young; public comment taken

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- Tuesday, March 9, 2010: Applicant presentation of PUD, large block plat, waivers; public comment taken
- Monday, April 12, 2010: housing and recreation; public comment taken
- Tuesday, April 13, 2010: public comment taken and closed; begin Council deliberation: phasing, financial, Parcel D, 50,000 sf office, parks, water, snow storage, and environmental best practices.
- Wednesday, April 21, 2010: continue Council deliberation: financial, PUD, Parcel D/R-2, water, snow storage, annexation, incentives, LOT, school district, park mitigation, housing
- Thursday, April 22, 2010: public comment taken and closed, continued Council deliberation: parks, recreation, community housing, snow storage, Parcel D/R-2; open public comment on Parcel D/R-2 and closed; deliberation: 50,000 sf office, LOT revenue, conservation easement, annexation fees; Council renders decision on Annexation, Comprehensive Plan and Zoning
- Monday, June 7, 2010: application re-presentation on PUD application, Council deliberation; Council renders decision on PUD; Council approves written Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning

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. The Commission recommended and the Council agrees an Annexation and Development Agreement be used to bind the Applicant to the conditions attached to the approval of the application for annexation and not be limited to but include those that the Commission and Council deem necessary to make positive findings on the PUD Application.

5. RIVER RUN HOTEL CORE PUD OVERVIEW:

The proposed Hotel Core PUD site is 21.76 acres out of the approximate one hundred-forty (140) acre property. The center piece of the River Run project is proposed to be a full-service destination hotel comprised of 150 - 200 rooms and contemplated to be constructed to accommodate a minimum "4-star" building program. The applicant proposed during the public hearing process that the project may include two or more smaller "4-star" hotels totaling 150-200 rooms instead of one 150-200 room hotel. Throughout this document, the term "hotel" shall also include the concept of more than one hotel. Conditions of approval apply regardless.

Amenities are likely to include a spa and fitness facility, destination restaurant, meeting space, grand lobby and outdoor pool and hot tubs. The hotel building(s) may contain for-sale residences. The Hotel Core is proposed to include a pedestrian plaza, retail space, parking garages and multi-family buildings containing 200 - 300 units.

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The uses within the 21.76-acre site are situated on the east side of the Big Wood River directly across the existing bridge and as close to the existing River Run Day Lodge and ski mountain as possible to create a vibrant, active center for the River Run Neighborhood.

Parking structures are associated with development in C4, C5, C6, and C7 (shown on page 78, Key for Tent Diagram and Figure 17, Tent Coverage, as modified by Figures contained in Addendums #1, #2, #5, #6, #10, and #13). This location for parking facilitates transit access, which could be bus access and/or the potential for a gondola terminal at the hotel structure across 'C' Street from parking/residential structure C6. The proposed bus and private vehicle skier "drop-off" area is slightly further from the limited parking and drop-off at the bridge today. However, the organization and grade (slope) will be far improved providing a more efficient access for skiers and recreationalists.

Table 1: Proposed Project Square Footage Estimates

PUD Range of Building Square Feet	
PUD Building(s)	Square Feet
Retail/Restaurant*	35,000 sq ft
Residential and other permitted uses per Table 1 of the River Run Annexation Findings of Fact*	500,000 - 610,000 sq ft
Subtotal	535,000 - 645,000 sq ft
Hotel*	250,000 - 300,000 sq ft
Total	785,000 - 945,000* sq ft

*excluding above and below-grade parking

The Applicant has prepared and submitted the following studies contained in Binder #2 as part of this Application:

1. Transportation Study, August 13, 2009 (Application Exhibit 5)
2. Environmental Report, August, 2009 (Application Exhibit 6)
3. Avalanche Hazard and Mapping Report, March 2009 (Application Exhibit 7)
4. Preliminary Geotechnical Evaluation Report, April 27, 2009 (Application Exhibit 8)
5. Fiscal Impact Analyses, August 3, 2009 and February 2, 2010 (Application Exhibit 9)
6. 2009 Preliminary Base Flood Evaluation, May 29, 2009 (Application Exhibit 10)

Other material pertinent to the PUD Application includes the Applicant's justification for its request for waiver of the height regulations contained in:

- The text in the PUD Application (pages 74-79 in Application Binder #1);
- Figure 17, Tent Diagram and Tent Coverage illustrating the scale and mass proposed in the Hotel Core (page 79);
- Sub Area Plan (page 80);
- Modifications to the height waiver request described in the text on page 6 in Addendum #1 to the Application;
- Figure 21, Revised Tent Diagram on page A1-10;
- Figure 22, Tent Diagram Section on page A1-11 ;

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- Figure 23, Revised Tent Diagram on page A2-1;
- Figure 24, Tent with Square Footages on Plan and Setbacks on page A2-2;
- Addendum 5, Hornberger + Worstell, Inc., Letter dated November 3, 2009;
- Figure 29, Conceptual Massing Model on page A5-18;
- Figure 30, Example Section Along Big Wood River with Maximum Height Shown on page A5-19;
- Figure 31, Tent Diagram Plan (with Conceptual Building Forms Shown) on page A5-20;
- Figure 32, Tent Diagram with Dimensions on page A6-1;
- Figure 33, Design Guidelines Illustration 01 on page A6-2;
- Figure 34, Design Guidelines Illustration 02 on page A6-3;
- Figure 35, Aerial Site Plan with Building;
- Figure 36, Aerial Site Plan with River Setback Zones;
- Figure 37, Setback Diagram (with Conceptual Building Forms Shown);
- Figure 38, Park on the River Concept Plan;
- Figure 40, Updated Design Guidelines Diagram; and,
- Figure 45, Tent Diagram Relative to Known Elevation.

City-prepared materials (Attachments 1, 1.2, 1.3, and 2) assisted the Commission with its evaluation of Hotel Core PUD. In addition to those materials, the Council considered the Commission's recommendation (Attachment 3):

- ATTACHMENT 1: Massing Analysis Staff Report, dated October 21, 2009
- ATTACHMENT 1.2: Winter and Company Massing Study, dated October 19, 2009
- ATTACHMENT 1.3: Winter and Company Massing Study, dated October 26, 2009
- ATTACHMENT 2: Surrounding Density Analysis Map
- ATTACHMENT 3: Ketchum Planning and Zoning Commission Findings and Recommendations, River Run Hotel Core Planned Unit Development, dated December 1, 2010, and executed December 21, 2010.

6. WAIVER REQUESTS:

Chapter 16.08, Planned Unit Developments, Section 16.08.070.F. allows, and the Applicant has requested, waivers as part of the PUD Application for the 21.76-acre Hotel Core.

- a. Street Right of Way (ROW), Section 12.04.030.A: requesting ROW dimensions ranging from forty to fifty (40 – 50) feet instead of sixty (60) feet; *specific* sections for the ROWs to be determined at the time the roads are designed and engineered. (Note: through the annexation process, the applicant agreed to sixty-foot rights of way, on Second Avenue, Third Avenue and Serenade Lane, with the opportunity to come back at a later date to discuss right of way dimensions and other design elements on other streets within the project. The Council accepted this proposal as memorialized in its Findings, Decision and Conditions on Annexation.)

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- b. Street Width, Section 12.04.030.B: requesting pavement widths of twenty-two (22) feet for "rural residential" streets, and thirty-four (34) feet or final width to be determined at preliminary plat for collector streets.
- c. Maximum Height, Section 17.52.010.I.1 requesting up to one hundred, ten (110) feet for the hotel instead of thirty-five (35) feet based on site constraints, grade change across property, and requirements for a minimum 4-star building program and demonstrated by the material pertinent to the PUD Application that includes the Applicant's justification for its request for waiver of the height regulations (listed above in Paragraph 5. River Run Hotel Core PUD Overview).
- d. Maximum Height, Section 17.52.010.I.2: requesting up to ninety (90) feet instead of thirty-five (35) feet and forty-four (44) feet for buildings on C2 through C7 within Hotel Core and demonstrated by the materials listed above in Paragraph 5. River Run Hotel Core PUD Overview.
- e. Off Street Parking, Section 17.124.060: requesting 1.2 spaces per residential unit, including guest parking and one (1) space per hotel key for all hotel uses including: hotel rooms, meeting space, spa employees, restaurant and retail areas on the plaza. These parking areas may be supplemented by the shared-use parking garages. This compares to a standard formula in the Code that is generally one and one-half (1.5) spaces for residential and three-quarter (0.75) space for hotel plus additional for spa, retail and meeting space.
- f. Sidewalk, Curb and Gutters, Section 17.124.090: requesting use of road drains, natural ditch-like features and other alternatives instead of standard curb and gutter.
- g. Design Review Requirement, Section 16.08.070.D: requesting Design Review once the first phase buildings(s) are designed. Ketchum Code allows the Applicant the option of applying for Design Review along with a PUD Application.

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Table 2: Waiver Requests via PUD Application

Code Section	Requirement	Waiver Requested
Streets, Sidewalks Title 12: Street ROW Section 12.04.030.A	Sixty (60) feet	Ranging from forty to fifty (40 – 50) feet; specific sections for the ROWs to be determined at the time the roads are designed and engineered
Streets, Sidewalks Title 12: Street Width, Section 12.04.030.B	Twenty-six (26) to forty-one (41) feet	Twenty-two (22) and thirty-four (34) feet
Zoning Ordinance Title 17: Tourist District (T) Sec. 17.52.010.I.1: Building Height	For buildings with a roof pitch under five to twelve (5:12) or for mansard roof buildings, the maximum building height shall be thirty five (35) feet.	One hundred, ten (110) feet maximum height with sections at forty-five (45), fifty-five (55), sixty-five (65), seventy (70), seventy-five (75), and ninety (90) feet, based on site constraints, grade change across property, and requirements for minimum 4-star building program; demonstrated by Figures 17, 21-24, 29-34, 40 and 45.
Zoning Ordinance Title 17: Tourist District (T) Sec. 17.52.010.I.2: Building Height	For buildings with a roof pitch greater than five to twelve (5:12), the maximum height to the mean point of the ridge or ridges measured from eaves line to the ridge top shall be thirty five (35) feet. Roof ridges above the mean point may extend up to a height of forty four feet (44').	Up to ninety (90) feet for Buildings C2 through C7 within Hotel Core; demonstrated by Figures 17, 21-24, 29-34, 40 and 45.
Zoning Ordinance Title 17: Accessory Buildings & Uses Sec. 17.124.060 Off Street Parking	Multi-family: 1 space/1500 sf, plus 1 guest space for every 4 units Single family: 1.5 spaces/unit Hotel: 0.66 spaces/room plus additional required for spa, retail and meeting space.	1.2 spaces per residential unit, including guest parking, and 1.0 space per hotel key for all hotel uses including: hotel rooms, meeting space, spa, employees, restaurant, and retail areas on the plaza. These parking areas may be supplemented by the shared-use parking garages.
Zoning Ordinance Title 17: Accessory Buildings & Uses Sec. 17.124.090 Sidewalk, Curb & Gutter	Curb and gutter are required with all new construction.	Use of road drains, natural ditch-like features and other alternatives instead of standard curb and gutter
Subdivision Ordinance Title 16: Sec. 16.08.070.D.	Design Review Requirement optional at point of application for PUD.	Applicant will make application for Design Review after the first phase building(s) are designed. It should be noted that the Code allows the Applicant the option of applying for Design Review along with a PUD Application, however, the PUD Application form requires submittal of Design Review materials; therefore the request to waive was included.

a. Street ROW widths within Hotel Core.

Street 'C' runs exclusively through the Hotel Core and is proposed with a 50-foot ROW accommodating walkways and bike lanes on both sides, and two (2) travel lanes.

Exhibit S - PUD Findings

Street 'B' connects to Third Avenue providing access to and within the Hotel Core. It is proposed as a "residential" street with a forty (40) foot ROW accommodating a drainage swale on both sides and two (2) travel lanes.

Serenade Lane runs from State Highway 75 through the Hotel Core and is proposed with a sixty (60) foot ROW, accommodating walkways on both sides and three travel lanes. Outside the hotel core, walkways and drainage swales on both sides and two travel lanes are shown.

Third Avenue, as it defines the south side of the Hotel Core to its intersection with Serenade Lane, is proposed with fifty (50) foot ROW, accommodating walkways and drainage swales on both sides and two travel lanes. As Third Avenue continues past Serenade Lane, the ROW appears to remain at fifty (50) feet wide.

The Application notes that the road alignments are conceptual and may move with further design of the hotel and infrastructure. The only development plan available at this point is the Tent Diagram that demonstrates the height waiver request for the hotel and associated parking and residential structures.

The Commission recommended and the Council concurred with the proposal by the Applicant during the hearings to comply with City street standards for all dedicated roadways provided that the Applicant may propose waivers to ROW widths at the time of specific application for Design Review or Subdivision. In the Council's Findings, Decision and Conditions on Annexation and Zoning, the Council found that Serenade Lane, Second Avenue and Third Avenue are appropriate for dedication subject to compliant grades, cross-sections and other engineering details and City maintenance provided they comply with City street standards. Other roadways may be proposed by the Applicant for waivers and the City may approve modifications based on the function, locations, and alignments of the particular street(s). The City will consider required emergency vehicle, snow plow, snow storage, and other road-related issues in evaluating requests for waivers from street standards.

b. Street paving widths within the Hotel Core.

Paving widths are dependent upon the number of travel lanes. In general, the request is to reduce the widths twenty-two (22) to thirty-four (34) feet.

The Commission recommended and the Council agreed with required compliance with City street standards for paving unless waivers are requested by the Applicant and approved by the City at Design Review or Subdivision consideration.

c. Maximum height for hotel.

110 feet is requested for an area that is a maximum of 8% of the C1 Lot Area. This waiver is demonstrated by Figures 21, 23, 24, 34 and 45. Figure 45 demonstrated the proposed heights relative to the elevation of SH75. In addition, during hearing the Applicant represented that the elevation at the top of bank by the existing skier bridge is 5750 and could be utilized to understand the heights proposed. Because the grading plan included with the application is

Exhibit S - PUD Findings

preliminary and not engineered, the Applicant proposed, the Commission recommended approval, and the Council accepted a 10-foot margin of error.

d. Maximum height for buildings C4-C7 (including parking garages).

75-90 feet for portions of buildings up to the percentages shown on Figure 45 of each lot underneath is requested. This waiver is demonstrated by the same figures as for the height of hotel and is further demonstrated by comparison to the elevations of SH75 and the elevation of the existing top of bank discussed above. Figure 45, as well as other Figures listed above, shows Buildings C4-C5: 35%; Buildings C6-C7: 25%. Figures 23 and 24 show the same with the possible square footages per building block.

Addendum 5 together with Figure 29, Conceptual Massing Model, Figure 30, Example Section Along Big Wood River with Maximum Height Shown, Figure 31, Tent Diagram Plan with conceptual building forms shown, Addendum 6, Figure 32, Tent Diagram with Dimensions, Addendum 6, Figures 33 and 34, Design Guidelines Illustrations 01 and 02 and Addendum 10, Figure 40, Updated Design Guidelines Diagram clarify that there shall be maximum roof lengths, maximum vertical dimensions, particularly at setback lines, and additional setbacks in a defined corridor along the Big Wood River.

e. Off-street parking.

REQUIREMENT:

Multi-family:	1 space/1500 sq.ft. of gross residential area
Single family:	1.5 spaces/unit
Hotel with mixed use:	0.66 space/room plus additional required for spa, retain and meeting space

WAIVER REQUESTED:

Residential: 1.2 spaces/unit including guest parking
Hotel: 1.0 space per key for all hotel uses including: hotel rooms, meeting space, spa employees, restaurant and retail areas on the plaza. These parking areas may be supplemented by the shared-use parking garages. Requirements for spa and meeting space parking will be accommodated in this ratio, supplemented by shared parking use of day skier parking spaces.

The Commission recommended and the Council agreed that based on the analysis of the spaces required, the inclusion of day skier parking in the Master Plan, a shared use agreement for special event parking, and no negative impact on the public health, safety and welfare, it is appropriate to approve the waiver to parking as requested.

f. Sidewalk, curb and gutter.

Exhibit S - PUD Findings

The cross-sections shown include walkways on one or two sides of the street except the forty (40) foot "Rural Residential" section. Use of road drains, natural ditch-like features and other alternatives instead of standard curb and gutter.

The Commission considered and the Council agreed with the fundamental need for non-vehicular circulation as part of the overall Master Plan for River Run. Pedestrian and/or bicycle access is provided throughout the property connecting the West Ketchum neighborhood, Harriman Place neighborhood, the Eco-Park, the Hotel Core, and Bald Mountain. The Wood River Trail and its spur to Second Avenue will continue to connect the River Run area with points south and the City Core. Walkways with alternate drainage or complete sidewalk, curb and gutter are important to facilitate these non-vehicular movements and the potential for a gondola or other alternative transportation connection to the City or Sun Valley Resort. The City Engineer recommended that the Applicant share in the completion of sidewalk and bike lane sections that are currently missing along Second and Third Avenues to connect pedestrians safely into downtown Ketchum from the River Run project. The Commission concurred with this recommendation as did the Council, and also requested that bike lanes be included along Third Avenue. The Commission recommended and the Council agreed that the request for modification of the cross-section for sidewalks in the Hotel Core is more appropriately considered at the time the specific hotel and Hotel Core plans for submitted for Design Review and/or Subdivision approval.

The following zoning standards will be addressed for each portion of the development during specific Design Review and/or Subdivision phases. (Note that these Findings and the Development Agreement in some cases supersede regulations found in the Ketchum Municipal Code):

- Floor Area
- Lot Area
- Lot Coverage
- Building Height (for conformance with Tent Diagram and related conditions)
- Required Setbacks: Front, Sides, Rear, Riparian (for conformance with Figure 37)
- Curb Cut
- On-Site Parking Requirements (for conformance with the parking ratios approved in the Annexation Findings and Addendum #3)
- Parking Spaces Required by Use (for conformance with the parking ratios approved in the Annexation Findings and Addendum #3)
- Proposed Structure and Surface Parking (for conformance with the parking ratios approved in the Annexation Findings and Addendum #3)

Community benefits supporting the annexation as well as the requests for waivers presented in the Application include:

- Increased City tax base
- Destination attractions in City limits
- Public nature trails
- Protection of streams and restoration of wetlands - Eco-Park

Exhibit S - PUD Findings

- "Community gathering place" at Hotel Core
- Land for Employee and Community Housing
- Preserved pathway for potential future gondola connection to downtown Ketchum and Sun Valley
- Arrival statement at State Highway 75
- Shared use parking with agreement
- Improved natural gas line capacity

Community benefits identified in the Environmental Report and included in the proposal are:

- Learning centers and trails in Eco-Park, Section 4.2.2 p.12
- 10-foot fisherman's easement along Big Wood River and Trail Creek
- 25-foot scenic easement along Big Wood River and Trail Creek
- "designated public access across the property to private and public lands" p.23
- "improved parking for access to the Bald Mountain and Wood River Trails Network" p.24

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).**

Standard #1 Council Conclusions:

Exhibit S - PUD Findings

The Hotel Core for which PUD approval is sought is 21.76 acres out of the one hundred-forty (140) acres requested for annexation. The minimum lot size has been met.

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

The Hotel Massing Study, conducted by Winter and Company, (Attachment 1.2 and 1.3) describes the general context within which this site is located.

To the north and northwest of the Hotel Core, multi family condominium development exists in the Tourist Zone, Pennay's at River Run in the adjacent GR-H zone, and approximately three (3) duplex properties in the adjacent GR-L zone. To the north and northeast is River Run property poised for residential use and tourist accommodations to be developed by the Applicant. To the east, west and south is the balance of the one hundred-forty (140) acre parcel owned by the Applicant and proposed for annexation.

The existing use of the 21.76 acres is a combination of skier day parking on the upper level; the Wood River Trail along the former Union Pacific Railroad Right of Way; Third Avenue vehicular access to the base facilities; and various foot paths.

The Hotel Core is proposed to accommodate 150-200 hotel rooms, approximately 35,000 square feet of retail restaurant space including the destination restaurant, but excluding back of house, kitchen and ski storage areas, 200-300 residential units and parking garage/structures. See Table 1: Proposed Project Square Footage Estimate for a range of square footages included in the Hotel Core, not including structured parking.

The topography of the portions of property accommodating the Hotel Core and Residential Areas will be modified to result in a more consistent grade from the approximate elevation of the existing Third Avenue to the elevation of the generally flat land adjacent to the Big Wood River, currently the site of the limited parking/ski school registration lot and transit/skier drop off area. The change in elevation between these two points is approximately thirty (30) feet. (There is a bench slope rising from the Trail Creek elevation that forms the plateau upon which the extension of Third Avenue and the "upper" parking lot currently sit. That plateau then drops off to the elevation of the transit/skier drop off area.)

The more consistent grade is the plane upon which the hotel and associated development is proposed to sit. Figure 21, Revised Tent Diagram, Figure 23, Revised Tent Diagram, Figure 24, Tent with Square Footages on Plan and Setbacks, and Figure 29, Conceptual Massing Model demonstrate the height waiver requested. (See also the Revised Tent Diagram Section, Figure 22, included in Addendum #1 and Tent Diagram Plan and Tent with square footage indicated on plan in Addendum #2.) Addendum #5 indicates that the Applicant is requesting a variation of up to ten (10) feet be permitted when calculating building heights, based on the Preliminary Grading Plan, Sheet 9.0. The Council requested, and the applicant provided an additional Figure, Figure 45, Tent Diagram Relative to Known Elevation illustrating the relationship of building heights to a known point, selected as a point on Highway 75 as shown on Figure 45.

Exhibit S - PUD Findings

The bench slope off-property that separates the northern portion of the River Run property from Krystal Villa remains intact. The regrading begins after that bench slope and Wood River Trail enter the River Run property from the north. There is no regrading proposed for that area adjacent to Pennay's at River Run and the GR-L zoned land (see sheet 9.0 Land Use and Grading Plan).

From the Tent Diagram and Tent Coverage exhibits, staff noted that it was difficult to understand what the exact setback from that northerly property line (adjacent to the dead-end of Bird Drive, Pennay's at River Run, and the duplexes) will be. However, the envelope for that portion of the building shown closest to that property is forty-five (45) feet in height. The original PUD Application indicated that the heights shown reflect just one possibility of how the massing might be configured. The Applicant stated that the exact location of the buildings of varying heights may differ from those depicted on the Tent Diagram. The Applicant's proposal is: **"So long as the future proposed building designs for each parcel comply with the height restrictions by percentage of site area depicted on the tent diagram, then the general massing for each parcel shall be approved during the Design Review process."** Addendum #5 submitted by the Applicant proposes some further restrictions on massing at setback lines, with a 25-foot setback proposed adjacent to this area. In addition, the Applicant represented during hearing that the 1 foot for every 3 feet of building height rule would be honored on the northern property boundary adjacent to West Ketchum. However, interior setbacks are planned according to the proposal illustrated on Figure 24, Tent with Square Footages on Plan and Setbacks, Figure 31, Tent Diagram Plan with conceptual building forms shown, Figure 36, Aerial Site Plan with River Setback Zones, and Figure 37, Setback Diagram (24x26).

Figure 32, Tent Diagram with Dimensions, submitted in Addendum #2, indicates the percent of the site area that may be developed at the various heights within C1 alone, C2-C3 together, C4-C5 together, and C6-C7 together. In other words, the percentages are representing the *collective* percentage within the blocks of buildings defined as C1, C2-C3, C4-C5, and C6-C7.

The Hotel Core is not accessed by any of the streets that access the adjacent Tourist, GR-L, or GR-H zoned areas immediately to the north of the Hotel Core.

The River Run Massing Analysis, conducted by Winter and Company, dated October 26, 2009 (Attachment 1.2) describes the general context within which this site is located. The Massing Analysis sites several key site planning considerations:

- View opportunities from established neighborhoods (note that this refers only to views from public rights of way, not private views)
- Views of the development from the southern entrance corridor (State Highway 75 by the Reinheimer Ranch)
- Views/experience along the Big Wood River

Exhibit S - PUD Findings

Established Neighborhoods and Surrounding Areas

Northern Neighborhoods (Wood River Drive)

The Massing Analysis includes two viewpoints in the existing neighborhood accessed from Wood River Drive: View 5 and View 6. View 5 shows how the proposed tent would be visible at the end of Wood River Drive as seen from the top of the hill. Buildings will be visible at the end of the street, but rooflines do not exceed the visible heights of the existing neighborhood buildings in the foreground. View 6 looks south down the bike path from Wood River Drive. Buildings will be prominently visible from this viewpoint. The Massing Study suggests that setbacks for some of the building forms may be appropriate in this area.

The Commission recommended and the Council accepted certain limitations on building mass in this area to reflect the Tent Diagram as shown in Figure 32, Tent Diagram with Dimensions, and limits further variations that may have greater impacts on this neighborhood, as specifically outlined in the conditions contained in these Findings.

Northeast Neighborhoods (Third Avenue)

View 4 is located on Third Avenue at the northern edge of the PUD boundary. Buildings will be visible from this viewpoint; however, these buildings will likely be obscured by other buildings conforming to the adopted height limits outside the PUD boundaries generally in Residential Area A.

Riparian/Riverfront Areas

View 7 attempts to overlay the Tent Diagram on the riparian area. The study notes that these views may be inaccurate, as boundaries are difficult to determine. The Applicant initially proposed an average 50-foot riparian setback in portions of the property outside of the PUD boundary and, during Council deliberations proposed to increase the setback along the Big Wood River and Trail Creek in Area D to 100 feet. Initially, the standard 25-foot setback was proposed within the PUD boundary. The 25-foot setback is in reality farther from the mean high water mark of the main channel of the Big Wood River than 25 feet because it is being measured from the blocked side channel or what is referred to as a back-channel of the river in this area. Responding to the Commission's concern about whether there was enough space between the river and the Hotel/pedestrian plaza to ensure its use will accommodate the activities necessary to create the vibrant node described in the Application, the Applicant submitted Addendum #5, Hornberger + Worstell letter of November 3, 2009 with Figure 30, Example Section Along Big Wood River with Maximum Height Shown, Figure 36, Aerial Site Plan with River Setback Zones, and Figure 38, Park on the River Concept Plan.

Exhibit S - PUD Findings

The Commission stated its preference that this area be fully utilized by showcasing the significant river asset as well as the creation of a pedestrian plaza for multiple uses. Concern was discussed over the potential conflict of pedestrians and bicyclists in the area between the river and the hotel.

Figure 30 illustrated the effective setback together with an explanation of the methodology used in selecting lengths, heights and percentages imbedded in the proposed design. Addendum #5 also included Figure 31, "Tent Diagram (with Conceptual Building Forms Shown)" that demonstrates lengths of sections of building, setbacks, and example view corridors, particularly as they relate to buildings located along the Big Wood River frontage. The section (Figure 30) shows a 25-foot setback from the back channel of the river named "zone 1"; the next landward 10 feet named "zone 2" where structures are proposed to be a maximum of 15 feet high; the next landward 40 feet named "zone 3" where structures are proposed to be a maximum of 65 feet high; and the next landward segment named "zone 4" where the structures are proposed to comply with the tent diagram.

The Commission heard and considered the following information from the Applicant before reaching its recommendation to the Council:

- Explanation of the figures in detail to demonstrate the proposed setbacks from the river and from the back channel as they relate to the building facades, corners, lengths and heights.
- The example of the Westin Riverfront Resort Hotel and Spa in Avon, Colorado that is similarly situated and offering pedestrian and bicycle access between the hotel structure and the river.
- Explanation that the "noses" or "wings" of the hotel do not obstruct the use of the space for the activity that is planned and desirable but are "opportunity" locations - to actually get people closer to the river with outdoor seating, decks, extension of the pedestrian plaza space, etc.
- Explanation that while there is no lineal view down the river, no rivers edge corridor, there is also no long, straight façade paralleling the river. The points where tension between the building and the river may be perceived will be designed to bring the activity closer to the river.
- The proposed setback of 25 feet from the mean high water mark of the back channel is the very minimum and creates an actual setback from the mean high water mark of the main Big Wood River channel from 75-100 feet in this area of the hotel core (see Figures 35, 36 and 38).

The Applicant's intent is to open the channel that has been plugged or blocked by prior river action or stabilization efforts, recognizing the plugged channel is a barrier to the river experience. Federal, state and city permits will be required. Various scenarios exist with regard to the treatment of the setback area as well as providing access over the opened channel toward the main river channel. Improvements to the environmental conditions are important as well as providing access within the riparian area and up to the river itself. (See Figure 38 for an example of a River Concept Plan.)

Exhibit S - PUD Findings

In response to the Commissioners' questioning whether opening the channel, which they felt was a good idea, necessitates an increased "zone #1" setback (proposed as the first 25 feet landward of the back channel - Figure 30, Example Section), especially around the pinch points of the wings of the hotel, the Applicant stated the type of vegetation management will be important to the whole riparian area. They will investigate the possibility of a pedestrian bridge over the opened-channel, placing boulders to sit on and enjoy the river, and actually provide views across the 75-100 feet in front of the river. The Applicant pointed out that when improvements were made in the past on the west side of the river the vegetation management plan required that vegetation not be cut. The result is thick growth that prevents a visual connection to the river from that side.

"Zone 1" is the building-free 25-foot setback from the channel. "Zone 2" that is the next 10 feet landward is proposed to permit structures that are a maximum of 15 feet high, such as stairs, planters, elements that are open above. There is no continuous façade planned within the tent that parallels the river and the proposed setbacks.

"Zone 3" is limited to 65 feet and is only possible at the "noses" or "wings" shown on the Tent and site plans. The horizontal dimensions and locations of these "wings" and "noses" may shift so long as they do not exceed the 30% of the linear footage of the 25' riparian setback line limitation described in the Conditions below.

Upon better understanding of Figures 29-31 as they relate to the setback from the Big Wood River, the Commission was satisfied and the Council agreed with the proposal noting that the tent diagram with dimensions and the line drawings, submitted in Addendum #6 as Figures 32-34 and the Park on the River Concept Plan, submitted in Addendum #7, Figure 38, will assist a future Commission in interpreting the proposal with the same outcome this Commission expects.

Southern Entrance Corridor

The Reinheimer Ranch is a key entry feature for the community of Ketchum. (See Winter and Company Massing Analysis in Attachment 1.3 and the Comprehensive Plan Analysis, Attachment 2 Annexation and Zoning Recommendation.) Three viewpoints are analyzed in the Massing Study related to this entrance corridor.

View 1 is taken from State Highway 75 at the curve in the highway that frames Bald Mountain with the Reinheimer Ranch in the foreground. Limited portions of the Tent are visible above the tree line. These buildings are indicated as parking structures wrapped and covered in residential development. The 110-foot core hotel building is not visible from this viewpoint, but architectural features associated with this building may be visible once designed.

View 2 is the next northerly point along the highway. Views are similar to those described in View 1.

Exhibit S - PUD Findings

View 3 is taken south of the intersection of Serenade Lane and State Highway 75. From this intersection, buildings are more visible, with a portion of the core hotel beginning to be visible from this viewpoint. Views of the core hotel may be more prominent if the roundabout alternative is selected.

None of the above three views appear to have a negative impact on the southern entrance corridor. Limited visibility is found to appropriately draw attention to the River Run base area and Bald Mountain. Features such as towers, spires, chimneys and other architectural elements are appropriate to exceed the maximum building height by the requested 18 feet provided they do not include habitable space and do not cover more than 10% of the adjacent roof area. Mechanical may be accommodated within or entirely wrapped by such features within this 18-foot height.

General

Addendum #5 includes a November 3 letter from Hornberger + Worstell, Inc. Architects. The letter states that each large block within the PUD contains a 30' wide "opening" that will separate building(s) over 25' in height. One example of such an "opening" is shown on Figure 31. The explanation provided by the Applicant pointed out that since the buildings are not designed as yet it is difficult to demonstrate where these "openings" will specifically be located. However, it is shown that, for example, an "opening" in excess of 30 feet is contemplated between C6 and C7 and that some "openings" may be interrupted by upper story bridges. Openings between buildings will not be less than 30 feet wide, as detailed in the Conditions of Approval. In addition, it is proposed that a minimum of 20% of the perimeter of the building footprint above 35 feet in height will step back. The Commission and Council recognized that with specific design the "openings" may change from the representations on the site plans.

The viewpoint of a skier on the lower River Run ski run was demonstrated in the Winter Massing Study. The Commission found and the Council agreed that the hotel core is an appropriate focal point from the ski mountain and that from this and even higher perspectives the transition from the dense hotel core and activity center to the similarity with town site blocks in the River Run Neighborhood will be evident.

Height will generally be measured from the topography proposed in Sheet 9.0. Acknowledging the conceptual nature of the grading at this point, the final grading and therefore measurement of height shall be allowed to vary by no more than 10 feet. However, grade changes from Sheet 9.0 in excess of 10 feet are appropriate to allow for roadways, garage entries and other circulation and landscape elements as long as those changes do not cause the grades at the building bases to vary more than 10 feet.

The Hotel Core is not accessed by any of the streets that access the adjacent Tourist, GR-L, or GR-H zoned areas immediately to the north of the Hotel Core.

Standard #2 Council Conclusions:

River Run Hotel Core PUD
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Exhibit S - PUD Findings

The application is in compliance with this standard subject to conditions contained herein addressing the height of the hotel and architectural and other non-habitable features; and setbacks and treatment of and along the riparian and river corridor.

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

A “standard subdivision” does the following:

- a. Mitigates impacts associated with the subdivision on City services and facilities. The City’s subdivision process ensures that the needed improvements are in place before final subdivision occurs.
- b. Provides certain common amenities for the benefit of subdivision owners.
- c. Protects natural features within the site.
- d. Establishes standards for development, activity and management within the development through recorded Covenants, Conditions and Restrictions.
- e. Ensures the goals, policies and standards of the Comprehensive Plan, Zoning Code and Subdivision Ordinance are achieved through the design of the subdivision.

The proposed River Run Hotel Core PUD compares with the five (5) items outlined above regarding a “standard subdivision” as follows:

- a. Mitigates impacts associated with the subdivision. The impacts and mitigation of the proposed zoning and Master Plan for the subject property will be documented in an Annexation and Development Agreement, unlike subdivision proposals for land already in the City. The request for annexation approval presents a fairly unique opportunity for the Applicant to be flexible with its development proposal and for the City of Ketchum to be flexible in its approval of the plans. A full discussion of the mitigation of impacts to City facilities, services and utilities is found below under PUD Evaluation Stan
- b. Provide common amenities for the benefit of subdivision owners. The PUD for the Hotel Core proposes the following amenities in concept:
 - Full-service destination hotel comprised of 150 - 200 rooms
 - Spa and fitness facility
 - Destination restaurant
 - Meeting space
 - Grand lobby
 - Outdoor pool and hot tubs
 - Pedestrian plaza
 - Retail space
 - Parking garages

The planning for development of River Run as a whole provides amenities to the greater public in the form of continued and enhanced access to Bald Mountain, its trails, the Big Wood River, Trail Creek, and the Wood River Trail. In addition, the

Exhibit S - PUD Findings

proposal includes the Eco-Park and preservation of the stream corridors. Transit stop and day skier parking and drop-off are also provided.

Recent "standard subdivisions" within the City have not provided "useable open space."

- c. Protect natural features. The Hotel Core PUD is situated to honor a minimum twenty-five (25) foot setback along both waterways with the average stream setback of fifty (50) feet across the site, outside the PUD boundary, and one hundred (100) foot setbacks in Area "D". The more expansive setbacks and uses along the Big Wood River are discussed in Standards 2 and 8. The Environmental Report (Exhibit 6 in Application Binder #2) indicates that if improvements to the streams or riparian corridors require work in jurisdictional areas, the Applicant will obtain necessary permits from regulatory agencies. No specific plans are outlined in the Environmental Report other than the need for road and bridge crossings of wetland or streams (outside of PUD area). The area encompassed by the proposed Eco-Park (outside of PUD area) is intended to be cleaned up and public access provided. The intent along the frontage of the Big Wood River at the Hotel Core is to open the closed/plugged back channel and enhance the river and riparian experience in conjunction with the pedestrian plaza. The Applicant plans to limit the encroachments into wetlands for the whole project to 1/2 acre if possible that will be necessary to accommodate all of the enhancement activities. However, if the Applicant decides to move forward with a river park similar to the concept depicted in Figure 38, total project wetland encroachments are likely to exceed ½ acre and will require further processing and permitting by the City, potentially the State, and the applicable Federal regulatory agencies.
- d. Establish standards through CC&R's. No CC&Rs have been submitted and may only be applicable to for-sale residential dwelling units, since the Applicant plans to operate the property as part of the larger Resort.
- e. Goals and Policies of Comprehensive Plan are achieved. The Commission and Council evaluated how the Hotel Core PUD achieves the goals of the Ketchum Comprehensive Plan, not only through these PUD standards but also as part of the review of the annexation request. Attachment (2) which is the analysis of the Comprehensive Plan was accepted by the Council and is part of the Council's Finding, Decision and Conditions on Annexation, Comprehensive Plan, and Zoning, attached hereto.

While the term "sustainable" can mean many things in many different contexts, the Applicant has indicated In Addendum #1 the sustainable development principles applied to the River Run Neighborhood: economic development and job creation, affordable living (employee housing), enhanced wetlands and riparian vegetation, enhanced fisheries, and maximized walkability and provision of transit options. The Applicant represented the hotel and homes will be "environmentally friendly, economically feasible, and socially aware - in other words, fully sustainable." The River Run Neighborhood is planned to incorporate the principles of LEED for LEED Neighborhood Design where appropriate; and steep slope protection, site design for wetlands conservation and restoration, connectivity with neighboring communities, and

Exhibit S - PUD Findings

transportation demand management have been addressed. The Commission expressed a desire and the Council concurred that further understanding of the sustainability of the project through the future Design Review would be expected.

Standard #3 Council Conclusions:

While a PUD is necessary for the Applicant to propose and the City to accept a modification of height for the hotel, the flexibility of a PUD is also beneficial to the development of this important parcel of land. A traditional straight-lot subdivision likely would not accommodate the quality and type of tourist and recreation-related development proposed. At the same time, the Master Plan demonstrates a compatible "city block" type configuration near the town site transitioning to the centerpiece Hotel Core and, further to the south and east, less density in a form reflective of the context of the environment and adjacent Reinheimer Ranch. The Council found that detailed sustainability efforts should be further defined in the design review process.

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

These criteria are subjective and included evaluation of uses, densities, bulk, architectural design, materials, landscaping, building and parking layout. Residential uses, as described under Evaluation Standard Number 2, are similar to those of the surrounding West Ketchum neighborhood. The hotel, spa, parking garage(s) and other commercial uses are permitted under the Tourist (T) Zoning, however, these uses are unique to the River Run area even though tourist accommodations exist on neighboring properties.

The concept plans for the property presented in the Application for annexation demonstrate an essentially self-contained project. The access to the property via Serenade Lane, Second Avenue and Third Avenue remains as it exists with some modifications to alignments and circulation within the property. Analysis of the specific bulk, architectural design, materials, landscaping building and parking layout beyond the Tent Diagram and Design Standards will take place during the Design Review process for individual buildings.

a. Bulk Analysis

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

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

- (1) The size of buildings and other structures;**
- (2) The shape of buildings and other structures;**
- (3) The location of exterior walls of buildings and other structures, in relation to area of a lot, to the centerline of streets, to other walls of the same building, and to other buildings or structures; and**

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(4) All open spaces relating to a building or a structure.

Floor Area Ratio (F.A.R). for the Hotel PUD Block

Range of Building Square Feet:	Retail/Restaurant	35,000 sq ft
	Residential and other uses permitted outlined in Table 1 of the River Run Annexation Findings of Fact	500,000 – 610,000 sq ft
	Hotel	250,000 – 300,000 sq ft
	Structured Parking above grade: not submitted at this time	
	Total	785,000 – 945,000 *

Size of Block, less land needed for roads: 827,640 - 155,940 = 671,700

PROPOSED FAR: 1.4 *

PERMITTED FAR: 1.6 *

* not including above or below-grade parking

Floor Area Ratio is merely a number that indicates how much building is on a certain size of property. How that floor area is distributed may result in very different solutions. Note that the proposed FAR is within the maximum allowed in the zone, reflecting the amount of open space that will be in the hotel plaza and other open areas. The actual FAR will be greater once above-grade structured parking is added to the total, and would be permitted to exceed 1.6 under this PUD.

Addendum #1 proposed several changes in the Tent Diagram:

- Architectural elements exceeding the maximum tent diagram heights may contain mechanical and elevator overruns within.
- Building C6 has been shifted to enhance the visibility of the core hotel building from State Highway 75 and Serenade Lane (View #3 of the Winter Massing Study).
- Additional diagrams have been provided to further illustrate the core PUD area.

Addendum #5 also proposed changes in the Tent Diagram:

- Roof area restrictions limitations such that no more than 20% of a roof area may be flat when the roof is over 45' in height; that area is considered appropriate for private penthouse decks, patios or other outdoor spaces

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- Creates building sub-block lengths of 120', 180' and 240'
- Creates a maximum building length of 600' for Building C1
- Creates 30'-wide openings in each of the large blocks (C-1, C2-3, C4-5 and C6-7) for building over 25' in height
- Limits taller facades at setback lines to 35% of the length of that building elevation
- Creates a ridgeline maximum for the core hotel building of 240' and maximum ridgeline lengths for other ridgelines of 60', 120' and 160'
- Creates additional building step backs along the Big Wood River through a series of zones that limit building height as shown on the "example Section" in Attachment #5
- Creates PUD setbacks in excess of those required by the T zone: 25' adjacent to the West Ketchum neighborhood. In addition, the Applicant states that the one foot for every three feet of building height setback will be honored in this location.
- Additional flexibility for the Applicant during the Design Review process to vary from these standards

Addendum #6 demonstrates with various figures the changes in the Tent Diagram:

- Maximum building length and diagonal building dimensions on each block shown on the Tent Diagram
- Design guidelines illustrations of horizontal lengths and diagonal dimensions; vertical height dimensions; and building height
- Massing along the Big Wood for C1 and C2 along with textual explanations

Addendum #10 demonstrates an updated design guidelines diagram for horizontal lengths and diagonal dimensions and vertical height dimensions.

The Revised Tent Diagram, Figure 23, shows how the building blocks in the PUD area might be configured on the site. The Conceptual Massing Model, Figure 29, illustrates potential building forms that fit within the Tents. The tallest building areas are proposed to be limited in size as a percentage of the total of that building block, which is the area shown in blue under each building in Figure 23. The following table shows the maximum footprint possible for each building block in the Tent Diagram. The square footage percentages are shown by building blocks on Figure 23. However, this footprint is further limited by the Applicant proposal in Addendum #5 that flat roofs over 45' in height be limited to 20% of the roof area.

Table 1 was found minimally useful as a Condition of Approval since it simply represents the maximum square footage at the various heights shown in Figure 23 within the tents and not structures. It does not demonstrate how that square footage may be used with the design parameters that have been proposed by the Applicant and recommended by the Commission, and is not included as a Condition of Approval.

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Table 1: Maximum Possible Footprints of Tent Diagram Areas

Building	110' footprint	90' footprint	75' footprint	70' footprint	65' footprint	50' footprint	45' footprint	35' sloped plane (base building footprint) parcel area
C1	25,883			64,709			16,177	323,545
C2			19,375		24,218	4,843 (55')		96,875
C3								
C4		40,127			19,490	17,197 (55')		114,650
C5								
C6			38,892			24,891 (50'-55')	18,668	155,570
C7								

Figure 23 that shows the percentages of square footage by building block that may be of certain heights together with the limitation on flat roofs over 45 feet in height adequately describes a scale that is compatible with the town. These footprints are further mitigated through variation in building massing, and through the maximum wall plane lengths suggested in Addendum #5 of 120, 180 and 240 feet in length. The Commission discussed the potential conflict between approving the wall plane lengths at this point and later reviewing a design that meets these lengths that is not found acceptable. Given the conceptual nature of the request for PUD approval, the wall lengths and other design standards represent the P & Z and Applicants' best recommendations at this time. More specific design standards at this point may inhibit the ability to design a hotel and the related residential/parking structures that carry out the concepts and purposes of the River Run Neighborhood. The onus will be on the Applicant to present plans that comport with these standards and Chapter 17 Design Review Standards by which the design will be formally judged, or to propose changes to these standards in the Design Review process, if these changes will reflect a superior design. The Commission concluded and the Council agreed that these are appropriate wall plane lengths for this site, and that these regulations should be augmented with line-drawing sketches that illustrate the intent of the regulations. Such drawings are included in Addendum #6 and Addendum #10.

The Ketchum Code requires that "existing natural grade" be used to measure building height. This is not a practical application for this property given the amount of regrading proposed and found acceptable to accommodate the heights, improved circulation and overall development of the master plan. Sheet Number 9.0 is the basis for measuring height with a deviation of 10'

Exhibit S - PUD Findings

to reflect the conceptual nature of this preliminary grading plan. Figure 45 in Addendum #13 illustrates the tent diagram relative to the known elevation of SH75. In addition during Council hearing, the Applicant represented that the elevation at the top of bank by the existing skier bridge is 5750 and could be utilized to understand the heights proposed. Grade changes from Sheet 9.0 in excess of 10 feet may be necessary and are appropriate to allow for roadways, garage entries and other circulation and landscape elements as long as those changes do not cause the grades at the building bases to vary more than 10 feet.

The Winter Massing Study includes scale comparisons of the proposed Tent with other measurable buildings or building blocks that create the character of Ketchum. These include a grid representing nine (9) city blocks; the Warm Springs Base Area, the historic Sun Valley Lodge and the recently proposed Warm Springs Ranch Resort. What was not clear from the Tent Diagram as initially proposed was whether or not the blue sloped plane base underlying each building within the tent was proposed as a solid structure or if there would be true breaks in this mass. For example, Building C1 would represent approximately four downtown city blocks in length as scaled off of the Tent Diagram. The scale comparisons outlined in the Winter Massing Study suggest that breaks in this blue sloped plane are desirable to retain some semblance of scale to other developments in Ketchum and Sun Valley. Addendum #5 proposes a maximum building length for the C1 Building (block containing the hotel) of 600' in length. The Commission noted that this building is significantly larger than the other buildings within the tent, and should be treated differently with respect to maximum building length. The Commission found and the Council agreed that it is appropriate to specify the maximum length of all other building blocks (C2-C3; C-4-C5; and C6-C7) at 400 feet, as illustrated on Figures 32, 33, 34 and 40.

Standard #4. Council Conclusions:

The Tent Diagram is still very conceptual in nature, and the Council found that some modifying language to meet this standard of review was needed. The Council found that Condition of Approval #8 herein would break up the tent volume, preserve visual corridors, increase building setbacks in established zones along the Big Wood River and require variation in building massing, and result in a finding that this standard has been met.

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

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

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Application for waiver or deferral of these 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.

The subject property, currently located within unincorporated Blaine County, has been approved for annexation into the City of Ketchum. The Area of City Impact Agreement with Blaine County identified Ketchum's Tourist (T) zoning for this property. There is no request to transfer density between zoning districts.

Attachment #5 to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, regarding Community Housing, outlines the proposed density of each block of the River Run Master Plan. The Hotel/PUD Block has the highest proposed density, at a FAR of 1.4. This is still well within the permitted Tourist Zone density of 1.6. All other blocks are significantly lower in density.

Standard #5 Council Conclusions:

Since the property was requested and approved for annexation and the consideration of the Area of City Impact identified in general terms Tourist Zoning is appropriate, there is no real increase in zoning over what was planned for and expected by the City and County. This standard is found not applicable.

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

The Commission recognized and the Council agreed that the transportation system, both vehicular and non-motorized, for the Hotel Core PUD is part of the overall Master Plan and does not exist independent of the balance of the proposed development. With that in mind, much of the discussion and many of the findings actually pertain to the development as a whole and not just specifically to the Hotel Core.

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

The River Run Transportation Study, prepared by LSC Transportation Consultants, Inc., Tahoe City, CA, is included as Exhibit 5 in Application Binder #2.

The traffic study analyzed existing conditions, new traffic added by the proposal, and mitigation measures to offset impacts resulting from the project. Trails/pathways were also discussed. Current traffic counts and future traffic volume projections were performed by River Run. The field data and computer simulated data were used in evaluating both internal and external road carrying capacities.

The Application proposes that all roads in the River Run Neighborhood be dedicated to the public and maintained by the City of Ketchum. The Applicant and the City have agreed to

Exhibit S - PUD Findings

review secondary roads in subsequent Large Block Plat or Subdivision review processes. Serenade Lane is maintained currently by the City from State Highway 75 to Second Avenue. Second Avenue is maintained in its entirety by the City. Third Avenue is maintained by the City to the River Run property boundary where the Applicant takes over maintenance. No new streets are proposed to connect to the City. Other properties in the "surrounding area" include those currently served by Second Avenue. The only neighbor to the east and south is the Reinheimer Ranch that is accessed directly from State Highway 75.

The traffic study addresses proposed conditions, levels of service, transportation impacts and recommendations, and potential gondola evaluation.

The Transportation Study proposed the following Land Uses:

Single-Family Residences	12 dwelling units
Multi-Family Residences	480 dwelling units
Workforce Housing	100 dwelling units*
Condo Hotel	130 rooms
Hotel	160 rooms
Community Park	
Nature Preserve	
1,320 Space Parking Structure	

*Note: the Commission recommended and the Council agreed that this use could be off-site

Based on the above land uses the total one-way external vehicle-trips generated are estimated to be:

Winter:	4,454 daily one-way trips
	268 would occur in the AM peak hour
	291 would occur in the PM peak hour
Summer:	5,867 daily one-way trips
	400 would occur in the PM peak hour

Project Roads:

All roads are proposed by the Applicant to be publicly owned and maintained. Roadways were originally proposed to be constructed within various right-of-way widths at varying pavement widths. (This request has subsequently been modified.) Per page 64 of the Application:

60' Hotel Core (Serenade Lane) street section includes: (This is depicted as black section of Serenade on Sheet 14.0 Major Vehicle Circulation and Road Cross Sections.)

- Three-lane street with middle turning lane
- Wide sidewalks on both sides of the street
- No on-street parking

Exhibit S - PUD Findings

- Stormwater and drainage will be handled by conventional storm drains adjacent to the roadway

60' Residential (Serenade Lane and Second Avenue) is only shown on the plans and a description is not included in the Application. According to the illustration: (This is depicted as blue section of Serenade and all of Second Avenue on Sheet 14.0 Major Vehicle Circulation and Road Cross Sections.)

- Two-lane street
- Sidewalks provided on both sides of the street
- No on-street parking
- Stormwater, drainage, and snow storage appear to be handled within swales

50' Hotel Core Area (Street C) street section includes:

- Two-lane street
- Sidewalks provided on both sides of the street
- Bike lanes may be provided on both sides of the travel lanes
- No on-street parking
- Stormwater, drainage, and snow storage will be handled by conventional storm drains adjacent to the roadway

50' Residential (Third Avenue) street section includes:

- Two-lane street
- Sidewalks will most likely be provided on one side of the street
- Stormwater, drainage, and snow storage is provided for in parallel swales that are adjacent to the roadway.

48' Residential (Street A & B) street section includes:

- Two-lane street
- Sidewalks provided on one side of the street
- A single parallel parking lane (8' wide) provided on one side
- Stormwater, drainage, and snow storage is provided for in parallel swales that are adjacent to the roadway.

40' Rural Residential (Street D, E & F) street section includes:

- Two-lane street
- No sidewalks
- No on-street parking
- Stormwater, drainage, and snow storage is provided for in parallel swales that are adjacent to the roadway.

40' Core Access street section includes:

- Two-lane street
- Sidewalks will be provided on one side of the street
- No on-street parking
- Stormwater, drainage, and snow storage is provided for in parallel swales that are adjacent to the roadway.

Exhibit S - PUD Findings

The Applicant modified its request concerning road and related waivers, and agreed to compliance with road standards for all roads unless the requests are reviewed and the City finds waivers are appropriate after detailed design plans for the roads and development are presented to the City in the Subdivision or Design Review processes. In the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, the Council approved Serenade Lane, Third Avenue to the point of its intersection with Serenade Lane, and Second Avenue subject to City approval of grades, cross sections and other engineering and design details in compliance with Ketchum standards. Further the Council agreed that waivers to street standards for other roads may be requested by the Applicant and may be granted by the City at the time of subdivision or design review.

Emergency services and general access to the development will come from three separate locations: (1) Serenade Lane, (2) Second Avenue, and (3) Third Avenue.

Based on the preliminary and conceptual nature of the information presented, the City Engineer did not concur at this time that the proposed substandard roadway widths, parking restrictions and storm water drainage handling were adequate and appropriate for the intended use and blend of the surrounding buildings and features. Based on the Applicant's agreement that key roads will comply with standards, additional information will be needed for further evaluation and consideration if the requests for modification to street standards are renewed by the Applicant.

City Engineer Steven R. Yearsley, P.E. of Forsgren Associates, Inc. has indicated in his comment letter dated September 22, 2009, a number of points:

- Evaluation of the proposed narrower ROW widths cannot be adequately prepared without knowing types, sizes and other details of the dwelling units
- Grades on the proposed roadways are not shown
- The realigned Wood River Trail along Third Avenue, C and B Streets are not typical sections
- Need for typical sections of bike trails and nature trails
- Area needed for proposed roundabout at State Highway 75 is not shown
- Road plans do not correspond to Traffic Study
- Storm drainage plan needs simplification
- Off-site improvements are not identified, such as sidewalks to further connectivity to downtown or width of Second Avenue bridge over Trail Creek
- Water and sewer demands for the proposed development are needed
- Irrigation water source is not identified

Snow removal and storage are of great concern to the City Engineer and the Street Department. At this time, the Transportation Study road layouts do not match the roadways as illustrated in the plan set. The two documents should coincide with each other. Snow storage has not yet been addressed by the Applicant.

Exhibit S - PUD Findings

Again, the Applicant agreed, during public hearing process, to compliance with City street standards for all roads provided the Applicant may request and the City may approve waivers upon review and evaluation of specific plans for Design Review, Subdivision and/or PUD approval.

Standard #6.a. Council Conclusions:

Due to the conceptual nature of the Application, it is found that, in general, the Application appears to comply with this standard. More specific evaluation and decision on requested waivers associated with street standards will be required upon review of the subdivision or design review applications in the future should the Applicant renew its request for street standards waivers. Some guidance for the Applicant includes:

- 1. Roads with less than 60' right of way should be designated private as the City does not feel there is adequate land area for snow storage. However, the City agrees to consider narrower rights of way in the future based on additional information.*
- 2. The Serenade Lane/Second Avenue intersection is illustrated differently when comparing the Transportation Study with the actual Application. The City Engineer concurs with the layout as shown in the transportation plan, that of making Second Avenue the through street with Serenade shown as a right-angle turn. Due to anticipated development to the north, Second Avenue is expected to be a large carrier of traffic off State Highway 75 into town. This decision, however, should be made in the context of the overall circulation that is expected to be detailed with future plans; the City agrees to delay this decision until more detailed information is available.*
- 3. Any 40' rights of way may be especially narrow taking into account snow accumulation and storage coupled with the need for emergency vehicle access.*

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

The roundabout at State Highway 75 is found by the Council to be a welcoming and traffic calming opportunity at this entrance to the main part of Ketchum and the River Run Neighborhood. Speeds anticipated for the roundabout are entering the roundabout at 15 mph and exit at 25 mph. The Council agreed in its Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, that a roadway hierarchy will be developed with more specific plans at subdivision review.

A small, single-lane roundabout was mentioned as a possible option for the Serenade/Third Avenue intersection in the transportation plan. The Applicant subsequently deleted this option due to physical constraints. The Commission concurs and the Council with the mitigation summary as described in Table 8 of Exhibit 5, Transportation Study, as found under winter PM scenario.

Exhibit S - PUD Findings

The Transportation Study anticipates an increase in traffic on State Highway 75, Third Avenue and Second Avenue as follows: (Note the numbers of vehicles is an estimate based on the percentages presented in the Transportation Study.)

Winter Traffic Increase:	State Highway 75 South	935 vehicles
	State Highway 75 North	893 vehicles
	Second Avenue	1068 vehicles
	Third Avenue	1558 vehicles

Summer Traffic Increase:	State Highway 75 South	1232 vehicles
	State Highway 75 North	1174 vehicles
	Second Avenue	1408 vehicles
	Third Avenue	2053 vehicles

In summary, the measures proposed to mitigate the anticipated traffic volumes generated from this project are as follows. (Note that these mitigation measures are for anticipated residential and commercial development outlined under Standard 6a. If the developed project exceeds this estimate, for example, the Hotel contains 200 rooms versus the 160 used in the traffic model; the traffic study should be modified to make sure that all necessary mitigation has been identified.)

State Highway 75 & Serenade Lane:

Signalize with protected/permitted phasing for northbound left-turns and provide acceleration lane for eastbound right-turns

Or

Construct dual-lane roundabout

State Highway 75 & Second Street:

Contribute toward a proportionate share of the costs to provide separate left and through/right lane on the east bound approach, if deemed appropriate by the City.

Third Avenue (north) & Serenade Lane:

Convert to all-way stop-control and provide exclusive eastbound left-turn lane.

Or

Construct a single-lane roundabout

State Highway 75 & Sun Valley Road:

Contribute toward a proportionate share of the costs of converting north/south approaches from left/thru lanes to exclusive left-turn lanes and eliminating split phasing. Provide protected/permitted phasing for east/west approaches.

Standard #6.b. Council Conclusions:

Exhibit S - PUD Findings

Based on input from City departments at this level of concept, the Council accepts that the "major" roads (specified as Second and Third Avenues and Serenade Lane) shall be 60-foot ROWs, which is required for them to be publicly maintained. In addition, it should be noted that these street sections include curb, gutter and sidewalk. The minor roads, if waiver requests for ROWs less than 60 feet within the Residential Areas A, B, C and D are renewed, the question of public versus private status of each road will be considered. Public access over all roads, whether public or private, is found necessary, with the exception of the new service bridge. The Council finds that a roundabout at Serenade Lane and Highway 75 is the preferred design alternative, subject to further discussions with Idaho Department of Transportation and other agencies and landowners.

Due to the conceptual nature of the Application, the Council concludes that, in general, the Application appears to comply with this standard. More specific evaluation and decision on requested waivers associated with street standards will be required upon review of the Large Block Plat and/or future Subdivision review. Some guidance for the Applicant includes:

From Plan Sheet 14.0:

- 1. The proposed "60' Core Area – Serenade Lane". At this juncture, the City Engineer recommends that this street section include curb, gutter, and sidewalk per City standards.*
- 2. The proposed "60' Residential – Serenade Lane, Second Avenue". At this juncture, the City Engineer recommends that this street section also include curb, gutter, and sidewalk.*
- 3. The proposed "50' Core Area" street section should be increased to the City standard of 60' and, at this juncture, shall include curb, gutter, and sidewalk. A waiver is not recommended at this time on this street if it is to be a public street.*
- 4. The proposed "50' Residential – Third Avenue" street section should be increased to the City standard of 60' and, at this juncture, including curb, gutter, and sidewalk. A waiver should not be granted on this street. Note that the Applicant has verbally agreed on the record to the 60' right of way.*
- 5. The remaining street sections are not possible to fully evaluate at this time due to limited information. The question of public versus private status of each road should be considered in a subsequent review process. Regardless of Private or Public and the final street width, snow handling does not appear to be adequately resolved at this time. Public access, with no gates, is required of all City streets, public or private.*
- 6. Snow handling during the winter months could be a major contributor to "undue congestion". Further discussion of snow handling and storage areas needs to be addressed.*
- 7. Mitigation measures outlined under Standard 6b above should be implemented. If the project size or number of units exceeds the number analyzed in the traffic study, the study should be modified and re-submitted to the City to ensure that all necessary mitigation has been addressed.*

Exhibit S - PUD Findings

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

No on-street parking will be allowed except for certain residential streets. A thorough parking plan was not shown. The pathway system appears to provide pedestrian circulation throughout the development in a safe and convenient manner. The pathway at certain locations connects to sidewalks. Sidewalks are proposed along many of the streets although the widths of such sidewalks are a potential concern without more information. Narrow sidewalks along busy streets can be a safety hazard, or at least make pedestrians nervous enough to not desire to utilize the sidewalks. In general, the City prefers pedestrian sidewalks on both sides of streets. Pedestrian, bikes and vehicles using the same, or closely related, corridors present conflicts that must be resolved. In particular, Third Avenue should be designed for both pedestrian and bicycle travel.

Standard #6.c. Council Conclusions:

Due to the conceptual nature of the Application, the Council concludes, in general, the Application appears to comply with this standard.

- 1. A thorough parking plan should be developed and presented as part of the Design Review process. The number of parking spaces should correlate with the Transportation Study and the expected number of vehicles, subject to the parking waivers granted herein. Parking lot areas should be identified, both in the initial phases and how phasing of parking will take place in later phases.*
- 2. The sidewalks along the streets appear (from the illustrations) to be narrow. It is recommended that the sidewalks be a minimum of five (5) feet wide in residential areas and ten (10) feet wide in commercial areas. A street cross section showing all dimensions, including the width of sidewalks, is required for review and approval at a later stage.*
- 3. A circulation plan for safe and adequately separated non-motorized and motorized traffic should be submitted with the next level of review.*

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

The project proposal states that all roadways are to be dedicated to and maintained by the public. The waivers relative to street ROW and paving widths, and curb/gutter demonstrated by the cross-sections on Sheet 14.0 imply that snow storage is not sufficient. The Application contains no plan for snow storage on a per-storm basis or cumulative, seasonal basis.

Standard #6.d. Council Conclusions:

Due to the conceptual nature of the Application, the Council concludes, in general, the Application appears to comply with this standard.

Exhibit S - PUD Findings

The Subdivision and/or the Large Block Plat should include a complete snow storage plan. While the Applicant has agreed at this point to design all roads to meet City standards, if waiver requests are renewed with a more specific development plan, narrower roads with the conceptual building setbacks may not be sufficient to accommodate adequate snow storage without damage to adjacent buildings. The development may try to utilize the open space as winter locations for snow storage. This would need to be confirmed and specific locations indicated. All public roads will be maintained by the City, while all private roads will be the responsibility of the homeowner or homeowner association. Identification of specific snow storage areas is required.

All snow removal shall be the responsibility of the owner, if on a private road. Minimum fire access widths will be maintained at all times. Any proposed snow storage along the roadway shall be kept to a minimum in order to maintain adequate fire access.

Snow removal for the roundabouts will need to be resolved and a sufficient right of way must be acquired to include storage. When acquiring right of way for the road construction, the City Engineer recommends and the Council agrees to consideration of acquiring more land for snow storage, which could be an issue at some of the intersections. The Development Agreement addresses the timing of City acceptance of Second and Third Avenue and Serenade Lane.

- 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.**

Currently there are three accesses to the development; Serenade Lane, Second Avenue and Third Avenue. These same roads also function to transport adjacent residential traffic from Highway 75 to both residential areas as well as alternate routes to the city downtown. Although modified, these same roads will continue to serve the current traffic purposes. No new roadways are proposed to connect with the existing city streets.

The existing roadway system, as it stands today, will generally remain the same for local citizens traveling to, from, and through the proposed project property. Serenade Lane, Second Avenue and Third Avenue will remain the primary access roads with no new "major" roadway proposed. The functionality of these roads will essentially remain the same.

The Council agrees that the primary connectivity into the City area from the River Run Neighborhood will be Third Avenue, as it provides direct access to downtown. However, Second Avenue is, and will only continue to increase as, an "alternative route" for many local residents to move from State Highway 75 to the downtown area. As is memorialized in the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, the hierarchy of the streets relative to residential, bus, tourist and all other traffic will be determined as the streets are more fully designed.

Exhibit S - PUD Findings

Intersection improvements are proposed for the three major intersections, State Highway 75/Serenade, Serenade/Second Avenue, and Serenade/Third Avenue. The proposed roundabout option for SH75/Serenade Lane is the preferred alternative this intersection.

Parking areas will be provided within the development to discourage parking along any non-residential roadway.

Standard #6.e. Council Conclusions:

Due to the conceptual nature of the Application, the Council found, in general, the Application appears to comply with this standard.

- 1. A thorough parking plan should be developed and presented for review at the next stage of the PUD. The number of parking spaces should correlate with the Transportation Study and the expected number of vehicles, subject to the parking waivers granted herein. Parking lot areas should be identified, both in the initial phases and how phasing of parking will take place in later phases.*
- 2. Bridge widths and how these structures fit into the expected build-out traffic volume should be considered and thoroughly evaluated. The bridges could be a bottleneck to pedestrians. Trying to squeeze in pedestrian walkways, for example, may create an undue hazard.*

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

There were no landscaping plans submitted or plans otherwise illustrating how vehicular traffic would be buffered from adjacent uses. There is some physical separation naturally part of this development, i.e. Trail Creek and the bench slope toward Krystal Villa, however little additional information was provided at this point. Figure 37, Setback Diagram, establishes a setback adjacent to the West Ketchum neighborhood as well as the setbacks internal to the River Run site. Details on buffer landscape design (within the setback shown on Figure 37) will be analyzed at the time of Design Review. No vehicular connections exist or are proposed from the PUD area to the West Ketchum neighborhood.

Standard #6.f. Council Conclusions:

Due to the conceptual nature of the Application, the Council found, in general, the Application appears to comply with this standard.

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

The proposed project will occur on previously disturbed lands. With the exception of a few habitat types and the proposed Big Wood River Ecological Park, the native plant communities have been extirpated and little remains of the original vegetation. There are no roads proposed to bisect the proposed Ecological Park; within the PUD boundaries, roads are proposed in areas where they currently exist or where disturbance has occurred. The exception is the new bridge proposed to handle vehicle and service traffic to the south of the existing bridge across the Big Wood River. The possible locations for this bridge are constrained by the location of buildings across the river. Detailed analysis of impacts will occur when an engineered bridge design is developed. This bridge was previously permitted. When it was not constructed, the previous permit expired.

Considering all project aspects and implementation of appropriate mitigation measures, it appears that the development as proposed will not result in significant direct or indirect impacts to habitat, wildlife and fisheries, waterways, and wetlands.

The majority of River Run has been significantly altered by human actions over the last thirty years. These actions have affected things like the native vegetation to altering the flood plain.

The Big Wood River Ecological Park appears to be a reasonable way to protect some native vegetation. Approximately 15 acres will be protected in perpetuity through the dedication of this land. In addition, the Environmental Report contemplates enhancement of riparian and wetland areas as part of the Master Plan and in recognition of the significant asset the streams and riparian corridors are.

While realignment of the Wood River Trail will also mean regrading of the berm that once accommodated the railroad right of way, it is recognized that the berm was created by moving soils from nearby lands and was not a natural occurrence in this area. Evidence along the Trail shows that the berm was artificially created in order to achieve grades negotiable by the rail facility.

Standard #6.g. Council Conclusions:

Due to the conceptual nature of the Application, the Council found, in general, the Application appears to comply with this standard.

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

According to the Transportation Study, pedestrian access within the River Run area should consist of sidewalks along at least one side of Serenade Lane, Second Avenue, Third Avenue, and Ranch Road north of the Third Avenue (south) intersection. It was further recommended that sidewalks internal to the project should connect seamlessly with sidewalks currently

Exhibit S - PUD Findings

provided in the downtown core area. The relatively high traffic volumes along the Third Avenue/Third Street route indicate a relatively high importance for sidewalks and bike lanes along these roadways.

The public shall have access to the bike and walking trails proposed for the project. The Wood River Trail is one community trail system that will be preserved albeit realigned in this development. Other nature walks and bike paths are also proposed around the River Run Neighborhood in concept form.

The Commission recommended and the Council agrees that a pedestrian connection should be provided to the West Ketchum neighborhood where the extension of Bird Drive currently provides pedestrian access.

The City Engineer recommended, the Commission concurred, and the Council agrees that the proposed street sections be increased in width to accommodate a wider walkway, not only for safety purposes, but also for aesthetic purposes in maintaining a more open feel. The 40' Rural Residential street section does not include a walkway. Walkways should be discussed at the time of Subdivision review.

Off-site sidewalk on Second and Third are needed to connect the City to the proposed project property, with a recommendation for a fair share payment.

More information on the nature trails, a cross-section, and other information were requested by the Commission from the Applicant. In response the Applicant prepared and submitted Figure 38, Park on the River Concept Plan, and Figure 39, Revised Bike Trail Alignment.

According to the Blaine County Recreation District (BCRD) letter of December 7, 2009 (found in Attachment 6, Agency/Department Comments, item #21), the applicant presented an updated trail design to the District on November 19, 2009. Provided Figure 39, Revised Bike Trail Alignment submitted on November 23, 2009 to the City mirrors that design, the District found the new alignment to:

- Address crossings and continuity by moving the path outside the building footprint avoiding any road crossings in that section of the artery and avoiding bisecting buildings or going under buildings;
- Continue to cross the service road, however, the traffic is lower and approaches are safe;
- Address the last main crossing of the trail by "Street E" by bringing the street under the trail leaving it at its current grade; or gradually adjusting the trail grade down to road level;
- Be built to BCRD standards, maintained in summer and winter by BCRD, and designed with ample green space between buildings and the river as it meanders along the river section in front of the hotel;
- Address safety concerns by rounding turns;

Exhibit S - PUD Findings

- Eliminate the need for an alternative artery that was indicated as potentially necessary with the original design;
- Enables a significantly improved user experience by the river and addresses initial concerns of the District.

The District recommended a feeder trail between the main artery and active park space be provided in the more specifically designed plans. The spur between the main trail and Second Avenue remains an important commuter as well as recreational connection to the City. The District reiterated its request for final review and approval of the final engineering and its interest in continuing to participate in the planning of other recreation benefits as addressed in its comment letter of September 25, 2009 (found in Attachment 6, Agency/Department Comments, item #9). Finally, on April 22, 2010, the Applicant indicated to the Council that the preferred main trail crossing of "Street E" would not be adjusted down (lowered) and that the street will be designed to traverse under the existing elevation of the trail.

The October 9, 2009 Addendum #1 submitted by the Applicant states that approval of specifications related to trail design and location will be obtained by the Blaine County Recreation District prior to commencement of construction. This should include an interim design and plan during the construction phases to provide uninterrupted use of the main Wood River Trail as a commuter corridor as well as for recreation use.

Standard #6.h. Council Conclusions:

Due to the conceptual nature of the Application, the Council found, in general, the Application appears to comply with this standard.

Internal trails create an internal circulation system and connect to surrounding trails and walkways with the following mitigation:

- *Sidewalks into the existing neighborhood on Third Avenue should be completed (a map of these sidewalks was submitted by the City Engineer), with the Applicant paying their proportionate share of these sidewalks.*
- *Maintain a pedestrian access way into the site from the extension of Bird Drive in West Ketchum.*
- *The Blaine County Recreation District should grant approval over the final design and routing of the Wood River Trail, including the interim design during the construction period to provide uninterrupted use of the main Wood River Trail as a commuter corridor as well as for recreation use.*
- *More details are needed regarding pedestrian facilities within the project, particularly Third Avenue and the neighborhood streets. This should occur at the Design Review stage of the process.*
- *A non-vehicular connection between the main Wood River Trail and active park space is appropriate.*

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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.

The Comprehensive Plan Analysis, Attachment #2 to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, considers the relationship between the proposed annexation request and compliance with the Ketchum Comprehensive Plan goals, policies and statements of implementation. That analysis permits a conclusion that no changes to Comprehensive Plan Policies or other text are necessary to support the annexation proposal. However, it does point out that various guidelines found in the plan have not been followed in developing the Master Plan for the property. Conditions that were found necessary for the Commission, and ultimately the Council, to find compliance with the Comprehensive Plan are included in the Commission's recommendation and in the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan, and Zoning Designation, approval of April 22, 2010.

The relationship between the retail and office uses proposed in the River Run Neighborhood and the downtown core of Ketchum was analyzed during the consideration of Annexation, Comprehensive Plan, and Zoning Designation. The retail and restaurant component that is primarily devoted to the mountain and recreation users will be concentrated around the pedestrian plaza and the east side of the hotel. In addition, the Commission concluded and the Council agreed that some non-resort related office use, outlined in Table 1 of the River Run Annexation Findings of Fact was appropriate provided any such use over 50,000 square feet is considered and decided upon as a conditional use.

The Commission and Council considered the Analysis of the Zoning and Subdivision Code that is Attachment #5 to the Commission's recommendation and in the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan, and Zoning Designation, approval of April 22, 2010. Since the Annexation and Development Agreement will identify the appropriate zoning with certain modifications or limitations on uses within those zoning districts, conformance to zoning is assumed under this standard of evaluation.

Specific conformance with subdivision regulations has not been analyzed at this time, and will be presented as part of the Large Block Plat and/or Subdivision review process. Other applicable parts of the Ketchum Code addressing infrastructure will require more specific development plans. However, discussion of the waivers as they may be appropriate to consider and act upon at this stage is included herein above.

Standard #7. Council Conclusions:

To the extent the plan is presented in conceptual form, the Hotel Core conforms to the Comprehensive Plan, zoning ordinance and other regulations. However, the finding of conformance is dependent upon

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- *conditions resulting from PUD consideration and contained herein; and,*
 - *conditions contained in the Council's Findings, Decision and Conditions Annexation, Comprehensive Plan, and Zoning Designation to be included in the Annexation and Development Agreement.*
- 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.**

Winter and Company was hired by the City to analyze the bulk of the Hotel PUD, which is presented in the various Tent Diagrams and sections submitted by the Applicant. It is important to note that this analysis is an analysis of conceptual building blocks and not specific buildings.

Winter and Company has acknowledged that this site is unique in Ketchum as a location that may be able to accommodate more bulk than sites in the downtown, Gateway area or Warm Springs Base Area. Winter cites the unique topography, with the site dropping over 50 feet from the highway and the backdrop of Bald Mountain as two key characteristics that differentiate this site from other hotel sites.

Standard #4, above, outlines areas addressed and recommended by the Commission with respect to building bulk, undulation and scale. These include:

- maximum square footages established for the footprints of tent areas, particularly those that exceed the height limit,
- established setbacks along sensitive edges, and
- language to ensure breaks in wall plane length and height.

The Winter Study notes additional design principles related to massing and views would create a framework for the Tent Diagram. The study notes that the narrative of the PUD Application mentions many of these elements. The Commission found that many of Winter's suggestions were appropriate to be incorporated in the conditions of approval and did so in its recommendation to the Council. The materials from the Applicant considered with regard to the Tent and height are listed in Standard #4 above. Additional materials considered are Attachment 1, Massing Analysis Staff Report, dated October 21, 2009; and Attachments 1.2 and 1.3, Winter and Company Massing Study, dated October 19, 2009 and October 26, 2009, respectively. The design limitations and principles contained in Condition #8 below evolved through the Commission's process of evaluation from the materials referred to above.

Design principles to be incorporated are:

- Variation in building massing: Maximum horizontal dimensions shall be as described in Addendums #5, #6, and #10 resulting in large buildings being broken into smaller building blocks that are generally 120, 180 and 240 feet in length.

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- Pedestrian-scaled street edges: Pedestrian scale shall be reflected at the street edges by appropriate placement and articulation of retail storefronts, residential entries and landscape elements.
- Public View Corridors to be maintained: The specific designs shall conform to the tent diagram and design standards in order to preserve key view corridors along State Highway 75/Reinheimer as demonstrated by the Winter Massing Analysis. Openings between the buildings within the Hotel Core shall be identified and provided according to the dimensions discussed above and identified in the conditions. The Commission finds and the Council agrees the river corridor along the Hotel Core to be an important feature that will contribute to the vitality of the pedestrian plaza and bike trail.
- Buildings reduced in height at sensitive edges (bike path and rivers edge): The setbacks and step-down of building for C1 and C2 shall be as demonstrated by Figure 30, 31; the line drawings in Addendum #6, Figures 33, 34 and 40; and setbacks in Addendum #6 illustrated on Figures 35, and 36, and rivers edges in Addendum #7, Figure 38, Park on the River Concept.
- Building setbacks along perimeter of total property: A minimum of 25 feet is acceptable however, shall be at least 1 foot for every three feet of building height adjacent to the West Ketchum neighborhood.
- Limits on roofline lengths of buildings exceeding the height limit: It is appropriate to limit the roofline length of the 110 foot tall central block (C1 site) of the hotel core to 240 feet, as shown in Figure 40. All other blocks (C2-C3; C4-C5; and C6-C7) shall be limited to a 180-foot roofline length. Interruptions in roof ridges are created through the use of a visible change in ridge elevation or a horizontal bend in the ridge line of at least 30 degrees.
- Guidelines for positioning the taller tent elements which exceed the height limit: The hotel core should be designed to appear as a series of buildings through the use of the blocks, as proposed. Several distinct step-downs shall be incorporated. Breaks must occur at least every 180 feet of dominant building block. Architectural features may exceed the allowed maximum height by 18 feet as stated previously. See suggested language in the draft condition which limits the portions of taller elements that can be at the edge of the tent, and discussion on maximum footprints.

The Commission further noted and the Council agreed that line-drawing sketches in Figures 33, 34 and 40 were needed to interpret the recommended Condition of Approval to ensure that future Commissions are able to clearly understand the intent of the conditions.

Standard #7.a. Council Conclusions:

Design Review standards are impossible to review at this time due to the conceptual nature of the Application. The Tent Diagram is the primary tool that is being proposed to control building bulk and undulation. It is still very conceptual in nature. Modifying language to meet this

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standard of review has been incorporated into Condition of Approval #8 below. The Council found that the modifications will break up the tent volume, preserve visual corridors, increase building setbacks in established zones along the Big Wood River, create setbacks adjacent to the West Ketchum neighborhood and require variation in building massing to meet this standard.

- 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.**

The analysis by Winter and Company includes discussion of the influence of the site design on the surrounding neighborhoods from several viewpoints, notably from points along State Highway 75, from West Ketchum and from Third Avenue. Discussion of this analysis is also found under Standards 2 and 4 above.

Standard #7.b. Council Conclusions:

The site design is uniquely situated in Ketchum to have little impact on the surrounding neighborhood. Key viewpoints have been analyzed. Additional setbacks have been proposed adjacent to West Ketchum. Streets from the PUD area do not access directly into surrounding neighborhoods.

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

The River Run property is uniquely situated physically below the elevation of downtown Ketchum, State Highway 75, and most of the neighboring properties. From a visual standpoint, Planning and Zoning Commission members noted that as a focal point of the River Run Neighborhood, the Hotel Core should be visible to some extent from the entry statement at the proposed roundabout at the Highway as a way of signaling that something of interest exists. In response, Addendum #1 to the Application includes initial revisions to the Tent Diagram that modify section C6 to enhance the visibility of the hotel building from the intersection of State Highway 75 and Serenade Lane. Addendums #2, #5, #6, and #10 includes additional information utilized in the evaluation of visibility.

The visual, aesthetic, and habitat values of the floodplain, hillside, and wetlands are respected by the plan. The stream corridors and wetland complex are primarily protected with open space. The hillsides not directly associated with the ski area (River Run) are also protected from development. Sheet 8.0 Proposed Land Use demonstrates that most of the area proposed for development is currently occupied by parking areas, vehicular/pedestrian circulation, and other disturbances. In areas that are wooded, particularly within the Residential D area, low density duplex or, in R-2, single family cabins are proposed to be sited sensitively to the environment. The wooded area that is proposed for regrading in the Hotel Core consist mainly of cottonwood and aspen and has been determined to be lower quality

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vegetation and habitat (please refer to the Environmental Report, pg.14, Section 4.3, PUD Area Direct Impacts). The removal of this wooded area is balanced by the preservation and enhancement of the riparian corridor along the Big Wood River.

While the Hotel Core PUD area is just 21.76 acres out of the approximate 140 acres, the PUD needs to be evaluated in the context of the whole Master Plan. The wetland area between the Big Wood River and Trail Creek, though degraded currently, is proposed to be improved and protected as the Ecological Park and available for defined access, education and interpretation by the public.

The concept of clustering development in order to provide more open space than would normally be provided in a straight lot subdivision may not be especially applicable to the River Run Neighborhood and even less applicable to the Hotel Core itself. Since it is proposed to be a tourist and recreation-oriented development with Bald Mountain as its backdrop, and more importantly its source for much of the attraction, open space useable to the residents and guests is provided within and far beyond the boundaries of the Hotel Core and the larger property. That being acceptable, Buildings C5, C6 and C7 respond to the grid pattern of the existing developed neighborhoods to the north. The Plaza and core hotel area are more organic, and are adjacent to the important natural features of the site: the Big Wood River and the mountainous terrain of Baldy.

Standard #7.c. Council Conclusions:

The proposed PUD is situated on the most developable and least visually and environmentally sensitive portion of the site, and impacts of building blocks proposed in the Tent Diagram are mitigated by modifying language to meet this standard of review. The Council found the result of Condition of Approval #8 below will break up the tent volume, preserve visual corridors, increase building setbacks in established zones along the Big Wood River, create setbacks adjacent to the West Ketchum neighborhood and require variation in building massing to meet this standard.

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

The Big Wood River borders the Hotel Core pedestrian plaza that connects to the River Run Base Lodge and facilities utilizing the existing bridge. The existing bridge is planned in the future to be pedestrian only and possibly include outdoor restaurant seating on the bridge. A second vehicular bridge, to the south, would be added for service vehicular access. The plans indicate a non-motorized trail compliant with Blaine County Recreation District standards along the Big Wood River adjacent to the hotel.

The plans indicate a minimum of a twenty-five (25) foot setback for the buildings within the hotel PUD. Although the average is greater than the minimum of twenty five (25) feet, the the Applicant's submittal "Example Section Along Big Wood River with Maximum Height Shown" illustrating the effective setback together with an explanation of the methodology used in

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selecting lengths, heights and percentages imbedded in the proposed design was considered important. Addendum #5, the Hornberger + Worstell letter of November 3, 2009 together with Figures 30 and 31 and Addendum #6, Figures 32, 35, 36, and 37, demonstrate lengths of sections of buildings, setbacks, and example view corridors, particularly as they relate to buildings located along the Big Wood River frontage. The Example Section (Figure 30) shows a 25-foot setback from the back channel of the river named "zone 1"; the next landward 10 feet named "zone 2" where structures are proposed to be a maximum of 15 feet high; the next landward 40 feet named "zone 3" where structures are proposed to be a maximum of 65 feet high; and the next landward segment named "zone 4" where the structures are proposed to comply with the Tent Diagram. For reasons of environmental sensitivity, potential flood issues, and experience of pedestrians and fishermen, the Commission recommended and the Council agrees with this increased minimum setback as demonstrated. Note that the 25' setback indicated is from the mean high water mark that is located above the back channel. The actual distance from Hotel Core to the Big Wood River is greater - closer to 75 to 100 feet.

The uses within and the visual aesthetic of the stream corridor were of particular concern to the Commission and Council. The desire is that this connection between the hotel itself, the pedestrian plaza, the existing bridge and the base facilities on the west side of the river be maximized with opportunities to bring people together.

As stated in the discussion in Standard #2 above, the Big Wood River is a significant natural feature that has been highlighted in the planning for the area between the hotel and the river. The opportunity to actually get people closer to the river with outdoor seating, decks, extension of the pedestrian plaza space, etc. is illustrated by the variation of buildings stepping back and on-grade setbacks.

The Applicant's intent is to open the channel that has been plugged or blocked by prior river action or stabilization efforts, recognizing the plugged channel is a barrier to the river experience. Federal, state and city permits will be required. Various scenarios exist with regard to the treatment of the setback area as well as providing access over the opened channel toward the main river channel. Improvements to the environmental conditions are important as well as providing access within the riparian area and up to the river itself. Addendum #7, Figure 38, Park on the River Concept Plan, is found responsive to the interest in creating a vibrant activity center in this area.

With opening the channel and especially around the pinch points of the wings of the hotel, the type of vegetation management will be important to the whole riparian area. The Applicant will investigate a pedestrian bridge over the opened-channel, placing boulders to sit on and enjoy the river, and actually provide views across the 75-100 feet in front of the river. The Applicant pointed out that when improvements were made on the west side of the river the vegetation management plan required that vegetation not be cut. The result is thick growth that prevents a visual connection to the river from that side.

Exhibit S - PUD Findings

"Zone 2" that is the next 10 feet landward is proposed to permit structures that are a maximum of 15 feet high, such as stairs, planters, elements that are open above. There is no continuous façade planned within the tent that parallels the river and the proposed setbacks.

"Zone 3" is limited to 65 feet and again is only possible at the "noses" or "wings" shown on the Tent and site plans. The Applicant proposes that the "wings" and "noses" may shift so long as they do not exceed 30% of the linear footage of the 25' riparian setback zone described in the Conditions of Approval.

With no back channel in the area south of the existing bridge, buildings will be closer to the main channel of the Big Wood River. A greater setback in this area would have environmental benefits, and also increase solar gain in this area. The Commission found and the Council agreed that a setback of 75' from the Big Wood River was appropriate for development south of the centerline of the Big Wood River Bridge.

Upon better understanding of Figures 29, 30, and 31 as they relate to the setback from the Big Wood River, the Commission was satisfied and the Council agreed with the proposal noting that Figures 33, 34 and 40 will assist a future Commission in interpreting the proposal with the same outcome the City expects.

The waterways Design Review process will be required of any new development or restoration within the riparian setback in Parcel's C1, C2 or C3, or within other portions of the property. During this process, the City will evaluate the riparian vegetation preservation and restoration plan, and evaluate floodplain development standards. Attempts at reducing impervious surfaces, the inclusion of drainage plans, and inclusion of appropriate riparian and floodplain vegetation will be noted during this process.

The regrading of the topography from the elevation of the riparian area east through the hotel site is necessary to achieve road grades, appropriate pedestrian/skier access, and positioning of the hotel and its associated height requirements. With the realignment of the Wood River Trail through the property, the retention of the old Union Pacific Railroad right-of-way is not necessary, or even desirable, if the hotel height and positioning is acceptable. In addition, as noted previously, the berm was created to accommodate the railway system and is not a natural phenomenon.

Standard #8. Council Conclusions:

The Hotel Core shall include the proposed increased minimum riparian setback of greater than 25 feet as demonstrated by the figures cited above. Areas south of the centerline of the Big Wood River Bridge shall have a setback of 75' from the MHWM. The Council finds that the site's significant natural features have been protected.

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

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The project is not detailed enough at this point to discuss planting strips. The Hotel Core is mainly contained within the project itself.

North	Pennay's at River Run	common boundary with Hotel Core
North	3 duplex properties	common boundary with Hotel Core limited to area within the floodplain not proposed for development
North	Wood River Trail	common boundary with 200-foot wide easement
North	Krystal Villa	common corner of Hotel Core next to preserved bench slope in open space
West	Big Wood River	within the larger River Run parcel
South	Third Avenue & Eco-Park	within the larger River Run parcel
East	Residential Areas	within the larger River Run parcel

The only buffering of the Hotel Core to properties in other ownership or development that may be considered important is along the common boundary with Pennay's at River Run and the few duplexes near the Big Wood River. Krystal Villa is physically separated in part by the raised former railroad ROW/Wood River Trail that is retained off-site and the bench slope running north/south along Residential Area A. That 1.8-acre slope is proposed to be retained as a natural buffer in open space. Planting or enhancement of the natural slope can be expected at the time Residential A is submitted for Design Review.

Standard #9. Council Conclusions:

The Hotel Core does contain features that may be considered natural buffers; however, planting strips, landscape buffers, or other forms of buffer will be further evaluated during Design Review.

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.

The Applicant has proposed that phasing of the development will occur in a manner and at a rate that will be determined by market conditions. It is anticipated in the Application that whatever the first phase becomes may include the primary infrastructure and road network and new bridge over the Big Wood River for service. Addendum #1 included a Sequencing Proposal (Figure 18) which illustrated the Applicant's initial proposal regarding when specific improvements would be completed relating to different development parcels. A revised Sequencing Table was submitted by the Applicant as Figure 27 in Addendum #4 on October 29, 2009. With recommendations from the City Engineer, the Commission recommended and the Council accepted that sequencing table that is attached to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

Exhibit S - PUD Findings

The following are areas of particular importance to the overall approval of the Master Plan, zoning and annexation:

- a. The Real Estate Transfer fee license granted to the City pursuant to the Council decision on Annexation, Comprehensive Plan and Zoning along as it relates to community housing and active park space spelled out in Condition #43 of the approval of Annexation shall be fully described in the Annexation and Development Agreement.
- b. Deeding a parcel of land for active park space at the time of annexation provides the same opportunities to plan for and develop the needed facility early, thereby placing a lesser burden on existing facilities at the time of development of the project.
- c. The development of the Eco-Park in the early stages after annexation is a public benefit that can be achieved and utilized before specific planning and development of infrastructure and hotel or residential takes place. The Blaine County Recreation District and the Environmental Resource Center have offered partnership toward planning for this resource. However, the Sequencing Table in Addendum 4, Figure 27 specifies that the timing of the Eco Park construction would coincide with the Hotel.
- d. The Applicant provided a Public Improvement Sequencing, Figure 18, which was revised by Figure 27 in Addendum #4 and a "Parking Explanation" in Addendum #1. This is intended to address the provision of public skier parking and how the continued surface parking and the development of structured parking relate. Public skier parking must continue to be available over the period of time that existing surface parking lots are converted to development.
- e. Should the dedication to the City of Serenade Lane, Second Avenue and Third Avenue in their realignments be found appropriate to the City, it is important that the *acceptance* of those dedications not take place until they are constructed to the standards required by the City. The dedication and actual *acceptance* of roads generally takes place upon recordation of a plat. At the time of acceptance, the City would take over the maintenance and other normal responsibility. In this case, the City expects that a Large Block Plat is the vehicle by which easements, roads, lots and/or blocks, and other details are formalized for the property. After that, individual blocks or lots would be expected to be proposed via Design Review applications. Note, however, that a preliminary Large Block Plat that focuses primarily on zoning and land use is part of the approval of annexation and zoning.
- f. The timing and sequencing of installation of infrastructure is critical to an organized approach to a project of this size; and will in fact influence the timing of future subdivisions. The specifics of the water and sewer systems and associated improvements must be developed and submitted by the Applicant for approval by the City before any roads are actually built.

Standard #10. Council Conclusions:

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While no specific conclusion may be reached with regard to phases of the overall project at this conceptual stage, the sequence of the Large Block Plat, infrastructure installation, road construction, dedication of land for various uses, and other conditions necessary to find compliance with plans and ordinances are recommended to be addressed in the Annexation and Development Agreement, as described in Figure 27, Sequencing Table.

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.

The focal point of the 140-acre annexation is the 21.76-acre Hotel Core which is proposed to be a dense, vibrant center of activity with transportation connections/drop off; pedestrian paths and plaza leading to the bridge over the Big Wood River; and restaurant/retail to name just a few planned uses.

With the Hotel Core taken in the context of the overall Master Plan for the River Run Neighborhood, the following table from the application submittal demonstrates the open space proposed for the entire development:

Table 4: Open Space Table from the applicant submittal (Sheet 8, Application)*

LAND USE TOTALS		
RESIDENTIAL		35.9 ACRES
AREA A	16.9 ACRES	
AREA B	2.0 ACRES	
AREA C	9.2 ACRES	
AREA D	7.8 ACRES	
MIXED USE		1.3 ACRES
COMMERCIAL		1.0 ACRES
EXISTING LAND USE		6.7 ACRES
HOTEL CORE		19.0 ACRES
OPEN SPACE		74.3 ACRES
UNPROGRAMMED OPEN SPACE	45.0 ACRES	
BIG WOOD RIVER ECO PARK	14.3 ACRES	
RECREATION	15.0 ACRES	
TOTAL:		138.2 ACRES

Note: Open space is 54% of total area for River Run Neighborhood

*Table 4 herein is a different table than Table 4 of the Planning and Zoning Commission Findings of Fact

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

Exhibit S - PUD Findings

- Warm Springs Resort: Warm Springs Ranch Resort PUD contains approximately 55 acres of useable open space (not including lands within riparian setbacks or above 25% slope), or approximately 71% of the entire site.
- Thunder Spring PUD: The Thunder Spring PUD provided 14.85 percent of the site as useable open space in the form of plazas, courtyards and fountains.
- Fields at Warm Springs PUD: The Fields at Warm Springs contained 17 percent useable open space in the form of a shared courtyard, landscape areas and gazebo.
- Northwood PUD: The Northwood PUD provided a public park of 6.25 acres which was 12 percent of the land area of the Northwood PUD. The park was dedicated to the City as a permanent passive public park. Additional dedications to the City included a bike path along Saddle Road (easement and construction) and an equestrian path running north/south through the project (easement and construction).

- Bigwood PUD: The Bigwood PUD dedicated 61 percent of the total land area as open space. This included 102 acres of golf course (28 percent), 122 acres of hillside open space with public trails (33 percent), pedestrian/equestrian and bicycle easements of 1.2 acres (.3 percent) and a ravine easement of .3 acres (.1 percent). This PUD also included a recreation center, clubhouse, swimming pool, 8 tennis courts, weight room and 2,500 feet of pathways dedicated to the City.
- Pines PUD: The Pines PUD included two open space parcels totaling 5 percent of the PUD site area. Recreational amenities included a cabana, spa and barbecue area.

The areas shown as open space are useable and convenient to residents of the project. According to the standard, these areas can be dedicated to common use of homeowners or the public; however, the beneficiaries of the use of the open space in this standard are the residents of the project.

Adequate and continuing management and maintenance will be delineated in the Annexation and Development Agreement.

The Blaine County Recreation District supports the Eco-Park and is willing to cooperate in the design, planning fishing access points, and integration of the trail system for public access to this area. Other recreational benefits are noted along with the potential for a "bike station" as an amenity that would support less private vehicle use for access to the mountain and trails. The District endorses the Warm Springs Trail connection and would provide input toward the development of that trail.

The River Run Neighborhood is in a prime location that can provide linkage to the various trail systems within Ketchum and Blaine County, Idaho. The Applicant has proposed that the public, residents and hotel guests shall be able to access the following trails from the project:

- Existing Bald Mountain Trail System,
- Existing multi-use path primary Wood River Trail

Exhibit S - PUD Findings

- Existing spur of the Wood River Trail
- Multiple accessible points for fishing and nature viewing along Trail Creek and the Big Wood River in the Eco-Park, stream corridors, and Hotel Core
- Internal path network.

The Applicant owns 28 acres already within the City limits that would be appropriate for the connection of the River Run Base to the Warm Springs Base. The Commission recommended and the Council agreed that dedication to the public and construction of segments of this trail on land that it owns be part of the responsibility of the Applicant.

Standard #11. Council Conclusions:

Proposed open space for the Hotel Core is located primarily outside the PUD boundaries, and is an integral part of the Master Plan for the entire site. This open space is readily accessible by the development within the PUD. Zone designations applied to the property help protect the proposed open space as do the overlay districts. The table limiting uses to complimentary, limited development uses within the zoning district is found in the decision on Annexation, Comprehensive Plan and Zoning. The amount of open space provided is greater than would be provided under the applicable "aggregate lot coverage" if the entire Master Plan is considered with respect to this evaluation standard. In this respect, density has been clustered such that the open space associated with the Hotel Core is acceptably found primarily outside of the Hotel Core itself.

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.

The placement of buildings, including parking structures, is demonstrated on Figure 17, Tent Diagram and Tent Coverage; Figures 21 and 23, Revised Tent Diagrams; and Figure 32 Tent Diagram with Dimensions. Tents C4, C5, C6 and C7 include parking structures. As was clarified by the presentation of the materials on September 24, 2009 to the Planning and Zoning Commission and later to the Council, each tent contains a certain amount of preliminary programmed square footage; however, the distribution of the square footage under each tent may change but is proposed to honor the percentage proposed at each identified height. The portions of the buildings located at the northern property lines are the only ones with a direct relationship to adjacent properties in other ownership. The effect of grading on the proposed heights in these areas is demonstrated in Figure 22 contained in Addendum #1 to the Application. The Winter and Company Massing Study addresses the relationship to adjacent properties. It is unlikely that any solar impacts will be identified due to the distance of the proposed buildings from any adjacent development, with the exception of other portions of the River Run Master Plan property adjacent to the PUD area.

Standard #12. Council Conclusions:

Exhibit S - PUD Findings

Based on the conceptual nature of the Application, the location of buildings appears to protect adjacent properties' privacy and solar access. Since the River Run Neighborhood is primarily self-contained, it will be in the Applicant's best interest to address privacy and solar access within the project at the time specific plans for the Hotel Core as well as the residential areas are proposed.

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.

The recreation facilities proposed in the Hotel Core are those associated with a minimum 4-star hotel such as a spa and fitness facility and outdoor pool and hot tubs. The River Run Neighborhood as a whole provides for (1) the continuation of the Wood River Trail, (2) new trails and paths leading through the Eco-Park and to Bald Mountain, (3) fishing access to the streams, and (4) a preserved pathway for a potential gondola to downtown Ketchum and Sun Valley. Public parking for mountain users is provided. Part of the question here is whether these recreation opportunities are adequate for the "occupant's needs".

A trail from River Run around Bald Mountain at or near its base to the Warm Springs base area is desired. The Warm Springs Ranch Resort was required to grant an easement for such a trail on its property. Such an easement is appropriately required on the property requested for annexation. It is additionally appropriate to require the Applicant to grant such an easement across its property that is already within the City limits and located south of the Big Wood River in the SW corner of West Ketchum. (Note that public access is occasionally closed in this area due to concerts, equipment maintenance, etc.) This resulted in Condition of Approval #38 attached to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010. The Commission suggested the Applicant consider locating a bicycle "station", not just a bike rack, near the access to the variety of trails accessible from the River Run Neighborhood.

The critical need for active recreation space for use by residents as well as visitors is documented in the Analysis of the Comprehensive Plan (Attachment 2 to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010). That discussion focuses on the River Run Neighborhood as a whole while this PUD analysis is limited to the Hotel Core. Since a significant amount of the development of the entire River Run neighborhood is in the PUD Core, this standard is applicable to the need for active recreation. Active recreation space is grossly limited in the City as well. Current guests of the Sun Valley Resort and other resort accommodations are frequent users of Atkinson Park and its programs. Providing active recreation space is a principle clearly stated in the Comprehensive Plan as a guide for the development of the master plan for River Run. Six (6) acres of dedicated park space for active recreation within the

Exhibit S - PUD Findings

River Run Neighborhood as part of the overall development was proposed by the Parks Department to respond to the needs of the residents of River Run as well as the guests of the hotel. Park space in this location could become the new location for paraglide landing that has traditionally used the upper surface parking lot.

The anticipated 15% of total residences to be occupied full-time is presented as an actual number, with the exception of the Fiscal Analysis. Attachment 7 of 10 of the Fiscal Analysis projects 575 residential unit occupants at build out. This study also assumes 599 winter employees and 520 summer employees. It is not stated how many of these employees are new employees over the existing employment, but it is likely to be a good portion. The Ketchum Parks Department notes that many of the soccer and baseball field users are employed by Sun Valley Company, as well as other area employers. The addition of a significant number of new employees will increase the burden on active park space, and should be mitigated.

Based on the above employee statistics, day care may be needed both for employees and for full/part time residents. Some type of facility may also be appropriate for visitors, whose children are too young to utilize either Dollar Mountain or the facilities at River Run.

Through out the hearing process, various solutions to the need for active park space and for community housing were explored by the Applicant and the Council. Addendum #1 submitted by the Applicant addressed why active sports fields were dropped from the plans presented to the City in 2004; although during Commission meetings, the Applicant proposed to dedicate the approximate 1-acre site (N1) adjacent to the town site for active recreation purposes instead of community and/or employee housing. The greenspace adjacent to N1 could also be available. During the Commission's consideration, it was found that potential city acquisition of the adjacent 1 or 2 blocks would round out the usefulness of this site for active play space. However, during the Council consideration other ideas surfaced. The Applicant proposed that parcel N2 along with the adjacent open space be dedicated as active park space or community housing mitigation or other municipal uses. The Applicant further agreed to work collaboratively with the City on securing an acceptable park of three (3) acres or more in the greater Ketchum area. That proposal along with the Applicant granting a license to charge a RET fee and the City allowing a reduction of said fee if the three or more acres is secured within 3 years of the execution of the Annexation and Development Agreement was found acceptable to the Council. That solution to satisfying this standard of evaluation as well as Comprehensive Plan and Code requirements is memorialized in the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

Standard #13. Council Conclusions:

An easement for and construction of the River Run to Warm Springs trail is required across the Applicant-owned property in this vicinity appropriately located to ultimately connect to the easement and trail required of the Warm Springs Ranch Resort around the base of Baldy and to the bridge over the Big Wood River at River Run. The specific recommendations with regard to active recreation space and trails are found in the Council's Findings, Decision and Conditions on

Exhibit S - PUD Findings

Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010. Council concluded that daycare is not required to meet this standard.

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.

This standard allows the City to weigh the various special development objectives and special site characteristics against the waivers requested in order to reach a determination if the benefits derived from the project exceed the modifications or waivers to zoning or other standards. This analysis of benefits includes the entire site planning decisions that preserve open space, cluster development, etc.

A primary development objective is to create a vibrant focal point for the River Run Neighborhood with a minimum 4-star hotel. The constraints of the site, its position relative to access over the Big Wood River and the existing base lodge and other facilities, and the juxtaposition with the balance of the Master Plan for the property, creates an essentially self-contained visitor and residential development. By requesting approval of the height waiver for the hotel complex that includes parking, residences, retail/restaurant, and amenities, the Applicant can proceed to developing specific plans both for design and operation in preparation for returning to the City for Design Review. The structure of an Annexation and Development Agreement provides a framework within which the Applicant and the City of Ketchum can work together and with other partners to create an economically viable development that is sensitive to the natural surroundings providing recreation opportunities and appropriate infrastructure at the base of Bald Mountain. Table 5 includes the key special development objectives and special characteristics of the site.

Exhibit S - PUD Findings

Table 5: Special Development Objectives

Special Development Objective, special Characteristics of the Site or Physical Conditions	Type of Objective	Where Analyzed in Staff Reports
Minimum 4-Star Hotel requiring height waiver to accomplish 150-200 "hot beds" with retail/restaurant and hotel amenities	Economic Development Objective	Eval Stnd #7 - Comp Plan Analysis
Elevation change from SH75 to Big Wood River is 61'; allowing for appropriately placed additional height to have minimal impacts	Special Characteristic of the site	Eval Stnd #2, Eval Stnd #4
Employee housing to be constructed by the Applicant		Eval Stnd #3 Eval Stnd #7 - Comp Plan Analysis
Community housing revenue stream per Annexation Findings of Fact	Social and Economic Development Objective	Eval Stnd #3 Eval Stnd #7 - Comp Plan Analysis
70 + acres of passive open space outside PUD Core	Special Characteristic of the site; Environmental, Aesthetic Objective	Eval Stnd #7 - Comp Plan Analysis Eval Stnd #8
Active Open Space dedication outside PUD Core	Recreational; Economic	Eval Stnd #7 - Comp Plan Analysis Eval Stnd #11
Other Private Active Open Space outside PUD Core: Bald Mountain River Run ski run; bike trails; improved ski experience	Special Characteristic of the site; Recreational & Economic Objective	Eval Stnd #7 - Comp Plan Analysis Eval Stnd #11
Additional Nonmotorized Trails	Recreational; Economic	Eval Stnd #6c
Creation of active public spaces along the Big Wood River; significant interface with rivers edge	Special Characteristic of the site; Recreational & Economic Objective	Eval Stnd #7 - Comp Plan Analysis Eval Stnd #8
Restoration of Big Wood River and Trail Creek corridors; Eco-Park	Special Characteristics of the Site; Environmental,	Eval Stnd #7 - Comp Plan Analysis Eval Stnd #8

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wetland improvements outside PUD Core	Aesthetic & Recreational Objectives	
Improvements to road network accessing the ski mountain	Health and Safety Objective	Eval Stnd #6b, c, e
Increase tax base, LOT; increase potential for URA	Economic Development Objective	Eval Stnd #7 - Comp Plan Analysis
Significant arrival statement at Serenade Lane and SH75 with improved traffic movement	Social, Economic, Health and Safety Objectives	Eval Stnd #6 Eval Stnd #7 - Comp Plan Analysis
Shared parking potential for River Run and the City; potential gondola connection in the future	Social, Economic, Health and Safety Objectives	Eval Stnd #7 - Comp Plan Analysis

The waivers requested to achieve these special development objectives are listed and discussed above. Of these, the most significant is the height waiver.

The Applicant has also requested a waiver to the Zoning Code Definition of Hotel. This definition requires that 75% of the building be comprised of "hotel" uses in order to grant height/bulk waivers (See Attachment 5, Analysis of Zoning and Subdivision Codes, to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010).

The Applicant has stated that the primary Hotel Building, Building C1, will meet this definition. (Details of the actual square footage breakdown in Building C1 will be provided during a subsequent Design Review process.) The entire PUD area is unique in that it is the portal to the mountain, and contains multiple buildings necessary to create a vital ski base area. The waiver is being requested because when all of the buildings in the PUD core are added together, the definition is not met. The buildings which contain the skier day parking structures are unique to this site, and are requesting a height waiver to accommodate structured parking that is hidden from view by wrapping that parking with residential uses. The Fiscal Impact Analysis submitted by the Applicant assumes that 50% of these residential uses will be included in the short term occupancy pool. Other uses that are in the ski base area include mountain and resort operations. The uniqueness of a ski base area was not anticipated in the City's Hotel definition.

The Commission recommended and the Council agrees that this waiver be granted due to the unique nature of the skier day parking, and the need for multiple buildings housing a variety of ski and resort-related use necessary to create a vital, functioning ski base area.

Standard #14. Council Conclusions:

The Winter Study that provides analysis of the conceptual Tent Diagram, the Applicant's Figures and presentations, and previous Commission recommendations and Council approval of the Annexation and Zoning allow the Council to consider the special characteristics, physical conditions, and general objectives of the Master Plan are sufficient to justify granting of the

Exhibit S - PUD Findings

conditional use permit for the PUD. This approval is subject to conditions listed below as well as the specific plans for the Hotel Core and the balance of the Master Plan coming back to the City for Design Review approval. The waiver to the Definition of Hotel is granted due to the unique characteristics of the skier base area.

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

No time frame has been established for the project completion, but assumptions on completion are built into the Fiscal Analysis submitted by the Applicant. Alternate scenarios were also submitted with different phasing assumptions based on requests by the Council. The Applicant has stated that no incentives will likely result in a commitment to build the hotel within a particular time frame. The Applicant has indicated that market conditions will dictate the development pattern and timing within the River Run Neighborhood. That may or may not mean that the Hotel Core is first to be proposed for development. Construction of the hotel is a key goal of the City. The time frame for the entire project presented in the fiscal analysis is 2010-2024. Incentives built into the approval of the Annexation represent a partnership between the Applicant and the City with the common goal of stimulating the development of River Run.

The Applicant presented Figure 18, Public Improvement Sequencing in Addendum #1 to the Application. Figure 27 in Addendum #4 submitted on October 29, 2009 revised the sequencing schedule and was recommended by the Commission and accepted by the Council in its Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010. The final sequencing and terms of the Annexation and Development Agreement will be determined by the City Council.

Standard #15. Council Conclusions:

The Condition of Approval regarding the Public Improvement Sequencing attached to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, is necessary to assure that improvements are in place for each possible phase of the project.

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

This PUD represents only a portion of the entire River Run Master Plan site. It is not possible to completely evaluate this standard at this time. In addition to the following findings and conclusions, this standard will be further evaluated as part of the Annexation and Development Agreement and/or subdivision approval process.

Roads and non-motorized needs: (See findings and conclusions contained in PUD Evaluation Standard Number 6 above.)

Exhibit S - PUD Findings

Transit Service: Public transportation has historically been provided by the Applicant in the form of the historic "yellow buses" with some service from KART. In 2008, this older fleet was phased out and the public agency, Mountain Rides, began full service to River Run. Passenger drop off/pickup area is provided in the Hotel Core. The bus system is an important component of moving guests and residents without the use of the private vehicle.

Mountain Rides has indicated in its comment letter the need for a highly efficient and effective transportation link between Sun Valley Resort, downtown Ketchum and River Run. The preservation of a corridor in the Master Plan for that purpose is supported. Mountain Rides supports alternative modes, including pedestrian friendly design, to the private vehicle that will in turn result in higher ridership and less cars. Mountain Rides suggests well-managed parking structures that incorporate paid parking in conjunction with other measures implemented downtown. Mountain Rides "is a committed partner" in addressing transportation solutions for the City and the Applicant.

Several other options should be discussed in the future with Mountain Rides to provide service to the proposed project, including, a three level approach to the transit needs of the project patrons, employees and guests. That approach includes:

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

Water and Sewer Service: The Ketchum Utilities Department initially indicated brief comments based on the conceptual nature of the development. Not limited to the Hotel Core, a water audit was prepared by the Applicant to address domestic, fire flow and irrigation needs for the project. A sewer audit was included in the audit that is found in #5. Additional Applicant Submittals: River Run Water /Sewer/Irrigation Audit, prepared by Benchmark Associates, dated November 9, 2009. The Utilities Department provided the Council with a response by Memo dated March 5, 2010 and JUB Memo dated February 26, 2010 found in Attachment 6, Agency/Department Comments, item #29. Water rights, well site(s), reservoir storage site(s) and possible need for upsizing existing water and sewer main lines will be addressed in the Annexation and Development Agreement before the City will be in a position to accept the development of the River Run Neighborhood. Easements for all utilities will be required and further memorialized on a Large Block Plat.

Exhibit S - PUD Findings

School District: The Blaine County School District applied its formula to determine the impact of the whole development of River Run, not just the Hotel Core, based on the concepts presented in the Application. That discussion is contained in Attachment #2: Comprehensive Plan Analysis to the Annexation and Zoning recommendation made by the Commission. The Council attached a condition to its Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010 that requires mitigation of the impact on the District (Condition of Approval #35).

Power and Telecommunications (phone, cable, internet): Idaho Power Company has indicated that the property is within the certificated service territory of Idaho Power and it will provide electrical service subject to standard requirements.

Will serve letters will be required as part of the Large Block Plat or future Subdivision approval for the following dry utilities:

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

Parks and Recreation: The Ketchum Parks and Recreation Department has provided the following comment, in summary, concerning the whole parcel requested for annexation, and not limited to the Hotel Core:

- The Department places the highest priority on the need for active recreation space; and that an additional six (6) acres of space is appropriate in the River Run Neighborhood to mitigate the impacts of the increased number of employees, part-time and full time residents;
- The number of user and park reservation-days at Ketchum's only active space, Atkinson Park, far exceeds the reasonable capacity of the park and reinforces the extremely critical need to provide for the residents' as well as the visitors' desires for organized, active recreation;
- The Eco-Park, trails, and stream access are all fully supported by the Department. The multi-modal path within the 25-foot riparian setback is supported as long as the Department is tasked with its maintenance utilizing pesticide-free methods in accordance with City Code as related to the floodplain and riparian areas;
- Trail connectivity with Wood River Trail is important, keeping in mind the multitude of users from pedestrian to recreation bicyclist to commuting transportation.

Full discussion of impacts on recreation facilities, particularly active park space, and mitigation of those impacts is found in Standard of Evaluation 13 above and in the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

Exhibit S - PUD Findings

General Government: A fiscal consultant was retained by the City to conduct a peer review of the Fiscal Impact Analysis developed by the Applicant. This included impacts to General Government. This information was a significant part of the Council review of the applications for Annexation, Comprehensive Plan and Zoning and PUD. Full discussion, conclusions and related conditions are part of the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

Police: A fiscal consultant was retained by the City to conduct a peer review of the Fiscal Impact Analysis developed by the Applicant. This included impacts to police manpower and equipment as part of general government.

Fire: Preliminary verbal comments from Fire Chief, Mike Elle of the City's Fire Department, are summarized below:

- Road widths, parking, snow storage and other circulation and fire apparatus access concerns will be addressed when more specific plans for the Hotel Core are submitted.
- In general, compliance with the Codes in effect at the time of development is required.
- It is recommended that during specific design of the Hotel Core, architects and engineers involved stay in close contact with the Ketchum Fire Department and Emergency Services to ensure the design of the building as well as the site is code compliant. With additional height over the maximums allowed by Code, concern for unobstructed access for manpower and apparatus becomes more critical.
- The pedestrian plaza and access over the Big Wood River must be maintained for fire and emergency apparatus at all times including continuously during construction of any infrastructure or building development.

A fiscal consultant was retained by the City to conduct a peer review of the Fiscal Impact Analysis developed by the Applicant. This included impacts to Fire and Emergency Services manpower and equipment as part of general government.

Building: Building Department concerns are in summary and as follows:

- A proposal of this size will impact the Building Department's ability to provide services related to permit review time, inspection scheduling and manpower.
- The project will generate the need for an additional internal certified plans examiner or these services would need to be outsourced.

Exhibit S - PUD Findings

A fiscal consultant was retained by the City to conduct a peer review of the Fiscal Impact Analysis developed by the Applicant. This included impacts to the Building Department as part of general government.

Housing: The Blaine County Housing Authority (BCHA) indicated that the plans are conceptual and therefore lacking detail to make specific comments at this time. BCHA agreed with the critical importance of providing Employee Housing and that flexibility in the location may be appropriate. BCHA wishes to work with the Applicant, the City and other partners/interested groups on both Employee and Community Housing requirements.

Analysis of the City of Ketchum's Community and Employee Housing requirements are found in Attachment #5 to the Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010.

Standard #16. Council Conclusions:

The Council's Findings, Decision and Conditions on Annexation, Comprehensive Plan and Zoning, approved and dated June 7, 2010, includes findings and conditions that address the mitigation of impacts of the River Run development on public services, facilities and utilities. The participation by the Urban Renewal Agency and the support for creation of a business/local/community improvement district provide a public/private partnership with the Applicant that avoids burden to existing Ketchum tax payers but allows a cooperative effort toward development of River Run that is found to be of significant economic benefit to Ketchum and the community at-large.

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.

Standard #17. Council Conclusions:

The Council finds that the project complies with ordinances, rules and regulations of the City except as the height waiver is hereby granted subject to the conditions contained below.

AUTHORITY TO IMPOSE AND TYPES OF CONDITIONS OF APPROVAL:

Authority to Impose Conditions. According to Ketchum Code, Section 16.08.130.A, as part of the PUD - Conditional Use permit, the Council may impose conditions, including, but not limited to, the following:

1. Minimizing adverse impact on surrounding properties, developments and/or public services, facilities or utilities;
2. Controlling the sequence and timing of development;
3. Controlling the duration of development;
4. Assuring that development is maintained properly;
5. Designating the exact location and nature of development;

Exhibit S - PUD Findings

6. Requiring the provision for on-site or off-site public improvements, facilities or services when the proposed development is found to create impact on off-site public streets, facilities, utilities and/or services, including, but not limited to, bridges, intersections, roads, traffic control devices, water mains, sewer mains, fire equipment, transit system, recreational facilities and similar items;
7. Requiring more restrictive development standards than those generally required in applicable ordinances;
8. Require methods or manner of construction to minimize impact on adjacent properties or to prevent erosion or runoff and similar environmental impacts;
9. Any of the items set forth in subsection 16.08.120C of this chapter:
 - a. Prior to final approval of a PUD - Conditional Use Permit, the City Council may require, but not limit, the following:
 - 1) Such written agreements executed by the developer to secure performance of any requirement or condition to be imposed as part of the approval, including, but not limited to, development, services and/or annexation agreements.
 - 2) Submission of a revised development plan to incorporate changes made during the review process.
 - 3) Dedication of lands, personal property or improvements to the City.
 - 4) Require recordation of documents with the Blaine County recorder including, but not limited to, declarations of covenants and restrictions, easements, restrictive covenants, management agreements and similar documents establishing and guaranteeing the creation, operation and maintenance of the project, including, but not limited to, provisions that such documents may not be amended without the prior written consent of the City Council.
10. Restrictions on the future use of the proposed development;
11. Require dedications of land or cash in lieu thereof for street, park, transit and/or similar uses;
12. Require additional plans or engineering revisions to any aspect of the development plan;
13. Require provision of adequate Employee Housing;
14. Such other reasonable conditions as the City Council may deem appropriate with regard to the proposed PUD.

COUNCIL ACTION:

Upon motion by Councilor Kemp, second by Councilor Gourlay, and unanimous vote in favor (4-0), the Ketchum City Council finds this 7th day of June, 2010, that this project, River Run Hotel Core PUD - Conditional Use Permit, **does** meet the standards for approval under Chapter 16.08 of Ketchum Subdivision Ordinance Title 16, Planned Unit Developments, and is hereby approved, provided the conditions of approval are met.

Exhibit S - PUD Findings

STANDARD CONDITIONS:

1. This PUD - Conditional Use Permit is hereby issued in writing. The issuance thereof shall not be considered a binding precedent for the issuance of other conditional use permits. A conditional use permit is not transferable from one parcel of land to another.
2. Failure to comply with any condition or term of said permit shall cause said permit to be void ab initio. A PUD - Conditional Use Permit may be revoked at any time for violation of the permit or any condition thereof by motion of the City Council after a due process hearing upon ten (10) days written notice to the holder of the PUD - Conditional Use Permit, unless otherwise modified in the Annexation and Development Agreement, which modifications shall include a reasonable cure period within the Agreement.
3. Each structure within the PUD is subject to Title 17 Design Review Standards in addition to those specified herein or contained in the Annexation and Development Agreement. Applicable design approval must be achieved prior to applying for any building permit, including demolition, foundation, and infrastructure.
4. Exhibit A, River Run Annexation and Development Agreement, sets forth: i) the binding conditions specific to this P.U.D. ; (ii) acknowledges benefits to be received by the City in exchange for waivers granted; (iv) mitigation measures that lessen or eliminate project impacts ; (v) conditions of Annexation, and (vi) all additional terms of approval.

PROJECT-SPECIFIC CONDITIONS FOR SUN VALLEY COMPANY - RIVER RUN HOTEL CORE PUD:

The following conditions are a result of the findings made on each of the standards of evaluation as they have been applied to the conceptual plans for the Hotel Core PUD:

General Conditions:

5. Waivers not acted upon in concert with Annexation may be considered at a future date, such as subdivision of the Large Block Plat or Design Review.
6. The following conditions are necessary for vehicular/non-motorized transportation:
 - a. Dedication of minor roads within the Hotel Core is not accepted at this time; and therefore no action on related waivers is made. Consideration of dedication and waivers for minor roads within the Hotel Core shall be evaluated and may be dedicated upon future Large Block Plat or Subdivision Applications that include the Hotel Core. In any case, all roads shall have public access with the exception of the new service bridge and related service access that also provides, however, public emergency service access.

Exhibit S - PUD Findings

- b. Curb/gutter waivers shall be evaluated and may be dedicated upon future review of the Large Block Plat or Subdivision for the Hotel Core
 - c. Dedication of a public pedestrian access way from Bird Drive through the P.U.D. to connect with the BWR multi-modal path leading to the pedestrian bridge and plazas, to be designed in subsequent Design Review processes.
 - d. Public access to the BWR, Forest Service and BLM lands shall continue to be provided and maintained, to be designed in a subsequent Design Review process.
 - e. State Highway 75 & Serenade Lane:
 - Construct dual-lane roundabout (City preferred alternative)
 - Or
 - Signalize with protected/permitted phasing for northbound left-turns and provide acceleration lane for eastbound right-turns
 - f. State Highway 75 & Second Street:
 - A proportionate share of the costs to provide separate left and through/right lane on the east bound approach; if deemed appropriate by the City Engineer due to impacts to on-street parking
 - g. Third Avenue (north) & Serenade Lane:
 - Convert to all-way stop-control and provide exclusive eastbound left-turn lane.
 - Or
 - Construct a single-lane roundabout
 - h. State Highway 75 & Sun Valley Road:
 - A proportionate share of the costs of converting north/south approaches from left/thru lanes to exclusive left-turn lanes and eliminate split phasing. Provide protected/permitted phasing for east/west approaches.
7. Buffer planting strips: Buffer areas between the PUD boundary and adjacent properties have been defined by this PUD approval. Setbacks are detailed in Addendum 6, Figure 37, Setback Diagram. Landscape design for planting strips, landscape buffers, or other features will be reviewed during Design Review for each phase of the project.
8. All height and bulk limitations shall be in accordance with Tourist District, except those items waived by the Commission as part of the PUD. Figures 31, Tent Diagram Plan, and 32, Tent Diagram with dimensions, illustrate areas where buildings may exceed height and bulk limitations. Figure 37, Setback Diagram,

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defines the minimum allowed building setbacks within the PUD. Figures 30 and 36 define the setbacks and building step backs approved in the Hotel Core along the Big Wood River. Figures 32 Tent Diagram with Dimensions and 33 and 34, Design Guidelines Illustrations and with Figure 40, Updated Design Guidelines Diagram define the diagonal lengths of building blocks at setbacks around and within the Hotel Core, and other key dimensional limitations deemed necessary by the Commission. These figures shall be subject to the following design guidelines. These guidelines shall be implemented by the Commission in conjunction with the standards of Chapter 17.96, Design Review, during the Design Review process. The Ketchum Southern Entrance Corridor is respected by the implementation of the Tent Diagram, related figures, and this condition.

- a. Total gross floor area, as defined in Ketchum Zoning Code § 17.08.020, shall not exceed 945,000 sq. ft., excluding all above and below grade parking areas and structures.
- b. Setbacks along sensitive edges.
 - 1) As described in Section 8.j below, buildings shall step down adjacent to the trail along the Big Wood River to reflect the pedestrian scale of this use, according to Figures 30, 31, 33, 34 and 36.
 - 2) Building mass adjacent to existing West Ketchum neighborhoods (Building C1) shall not exceed the height shown in Figure 23, Revised Tent Diagram, or encroach into the 25 foot setback shown in Figure 37, Setback Diagram.
 - 3) Street edges should reflect a pedestrian scale by appropriate placement and articulation of retail storefronts, residential entries and landscape elements.
- c. Building Blocks. The core C-1 hotel building shall be designed to appear as a series of buildings through the use of building blocks as illustrated in Figures 23, 33, 34 and 40 and further defined herein. Within the core hotel building there should be an iconic, recognizable elevated mass, which reads as the primary structure (area shown as 110' max. height area). As described in Section (h) (1), and shown in Figure 34, additional iconic architectural elements may exceed the 110' height. The hotel building should also incorporate several distinct step-downs in mass.
- d. Maximum Horizontal Dimensions.
 - 1) Large buildings shall be broken into smaller building blocks (sub-blocks), which are generally 120, 180 and 240 feet in length, according to Figures 29, 32, 33 and 40.

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- 2) Building blocks shall vary in size: not all building blocks may be of the maximum dimensional size.
 - 3) No dominant building block shall be more than 180' long without a "break" (a break shall be an interruption of the building wall plane with either a recess or an offset measuring at least 10' in depth, in or out, and 20' in length (the offset angle constituting the "break" recess shall be between 30 and 90 degrees to the wall. For example, a façade of 200 feet in length must have a break that is 10 feet in depth by 20 feet in length.
 - 4) To further break down the mass, no individual façade face shall be longer than 120' without an offset of 3' or greater, or a change in angle of 30 degrees or more. Blocks may be further differentiated with color and material changes.
 - 5) The overall diagonal dimension of any structure shall not exceed 600' in C1 and 400' in C2-C3, C4-C5, and C6-C7 without a true building mass "opening", no less than 30' feet wide above a maximum 10' base structure on the uphill side of the site and above a maximum 25' base structure on the downhill side of the site. Buildings may be connected through transparent openings that allow for light, air and public access. Such openings will not restrict the use of upper story bridges to connect volume as long as these bridges appear subordinate to the openings, a sense of transparency is maintained and the roofline of the bridges and adjacent buildings do not align. Figures 29, 31, and 32-34 and 40.
- e. Maximum Vertical Dimensions. With the exception of the 110' tall mass considered to be the central block of the core hotel building, no building façade at the setback line shall be taller than 70' in height without a horizontal building or canopy articulation of 8' or greater as measured from average of finished grade along a single side of the building. A minimum of 20% of the perimeter of the building footprint shall step back above a 35' height. A maximum of 35% of any single building elevation at the setback line may be up to 70' in height without a setback.
- f. Maximum Roof Lengths. No uninterrupted roof ridge shall run longer than 240' on the C1 site or 180' on any other core site. An interruption in roof ridge is created through the use of a visible change in ridge elevation or a horizontal bend in the ridge line of at least 30 degrees.
- g. Measurement of Building Height. Building height shall be measured from the topography proposed in Sheet 9.0. Maximum building heights shall be established from any point in the PUD boundary based on Sheet 9.0. A variation

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in final grade of no more than 10' is permitted to reflect the conceptual nature of Sheet 9.0. Grade changes in excess of 10' will be permitted for roadways, garage entries and other circulation and landscaping elements so long as such grade changes do not cause the grades of building bases to vary from Sheet 9.0 by more than 10'.

h. Building Height. Building height and height location shall be restricted by Figures 23, Revised Tent Diagram and Figures 33, 34 and 40, Design Guidelines Illustrations. Exceptions to height limits as allowed to be modified are as follows:

1) Architectural features such as towers, spires, chimneys, and similar architectural elements that do not include habitable space, and cover not more than 10% of the adjacent roof area, may exceed the allowed maximum building height by a height of 18 feet. Elevators and other mechanical structures must be fully concealed within the form of the feature/element.

i. Roof Area Restrictions.

1) Above a 45' height, flat roofs shall be limited to a maximum of 20% of the roof area of individual building sub-blocks.

j. Massing Along the Big Wood River for areas north of the centerline of the Big Wood River Bridge (generally Parcel C1).

1) Zone 1 – Defined as the land within the 25' setback. Subject to Design Review and with the approval of the Commission, hardscape elements useable and open to the public may be located within Zone 1.

2) Zone 2 – Defined as the strip of land between the 25' setback from MHWM and 35' from MHWM. No enclosed building mass (with the exception of garage structure) shall be located within Zone 2. However, stairs, decks, plazas and other nonenclosed hardscape areas (including those located over garage structure) may be located within Zone 2, provided such elements do not exceed 15' in height.

3) Zone 3 – Defined as the strip of land between 35' from MHWM and 75' from MHWM. In addition to the elements permitted in Zones 1 and 2, buildings of up to 65' in height may be located in Zone 3 for up to 30% of the linear footage of the of 25' riparian setback line for the entire length of the PUD property's Big Wood River frontage. In calculating this percentage, the linear footage of buildings is to be measured at the 75' from MHWM line. This calculation is to be made cumulatively for all buildings in this zone, not on a parcel by parcel basis.

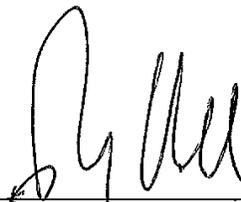
Exhibit S - PUD Findings

- 4) Zone 4 – Defined as the remainder of the PUD property east of the 75’ from MHWM line. Building massing in Zone 4 shall be in conformance with the Tent Diagram.
- k. Massing Along the Big Wood River for areas south of the centerline of the Big Wood River Bridge (generally Parcel C2).

Defined as the strip of land seventy five feet (75’) from MHWM. No enclosed building mass shall be located within this setback area. However, decks, plazas and other nonenclosed hardscape features that provide or enhance access to the Big Wood River may be located within the area that is 75’ from the MHWM.

- i. Design Review Flexibility. The Applicant shall incorporate and can rely on the aforementioned design guidelines as the basis for developing its Design Review application(s). Applicant may propose further modifications to these guidelines, and the Planning and Zoning Commission may in its sole discretion adopt applicant’s modifications to these guidelines. Adoption of the Findings of Fact shall not be deemed or construed as any assurance of a future Design Review Approval by the Planning and Zoning Commission. However, general building massing is hereby approved provided the building designs comply with the massing restrictions contained in the conditions above and with Figures 23,24,30,31,32, 33, 34,40 and 45 and Addendum #13, Tent Diagram Relative to Known Elevation.

Findings of Fact, Conclusions of Law & Decision **adopted and signed** this second day of August, 2010.



Randy Hall, Mayor
City of Ketchum, Idaho