

CITY COUNCIL CALENDAR OF THE CITY OF KETCHUM, IDAHO

Monday, February 3, 2014, beginning at 5:30 p.m.

480 East Avenue, North, Ketchum, Idaho

Approximate starting time for each agenda item is indicated at left.



- 5:30 1. CALL TO ORDER.
2. COMMUNICATIONS FROM MAYOR AND COUNCILORS.
- 5:30 a) Communications from Mayor and Councilors.
- 5:40 b) Resolution 14-003, Appointment of Members to the Planning and Zoning Commission. Tab 1
3. COMMUNICATIONS FROM THE PUBLIC.
- 5:50 a) Communications from the public. *On items not on the agenda.*
- 6:05 b) Blaine County Housing Authority Annual Report – Dave Patrie, Executive Director, Blaine County Housing Authority. Tab 2
4. COMMUNICATIONS FROM CITY STAFF.
- 6:25 a) Recommendation to approve a Water Bank Lease and Rental Agreement - Robyn Mattison, Public Works Director/City Engineer. Tab 3
- 6:55 b) Connorriley Townhomes, Townhouse Subdivision Preliminary Plat at 203 Sabala Street located in the General Residential –Low Density (GR-L) zoning district – Rebecca Bundy, Senior Planner. *Public comment accepted* Tab 4
- 7:05 c) Consideration of an administrative correction to the Bald Mountain Lodge Development Agreement– Lisa Horowitz, Community and Economic Development Director. *Public comment accepted* Tab 5
- 7:20 d) Discussion on Ketchum Urban Renewal Board Composition and Bylaws - Gary Marks, City Administrator. Tab 6
- 7:45 5. COMMUNICATIONS FROM THE PRESS.
- 7:50 6. CONSENT CALENDAR. Tab 7
- a) Approval of minutes from the December 6, 2013 and January 21, 2014 Council meetings.
- b) Recommendation to approve current bills and payroll summary.
- c) Findings of Fact, Conclusions of Law and Decision regarding Connorriley Townhomes – preliminary plat.
7. ADJOURNMENT.

Any person needing special accommodations to participate in the above noticed meeting should contact the City of Ketchum three days prior to the meeting at (208) 726-3841.

This agenda is subject to revisions and additions. NOTE: Revised portions of the agenda are underlined in **bold**. Public information on agenda items is available in the Clerk's Office located at 480 East Ave. N in Ketchum or (208) 726-3841.

Check out our website: www.ketchumidaho.org.

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



January 29, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

February 3, 2014 City Council Agenda Report

The regular Council meeting will begin at **5:30 p.m.**

2. COMMUNICATION FROM MAYOR AND COUNCIL.

- b) Resolution 14-003, Appointment of Members to the Planning and Zoning Commission.

The positions of Steve Cook and Jeff Lamoureux are up for appointment. Six people have expressed an interest in serving on the Commission: Amanda Breen, Steve Cook, Mickey Garcia, Jeff Lamoureux, Erin Smith, and Ben Worst. A detailed staff report and Resolution 14-003 have been provided in the packet for Council review.

Mayor Jonas will make a recommendation at the City Council Meeting.

RECOMMENDED MOTION: *"I move to approve Resolution Number 14-003 appointing (insert name) and (insert name) to three (3) year terms beginning February 3, 2014 and ending February 3, 2017.*

This is an executive function.

3. COMMUNICATIONS FROM THE PUBLIC.

- b) Blaine County Housing Authority Annual Report – Dave Patrie, Executive Director, Blaine County Housing Authority.

Dave Patrie of the BCHA will present the annual report, A staff report from Lisa Horowitz has been provided in the packet for Council review.

RECOMMENDATION: None. This item is informational only.

RECOMMENDED MOTION: None.

4. COMMUNICATIONS FROM CITY STAFF.

- a) Recommendation to approve a Water Bank Lease and Rental Agreement - Robyn Mattison, Public Works Director/City Engineer.

The City utilizes the Idaho Department of Water Resources (IDWR) Water Supply Bank to manage the City's water rights. As part of the IDWR program the City leases one of our water rights to the Water Supply Bank and then rents the same water right for use at additional points of diversion (existing wells). The City's Water Supply Bank lease and rental terms expired on December 31, 2013. City staff submitted to IDWR a *Water Supply Bank Request to Extend the Lease Term* form along with an *Application to Rent Water From the Water Supply Bank* form in December. The forms will extend the term of the lease and rental agreement to December 31, 2018, however the City may submit a request to release the water right from the Water Supply Bank at any time. A detailed staff report and associated documents have been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council (1) approve the IDWR Water Supply Bank Lease Contract for the lease of water right 37-4414 and (2) approve IDWR Water Supply Bank Rental Agreement to rent water right 37-4414.

RECOMMENDED MOTION: *"I move to approve the IDWR Water Supply Bank Lease Contract and Rental Agreement."*

This is a legislative matter.

- b) Consideration of the application by Connorriley LLC for Connorriley Townhomes, Townhouse Subdivision Preliminary Plat at 203 Sabala Street located in the General Residential – Low Density (GR-L) zoning district. – Rebecca Bundy, Senior Planner.

Connerriley LLC, represented by Bruce Smith, Alpine Enterprises, is requesting approval of a two unit Townhouse Subdivision Preliminary Plat of Connerriley Townhomes. A detailed staff report from Rebecca Bundy has been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the Connerriley Townhomes Townhouse Subdivision Preliminary Plat.

RECOMMENDED MOTION: *"I move to approve the Connerriley Townhomes Townhouse Subdivision Preliminary Plat, finding the application meets with the applicable review standards with the conditions 1 - 7, as noted in the staff report."*

This is a legislative matter.

- c) Consideration of an administrative correction to the Bald Mountain Lodge Development Agreement – Lisa Horowitz, Community and Economic Development Director.

The Council approved the second amendment to the Bald Mountain Lodge Development Agreement in May of 2013. Although the Council intended to grant a one-year extension, the motion referred to the Development Agreement which did not match the meeting date. This resulted in granting only a 6 month extension. Staff and legal counsel believe this was a clerical error and seek to remedy that error. A staff report and associated documents from Lisa Horowitz have been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the Council grant a one-year extension to the Bald Mountain Lodge effective from May 6, 2013.

RECOMMENDED MOTION: *“I move to grant a one-year extension to the Bald Mountain Lodge effective from May 6, 2013, and to amend the Development Agreement to so reflect those dates”*

This is a legislative matter.

- d) Discussion on Ketchum Urban Renewal Board Composition and Bylaws - Gary Marks, City Administrator.

As a follow up to the Council’s discussions on Urban Renewal Board Composition on January 6th and January 21st, staff has provided copies of new bylaws in the packet for the Ketchum Urban Renewal Board which provide for a board composition in accordance to the Council’s instructions.

RECOMMENDATION: Staff respectfully recommends the Council consider the new bylaws and approve the same if the Council finds they are appropriate.

RECOMMENDED MOTION: *“I move to approve the new bylaws for the Ketchum Urban Renewal Agency.”*

This is a legislative matter.

6. CONSENT AGENDA.

- a) Approval of minutes from the December 6, 2013 and January 21, 2014 Council meetings.

Copies of the minutes from the December 6, 2013 and January 21, 2014 Council meetings have been provided in the packet for Council review.

- b) Recommendation to approve current bills and payroll summary.

A list of bills for approval and the payroll summary have been included in the packet for Council review.

- c) Findings of Fact, Conclusions of Law and Decision regarding Connorriley Townhomes – preliminary plat.

Staff recommends approval of the Findings of Fact and Conclusions of Law and Decision for this preliminary plat. Materials have been provided in the packet for Council review.

Sincerely,

Gary B. Marks
City Administrator

and

Katie Carnduff
Administrative Clerk

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



January 28, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Resolution No. 14-003, Appointment of Members to the Planning and Zoning Commission

Introduction/History

The appointment of Planning and Zoning Commission members is the responsibility of the Mayor with confirmation by a majority vote of the City Council. According to its bylaws, Ketchum's Commission consists of five (5) members and up to two (2) of those members may reside outside of the city limits. There is no requirement for Ketchum to have representation by members who live within the Area of City Impact as is the case in some communities. Commission members must have resided in Blaine County for at least 3 years in order to be considered.

Planning and Zoning Commissioners serve for three-year appointments and may serve for two terms, with the statutory provision that allows for additional terms as long as the appointment is confirmed by a 2/3 vote of the council.

Presently, the positions of Steve Cook and Jeff Lamoureux are up for appointment. Both Steve and Jeff have expressed their interest in being reappointed to their positions on the Commission. Steve has served for two (2) full terms. Jeff Lamoureux has served for one (1) term. (Jeff completed the term vacated by Sam Williams and has been in the position for 2 years and 6 months.) As noted earlier, if Steve Cook is reappointed to his position, a 2/3 vote of the City Council is necessary for confirmation. Steve resides outside of the city limits in Blaine County (Broadway Run area, near hospital) and is the only Commissioner residing outside the city. Both Steve and Jeff have been a part of the major comprehensive plan rewrite project and have been valued members of the Commission.

Current Report

Staff placed an advertisement in the Mountain Express for three (3) Wednesday editions announcing the opportunity for involvement on the Commission. Letters of interest were due to the City on January 10, 2014 and six (6) people submitted letters for consideration by Mayor Jonas. The following people expressed an interest in serving on the Commission:

- Amanda Breen
- Steve Cook
- Mickey Garcia
- Jeff Lamoureux
- Erin Smith
- Ben Worst

In discussions with Mayor Jonas, she indicated that she would contact these candidates and make a recommendation at the City Council meeting.

Financial Requirement/Impact

The City of Ketchum provides compensation for Planning and Zoning Commission members for their time and expertise at a rate of \$150.00 per meeting. This expenditure is planned for in the annual Community and Economic Development Department budget and has been appropriated in the FY 2013/14 City Budget.

Suggested Motion

“I move to confirm the appointments of Mayor Jonas through the approval of Resolution No. 14-003 appointing (insert name) and (insert name) to three (3) year terms beginning February 3, 2014, and ending February 3, 2017, and authorize the Mayor to sign said resolution.”

Sincerely,

Joyce Allgaier, Planning Manager

RESOLUTION NUMBER 14-003

A RESOLUTION OF THE CITY OF KETCHUM CITY COUNCIL APPOINTING
_____ AND _____ TO THE KETCHUM
PLANNING AND ZONING COMMISSION FOR A TERM EXPIRING ON
FEBRUARY 3, 2017

WHEREAS, the term of current Planning and Zoning Commissioners, Steve Cook and Jeff Lamoureux, will expire on February 3, 2014, creating two vacancies on the Ketchum Planning and Zoning Commission; and

WHEREAS, _____ and _____ have expressed interest in being re-appointed or appointed to the Planning and Zoning Commission; and

WHEREAS, _____ and _____ have resided in Blaine County for at least three (3) years prior to their appointment to the Planning and Zoning Commission; and

WHEREAS, Mayor Jonas recommends _____ and _____ be confirmed by the City Council to serve on the Planning and Zoning Commission; and

WHEREAS, such terms shall expire on February 3, 2017.

NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the City of Ketchum, that _____ and _____ are appointed to the Ketchum Planning and Zoning Commission for a 3-year term expiring on February 3, 2017.

This Resolution will be in full force and effect upon its adoption this third (3rd) day of February, 2014

Nina Jonas, Mayor

ATTEST:

Sandra Cady, CMC
City Treasurer/Clerk

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



February 28, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Annual Report by the Blaine County Housing Authority (BCHA)

Introduction/History

The City has contracted with BCHA for over eight years to provide a variety of services related to managing, leasing and selling community housing units. The BCHA presents their annual report to the City every year.

Current Report

Dave Patrie of the BCHA will present the annual report; a summary is attached.

Financial Requirement/Impact

The Council approved a contract for services with BCHA in the 2013/2014 budget for \$70,000.

Recommendation

No action is needed on this item.

Sincerely,

Lisa Horowitz
Community and Economic Development Director



BLAINE COUNTY HOUSING AUTHORITY

FY 2013

ANNUAL REPORT

to the community



Mission Statement

The Blaine County Housing Authority's mission is to advocate, promote, plan, and preserve the long-term supply of desirable and affordable housing choices in all areas of Blaine County in order to maintain an economically diverse, vibrant, and sustainable community.

Board of Commissioners

Heather Filgate, Chair

Chase Hamilton, Vice Chair

Carter H. Ramsay, Ketchum Commissioner

Bonnie Moore, Sun Valley Commissioner

Rick Davis, Hailey Commissioner

Linda Johnston, Bellevue Commissioner

Suzanne Miller, Blaine County Commissioner

Staff

David Patrie, Executive Director

Bob Bellows, MA GPC, Program Administrator

Nick Quaglia, Bilingual Outreach Intern 2013

Blaine County Housing Authority

200 W River Street, Suite 103
P.O. Box 4045
Ketchum, Idaho 83340
Phone: (208)-788-6102
Fax: (208) 788-6136



From the Chairwoman & the Executive Director

From the beginning, BCHA was built on the idea that a family should be able to live in the community in which they work. This idea, in turn, will build a strong community by creating engaged citizens, coaches and volunteers and is critical to our community's economic success. Not only do local businesses require decent affordable housing for their workers, they rely on a year-round population for maintaining and growing their businesses.

When you look through the facts and figures on the pages of this report, it is easy to get lost in the data and the numbers. To keep our perspective, we here at BCHA begin every day reminding ourselves that the work we do is about people. "Housing units" are just empty shells. The families that live inside give life to the structure and enliven our community. The individuals living in Community Housing are part of the fabric of our community. They are the backbone that supports our economy. Collectively, we refer to them as the "workforce" and it is easy to lose sight of the individual contributions this workforce makes every day.

We thank you for your past support, and also ask for your continued support. As we do each and every day, please keep in mind the thousands of individuals who make up the Blaine County workforce and how they contribute to the health of our community. By supporting BCHA, you actively support each individual helped by BCHA.

Heather H. Filgate

BCHA Chairwoman

David Patrie

Executive Director

In 2013, 123 households representing 209 individuals worked with the **BLAINE COUNTY HOUSING AUTHORITY** and our housing programs.

"We cannot thank the program enough, and could not have made such a smooth, healthy and financially strong relocation without [BCHA 's] help... Because of the program, Blaine County is gaining a payback tenfold of what was invested in us and has gained two citizens, that are succeeding in work, have invested in the area with a home and able to live and spend our money close to home. OMG groceries alone [are] as much as our rent, [we] spend that here in Ketchum every month. "

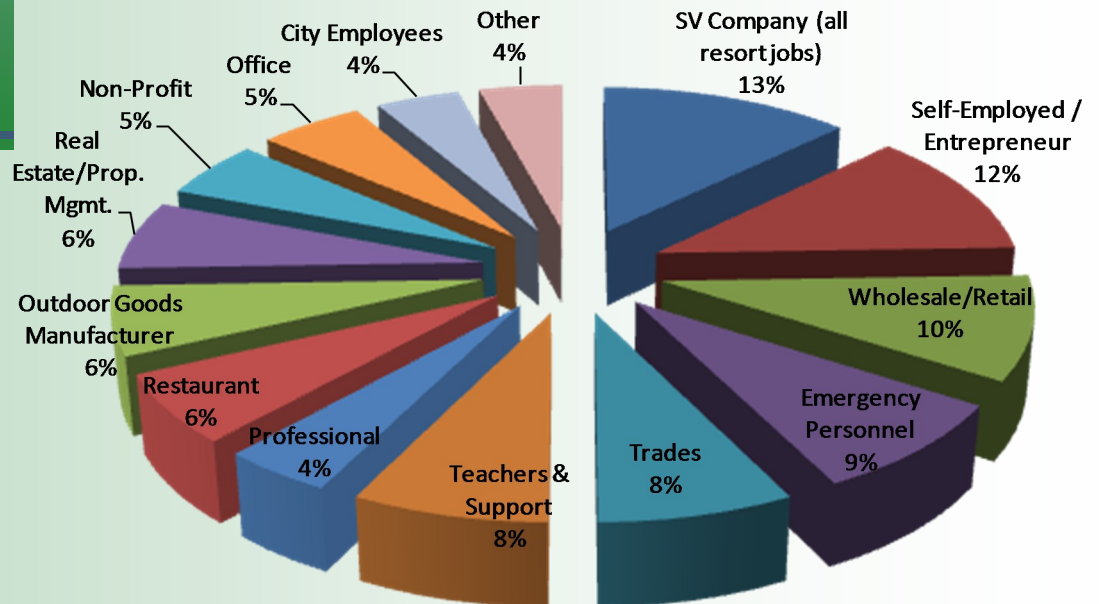
Pamela and James
Ketchum Renters 2012—2013

Diversity of Re-Sales

- 7 Located in Ketchum • 2 in Hailey • 2 in Sun Valley
- ★ (5) Income Cat. 3 ★ (5) Cat. 4 ★ (1) Cat. 5
- ⇒ (5) 1-Bedroom ⇒ (3) 2-Bedroom ⇒ (3) 3-Bedroom

WHO ARE WE?

The Professions of BCHA Homeowners & Renters September 2013



**based on residents' occupation at the time of purchase or lease*

11 Community Homes have been **re-sold** in the past **12 months**,

Representing **\$1.5 million** invested in our **Community**

by our **WORKFORCE.**

BLAINE COUNTY HOUSING AUTHORITY

2013 Financial Statements

Statement of Financial Position

ASSETS 2013:

CURRENT ASSETS

Unrestricted Cash	\$37,115
Restricted Cash	\$50,608

Other Current Assets

Property/Housing	\$76,000
Prepaid Insurance & Un-Deposited Funds	\$434

TOTAL ASSETS \$164,157

LIABILITIES & EQUITY

LIABILITIES

Accounts Payable	\$2,715
Security Deposits	\$300
Accrued Compensated Absences	\$1,325
Accrued Payroll	\$5,370

TOTAL LIABILITIES \$9,710

EQUITY

Unreserved Fund Balance	\$46,628
Retained Earnings	\$81,868
Net Income	\$25,950

TOTAL EQUITY \$154,446

TOTAL EQUITY & LIABILITIES \$164,156

Statement of Activity

REVENUE:

Capital Replace Revenue	\$500
Community Housing Administration Fees	\$22,598
Contracts for Service	\$147,500
Rental Management Income	\$3,843
Interest Income	\$254
Grants/Other Income	\$7,270

TOTAL REVENUE \$181,965

EXPENSES:

Operating Expenses	\$113,114
New Program, Initiatives & Capacity Building Expenses	\$40,686

TOTAL EXPENSES \$153,800

NET INCOME \$28,165



BCHA Outreach Intern, Nick Quaglia, connects with a family at the Hailey Children's fair.

REPORT TO STAKEHOLDERS

Annual Report - Fiscal Year 2013

For the Period
October 1, 2012 - SEPTEMBER 30, 2013



AFFORDABLE HOUSING • STRONG COMMUNITY • STRONG ECONOMY

PREVIEW HIGHLIGHTS IN THIS REPORT

- ★ **The Community Housing market rebounded strongly with six (6) Community Homes re-sold in FY 2013.**
 - **4 more Community Homes were under contract and closed in October.**

- ★ **BCHA more than doubled the number of rental units in its stewardship from 5 to 12.**

- ★ **BCHA worked directly with one-hundred and twenty three (123) households in the database.**
 - **Sixty-five (65) new applicants.**
 - **Fifty-eight (58) households placed in housing or removed from the database.**

- ★ **BCHA entered the property management business in FY 2013 and generated over \$5,000 in income for the year and we are forecasting approximately \$15,000 in income in FY 2014.**

- ★ **Workforce and unemployment data continue to fluctuate indicating a weak and fragile recovery in Blaine County.**

- ★ **The affordability gap in the Ketchum / Sun Valley market continues to widen with the median single-family home affordable to a household earning 240% of the Area Median Income (AMI) and condos & townhouses affordable to households earning 170% of the AMI.**

- ★ **The gap in the Hailey / Bellevue market is significantly lower with single family homes and condos & townhouses affordable to households earning 100% AMI.**

- ★ **The percentage of applicants in the BCHA database who are employed in Hailey increased by 9% over the course of the year despite the relative affordability in the statistics noted above.**

- ★ **We were successful in achieving a Fannie Mae exception to allow lending in mixed-use developments with more than 20% commercial space.**

- ★ **BCHA expanded the services we provide to the City of Sun Valley and increased the value of our contract for service.**

- ★ **BCHA Staff gained multiple certifications in pursuit of BCHA becoming certified by IHFA to manage Low Income Housing Tax Credit (LIHTC) developments.**

SECTION I EXECUTIVE SUMMARY

Employment Analysis

The employment data from the Idaho Department of Labor reflects the sentiment of Wood River Valley businesses and its workforce. The signs of economic recovery are weak and any positive indicators remain fragile. The unemployment rate in Blaine County is essentially flat when compared to a year ago. Both the total labor force and the total number of jobs in Blaine County are down slightly from the same period last year. While this may not be the most positive news, these data indicate stabilization in what was a rapid deterioration of the employment landscape in the previous years.

Affordability Analysis

We have noted in past reports and continue to note in this report that housing costs are only one side of the affordability equation. The other side of the equation is wages and income. For many families in Blaine County their loss in wages and income is equal to the drop in housing costs. This means that for many households there has been no net gain in affordability due to lower housing costs. Only those households whose income remained steady, and are not saddled with underwater mortgages, have been able to take advantage of lower housing costs.

Our affordability analysis shows that, statistically speaking, single-family homes and condos and townhouses in the Hailey / Bellevue market are affordable to households earning 100% of the Area Median Income (AMI). This is an improvement over the affordability data during the housing boom. However, moderate-income households (those earning 80% or less of the AMI) in this market are priced out of homeownership. Reporting from the U.S. Census categorize over 1,700 households in Hailey and Bellevue as moderate income. Job titles that fall into the moderate income category in Blaine County include police officer, firefighter, city or county staff, teacher and start-up entrepreneur among others. The U.S. Census also reports just over 1,400 rental units in this market. The gap between the number of households that are unable to afford to purchase a home and the number of rentals puts pressure on the quality and the affordability of housing in the rental market.

The affordability gap in the Ketchum / Sun Valley market is extreme in comparison to the Hailey / Bellevue market. Our affordability analysis indicates that single-family homes are only affordable to those households earning 240% of the AMI, or \$191,000/year. Condos and townhouses are affordable to households earning more than 170% of the AMI.

These gaps in affordability stretch beyond moderate-income households into the middle and the upper-middle classes. It affects resort workers and professionals alike. The affordability gap forces workers to other parts of the county, or out of the county altogether. This puts pressure on our other critical resources. Finally, it negatively affects Blaine County businesses as their workers travel longer distances each day and there are fewer full-time residents to support our local economy.

Blaine County Housing Activities

Despite the weak employment data and possibly bolstered by increasing affordability gaps, the Community Housing market rebounded strongly in 2013. Six (6) Community Homes were resold in 2013 compared to just one (1) in 2012. Four (4) additional Community Homes were under contract at the end of the fiscal year and all closed in October 2013 establishing a solid foundation for FY 2014.

BCHA rental units are fully occupied. We more than doubled the number of rental units in our stewardship from five (5) at the beginning of the year to a total of twelve (12) at the year's end. The demand for the additional units was strong and there were no lease-up concerns.

FY 2013 was an eventful year internally for BCHA. We hired a new Program Administrator named Bobi Bellows early in the year. In March we launched an outreach campaign to the Spanish-speaking community and other underserved populations in Blaine County by contracting with Nick Quaglia, our Bilingual Community Outreach and Research Specialist. Also in March, BCHA moved its office from Hailey to Ketchum. The strategy behind this move was to make BCHA more accessible to more of the Blaine County workforce and is proving successful.

Community Housing Applicant Analysis

The percentage of Income Category 1 applicants (41%) remains at historic highs. The percentage of these low-income households has been climbing steadily since December of 2009 when the percentage was about 25%. Considering the slow and fragile recovery this may be the new normal for the foreseeable future.

BCHA interacted with one-hundred and twenty-three (123) unique applicants during FY 2013. Sixty-five (65) households were new applicants and fifty-eight (58) were either placed in affordable housing or removed from the database. Of the households removed from the database forty-three percent (43%) were placed in BCHA units or units developed with our development partner ARCH. We were unable to contact thirty-four percent (34%) which we presumed have moved out of Blaine County. Fourteen percent (14%) of those removed found market-rate housing solutions.

BCHA Efficiency & Impact

The summary of the data above and the data cited throughout this report clearly demonstrates the positive impact BCHA has on the Blaine County workforce and its employers with very limited resources. We are a two-person operation working with a very small budget.

It is hard to quantify the financial and social benefits BCHA provides the community. We know that there are ninety-five families living in Community Housing that would not exist without BCHA and our partners. We know that the families living in these Community Homes are the backbone of the Blaine County economy. We know that we are proud to have them as citizens, voters, coaches, volunteers and customers!!

SECTION II

REPORTING AND ANALYSIS OF LOCAL EMPLOYMENT AND HOUSING MARKET CONDITIONS

Local Workforce Trends (updated September 30, 2013)

Blaine County Housing Authority tracks population, jobs and unemployment data to anticipate demand for affordable housing in the near and medium terms (6 mo. - 2 years). For the long term, we forecast the high cost of living and the high cost of housing in Blaine County will keep the demand for affordable housing high until a critical mass of affordable housing is attained.

Despite the continuing weakness in the job market as discussed in the following analysis, BCHA has seen increasing interest and activity in Community Homes since the beginning of FY 2013. Six (6) Community Homes have been sold this year. An additional four (4) Community Homes were under contract on September 30, 2013 and closed in October. One (1) additional Community Home is under contract and scheduled to close in mid-November.

The strong demand for Community Housing demonstrated in the data above provides evidence for the need and the value Community Housing brings to Blaine County workers and employers in spite of the struggling economy.

The high cost of real estate in Blaine County remains a hurdle for Blaine County workers. Idaho Department of Labor Regional Economist, Jan Roeser, notes in her September 2013 report for Blaine County that "**the labor pool continues to be constrained by a lack of affordable housing.**" Ms. Roeser also credits efforts by jurisdictions in the county to incentivize developers to provide affordable housing, along with falling home prices, to temporarily lessen the impact of high housing costs in the county.

The housing hurdle for Blaine County workers is also a hurdle for Blaine County businesses and regional economic development, which rely on an adequate supply of decent, affordable housing to support the workforce needed to develop and grow businesses.

"Great communities are intentional. The future isn't something that happens to you. The future is something you create. Decide who you want to be, then go get it."

-Chris Gates-

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



January 24, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Recommendation of Approval of Idaho Department of Water Resources Water Bank Lease and Rental Agreements

Introduction/History

Beginning in 2011 the City began utilizing the Water Supply Bank, operated by the Idaho Department of Water Resources (IDWR), to more efficiently make use of the city's water rights. The Water Supply Bank is an exchange market which provides the mechanism to temporarily change or protect water rights. The City leases water right 37-4414 to the Water Supply Bank and rents the same water right for use at additional points of diversions (existing wells).

Current Report

The City's Water Supply Bank lease and rental terms expired on December 31, 2013. In December city staff submitted to IDWR a *Water Supply Bank Request to Extend the Lease Term* form along with an *Application to Rent Water From the Water Supply Bank* form. The submittal of the IDWR forms and new Water Bank lease and rental agreements will extend the term of the lease/rental to December 31, 2018, however the City may submit a request to release the water right from the Water Supply Bank at any time.

Financial Requirement/Impact

The administrative fee for the rental of water right 37-4414 is \$2,741.59 per year. The City has been paying this amount annually starting in 2011. Funds for this payment are included in the FY 2013-2014 Water Fund budget.

Recommendation

I respectfully recommend the City Council (1) approve the IDWR Water Supply Bank Lease Contract for the lease of water right 37-4414 and (2) approve IDWR Water Supply Bank Rental Agreement to rent water right 37-4414.

Recommended Motion:

“I move to approve the IDWR Water Supply Bank Lease Contract and Rental Agreement”.

Sincerely,

A handwritten signature in cursive script that reads "Robyn L. Mattison".

Robyn L. Mattison, P.E.
Public Works Director/City Engineer

Attachment- IDWR Water Bank Lease Contract and Rental Agreement



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

January 15, 2014

CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 37-4414 TO THE WATER SUPPLY BANK

****TIME SENSITIVE RESPONSE REQUIRED****

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return BOTH Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The rights will automatically be released from the Bank on **December 31, 2018**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To request an extension of the lease period, submit a Request to Extend the Lease Term form along with applicable fees to the Department prior to the release date. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact me at 287-4910.

Sincerely,

Clay Webster
Technical Records Specialist

Enclosure: Proposed Lease Contracts

c: Bruce Smith-Moore, Smith, Buxton & Turcke

Idaho Department of Water Resources Receipt

Receipt ID: C098098

Payment Amount \$250.00 Date Received 12/23/2013 12:28 PM Region STATE

Payment Type Check Check Number 66850

Payer CITY OF KETCHUM

Comments WATER SUPPLY BANK LEASE APPLICATION FEE FOR WR# 37-4414 FOR CITY OF KETCHUM FOR 2013-2018 SEASONS

Fee Details

Amount	Description	PCA	Fund	Fund Detail	Subsidiary	Object
\$250.00	WATER BANK LEASE APPLICATIONS	55111	0229	21		1205

HP

Signature Line (Department Representative)

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("**Lease**") is effective January 1, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: CITY OF KETCHUM
PO BOX 2315
KETCHUM, IDAHO, 83340
(208) 726-3841
rmattison@ketchumidaho.org

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

<u>Water Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
37-4414	2.227 CFS	N/A	N/A	N/A
Combined Lease Totals:	2.227 CFS	N/A	N/A	N/A

The water rights described herein shall be available for rental from the Bank as follows:
Authorized Period of Use under Lease: January 1, 2014 to December 31, 2018

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31 2013.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340

By _____

Date _____

Printed Name _____

Title _____

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-9098

By _____

Date _____

Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR _____

Date _____

ATTACHMENT A
WATER RIGHT NO. 37-4414
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water right or portion thereof leased to the bank is described as follows:

Lessor: CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340
(208) 726-7825

Priority Date: 8/1/1995

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	01/01	to 12/31	2.227 CFS	N/A
	Total:		2.227 CFS	N/A

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER SW¼NE¼SW¼ Sec. 7 Twp 04N Rge 18E BLAINE County

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.

ATTACHMENT A
WATER RIGHT NO. 37-4414
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. Place of use is within the service area of the City of Ketchum municipal water supply system as provided for under Idaho law.
12. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of a final unified decree.
13. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("Lease") is effective January 1, 2014, between the Idaho Water Resource Board ("Board"), and

Lessor: CITY OF KETCHUM
PO BOX 2315
KETCHUM, IDAHO, 83340
(208) 726-3841
rmattison@ketchumidaho.org

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

<u>Water Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
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Combined Lease Totals:	2.227 CFS	N/A	N/A	N/A

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Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31 2013.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340

By _____

Date _____

Printed Name _____

Title _____

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-9098

By _____

Date _____

Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR _____

Date _____

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WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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PO BOX 2315
KETCHUM ID 83340
(208) 726-7825

Priority Date: 8/1/1995

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	01/01	12/31	2.227 CFS	N/A
	Total:		2.227 CFS	N/A

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER SW¼NE¼SW¼ Sec. 7 Twp 04N Rge 18E BLAINE County

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.

ATTACHMENT A
WATER RIGHT NO. 37-4414
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. Place of use is within the service area of the City of Ketchum municipal water supply system as provided for under Idaho law.
12. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of a final unified decree.
13. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

January 15, 2014

CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 37-4414

TIME SENSITIVE RESPONSE REQUIRED

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$27,415.90 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 1,612.7 acre-feet. Since you are both the lessor and the renter of the right, **you are only obligated to pay the 10% administrative fee or \$2,741.59 annually.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.>

Please send a check for \$2,741.59 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

If you have any questions, please contact me at (208) 287-4910.

Sincerely,

A handwritten signature in black ink, appearing to read 'Clay Webster', with a long horizontal flourish extending to the right.

Clay Webster
Technical Records Specialist

Enclosure(s)

c: IDWR Front Desk
Bruce Smith-Moore, Smith, Buxton & Turke

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT

This is to certify that: CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340
(208) 726-7825

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right	Rented Rate	Annual Rented Volume	Total Rented Acres
37-4414	2.227 CFS	1316.2 AF	N/A

COMBINED RENTAL TOTALS: 2.227 CFS 1316.2 AF N/A

TERM OF RENTAL: January 1, 2014, to December 31, 2018

RENTAL FEE: \$27,415.90 annually

The total fee for rental of the above-described water is \$27,415.90. The undersigned renter is also the lessor under this agreement, and is therefore **obligated to pay only the administrative fee of \$2,741.59**. An annual payment shall be received by the Department prior to January 1 each year for the duration of the rental period

Detailed water right specific limitations and conditions are attached.

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Dated this _____ day of _____, 20_____.

By: _____
(Print Name) (Signature)

(Title if on behalf of company or organization)

Having determined that this agreement satisfies the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and conditions herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board this _____ day of _____, 20_____.

BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

**WATER RIGHT NO. 37-4414
WATER SUPPLY BANK RENTAL AGREEMENT**

The renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described below:

Renter: CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340
(208) 726-7825

Priority Date: 08/01/1955

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	01/01	to 12/31	2.227 CFS	1,316.2 AF
	Total:		2.227 CFS	1.316.2 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

GROUND WATER	SE¼SW¼SE¼	Sec. 12	Twp 04N	Rge 17E	BLAINE County
	SW¼SE¼	Sec. 19	Twp 04N	Rge 18E	BLAINE County

RENTER'S PLACE OF USE: Within the City of Ketchum municipal water supply system.

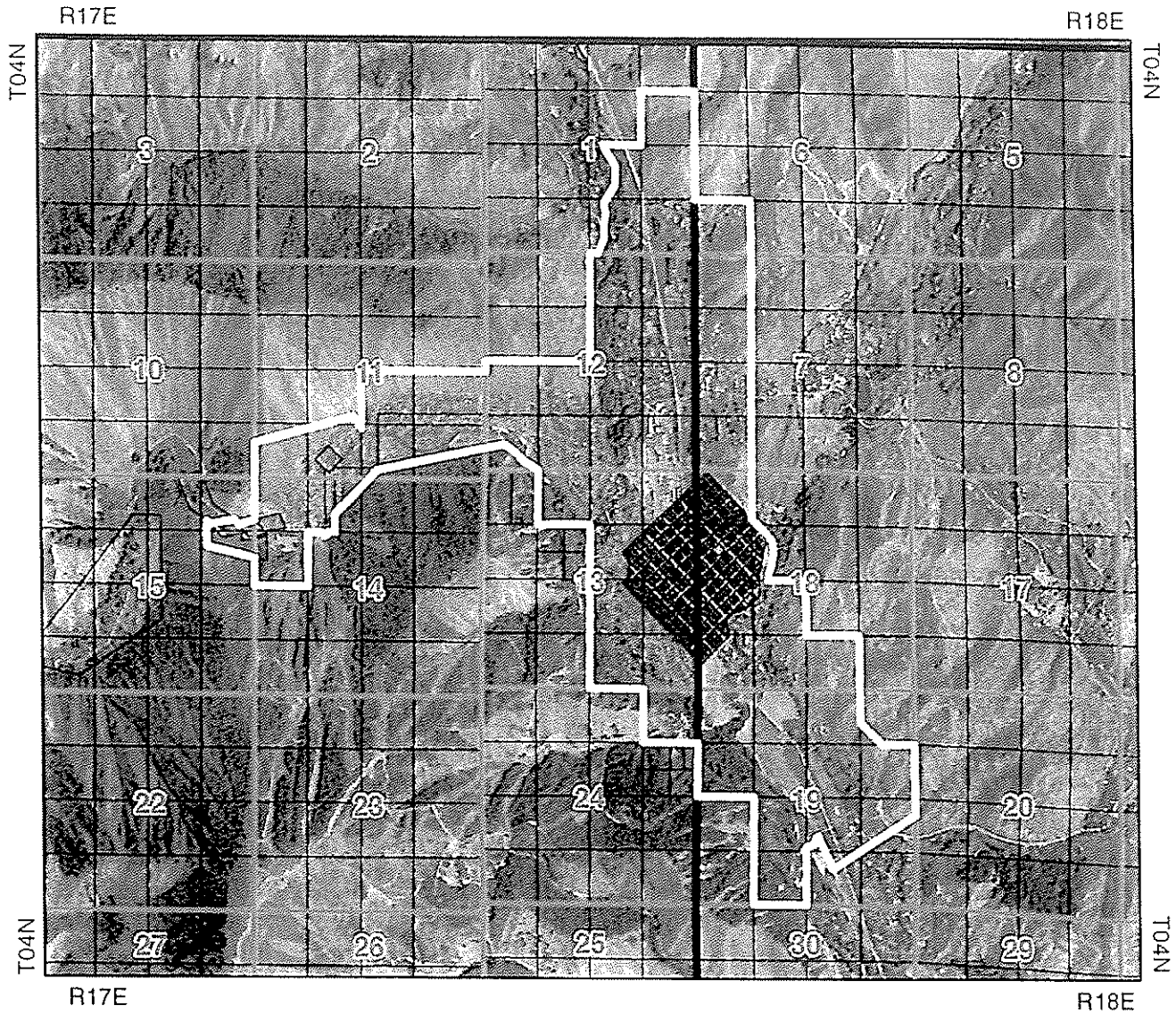
CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. This rental agreement does not authorize the construction of a well.
6. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
9. Renter acknowledges and agrees that the Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.

**WATER RIGHT NO. 37-4414
WATER SUPPLY BANK RENTAL AGREEMENT
CONDITIONS OF WATER USE**

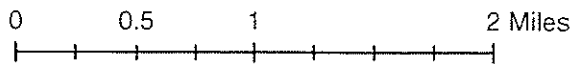
12. Place of use is within the service area of the City of Ketchum municipal water supply system as provided for under Idaho law.
13. A map depicting the place of use boundary for this water right at the time of this approval is attached to this document for illustrative purposes.
14. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

State of Idaho
 Department of Water Resources
Water Supply Bank Rental
 37-4414
 Water Service Area Boundary for City of Ketchum



Legend

- ◆ Point of Diversion
- Place Of Use Boundary
- ▭ Townships
- ▭ PLS Sections
- ▭ Quarter Quarters



City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



January 28, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

**Consideration of the application by Connorriley LLC for
Connorriley Townhomes, Townhouse Subdivision Preliminary Plat
at 203 Sabala Street (Ketchum FR NWSE, Tax Lot 2573, SEC 13 4N 17E),
located in the General Residential – Low Density (GR-L) zoning district.**

Introduction/History

This application by Connerriley LLC (represented by Bruce Smith, Alpine Enterprises, Inc.) is a request for the approval of a two unit Townhouse Subdivision Preliminary Plat of Connerriley Townhomes.

The Planning and Zoning Commission unanimously recommended approval of the Preliminary Plat in their actions and adopted findings of fact, dated January 27, 2014. This project also received Design Review approval (findings of fact signed April 22, 2013) and is currently under construction (building permit #13-025).

Current Report

See attached staff report.

Financial Requirement/Impact

None.

Recommendation

I respectfully recommend that the City Council approve the Connerriley Townhomes Townhouse Subdivision Preliminary Plat.

Suggested Motion

"I move to approve the Connerriley Townhomes Townhouse Subdivision Preliminary Plat, finding the application meets with the applicable review standards with the conditions 1 - 7, as noted in the staff report."

Sincerely,

A handwritten signature in black ink, appearing to read "Rebecca F. Bundy". The signature is fluid and cursive.

Rebecca F. Bundy
Senior Planner

**STAFF REPORT
KETCHUM CITY COUNCIL
MEETING OF FEBRUARY 3, 2014**

APPLICANTS: Connorriley LLC

REPRESENTATIVE: Bruce Smith, Alpine Enterprises, Inc.

PROJECT: Connorriley Townhomes

FILE NO.: 13-118

REQUEST: Preliminary plat approval for a two (2) unit, detached townhouse development with each building on a separate subplot.

LOCATION: 203 Sabala Street (Ketchum FR NWSE, Tax Lot 2573, SEC 13 4N 17E)

ZONING: General Residential – Low Density (GR-L)

NOTICE: Adjacent property owners and outside agencies/political subdivisions were mailed notice on December 30, 2013.

REVIEWER: Rebecca F. Bundy, Senior Planner

BACKGROUND

1. The applicant is requesting preliminary plat approval for a two (2) unit, detached townhouse development with each building on a separate subplot.
2. Each unit is 2,816 square feet in size, including the attached two car garage. Each unit is two (2) stories tall. The units are under construction and are substantially complete at this time.
3. The Planning and Zoning Commission considered this preliminary plat application at their meeting on January 13, 2014 and unanimously recommended approval to the City Council, subject to Conditions 1-7 below. (See Attachment C, Connorriley Townhomes Preliminary Plat Findings of Fact, signed January 27, 2014.)
4. The project received design review approval from the Planning and Zoning Commission, with findings of fact signed on April 22, 2013. All design review conditions of approval will be inspected by Planning Division staff prior to issuance of certificates of occupancy for the units.
5. No public comments were received regarding this application.

6. City department comments are limited to those already incorporated into the design review conditions of approval, with the exception of comments from the Street Department. Brian Christiansen, Street Department Superintendent, met with the applicant on site on January 6, 2014 to inspect the driveways and drainage. He commented that, "The ROW at the South East corner of the property needs improvement. A drainage swale needs to be established from the edge of the driveway 50 feet around the corner and up the hill onto the Williams street side. We are looking for at least 4% slope off the edge of the asphalt and the bottom of the swale should be approximately 6 feet from the edge of the asphalt. It is not practical to accomplish the work now so spring will be ok..." To addresses this issue, Condition #1 requires that, "Prior to the City Clerk's signing of the final plat, all requirements of the Street Department shall be met, or a security deposit in the amount of 150% of the cost of the improvements shall be submitted to the Planning Division to ensure completion of the required work."

7. Attachments:

- A. Application, submitted December 13, 2013, including:
 - Application Form
 - DRAFT Townhome Declaration of Covenants, Conditions and Restrictions for Connorriley Townhomes
- B. Reduced scale preliminary plat, dated January 6, 2014. (Full-sized plat is also available.)
- C. Connorriley Townhomes Preliminary Plat Findings of Fact, signed January 27, 2014.

EVALUATION STANDARDS

16.04.070 TOWNHOUSES.

B. Owner's Documents. The subdivider of the townhouse project shall submit with the preliminary plat application a copy of the proposed party wall agreement and any proposed document(s) creating an association of owners of the proposed townhouse sublots, which shall adequately provide for the control and maintenance of all commonly held facilities, garages, parking and/or open spaces. Prior to final plat approval, the subdivider shall submit to the city a final copy of said documents and shall file said documents prior to recordation of the plat, which shall reflect the recording instrument numbers.

Staff Analysis: The applicant has made a complete preliminary plat application including draft CC&R's. The final documents shall be recorded with the final plat.

Recommendation: This standard has been met.

C. Preliminary Plat Procedure.

1. The subdivider may apply for preliminary plat approval from the commission pursuant to Section 16.04.030.D herein at the time application is made for design review

approval pursuant to Chapter 17.96. The Commission may approve, deny or conditionally approve said preliminary plat upon consideration of the action taken on the application for design review of the project.

Staff Analysis: The project has received design review approval from the Commission (findings of fact signed on April 22, 2013) and townhouse subdivision preliminary plat approval (findings of fact signed January 27, 2014).

Recommendation: This standard has been met.

2. The preliminary plat, other data, and the commission's findings shall not be transmitted to the council until construction of the project has commenced under a valid building permit issued by the Ketchum building inspector. The council shall act on the preliminary plat pursuant to Section 16.04.030.E.

Staff Analysis: The project has commenced under building permit application #13-025 and is substantially complete at this time.

Recommendation: This standard has been met.

D. Final Plat Procedure.

1. The final plat procedure contained in Section 16.040.030.F herein shall be followed. However, the final plat shall not be signed by the City Clerk and recorded until the townhouse has received:

a. An approved life safety inspection for the building shell and all common areas from the Ketchum Building Official; and,

b. Completion of all design review elements as approved by the Planning and Zoning Administrator.

2. The Council may accept a security agreement for any design review elements not completed on a case by case basis pursuant to Section 17.96.120.

Staff Analysis: This application is for preliminary plat.

Recommendation: This standard does not apply to the preliminary plat application.

E. Garage. All garages shall be designated on the preliminary and final plats and on all deeds as part of the particular townhouse units. Detached garages may be platted on separate sublots, provided that the ownership of detached garages is tied to specific townhouse units on the townhouse plat and in any owner's documents and that the detached garage(s) may not be sold and/or owned separate from any dwelling unit(s) within the townhouse development.

Staff Analysis: Each unit has an attached garage, and the garages are tied to each unit.

Recommendation: This standard has been met.

F. General Applicability. All other provisions of this chapter and all applicable ordinances, rules and regulations of the city and all other governmental entities having jurisdiction shall be complied with by townhouse subdivisions.

Staff Analysis: All other ordinances and regulations shall be followed.

Recommendation: This standard shall be met.

RECOMMENDED CONDITIONS

1. Prior to the City Clerk's signing of the final plat, all requirements of the Street Department shall be met, or an estimate for the work, approved by the Street Department, and a security deposit in the amount of 150% of the cost of the improvements shall be submitted to the Planning Division to ensure completion of the required work.
2. The Covenants, Conditions and Restrictions (CC&R's) shall be simultaneously recorded with the final plat, and the City will not now, nor in the future, determine the validity of the CC&R's;
3. This approval is given for the preliminary plat of Sublots 1 and 2, Connorriley Townhomes plans dated December 13, 2013, by Alpine Enterprises, Inc.;
4. The failure to obtain final plat approval by the Council of an approved preliminary plat within one (1) year after approval by the Council shall cause all approvals of said preliminary plat to be null and void;
5. The recorded plat shall show a minimum of two Blaine County Survey Control Monuments with ties to the property and an inverse between the two monuments. The Survey Control Monuments shall be clearly identified on the face of the map;
6. An electronic CAD file shall be submitted to the City of Ketchum prior to final plat signature by the City Clerk. The electronic CAD file shall be submitted to the Blaine County Recorder's office concurrent with the recording of the Plat containing the following minimum data:
 - a. Line work delineating all parcels and roadways on a CAD layer/level designated as "parcel";
 - b. Line work delineating all roadway centerlines on a CAD layer/level designated as "road"; and,
 - c. Line work that reflects the ties and inverses for the Survey Control Monuments shown on the face of the Plat shall be shown on a CAD layer/level designated as "control"; and,
7. All information within the electronic file shall be oriented and scaled to Grid per the Idaho State Plane Coordinate System, Central Zone, NAD1983 (1992), U.S. Survey Feet, using the Blaine County Survey Control Network. Electronic CAD files shall be submitted in a ".dwg", ".dgn" or ".shp" format and shall be submitted digitally to the City on a compact disc. When the endpoints of the lines submitted are indicated as coincidental with another line, the CAD line endpoints shall be separated by no greater than 0.0001 drawing units.

Attachment A.

Application, submitted December 13, 2013, including:

- **Application Form**
- **DRAFT Townhome Declaration of Covenants, Conditions and Restrictions for Connorriley Townhomes**

CITY OF KETCHUM SUBDIVISION APPLICATION

NAME OF PROPOSED SUBDIVISION: CONNORRILEY TOWNHOMES

OWNER OF RECORD: CONNORRILEY LLC

ADDRESS OF OWNER: P.O. Box 3623, Ketchum, ID 83340

REPRESENTATIVE OF OWNER: Bruce Smith, PLS Alpine Enterprises Inc.

CONTACT: Owner: ___ Representative: X Phone No.: (208) 727-1988

Mailing Address: P.O. Box 2037, Ketchum, ID 83340

LEGAL DESCRIPTION: (attach if necessary):
Tax Lot # 2573 ; see attached deed

STREET ADDRESS: 203 Sabala Street

SUBDIVISION FEATURES: Number of Lots: Two Sublots
Number of Dwelling Units: Two

Total land area in acres or square feet: 8,396 Sq. Ft. ; 0.20 Acres

Current Zoning District: GR-L Proposed Zoning District: GR-L

Overlay District: Flood ___ Avalanche ___ Pedestrian ___ Mountain ___

Type: Condominium ___ Land ___ PUD ___ Townhouse X

Adjacent land in same ownership in acres or square feet: NONE

Easements to be dedicated on final plat: (describe briefly): Private Easements with CCRs

Proposed and existing exterior lighting: (described briefly): Low Watt, Downcast

IMPROVEMENTS TO BE INSTALLED PRIOR TO FINAL PLAT APPROVAL:

Streets Paved	Yes <u>Exstg</u>	No ___	Water Supply:	Ketchum Municipal	<u>X</u>
Curbs & Gutters	Yes ___	No <u>X</u>		Private Wells	___
Sidewalks	Yes ___	No <u>X</u>			
Street Lights	Yes ___	No <u>X</u>	Sewer System:	Public	<u>X</u>
Street Signs	Yes ___	No <u>X</u>		Septic	___
Fire Hydrant(s)	Yes <u>Exstg</u>	No ___		Cesspool	___
Extend Water Lines	Yes <u>X</u>	No ___			
Extend Sewer Lines	Yes <u>X</u>	No ___	Power:	Underground	<u>X</u>
				Overhead	___

ATTACHMENTS TO COMPLETE APPLICATION:

- Copies of Articles of Incorporation and By-Laws of Homeowners Associations and/or Condominium Declarations
- Copy of current title report and owner's recorded deed to the subject property
- Six (6) copies of preliminary plat; one (1) 11x17 copy; and, a CD or email of the electronic copy (.pdf) of the plat

The Applicant agrees in the event of a dispute concerning the interpretation or enforcement of the Subdivision Application in which the City of Ketchum is the prevailing party to pay the reasonable attorney fees, including attorney fees on appeal, and expenses of the City of Ketchum. I hereby certify that all information requested, as submitted, is prepared to the best of my ability and knowledge and I request that this application be processed for consideration as a subdivision.

Signature of Owner Representative Bruce Smith Date: 05DEC13

Pursuant to Resolution No. 08-123, any direct costs incurred by the City of Ketchum to review this application will be the responsibility of the applicant. Costs include but are not limited to: engineer review, attorney review, legal noticing, and copying costs associated with the application. The City will require a retainer to be paid by the applicant at the time of application submittal to cover said costs. Following a decision or other closure of an application, the applicant will either be reimbursed for unexpended funds or billed for additional costs incurred by the City.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

draft

KNEELAND, KORB, COLLIER & LEGG, PLLC
Post Office Box 249
Ketchum, ID 83340
KKCL File No. 7810-D

(Space above line for Recorder's Use)

**TOWNHOME DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CONNORRILEY TOWNHOMES**

THIS DECLARATION is made on the ____ day of _____, 2013 by Connorriley, LLC, an Idaho limited liability company, of _____ ("Declarant").

RECITALS

A. Declarant is the owner of certain real property described as Tax Lot 2573, City of Ketchum, Blaine County, Idaho ("Property").

B. Declarant intends to improve the Property by construction of two unattached townhome residential family dwellings thereon to be described as Sublot 1 and Sublot 2, Connorriley Townhomes, Blaine County, Idaho.

D. Declarant intends that townhome subplot owners of Connorriley Townhomes shall be subject to this Declaration and shall be members of the management body created hereby.

DECLARATION

NOW, THEREFORE, DECLARANT HEREBY DECLARES THAT:

I. Declaration. This Declaration is hereby established upon Connorriley Townhomes in furtherance of a general plan for improvement and sale of townhome sublots within the Property for the purpose of enhancing and perfecting the value of each townhome unit therein, and for the benefit of each owner of a townhome unit in Connorriley Townhomes.

a) Townhome sublots within Connorriley Townhomes shall be held, conveyed, encumbered, leased, occupied or otherwise used, improved or transferred, in whole or in part, subject to this Declaration and any supplemental declaration. *draft*

b) This Declaration and any supplemental declaration shall run with Connorriley Townhomes real property and all townhome sublots located therein, and shall be binding upon and inure to the benefit of all parties having or hereafter acquiring any right, title or interest in Connorriley Townhomes or any portion thereof.

2. Definitions.

a) Townhome Sublot. A "townhome sublot" means an estate in real property with a fee interest in a townhome sublot shown and described on the plat for Connorriley Townhomes.

b) Townhome Unit. A "townhome unit" means a building on a townhome sublot shown and described on the plat for Connorriley Townhomes.

3. Property Rights.

a) Utilities. All townhome sublot owners shall have mutual non-exclusive reciprocal easements for existing and future water, cable tv, sewage, telephone and electrical lines under and across their townhome units and townhome sublots for the repair, maintenance and replacement thereof subject to the restoration of the easement premises for any damage resulting from such repair or replacement.

b) Encroachments. If any portion of a townhome sublot or unit encroaches on the other townhome sublot or unit, regardless of the cause, a valid easement exists for such encroachment and for the maintenance of it so long as it remains.

4. Use Restrictions.

a) Residential Use. The townhome sublots are restricted to residential uses permitted by the Ketchum Zoning Ordinance as amended from time to time.

b) Maintenance. Each owner of a townhome sublot shall be responsible for maintaining their townhome sublot landscaping and all improvements thereon in a clean, sanitary, and attractive condition.

c) Offensive Conduct. No noxious or offensive activities shall be conducted within a townhome unit or townhome sublot. Nothing shall be done on or within the townhome units or townhome sublots that may be or may become an annoyance or nuisance to the residents

of the townhome sublots, or that in any way interferes with the quiet enjoyment of the occupants of townhome units.

draft

5. Parking Restrictions. No inoperative vehicle, unsightly vehicle, or any improperly parked or stored vehicle shall be located on a townhome subplot.

6. External Fixtures. No television or radio poles, antenna, flag poles, clotheslines, or other external fixtures other than those originally installed by Declarant or unanimously approved by the subplot owners shall be constructed, erected or maintained on or within Connorriley Townhomes.

7. Trash. Trash, garbage or other waste shall be keep only in sanitary containers situated within the garage of the townhome unit. No owner shall permit or cause any trash or refuse to be keep on any portion of the Connorriley Townhomes other than receptacles customarily used for it, which shall be located in the garage of the townhome unit, except on the scheduled day for trash pickup.

8. Architectural Control.

a) Architectural Committee. The architectural committee shall be the subplot owners of Connorriley Townhomes as constituted from time to time. The architectural committee shall exercise its best judgment to see that all improvements, construction, landscaping and alterations that affect the exterior of Connorriley Townhomes conform and harmonize with the existing structures as to external design, materials, color and topography.

b) Approval. No improvements of any kind or of any nature shall ever be altered, constructed, erected or permitted, nor shall any excavating, clearing or landscaping be done on any townhome subplot within Connorriley Townhomes unless the same are approved by the architectural committee prior to the commencement of such work. The management body shall consider the materials to be used on the exterior features of said proposed improvements, including exterior colors and harmony of the exterior design with existing structures within Connorriley Townhomes.

9. Insurance. The townhome subplot owners shall provide and be responsible for their own townhome subplot casualty, liability and property damage insurance.

10. Amendment. This Declaration shall not be revoked nor shall any of its provisions herein be amended without the unanimous written consent of the townhome subplot owners, duly and properly recorded with the Blaine County Recorder.

[Signature page follows.]

IN WITNESS WHEREOF, the Declarant has executed this instrument on the day and year first above written. *draft*

DECLARANT: CONNORRILEY, LLC

By _____
Thad Farnham, Its Member

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss:
County of Blaine)

On this _____ day of _____, 2013, before me, the undersigned, a Notary Public, personally appeared THAD FARNHAM, known or identified to me to be the member of the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

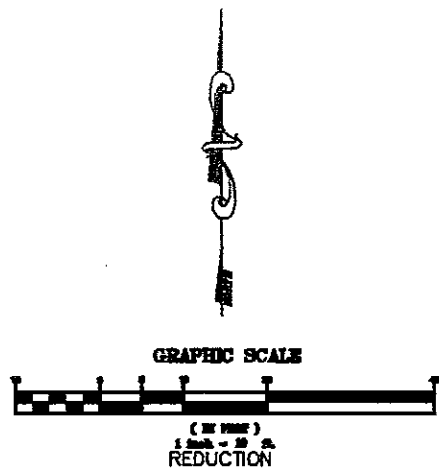
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

WITNESS MY HAND AND SEAL

NOTARY PUBLIC for Idaho
Residing at: _____
Commission Expires _____

F:\WPDATA\Farnham\connorriley ccrs.wpd

Attachment B.
Reduced scale preliminary plat,
dated January 6, 2014.



NOTES

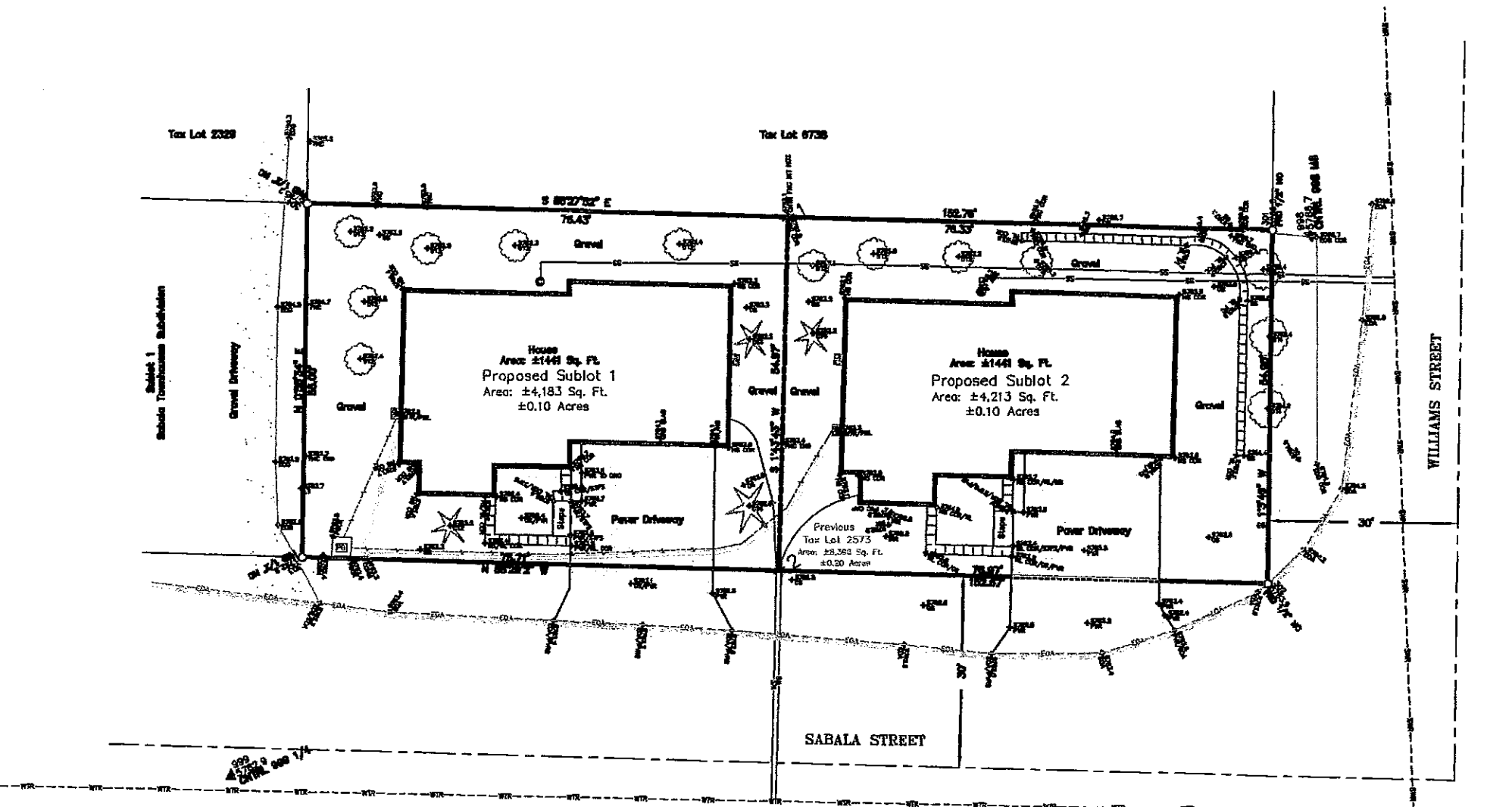
1. Scale of Bearings is Idaho State Plane Coordinate System, NAD83, of Grid in US Survey Feet. The Combined Project Scale Factor (0.9997); Ground Distances will be Slightly Longer. Vertical Datum is NAVD1988.
2. Boundary information is from the Recorded Deed for Tax Lot 2573 on file in Blaine County Records.
3. Utility Locations shown are based on visual surface evidence only. Utility locations should be verified by Digits Before Any Excavation in Particular Areas.
4. Zoning is GR-L.
5. Not all Vegetation is shown.

LEGEND

- Subject Boundary
- EDA = Edge of Asphalt
- Sublot Line
- Retaining Wall/Wall Line
- Edge of Gravel Line
- House Line
- Centerline of Road
- Water Service Line
- Communications Line
- Underground Power Line
- Sewer Service Line
- Water Main Line
- Sewer Main Line
- △ Survey Control Point
- Found Monument as Shown
- SMH = Sewer Manhole
- COMM BOX = Communications Box
- Power Box/Panels
- GMTR = Gas Meter
- DT/COT = Deciduous Tree
- CT = Coniferous Tree
- Sewer Cleanout
- Fire Hydrant
- Water Valve
- IRI = Irrigation Control Box
- HS COR = House Corner
- GS = Ground Spot Elevation
- PBX = Power Box
- EDG = Edge of Gravel
- COMM = Communications Box
- W. COR = Wall Corner
- PVR = Pavers
- EDA = Edge of Asphalt
- GRS = Garage
- SPS = Steps
- FNC COR = Fence Corner
- PC/PCC/PT = Curve Points



VICINITY MAP
Not to Scale



Received

7-8-14

REVISION	NO	DATE	BY

Alpine Enterprises Inc.
Surveying, Mapping, and Natural Hazards Consulting
250 River Street East, Lower Level
P.O. Box 2573, Ketchum, ID 83340 USA
(208) 727-1985
email: bernth@alpineenterprises.com

PROJECT PATH AND FILE NAME: G:\Users\jg\Documents\1284_ConnorRileyTownhomes.dwg 01/06/2014 12:33:26 PM MST

A PRELIMINARY PLAT SHOWING
CONNORRILEY TOWNHOMES
WHEREIN TWO TOWNHOUSE SUBLOTS ARE CREATED WITHIN FORMER TAX LOT 2573
WITHIN S11, T.4N., R.17E., B.M., CITY OF KETCHUM, BLAINE COUNTY, IDAHO
PREPARED FOR CONNORRILEY, LLC

Attachment C.
Connorriley Townhomes Preliminary Plat Findings of Fact,
signed January 27, 2014.

IN RE:)
) **KETCHUM PLANNING AND ZONING**
Connorriley Townhomes) **COMMISSION - FINDINGS OF FACT,**
Preliminary Plat) **CONCLUSIONS OF LAW AND DECISION**
))
File Number: 13-118)

BACKGROUND FACTS

APPLICANTS: Connorriley LLC
REPRESENTATIVE: Bruce Smith, Alpine Enterprises, Inc.
REQUEST: Preliminary plat approval for a two (2) unit, detached townhouse development with each building on a separate subplot.
LOCATION: 203 Sabala Street (Ketchum FR NWSE, Tax Lot 2573, SEC 13 4N 17E)
ZONING: General Residential – Low Density (GR-L)
NOTICE: Adjacent property owners and outside agencies/political subdivisions were mailed notice on December 30, 2013.
REVIEWER: Rebecca F. Bundy, Senior Planner

Regulatory Taking Notice: Applicant has the right, pursuant to section 67-8003, Idaho Code, to request a regulatory taking analysis.

GENERAL FINDINGS OF FACT

1. The applicant is requesting preliminary plat approval for a two (2) unit, detached townhouse development with each building on a separate subplot.
2. Each unit is 2,816 square feet in size, including the attached two car garage. Each unit is two (2) stories tall. The units are under construction and are substantially complete at this time.
3. The project received design review approval from the Planning and Zoning Commission, with findings of fact signed on April 22, 2013. All design review conditions of approval apply and, per the requirements of the final plat criteria, will be inspected by Planning Division staff prior to issuance of certificates of occupancy for the units.
4. No public comments were received regarding this application.

5. City department comments are limited to those already incorporated into the design review conditions of approval, with the exception of comments from the Street Department. Brian Christiansen, Street Department Superintendent, met with the applicant on site on January 6, 2014 to inspect the driveways and drainage. He commented that, "The ROW at the South East corner of the property needs improvement. A drainage swale needs to be established from the edge of the driveway 50 feet around the corner and up the hill onto the Williams street side. We are looking for at least 4% slope off the edge of the asphalt and the bottom of the swale should be approximately 6 feet from the edge of the asphalt. It is not practical to accomplish the work now so spring will be ok..." To addresses this issue, Condition #1 requires that, "Prior to the City Clerk's signing of the final plat, all requirements of the Street Department shall be met, or an estimate for the work, approved by the Street Department, and a security deposit in the amount of 150% of the cost of the improvements shall be submitted to the Planning Division to ensure completion of the required work."

6. Attachments to the January 13, 2014 staff report:

- A. Application, submitted December 13, 2013, including:
 - Application Form
 - DRAFT Townhome Declaration of Covenants, Conditions and Restrictions for Connorriley Townhomes
- B. Reduced scale preliminary plat, dated January 6, 2014. (Full-sized plat is also available.)
- C. Design Review Findings of Fact, signed April 22, 2013

APPLICABLE EVALUATION STANDARDS FROM TITLE 16, CHAPTER 16.04

16.04.070 TOWNHOUSES.

B. Owner's Documents. The subdivider of the townhouse project shall submit with the preliminary plat application a copy of the proposed party wall agreement and any proposed document(s) creating an association of owners of the proposed townhouse sublots, which shall adequately provide for the control and maintenance of all commonly held facilities, garages, parking and/or open spaces. Prior to final plat approval, the subdivider shall submit to the city a final copy of said documents and shall file said documents prior to recordation of the plat, which shall reflect the recording instrument numbers.

Findings: The applicant has made a complete preliminary plat application including draft CC&R's. The final documents shall be recorded with the final plat.

Conclusion: This standard has been met.

C. Preliminary Plat Procedure.

1. The subdivider may apply for preliminary plat approval from the commission pursuant to Section 16.04.030.D herein at the time application is made for design review approval pursuant to Chapter 17.96. The Commission may approve, deny or conditionally

approve said preliminary plat upon consideration of the action taken on the application for design review of the project.

2. The preliminary plat, other data, and the commission's findings shall not be transmitted to the council until construction of the project has commenced under a valid building permit issued by the Ketchum building inspector. The council shall act on the preliminary plat pursuant to Section 16.04.030.E.

Findings: The applicant has received design review approval from the Commission. The project has commenced under building permit application #13-025 and is substantially complete at this time.

Conclusion: This standard has been met.

D. Final Plat Procedure.

1. The final plat procedure contained in Section 16.040.030.F herein shall be followed. However, the final plat shall not be signed by the City Clerk and recorded until the townhouse has received:

a. An approved life safety inspection for the building shell and all common areas from the Ketchum Building Official; and,

b. Completion of all design review elements as approved by the Planning and Zoning Administrator.

2. The Council may accept a security agreement for any design review elements not completed on a case by case basis pursuant to Section 17.96.120.

Findings: This application is for preliminary plat.

Conclusion: This standard does not apply to the preliminary plat application.

E. Garage. All garages shall be designated on the preliminary and final plats and on all deeds as part of the particular townhouse units. Detached garages may be platted on separate sublots, provided that the ownership of detached garages is tied to specific townhouse units on the townhouse plat and in any owner's documents and that the detached garage(s) may not be sold and/or owned separate from any dwelling unit(s) within the townhouse development.

Findings: Each unit has an attached garage, and the garages are tied to each unit.

Conclusion: This standard has been met.

F. General Applicability. All other provisions of this chapter and all applicable ordinances, rules and regulations of the city and all other governmental entities having jurisdiction shall be complied with by townhouse subdivisions.

Findings: All other ordinances and regulations shall be followed.

Conclusion: This standard shall be met.

CONCLUSIONS OF LAW

1. The City of Ketchum is a municipal corporation organized under Article XII of the Idaho Constitution and the laws of the State of Idaho, Title 50, Idaho Code.
2. Under Chapter 65, Title 67 of the Idaho Code, the City has passed a land use and subdivision ordinance, Title 16.
3. The City of Ketchum Planning Department provided adequate notice of the time, place and summary of the applicant's proposal to be heard by the Commission for review of this application.
4. The proposed preliminary plat **does** meet the standards of approval under Title 16, Chapter 16.04, subject to conditions of approval.
5. This approval is given for the preliminary plat of Connorriley Townhomes Subdivision, plans dated January 6, 2014, by Alpine Enterprises, Inc.

DECISION

THEREFORE, the Ketchum Planning and Zoning Commission **approves** this preliminary plat application this 13th day of January, 2014, subject to the following conditions:

1. Prior to the City Clerk's signing of the final plat, all requirements of the Street Department shall be met, or an estimate for the work, approved by the Street Department, and a security deposit in the amount of 150% of the cost of the improvements shall be submitted to the Planning Division to ensure completion of the required work.
2. The Covenants, Conditions and Restrictions (CC&R's) shall be simultaneously recorded with the final plat, and the City will not now, nor in the future, determine the validity of the CC&R's;
3. This approval is given for the preliminary plat of Sublots 1 and 2, Connorriley Townhomes plans dated January 6, 2014, by Alpine Enterprises, Inc.;
4. The failure to obtain final plat approval by the Council of an approved preliminary plat within one (1) year after approval by the Council shall cause all approvals of said preliminary plat to be null and void;
5. The recorded plat shall show a minimum of two Blaine County Survey Control Monuments with ties to the property and an inverse between the two monuments. The Survey Control Monuments shall be clearly identified on the face of the map;

6. An electronic CAD file shall be submitted to the City of Ketchum prior to final plat signature by the City Clerk. The electronic CAD file shall be submitted to the Blaine County Recorder's office concurrent with the recording of the Plat containing the following minimum data:
 - a. Line work delineating all parcels and roadways on a CAD layer/level designated as "parcel";
 - b. Line work delineating all roadway centerlines on a CAD layer/level designated as "road"; and,
 - c. Line work that reflects the ties and inverses for the Survey Control Monuments shown on the face of the Plat shall be shown on a CAD layer/level designated as "control"; and,

7. All information within the electronic file shall be oriented and scaled to Grid per the Idaho State Plane Coordinate System, Central Zone, NAD1983 (1992), U.S. Survey Feet, using the Blaine County Survey Control Network. Electronic CAD files shall be submitted in a ".dwg", ".dgn" or ".shp" format and shall be submitted digitally to the City on a compact disc. When the endpoints of the lines submitted are indicated as coincidental with another line, the CAD line endpoints shall be separated by no greater than 0.0001 drawing units.

Findings of Fact **adopted** this 27th day of January, 2014.

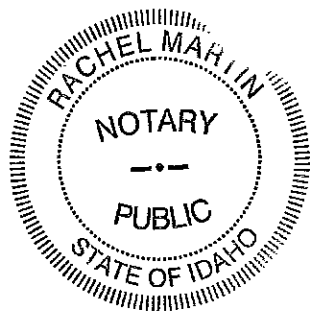



 Deborah Burns, Co-Chair *Rich Fabiano*
 Planning and Zoning Commission

STATE OF IDAHO)
) ss.
 County of Blaine)

On this 27th day of January, 2014, before me, the undersigned, a Notary Public in and for said State, personally appeared Deborah Burns, known or identified to me to be the person whose name is subscribed to the within instrument.

WITNESS my hand and seal the day and year in this certificate first above written.





 Notary Public for Idaho
 Residing at: *Blaine Co.*
 Commission Expires: *Nov 5, 2019*

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



January 28, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Bald Mountain Lodge Date Correction

Attachment 1: Minutes from the May 6, 2013 Council meeting
Attachment 2: May 6, 2013 Amended PUD Findings of Fact
Attachment 3: Second Amended Development Agreement

Introduction/History

The Council has granted two date extensions to the Bald Mountain Lodge Development Agreement. The history is as follows:

Original Development Agreement (DA) (9/30/2010): Timeline A runs from Dec 31, 2011 to June 2012
DA valid for 4 years; until 10/9/2014

First DA Amendment (11/07/11): Timeline A runs from Dec 31, 2012 to June 2103.
DA valid for 4 years until 11/2015

2nd DA Amendment (11/2012). A Condition of the DA Amendment was an amendment to the PUD to increase the number of hotel rooms. The PUD amendment was signed on 5/6/13. However, the dates in the DA were not changed, resulting in a 6-month gap not addressed in the documents: Timeline A runs from Dec 13, 2013 to June 2014, instead of tracking the PUD amendment, 5/6/2013
DA valid for 4 years until November 2017

Current Report

The second amendment to the Development Agreement was approved by the Council in May, 2013. The intention of the Council was to grant a one-year extension. However, the motion referred to the Development Agreement, and the dates in the development agreement did not match the meeting date, effectively only granting a 6-month extension. Staff and legal counsel believe this was a clerical error, and seek to remedy that error.

Financial Requirement/Impact

There is no direct financial impact to correcting the extension dates.

Suggested Motion

"I move to grant a one-year extension to the Bald Mountain Lodge effective from May 6, 2013, and to amend the Development Agreement to so reflect those dates."

Sincerely,

Lisa Horowitz
Community and Economic Development Director



REGULAR KETCHUM CITY COUNCIL MEETING
Monday, May 6, 2013 at 5:30 p.m.
Ketchum City Hall, Ketchum, Idaho

Present: Mayor Randy Hall
Council President Baird Gourlay
Councilor Nina Jonas
Councilor Michael David
Councilor Jim Slanetz

Also Present: Ketchum City Administrator Gary Marks
Special City Attorney Cherese McLain
Ketchum Community and Economic Development Director Lisa Horowitz
Ketchum Planning Manager Joyce Allgaier
Ketchum Police Chief Steve Harkins
Recording Secretary Sunny Grant

1. The meeting was called to order by Mayor Randy Hall at 5:30pm.

2. **Communications from Mayor and Councilors**

Mayor Randy Hall thanked everyone who brought motivational speaker Myles Rademan to Ketchum.

The Ketchum Arts Commission is sponsoring a local presentation by Seattle-based public artist and urban planner Jack Mackie.

Mayor Hall congratulated Bigwood Bread, which is groundbreaking their new bakery and café in the Light Industrial District, and also opening a downtown retail outlet on the Fourth Street Heritage Corridor.

3. **Resolution 13-006: Reappointment of Michael Doty to the Planning and Zoning Commission**

Mayor Hall commended P&Z Commissioner Doty and the entire Planning and Zoning Commission for the job they do.

Council President Baird Gourlay moved to approve Resolution 13-006 reappointing Michael Doty to a three-year term on the Planning and Zoning Commission, which shall expire on May 2, 2016. Motion seconded by Councilor Nina Jonas, and passed unanimously.

4. **Recommendation to appoint Marty Albertson to the Sun Valley Marketing Board as the Ketchum representative.**

Albertson has extensive national retail and marketing experience and is Director of the National Retail Federation. Council President Baird Gourlay expressed strong support for Albertson.

Mayor Randy Hall read letters from local businessowners who looked forward to Albertson's energy and fresh perspective on the Sun Valley Marketing Alliance.

Mayor Hall acknowledged former SVMA Board President Jake Peters, who helped transition the old Chamber of Commerce during difficult times, and helped build and develop the SVMA into a successful marketing organization.

Council President Baird Gourlay moved to approve the appointment of Marty Albertson to the Sun Valley Marketing Board as the Ketchum representative. Motion seconded by Councilor Michael David, and passed unanimously.

5. **Communications from the Public**

No public comment at this time.

6. **Report on Wood River Trail Levy**

*Also Present: BCRD Director of Trails and Facilities Eric Rector
BCRD Board President Tim Hamilton*

Blaine County Recreation District (BCRD) Executive Director Jim Keating said the Wood River Trail system was constructed over a six year period starting in 1984. The 20-mile non-motorized year-round trail, running from Hulen Meadows to Bellevue, is a vital part of the community, and, along with other single-track trails throughout the valley, sees around 350,000 user days a year.

An audit conducted last summer by Galena Engineering showed surface degradation normal for a 25-30-year-old asphalt surface path. Most of the path surface deterioration can be addressed by recycling the existing surface and overlaying the top, but parts of the path especially in the north will need base repair. Parts of the path will also be realigned to improve safety.

The cost to reconstruct the trail over a two-year period is \$3.5 million. The BCRD passed a resolution on February 22 calling for a special levy election to pay for the Wood River Trails repair project. The levy would require a simple majority.

Council comments and questions:

- Discuss the trail's future route through River Run with Sun Valley Resort.
- Discuss possible connections and park-and-ride locations with Mountain Rides to facilitate use of the bike path as an alternative transportation corridor, as well as access to the trail for recreation.
- Work with the Regional Transportation Committee wildlife subcommittee to investigate wildlife corridors and underpasses and safe interaction with wildlife.

7. Champions of the Wood River Trails Presentation

Also Present: Champions Treasurer Tom Bowman

Champions member Wendy Jaquet

Champions of the Wood River Trails Vice Chairman Dick Fosbury said the citizens group believes trail rehabilitation is necessary for the next generation of trail users. The Rec District has done an excellent job of maintaining the path over the years, but it now needs to be rebuilt.

Council President Baird Gourlay moved to direct staff to draft a resolution for the Mayor's signature that the Ketchum City Council unanimously supports the Blaine County Recreation District in a \$3.5 million two-year levy override to pay for the rebuild of the Wood River Trails. Motion seconded by Councilor Nina Jonas, and passed unanimously.

If the levy is successful, the Rec District would receive its first funding in January 2014. The trail would be under construction in the summers of 2014 and 2015. Ketchum Planning Manager Joyce Allgaier said Ketchum would help the Rec District let people know when construction was taking place and about alternative routes and detours.

8. Request for authorization to proceed with the Fifth Street Undergrounding Project

Also Present: Idaho Power representative Cindy Bradshaw

Councilor Jim Slanetz recused himself from this discussion.

Ketchum residents voted in 2003 to increase the Idaho Power franchise fee from 1% to 3%. The revenue was projected to be spent in three primary ways: south entrance to town commercial core undergrounding, conversion of streetlights in compliance with the Dark Sky Ordinance, and improvements in residential areas.

Ketchum considered several alternatives to use the revenue from the franchise fee, and compared the alternatives for expense, visibility, and location of transformers/major power poles. The Fifth Street Corridor location is very visible on both sides of Main Street, and crosses Fourth Street as well.

Staff contacted every property on the proposed route by phone to invite them to a meeting. Letters went to all adjoining properties informing them of tonight's meeting.

Solar streetlights have already been purchased through the Walkability project. The total project cost is \$500,000. Local businesses want the work to be done as much as possible by 4th of July.

PUBLIC COMMENT:

- Derek Ryan is not personally impacted, but appreciates the City's outreach.
- Dave Hamachek asked how the project would affect his retail and residential units.
- Kurt Eggers, on behalf of Gary and Susan Martin who own the house on the Library block on the corner of Walnut and Fifth Street, said they commend Ketchum on this initiative, and want to know if the project can extend a little further toward Spruce.

Bradshaw explained that the overhead line is already guyed on the corner of Walnut.

- Former Ketchum City Administrator Jim Jaquet said Ketchum has wanted to underground Fifth Street for many years. It carries a lot of power down Fifth Street and is very visible.
- Letters of support from Charles Stuhlberg, Terry Ring, Tom Knudsen, Chip and Whit Atkinson, and all the Atrium owners.
- Betty Swanson said that Atrium owners agree that undergrounding benefits them and Ketchum.

Ketchum Fire Chief Mike Elle strongly encouraged the undergrounding. Firefighters train at the Fire Station and City Hall using long aluminum ladders, and this would greatly improve their safety.

Councilor Michael David asked that the remaining undergrounding sites be prioritized. Areas of the City have been undergrounded as development has occurred, but future projects will happen as franchise fee funds accumulate. In the future, property owners may want to initiate undergrounding through Local Improvement District or Business Improvement District initiatives.

Council President Baird Gourlay moved to authorize the expenditure of \$501,506 over the two-year period from the Underground Improvement Fund to facilitate the Fifth Street Undergrounding Project as described in the staff report. Motion seconded by Councilor Michael David. Motion passed with three in favor and Councilor Jim Slanetz recused.

9. Communications from the Press

No questions at this time.

Public Hearings:

10. Ordinance 1106: Amending the FY12-13 Annual Appropriation Ordinance by Appropriating Additional Monies and Specifying Authorized Activities

Ketchum Council passed a resolution on April 15 calling for a public hearing at tonight's meeting to amend the current year budget to allow for the appropriation of a Ketchum Police Department rebate of \$141,167 and the allocation of \$26,460 in private donations for the Hemingway Park Splash Pad.

PUBLIC COMMENT: NONE

Council President Baird Gourlay moved to waive the three readings of Ordinance 1106, and read by title only, pursuant to Idaho Code 50-902. Motion seconded by Councilor Michael David, and passed unanimously.

Council President Baird Gourlay moved to adopt Ordinance 1106, amending Ordinance 1099, the Annual Appropriations Ordinance for the fiscal year beginning October 1, 2012 and ending September 30, 2013, appropriating additional monies to be received by the City of Ketchum, Idaho in the sum of \$167,627 and providing an effective date. Motion seconded by Councilor Nina Jonas. Roll call: Council President Baird Gourlay yes, Councilor Nina Jonas yes, Councilor Jim Slanetz yes, and Councilor Michael David yes. Motion passed unanimously.

11. Preliminary FY13-14 Budget Overview and discussion on objectives for the General Fund and related operating funds.

Ketchum City Administrator Gary Marks said the budget process is beginning a month earlier this year to allow more public comment and Council discussion. Tonight's discussion is on the General Fund, including the Street Maintenance Fund, Fire and Rescue Fund, Ambulance Fund, and Parks and Recreation Fund. Maintaining individual fund balances allows departments to build up funds for capital needs without having a "spend it or lose it" attitude at the end of the year.

Because this is early in the budget process, the figures are "working projections" and may change.

Marks presented an overview of the General Fund. The 2000 Census showed Ketchum had about 3,000 permanent residents. The 2010 Census showed 2,700 permanent residents, and 2011 showed an increase of five people. The City of Ketchum employed 65 people in 2000, and 59 people in 2011, including 12 Police Department employees who are now actually employed by Blaine County. Population has decreased by 10%, and number of employees decreased by 10 employees.

Property tax and miscellaneous revenues (franchise fees, state shared revenue, court fines, etc.) are approximately comparable from year to year. Any real growth in the General Fund will come from Planning and Development fees. Ketchum's Local Option Tax is increasing this year; but the Planning and Development revenues in FY2013 may not even reach the same level as in the last few years.

Ketchum's fund balance got down to a low of 3-4% of revenue a few years ago, immediately after the Recession hit. Ketchum cut back on expenditures and built the balance back up. There are some one-time project expenditures this year but the Fund Balance will remain at about 25%, well above a safe minimum 17% of annual revenues.

Currently expenses out of the Fund Balance are the Walkability project, the Recreation and Public Purpose expense; and other miscellaneous expenses out of the Contingency Fund. The Contingency Fund is an amount that Council appropriates for unexpected expenses in any given year. The Fund Balance is unappropriated money that is set aside separate from what the City intends to spend.

The City is committed to maintaining the Fund Balance at or above 17%. Some suggested FY2014 budget objectives Council can consider:

- Create appropriations in the Fire and Ambulance fund for the new union contract.

- Develop Cost of Living for staff.
- New street equipment that is needed.
- Blaine County Housing Authority support. There is no revenue coming into the In Lieu Housing Fund, and the Fund is now depleted. The BCHA is not authorized to receive LOT, so funding from Ketchum could only come from the General Fund.
- If Ketchum sees an increase in development, Planning staff will have to be increased, perhaps with a contract planner for at least awhile.
- Continuation of the BLM Recreation and Public Purposes Act (R&PP) process.
- Conjunctive Water Rights issues management and professional services.

PUBLIC COMMENT:

- Wood River Economic Partnership Executive Director Doug Brown encouraged the City to be prepared for economic development with professional staff.
- Jerry Seiffert said projected population figures in 1976 and 1983 were that Ketchum/Sun Valley would have 20,000 people.

Council President Baird Gourlay said City Administrator Gary Marks had started the three-month annual budget process a month early to allow more time for public comment. The budget presented this early is a little speculative, and will have to be redone in a couple months to be more accurate. There was very little public comment on the budget at this evening's meeting; and he asked if it is worth the extra time to start the budget process so early.

Councilor Jonas said the problem was that Council and the public had no chance to see the budget and analyze it before it was presented this evening. Last year, the budget was done before the Council retreat, so Council didn't have much input into the budget.

Councilor Jim Slanetz agreed that the public didn't have time to see the budget in order to comment on it. He would like to find some money to put aside for land acquisition and building.

Marks said the preliminary budget would be on the website tomorrow. The public would have two weeks to review the budget prior to the public hearing at the next Council meeting. The public can continue to review the budget throughout the summer budget process before the final budget is adopted the first of September; but numbers are likely to change a little or a lot from this early date to the final budget. The purpose of this budget presentation is to give Council a preliminary \$300,000 fund balance figure that is available for major projects.

Councilor David said having a preliminary budget to work with was good, even if the numbers were preliminary. Knowing the amount of the operating excess allowed them to know what they had available for discretionary projects.

12. Councilor Nina Jonas moved to amend tonight's agenda to add a resolution in support of the Wood River Trails levy to the Consent Calendar. Council President Baird Gourlay seconded the motion, and it passed unanimously.

Agreements and Contracts:

13. Memorandum of Understanding with the Idaho Tax Commission regarding collection and enforcement of local option taxes

Also Present: Idaho State Tax Commission Audit and Collections Division Administrator Randy Tilley

Special City Attorney Cherese McLean said Idaho Code Title 50 Section 1049 gives cities permission to work with the State Tax Commission for the collection and enforcement of the city's local option tax. Mayor Hall, City Administrator Marks and city attorneys have met on numerous occasions to discuss how the State Tax Commission can assist the City with collection of the LOT.

The State Tax Commission will set up and design software in July at a one-time IT cost of \$68,600 that would come out of Ketchum's FY2013 budget. The annual contract is \$192,000 (transaction based average of \$92,800 and audit premium sales destination for \$100,000). The Tax Commission has to offer the service to Idaho cities, but has to charge dollar for dollar to cover their costs. The Tax Commission receives its fee from a portion of the LOT revenue.

The State Tax Commission would begin LOT collection in January, 2014. The MOU provides for about 2,500 hours of State Tax Commission staff time (the equivalent of 2½ full-time employees) toward Ketchum LOT transactions. The contract expires 2017, but the City can terminate the contract with 60 days notice.

Randy Tilley explained how the State Tax Commission operates in the collection of state tax, which would work for local option tax as well. When the State Tax Commission does a sales tax audit, other taxes are audited at the same time. LOT taxes would be treated by the Tax Commission like taxes owed the state.

Councilor Jim Slanetz questioned if the State Tax Commission would produce a good enough return to make their service worth the \$192,000 cost. He would prefer to take a year to make it known that Ketchum was going to get serious and give people a year to comply.

Mayor Hall said audits of Ketchum businesses the last couple years showed significant discrepancies in several sectors of the economy, including 60% noncompliance in construction, and 50% noncompliance in cash retail businesses. Consultants believe Ketchum is losing up to \$500,000 in LOT revenue. The State doesn't give cities enabling authority to enforce compliance. Businesses that pay their fair share are subsidizing businesses who are cheating. Ketchum needs to get serious about collecting LOT from everyone who owes it.

Tilley said the Tax Commission had been administering sales and use tax since 1965; and auditing and collecting state sales tax. The State Tax Commission already has auditors searching specifically for Vacation Rentals by Owners as a project for state sales tax; and they are broadening examination of cash businesses. The Contract Desk in the Sales and Use Tax Audit department contacts contractors who've been awarded bids to be sure they're registered for withholding tax, and finds out who their suppliers are and if LOT was collected. If LOT isn't being collected, the Tax Commission educates the contractor and gets them into the system for collecting LOT.

PUBLIC COMMENT:

- Wood River Economic Partnership Executive Director Doug Brown said Ketchum businesses were shocked at the degree of noncompliance. Taxes must be enforced, and the State Tax Commission is available to do it. This is one way to get the marketing dollars Ketchum needs.
- Former Ketchum City Administrator Jim Jaquet said he had always been frustrated with lack of compliance. The only leverage the City had in collecting LOT was revocation of sales tax permits. The Sales Tax Commission has the authority and leverage to make sure people pay their fair share. He felt the City had to make the investment in the Sales Tax Commission to get an effective collection system in place.
- Former Ketchum Mayor Jerry Seiffert said local officials didn't think about enforcement when they wrote the original bed and booze tax bill. Right from the start, a lot of businesses weren't compliant, and Seiffert walked up and down the street to talk to people and get them to pay the tax. Seiffert strongly encouraged all four members of the Council to support the agreement with the State Sales Tax Commission. Everyone has to pay their fair share to support infrastructure. He added that Ketchum's elected leadership had always been innovative.
- Wendy Jaquet said the State Tax Commission was the responsible, professional and fairest way to proceed. People need to be educated and the State Tax Commission's audit division can do that.
- Bob Jonas urged Council to focus more on education and less on noncompliance and fairness.

Tilley said the State Tax Commission had a lot of information, and agreements with the IRS to share the information. The Tax Commission will compare local businesses with State Sales and Use Tax permit holders and educate them in paying LOT. If compliance improves in the next year or two, the contract level of enforcement and activity can be adjusted.

Councilor David said Ketchum didn't have the resources to administer the LOT tax, and the State Tax Commission does. It may not pay for itself immediately, but Ketchum had to give it a try. It is an investment in fairness, especially since there is likely to be another proposed 1% tax in the future for Fly Sun Valley Alliance.

Councilor Gourlay said Ketchum has known for a long time that VRBO and construction were enormously noncompliant. Enforcement would take a CPA and one more FTE, which would cost close to the same amount as the State Tax Commission, but still not provide collection or enforcement.

Councilor Jonas expressed concern that businesses who are paying the LOT are going to lose their investment in local services like Mountain Rides if the LOT revenue gained doesn't equal the State Tax Commission expense. She suggested they try the least expensive administrative option offered by the Tax Commission. Jonas also didn't like sending \$192,000 out of the community; and losing businesses' point of contact with City Hall.

Councilor Jim Slanetz said he tried to pay a VRBO on the State Tax Commission website, and was unable to figure it out. He suggested they not accuse people of not paying VRBO until they make it possible.

Councilor Jonas questioned the credit card charge. Special City Attorney McLean said the Sales Tax Commission found it saved paperwork and time, and could be deleted at a later date.

Council President Baird Gourlay moved to approve the Memorandum of Understanding with the Idaho State Tax Commission regarding the collection and enforcement of Local Option Tax. Motion seconded by Councilor David. Councilor Michael David and Council President Baird Gourlay favored the motion; Councilor Jim Slanetz and Councilor Nina Jonas opposed the motion. Mayor Randy Hall broke the tie in favor of the motion, and it passed three to two.

14. Amended Memorandum of Understanding with Bureau of Land Management for environmental work for the Ketchum Recreation and Public Purposes application and Administrative Support Agreement with Bureau of Land Management and other related administrative matters.

Ketchum Parks and Recreation Director Jen Smith said the BLM is dealing with court-mandated requirements in Idaho; and the BLM nationwide currently does not have staff or financial resources to process discretionary actions, including Ketchum's R&PP. The Idaho BLM realizes that Ketchum has spent a lot of time and money on this R&PP, and is allowing the Ketchum R&PP Steering Committee to move the R&PP forward at Ketchum's expense.

Ketchum Parks Department had a formal 3-year Assistance Agreement with the BLM beginning in 2006. The BLM paid Ketchum Parks and Rec \$2,500 annually to provide maintenance at the two BLM sites. The original agreement continued past 2009, but BLM can no longer pay Ketchum to provide maintenance. Parks staff suggest that Ketchum continue to provide regular visits and maintenance, and communication to BLM, at no cost.

Special City Attorney Cheresse McLain said the R&PP steering committee met with the State BLM director and department heads the beginning of 2013. The BLM agreed to an MOU to allow Ketchum to move forward with the necessary Environmental Assessment at the City's expense. But the BLM isn't able to review the EA, so private donors have offered to pay a contractor hired by the BLM to review the EA.

This MOU with BLM, originally signed in December, is amended to set forth the procedure of the third party Environmental Assessment review, and includes the Administrative Support Agreement that describes how finances will work for the third party EA reviewer. This should considerably expedite the R&PP process. The MOU clearly gives Ketchum the right to refuse any additional expense that is not included in the MOU; and Ketchum can stop the process at any time.

GeoEngineers has been in touch with all permitting agencies. When this project moves forward, Ketchum will have to apply for a 404 permit. If Ketchum applies for the 404 permit now, the Army Corps of Engineers will be prepared to process the permit when the EA is approved.

Project cost is estimated at \$2.6 million, which includes the design cost of \$300,000. The project cost would be split among three partners: Ketchum, the Wood River Land Trust and the Wood River Whitewater Park Committee. S₂O would like to begin final design work in July, with roughly half the total design cost of \$155,000. Ketchum would pay its 40% of the cost out of its Contingency Fund, and budget the remainder in FY2014.

Corrections: Ketchum meeting minutes of September 17, 2012 gave the S₂O contract amendment cost for EA services as \$100,240, but it should be \$101,240. Tonight's Staff Report said Change Orders totaled \$6,299. The correct amount is \$9,299.

Councilor Nina Jonas moved to approve the Amended Memorandum of Understanding with Bureau of Land Management for environmental work for the Ketchum Recreation and Public Purposes application; approve the Administrative Support Agreement with Bureau of Land Management; and approve the Parks Division's continued Maintenance and Management Assistance to BLM without charge through FY2013; and direct staff to continue with plans regarding a final design process with S₂O Design and Engineering with final costs for FY2013 and FY2014, brought back to Council in early June along with an amended contract for design work. Motion seconded by Councilor Jim Slanetz, and passed unanimously.

Council President Baird Gourlay commended everyone working on the R&PP for an awesome job, but said Ketchum kept committing to added costs for a huge project that would require huge maintenance and only be used a few months of the year, in the face of federal Sequester budget cuts.

PUBLIC COMMENT:

- Jim Jaquet, Hulen Meadows resident, said the Hulen Meadows pond would go away without this project to restore it. The entire R&PP project would attract people from outside the area, and provide many benefits for the entire Wood River community.
- Bob Jonas concurred.
- Wood River Land Trust Executive Director Scott Boettger and Senior Conservation Coordinator Keri York called to support the R&PP project.

15. Bald Mountain Lodge Development Agreement, Second Amendment

Also Present: James D. Garrison, Bald Mountain Lodge Project Manager

This is the legal document that will implement the Findings of Fact of the Council decision on the Planned Unit Development. The Development Agreement failed to revise the amount of required Community Housing due to the project's change of the fourth floor to hotel rooms. Jim Garrison said Ketchum Code based the amount of required Community Housing on square footage.

Councilor Jonas was not present at the previous Council meeting, but agreed with the sentiment expressed at that meeting that keeping the three incentive timeline scenarios through a second one-year extension was annoying.

Council President Baird Gourlay moved to approve the amendment to the Bald Mountain Lodge Development Agreement, as provided in the staff report dated April 30, 2013, and authorize the mayor to sign the Development Agreement, subject to some language implemented in the timelines relative to community and employee housing that verify those formulas based on the size of the building as submitted in the building permit drawings. Motion seconded by Councilor Michael David, and passed with three in favor and Councilor Jim Slanetz against because he wanted to delay the decision.

16. Consent Calendar

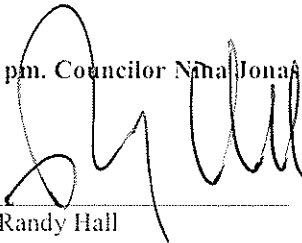
- a. Approval of minutes from the Regular April 15, 2013 and Special April 24, 2013 Council meeting
- b. Recommendation to approve current bills and payroll summary
- c. Request to approve Findings of Fact and Conclusions of Law and Decision, Bald Mountain Lodge Conditional Use Permit Amendment
- d. Recommendation to revoke certain LOT tax permits due to delinquency
- e. Resolution 13-008 supporting the levy for the Wood River Trails

Councilor Nina Jonas moved to approve Resolution 13-008 that the City supports the additional levy for Wood River Trails. Motion seconded by Councilor Michael David, and passed unanimously.

Council President Baird Gourlay moved to approve the Consent Calendar, seconded by Councilor Jim Slanetz. Motion passed with three in favor and Councilor Nina Jonas abstained since she was absent from the meeting.

16. ADJOURNMENT

Council President Baird Gourlay moved to adjourn at 9:59 pm. Councilor Nina Jonas seconded the motion, and it passed unanimously.



Randy Hall
Mayor

ATTEST:



Sandra E. Cady, CMC
City Clerk

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

BACKGROUND FACTS

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

FILE NUMBER: 07-015

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

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

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

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

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

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

LOT SIZE: 48,351 sf

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

OVERLAY: None

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

GENERAL FINDINGS OF FACT

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

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

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

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

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

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

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

In November 2012, Highmark LLC, on behalf of Bald Mountain Lodge LLC, requested a second extension to the deadline regarding the application for a building permit outlined in Section 8 of the Amended Development Agreement. Section 8 provides for a full waiver of employee and community housing requirements if the applicant applies for a building permit by December 31, 2012 (along with several other trigger dates). This change would necessitate a change to all of the other deadlines in Section 8; each date would be rolled forward one year. The letter indicates that if the Council is

willing to extend the Amended Development Agreement deadlines for an additional year, the applicant will apply for a modification to the PUD and Development Agreement to convert the fourth floor of the building from condominium units to hotel units. The Council agreed in concept, and directed the applicant to begin the PUD modification process.

1. PLANNED UNIT DEVELOPMENT BACKGROUND:

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

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

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

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

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

2. STANDARDS OF REVIEW:

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

3. PROCESS:

The applicant has the following approvals:

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

Design Review Approval: approved, with Findings of Fact signed March 22, 2010
 Development Agreement Approval: September 17, 2010
 First Amendment to the Development Agreement: November 7, 2011

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

4. CONDITIONS OF APPROVAL:

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

5. BALD MOUNTAIN LODGE PUD OVERVIEW AND SQUARE FOOTAGE BREAKDOWN

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

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

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

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

Third Floor	Hotel Guest Rooms	29,711 sf
Fourth Floor	Hotel Guest Rooms	25,006 sf
Fifth Floor	Residential condominiums Hotel Related Area (731 sf)	22,384 sf
TOTAL BUILDING AREA		231,885 sf
TOTAL SUB GRADE/PARKING AREA		96,612 sf
TOTAL GROSS FLOOR AREA ABOVE GRADE		134,800 sf

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

P2 (below grade)

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

P1 (below grade)

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

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

Level 1 (ground)

USE	SQUARE FOOTAGE
Retail	2,614
Restaurant	7,006
Café	735
Activity Room	4,726
Spa	1,885
Fitness	819
Lockers	432
Office	217
Great Room	5,660
Bathrooms	611

Loading	2,530
Circulation	1,427
Total	28,461

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

Level 2

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

Level 3

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

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

Level 4

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

Level 5

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

Floor Area Summary:

Existing: None

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

Lot Area: 48,351 sf

Floor Area Ratio:

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

Proposed: 2.8

5. HOTEL DEFINITION

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

Table 3: BALD MOUNTAIN LODGE MATRIX/HOTEL DEFINITION

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

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

Table 4: HOTEL DEFINITION

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

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

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

7. WAIVER REQUESTS WITH FINDINGS:

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

Table 5: Waiver Requests, Bald Mountain Lodge

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

<p>Community Core: 17.64.010.L: Site Specifications</p>	<p>D. Building zone: 60 to 100 percent of this area shall be occupied by 1 or more buildings. 1. The minimum building depth shall be 50 feet as measured from the front and rear property line, except a portion of the building may be built anywhere within 30 feet of the front property line.</p>	<p>Rear Building Zone along Washington Avenue – 36% of this zone is building; 60% is required *not including outdoor terrace area as building</p>	<p>This portion of the site is adjacent to the Forest Service park and less building mass is appropriate. In addition, the Gateway Mass and Scale Study recommend receding this corner in order to maximize views of Bald Mountain. - Approved</p>
<p>Community Core: 17.64.010.L: Mass and Height Specifications</p>	<p>D.2. On streets and avenues the fourth floor and fifth floor shall be set back from the property line a minimum of 10 feet with an average of 15 feet. The average setback shall be calculated based on the built portion of the fourth and fifth floor facades and shall be calculated for each street or avenue elevation; the calculation of the average setback is not cumulative. In addition to the minimum and average setback requirement from the property line, the fourth and fifth floors shall be set back a minimum of 5 feet from the wall of the third floor.</p>	<p>4th and 5th floors do not meet 10 ft minimum setback on each street elevation. Average setback of 15 ft not met on 1st Street on 4th and 5th floors.</p>	<p>Overall massing of building and large setbacks along Main Street, River Street and Washington Ave reduce overall impacts of 4th and 5th floors. Said waiver will have minimal impacts on overall mass of 4th and 5th floors. In addition, the project has received design review approval from the Planning and Zoning Commission. - Approved</p>
<p>Community Core: 17.64.010.L: Façade Elements</p>	<p>A. Awnings/marquees may project 3 feet to 6 feet from the facade. At major pedestrian entrances to the hotel, marquees may extend between 6 feet and up to $\frac{2}{3}$ the distance between the front facade and the curb line of the sidewalk. Supporting posts are permitted at these entrances.</p>	<p>Marquees extend 7.5 to 12 feet from all four building facades at multiple locations. Only main entrances to the hotel may extend beyond 6 feet.</p>	<p>Larger marquees are appropriate for a large hotel building. - Approved</p>
<p>Community Core: 17.64.010.L: Mass and Height Specifications</p>	<p>B. Upper floor ceiling heights: 8 feet minimum and up to 80 percent of the height of first floor ceiling.</p>	<p>5th floor ceiling height exceeds 80% of the height of the first floor ceiling height</p>	<p>Required sloped roof design warrants larger ceiling height on 5th floor. - Approved</p>

Community Core: 17.64.010.I: Hotels – Employee Housing	3-5. Applicant is required to provide housing for 25% of the total number of employees calculated per hotel room or bedroom.	Full waiver of requirement/Partial Waiver of requirement. See condition #3 of the conditions of approval for complete waiver and timeline incentives	Project incentivized to begin construction with two years. - Approved
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ATTACHMENTS to the April 15, 2013 Staff Report:

- Attachment A: Letter from HMI, dated January 15, 2013, including fourth floor plans, original and current proposal
- Attachment B: Applicant narrative outlining proposed changes, dated March 11, 2013
- Attachment C: Planning and Zoning Commission, PUD Amendment Findings of Fact, signed March 25, 2013
- Attachment D: Bald Mountain Lodge Traffic Impact Update, LSC Transportation Consultants, Inc., dated March 4, 2013 (Earlier traffic studies available at the Planning Division offices.)
- Attachment E: First Amendment to the Bald Mountain Lodge Development Agreement, dated November 7, 2011
- Attachment F: Original Bald Mountain Lodge Development Agreement, dated September 17, 2010
- Attachment G: City Council PUD Findings of Fact, signed June 7, 2010
- Attachment H: Comments

ZONING CODE REQUIREMENTS

17.64 Community Core Zoning District

PROPOSED SETBACKS: No change in PUD amendment request.

REQUIRED SETBACKS: No change in PUD amendment request.

BUILDING HEIGHT: No change in PUD amendment request.

CURB CUT: No change in PUD amendment request.

PARKING SPACES:

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

Table 6: Required Parking

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

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

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

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

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

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

17.64.010.I Hotel Uses

N/A I. Hotel Uses:

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

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

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

Commission Recommendation:

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

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

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

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

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

BML-2010 Approved: 23 employees required to be housed

BML-2013 Proposed 30 employees must be housed

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

YES 4. **Employee Housing Plan: The applicant shall provide an employee housing plan which outlines the number of employees, income categories and other pertinent data. The employee housing plan shall be the basis of the applicant's proposal for the mix of employee housing which addresses the range of employees needed to serve the hotel.**

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

YES 5. **Alternate Means To Satisfy Square Footage: The city council may consider a request by the hotel developer to satisfy any required employee or community housing square footage by alternate means. Off site mitigation, payment of in lieu fees, land in lieu of units, or other considerations may be proposed by the hotel developer. Larger sites are encouraged to include employee and/or community housing on site. The city council has full discretionary power to deny said request.**

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

YES 6. **Development Agreement:** Hotels shall enter into a development agreement with the city as part of the PUD approval process. Said development agreement may address the following subjects: community housing, hotel room uses and restrictions, public access on the property, alternatives and remedies if the hotel use ceases, and any other issue the planning and zoning commission or city council deems appropriate. Said development agreement shall follow the public hearing process as outlined in chapter 16.08 of this code. Said development agreement shall be subject to sections 17.154.060, "Enforcement", and 17.154.070, "Modification And Termination", of this title.

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

PUD EVALUATION STANDARDS

16.08.080(A) STANDARDS:

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

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

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

Conclusion: This standard does not apply at this time.

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

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

Conclusion: This standard does not apply at this time.

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

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

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

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

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

Conclusion: This standard does not apply at this time.

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

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

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

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

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

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

Findings: The City Council PUD Findings of Fact stipulated that an updated transportation impact assessment be prepared prior to the City entering into a Development Agreement with the Applicant. This document, *Transportation Impact Assessment*, dated January 2010, was

prepared by Galena Engineering, Inc.. The original Development Agreement, recorded on September 30, 2010 is based on this document and a subsequent review of it by Hales Engineering entitled *Ketchum – Bald Mountain Lodge TIA / 1st Street Review*, dated April 14, 2010.

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

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

More specifically, the revised assessment found that:

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

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

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

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

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

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

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

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

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

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

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

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

Conclusion: This standard has been met.

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

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

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

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

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

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

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

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

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

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

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

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

Conclusion: This standard has been met.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TABLE 11: SPECIAL DEVELOPMENT OBJECTIVES

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

The current PUD amendment proposes to convert the entire fourth floor from residential to hotel use. This results in an economic benefit of an additional thirty-seven (37) hotel rooms in the Community Core. The employee housing requirement has changed from a requirement of twenty-

three (23) employee housing units to thirty (30) employee housing units. These are special development objectives that continue to justify the granting of a PUD. The City has established the need for hotels and hotbeds as a priority. The economic benefits of such a project are substantial.
Conclusion: This standard has been met.

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

Findings: See General Findings section, page 2 of this report. At their meeting on March 11, 2013, the Commission noted their concerns over the extensions to the project timelines, and suggested a condition of approval that would impose an additional fee if any further extensions are requested. The Council discussed these concerns and agreed that, if any further extensions are applied for, a fee should be imposed to recoup costs incurred by the City to process such application. The Commission also noted that the applicant should pay attention to property maintenance and landscape care in the interim period before the site is developed.

Conclusion: This standard has been met with the condition that the project receive approval of a Second Amended Development Agreement, as outlined above, from the City Council prior to the end of the year 2013. In addition, Condition #16 addresses site maintenance and Condition #23 addresses the additional fee.

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

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

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

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

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

CONCLUSIONS OF LAW

1. The City of Ketchum is a municipal corporation organized under Article XII of the Idaho Constitution and the laws of the State of Idaho, Title 50, Idaho Code.
2. Under Chapter 65, Title 67 of the Idaho Code, the City has passed a land use and zoning ordinance, Title 17 and a subdivision ordinance, Title 16.

3. The Planning and Zoning Commission has authority to hear the applicant’s Conditional Use Permit application pursuant to Idaho Code Section 67-6512 of the Local Land Use Planning Act and Chapter 16.08 of Ketchum Subdivision Code Title 16.
4. The Commission’s public hearing and consideration of the applicant’s Conditional Use Permit application was properly noticed pursuant to the Local Land Use Planning Act, Idaho Code Section 67-6512.
5. The application does comply with Ketchum Zoning Code Title 17 and Ketchum Subdivision Code Title 16 and the Ketchum Comprehensive Plan only if the following conditions of approval are met.

DECISION

THEREFORE, the Ketchum City Council approves of this Conditional Use Permit (CUP) for a Planned Unit Development (PUD) amendment this 15th day of April, 2013 provided the following conditions are met:

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

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

Hotel Uses

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

Timing and Incentives

2. Construction Incentives

Incentive Timeline	Community Housing Waiver	Workforce Housing Waiver	Infrastructure Partnering
Timeline A - Building permit applied for in 2013 with construction commencing by June 2014 and the hotel portion of the building completed by 2017.	7,444 sf requirement or approximately \$2.36 million in lieu payment waived in full.	Waive the employee housing requirement in its entirety.	Applicant will construct and pay for all project infrastructure requirements as outlined in the DA. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a

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

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

- **Timeline A.** The project shall receive the following waivers if a Second Development Agreement is approved by the City Council prior to the end of year 2013 and a building permit is applied for by December 2013 and construction commences by June 30th of 2014. If a building permit is not applied for in 2013, construction does not commence by June 30, 2014 and the certificate of occupancy for the hotel portion of the building is not approved by January 2017 these waivers shall not apply:
 - i. Employee Housing: waive the employee housing requirement in its entirety.
 - ii. Community Housing: the community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety.
 - iii. Infrastructure Partnering: Applicant will construct and pay for all project infrastructure requirements including undergrounding of power lines and installation of street improvements. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. A list of

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

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

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

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

- ii. **Community Housing:** the community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety
- iii. **Infrastructure Partnering:** Applicant will construct and pay for all project infrastructure requirements including undergrounding of power lines and installation of street improvements. City of Ketchum agrees to request that the Urban Renewal Agency reimburse applicant for costs of qualified public infrastructure improvements. A list of qualified public infrastructure improvements should be identified in the Development

Agreement. Said reimbursed costs may equal up to 50% of the annual URA revenue increments generated from the project up to a total of \$1.5 million over the life of the URA, whichever is less. Said reimbursement will be paid annually via URA revenues generated by the project, and shall be subordinate to existing debt accrued/obligated by the URA. A repayment plan shall be developed at such time as substantial URA revenues are generated from the project, at which time total URA increment revenues associated with this project shall be recalculated. Applicant and City Council acknowledge and agree that any project utilizing URA funds is subject to the sole discretion and decision of the URA and the URA is not bound by this agreement. URA financing and projects are also subject to applicable Idaho and federal law. Accordingly, there is no guarantee that URA funding will be available for this project.

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

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

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

- a) Provide salary/hourly wages (current dollars) for the various income categories of employees.
- b) The expected number of each level of employee that is intended to be served by the employee housing units.
- c) Which employee category will be served by which type/size of units.
- d) Provide information on anticipated rental rates (in current dollars) or subsidized and/or free rent to employees; will utilities and homeowner's dues (if any) be included in proposed rates.
- e) Establishment of maximum occupancy per unit type (i.e. 1 person per 1 bedroom unit; 2 persons per 2 bedroom units).
- f) Location of units to be within Ketchum City limits.
- g) Provide a matrix on breakdowns of the different types of units (1BD; square footage; total number of units; anticipated rent, etc.)
- h) Create a priority for occupancy program of these units; (i.e. first availability employees that are full-time, secondly to seasonal employees, and third to persons that are verified to be working in the City of Ketchum.
- i) What units will be available and how will the pool of units available be determined.

- j) What minimum standards will be used to determine employee eligibility to live in the employee housing; is full-time status required for employees to qualify for the employee housing and what constitutes full-time status.
- k) How will overflow of demand of units by employees be handled; will there be a priority system.
- l) Provide information on housing families (with children) and/or married couples.

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

The following information shall be provided to the City:

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

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

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

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

Traffic and Circulation

- 3. Delivery vehicles associated with Bald Mountain Lodge, including the residential portion of the building, shall not interfere with the regular flow of traffic surrounding the building. In addition, delivery vehicles shall not block the regular flow of traffic on First Street and delivery vehicles shall not block the sidewalk along First Street.

4. Sidewalks shall be designed according to the approved sidewalk scheme for the site. The approved sidewalk scheme shall be recorded with the approved Development Agreement for Bald Mountain Lodge. The following requirements shall be met with regard to sidewalk designs and on-street parking:

River Street Frontage

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

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

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

First Street Frontage

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

Washington Ave Frontage*

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

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

5. Washington Avenue between 1st Street and River Street shall be rebuilt by the applicant within the aforementioned parameters. In addition, this section of Washington shall be

designed to serve events and functions taking place at both Bald Mountain Lodge and the Forest Service Park.

6. Snowmelt shall extend to curb-line at entrances and exits of building.
7. The recommendations of the City Engineer and of Ryan Hales of Hales Engineering with regard to traffic circulation in and out of the porte-cochere shall be followed. These recommendations are outlined in the memo from Hales Engineering titled "Ketchum – Bald Mountain Lodge TIA/1st Street Review" dated April 14, 2010.
8. Right-of-way encroachments, right turn lane and curb line alignment, slope and drainage, and sidewalk widths shall be resolved to the satisfaction of the City Engineer, Street Department and Fire Department prior to the issuance of a building permit.

Additional Requirements

9. The project shall, at a minimum, meet the requirements of and receive LEED Certification as outlined by the United States Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) Program. In addition, the project shall meet or exceed the minimum requirements set forth in the currently adopted version of the International Energy Conservation Code (IECC). These requirements shall be outlined in the development agreement for this project.
10. A construction staging and mitigation plan, including at a minimum provisions for off-site employee parking, off-site storage of bulk materials, and required ROW encroachments during construction, shall be submitted and approved by the Ketchum Building Department prior to building permit approval.
11. The proposed encroachments into the public street rights-of-way shall be allowed:
 - All marquees may extend into the public right of way as permitted through design review.
12. All water, sewer and other utility main lines, service lines, manholes and fire hydrants shall be maintained or improved as required by the Ketchum Water and Sewer Department.
13. The proposed development shall be completed substantially as presented in the plans dated April 8, 2010, as altered by relevant conditions of approval, and as set forth in the Planned Unit Development agreement, as amended by this amended PUD approval and any amendments to the Development Agreement. The PUD Development Agreement shall include the conditions herein, and other pertinent details from these Findings of Fact.
14. This PUD CUP approval is contingent upon the approved Community Core Design Review application, findings of fact dated March 22, 2010.
15. Applicant agrees to collaborate and participate financially with the City and other property owners on a gateway design, commissioning, construction and installation (as outlined for

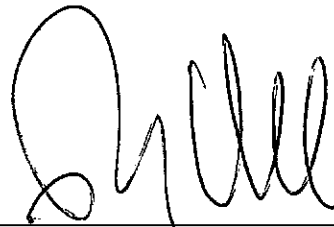
Hotel Ketchum in the development agreement dated November 17, 2008) for the intersection of Main St and River St.

16. The property shall be maintained appropriately per City code until construction commences. This shall include landscaping maintenance, noxious weed mitigation and irrigation of existing landscaping.
17. A Design Review Subcommittee shall be established through the development agreement for the project, as recommended in condition #8 of the design review findings of fact for Bald Mountain Lodge.
18. These conditions and other project details outlined in these findings of fact shall be enumerated in the development agreement for this project.
19. Upon issuance of building permit, applicant shall provide financial assurances, in the form of letter of credit, bonds or similar instruments to demonstrate to the City their ability to complete the permitted construction.
20. To reduce the appearance of building bulk, the upper floor steel diagonal columns shall be made vertical, subject to Design Review Subcommittee approval.
21. Applicant to provide a 'comfort letter' from its proposed project lender prior to execution of the development agreement. Such letter should memorialize any existing relationship between applicant and lender, and the lender(s)' interest in financing the project subject to market conditions and lenders' internal credit underwriting policies.

ADDITIONAL CONDITIONS OF APPROVAL PERTAINING TO PUD AMENDMENT

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

Findings of Fact **adopted** this 6th day of May, 2013.



Randy Hall, Mayor

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Community and Economic Development Director
City of Ketchum
P.O. Box 2315
Ketchum, Idaho 83340

(Space Above Line For Recorder's Use)

**SECOND AMENDMENT TO THE BALD MOUNTAIN LODGE DEVELOPMENT
AGREEMENT**

This Second Amendment ("Second Amendment") is made as of May 6, 2013 by and between the City of Ketchum, Idaho ("Ketchum"), a municipal corporation, and Bald Mountain Lodge, LLC, a Delaware limited liability company ("Owner", and together with Ketchum, the "Parties").

1. Recitals. This Amendment is made in contemplation of the following facts and purposes:

1.1 Ketchum and Owner are parties to a Bald Mountain Lodge Development Agreement ("Agreement"), dated September 17, 2010, and recorded on September 30, 2010 in the records of Blaine County, Idaho as Instrument No. 581098, under and by virtue of which the Parties established certain rights and obligations with regard to the development of the real property commonly known as the Bald Mountain Lodge, 151 South Main Street, Ketchum and more particularly described in Exhibit "A" of the Agreement.

1.2 Ketchum and Owner are also parties to the First Amendment to the Bald Mountain Lodge Development Agreement dated November 7, 2011 and recorded on __ in the records of Blaine County, Idaho as Instrument No. __, under and by virtue of which the Parties established certain rights and obligations with regard to the development of the real property commonly known as the Bald Mountain Lodge, 151 South Main Street, Ketchum.

1.3 The parties desire to amend and supplement the Agreement as hereinafter provided.

2. Amendments. In view of the foregoing, the Parties agree to amend and supplement the Agreement, as follows:

2.1 Section 8 (Workforce Housing) is deleted and the following is substituted therefore:

8. CONSTRUCTION TIMELINE AND INCENTIVES. Owner acknowledges Ketchum's desire for a construction commencement date at the earliest possible time. Ketchum, having exercised its discretion in approving this Agreement, the PUD Findings and Design Review Findings, shall act reasonably and in good faith when processing the approval or issuance of such

applications, permits, plans, specifications, plats, and/or entitlements for the Project as may be necessary or prudent in order to implement the Project, and consistent with the Ketchum City Code and applicable State and/or federal laws, so that Owner will have the benefit of the incentives provided Section 8.1, 8.2 and 8.3 below. In regards to the obligations in this Section 8, time is of the essence. In consideration of Owner's option to commence construction as early as 2014, Ketchum agrees to the following construction incentives. Any additional requests for changes to the timelines outlined herein shall be subject to additional permit processing fees, the amount of which shall be determined by the City Council based on a recommendation from the Community and Economic Development Director as to the complexity of the request.

8.1 Timeline A. The Project shall receive the following waivers if a building permit is applied for by May 6, 2014, and construction commences by November 6, 2014. If a building permit is not applied for by May 6, 2014, construction does not commence by November 6, 2014 and the certificate of occupancy for the hotel portion of the Project is not approved by June 30, 2017, these waivers shall not apply.

8.1.1 Community Housing. The community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District). The square footage and dollar amounts outlined above shall be recalculated at the time of building permit, and shall conform to the community housing regulations in effect at the time of the execution of this document.

8.1.2 Employee/Workforce Housing. The employee housing requirement is waived in its entirety.

8.1.3 Infrastructure Partnering. Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The Urban Renewal Agency ("URA") is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of Ketchum. Ketchum agrees to recommend to that URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.2 Timeline B. The Project shall receive the following waivers if a building permit is applied for by May 6, 2015 and construction commences by November 6, 2015. If a building permit is not applied for by May 6, 2015, construction does not commence by November 6, 2015 and the certificate of occupancy for the hotel portion of the Project is not approved by June 30, 2018, these waivers shall not apply.

8.2.1 Community Housing. The community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District). The square footage and dollar amounts outlined above shall be recalculated at the time of building permit, and shall conform to the community housing regulations in effect at the time of the execution of this document.

8.2.2 Employee/Workforce Housing.

- (a) Ketchum will waive fifty percent (50%) of the total employee housing requirement. The remaining fifty percent (50%) of the employee housing fee (\$1.38 million) shall be paid via one of the following options:
 - (i) Construction of employee housing units within the city limits or the Area of City Impact (as defined in the Ketchum Municipal Code), which construction can include concepts of partnership with Ketchum or other entities;
 - (ii) Payment via a real estate transfer fee, with the transfer fees accruing to the Ketchum Housing In Lieu Fund at the time of closing of each unit; or
 - (iii) By another method determined by Owner and approved by Ketchum.
- (b) If the remaining employee housing requirement is to be paid through real estate transfer fees, a minimum of thirty percent (30%) of the total required in-lieu fee shall be paid within one (1) year of issuance of the certificate of occupancy for the hotel portion of the Project. The remaining fee shall be paid at the closing of each residential unit, at the rate of four percent (4%) of the remaining fee per unit closed until paid in full. In the event the foregoing schedule does not result in one hundred percent (100%) of the fees being paid within ten (10) years of the issuance of the certificate of occupancy for the hotel portion of the Project, any remaining balance will be due and payable at the end of such ten (10) year period.

8.2.3 Infrastructure Partnering. Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The URA is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of the City. Ketchum agrees to recommend to the URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.3 Timeline C. In the event a building permit is not applied for and construction does not commence as outlined in Timelines A or B, the PUD CUP shall be valid for a period of four (4) years from the date of the Mayor's signing of the Amended PUD Findings Of Fact. An application for building permit shall be submitted within four (4) years, unless extended by Council upon written request by Owner prior to the CUP expiration. A written request for extension of the CUP must be received by Ketchum within sixty (60) days of the expiration of the CUP. Waivers to the community housing and employee housing requirements shall not apply under this timeline.

8.3.1 Community Housing. Owner shall fulfill the workforce housing requirement prior to building permit approval for the hotel. Fulfillment of the requirement shall include development of a workforce housing plan to be approved by the City Council prior to building permit approval. The following is a list of several options that may be pursued in developing the workforce housing plan:

- (a) Provide housing via new construction within the City of Ketchum;
- (b) Fulfill the requirement via master leasing of existing units within the City of Ketchum;
- (c) Agree to a real estate transfer fee wherein all fees would be dedicated to the development, construction or maintenance of workforce housing in the City of Ketchum;
- (d) Agree to a revenue-based fee based on the profits derived from the hotel; or

- (e) Develop a workforce housing plan that incorporates several of these options.

In the event that Ketchum does not extend the construction incentives for the Project beyond December 31, 2013, or otherwise waive or modify the requirements Community Housing,

8.3.2 Employee/Workforce Housing. Owner shall be required to provide a detailed Employee Housing Plan, which provides for housing for twenty-three (23) employees on a site acceptable to Council and within Ketchum city limits.

- (a) The Employee Housing Plan shall contain the following elements:
 - (i) Salary/hourly wages (current dollars) for the various income categories of employees;
 - (ii) The expected number of each level of employee that is intended to be served by the employee housing units;
 - (iii) Which employee category will be served by which type/size of units;
 - (iv) Information on anticipated rental rates (in current dollars) or subsidized and/or free rent to employees, including whether utilities and homeowner's dues (if any) will be included in the proposed rates;
 - (v) Establishment of maximum occupancy per unit type (i.e. one person per one bedroom unit; two persons per two bedroom units);
 - (vi) Location of units to be within Ketchum city limits;
 - (vii) A matrix on the breakdowns of the different types of units (1 BD; square footage; total number of units; anticipated rent, etc.);
 - (viii) The priority system for occupancy of these units (i.e. first availability to full-time employees, second to seasonal employees, and third to persons that are verified to be working in the City of Ketchum);
 - (ix) What units will be available and how the pool of units available will be determined;
 - (x) What minimum standards will be used to determine employee eligibility to live in the employee housing (i.e.

whether full-time status is required and what constitutes full-time status);

- (xi) How the overflow of demand of units by employees will be handled (i.e. priority system); and
 - (xii) Information on housing families with children and/or married couples.
- (b) The proposed Employee Housing Plan shall meet minimum size thresholds and income categories established by BCHA and/or Ketchum.
- (c) Owner shall submit the following information to Ketchum in connection with the Employee Housing Plan:
- (i) Wage/salary range and a breakdown of the number of employees within each classification (full-time, part-time, seasonal, etc.);
 - (ii) Information on the type of housing provided per employee classification;
 - (iii) Costs incurred in rent (and utilities) and transportation/parking by employees;
 - (iv) Details on anticipated lease terms/rental agreements for employees housed on-site; and
 - (v) Anticipated transportation and parking scenarios for both on-site and commuting employees.
- (d) The Employee Housing Plan shall be submitted and approved by Council as an amendment to this Agreement and shall be recorded prior to issuance of a building permit.
- (e) All of the required employee housing shall be available prior to the issuance of any certificates of occupancy for the hotel, or any other uses in the hotel.

8.3.2 Infrastructure Partnering. Owner shall contribute a proportionate share to the underground relocation of overhead utility lines as more particularly set forth in Section 10 herein.

8.3.3 Additional Traffic Study. If the Owner does not comply with timelines A or B, Owner agrees to complete a revised traffic study, which includes new traffic baseline data. Said traffic study may result in modifications to approvals related to traffic and circulation.

2.2 Section 3.9, Property Maintenance is hereby amended by adding the underlined language as follows:

3.9 Property Maintenance. Owner shall take reasonable steps to maintain the Property as may be required pursuant to Ketchum City Code until construction commences, including, but not limited to, landscape maintenance, irrigation of existing landscaping and noxious weed control.

3. Construction. This Second Amendment, the First Amendment and the Agreement constitute one agreement between the Parties. In the event of any inconsistency between this First Amendment and the Agreement, the terms of this First Amendment shall govern. All capitalized terms in the Agreement shall have the meaning in the Agreement when used in this First Amendment, unless otherwise defined herein.

4. Ratification. The Agreement, as amended and supplemented by this First Amendment, is hereby ratified and affirmed.

This First Amendment is executed by the Parties as of the date first above written.

BALD MOUNTAIN LODGE, LLC, a Washington By: CITY OF KETCHUM
limited liability Company
City of Ketchum, Idaho,
a municipal corporation

By: _____

By: _____
Randy Hall, Mayor

STATE OF IDAHO,)
) ss.
County of Blaine)

On this ____ day of _____, 2011, before me, a Notary Public in and for said State, personally appeared Randy Hall, Mayor of the City of Ketchum, Idaho, known or identified to me to the person whose name is subscribed to the within instrument as the Mayor of the City of Ketchum, Idaho, and acknowledged to me that he executed the same as Mayor of the City of Ketchum, Idaho.

Notary Public for Idaho
Residing at _____
Commission expires _____

State of _____)
) ss.
County of _____)

On this ____ day of _____, 2011, before me, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the Manager of Bald Mountain Lodge, LLC, a limited liability company and the managing member of Bald Mountain Lodge, LLC, a limited liability company, the member or one of the members who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me that such limited liability company executed the same in the name of Bald Mountain Lodge, LLC.

Notary Public for _____
Residing at _____
My Commission expires _____

EXHIBIT “A”

BYLAWS OF THE KETCHUM URBAN RENEWAL AGENCY

* * * * *

ARTICLE 1

INDEPENDENT PUBLIC BODY CORPORATE AND POLITIC

The Ketchum Urban Renewal Agency (the “Agency”), is an independent public body, corporate and politic, created pursuant to Title 50, Chapter 20, Idaho Code, the “Idaho Urban Renewal Law of 1965” (the “Act”), and Resolution No. 06-033 of the City of Ketchum, (the “City” or the “Municipality”) passed on April 3, 2006. These Bylaws are subject to any limitations contained therein.

ARTICLE 2

NONLIABILITY OF COMMISSIONERS

The private property of the commissioners shall be exempt from execution or other liability from any debts of the Agency and no commissioner shall be liable or responsible for any debts or liabilities of the Agency.

ARTICLE 3

COMMISSIONERS

Section A. Number, Appointment, Designation and Term of Officer. The Agency shall be governed by a Board of Commissioners consisting of seven (7) commissioners. Three (3) elected officials of the City of Ketchum shall serve on the Board as Commissioners for the Agency. Four (4) additional Commissioners shall be appointed by the Mayor and City Council of the City of Ketchum.

The term of office for the three (3) Commissioner members consisting of elected officials shall be for two years. Termination or resignation of a Mayor or a City Council

member shall also terminate membership on the Agency board. Appointment will be by the Mayor (who can appoint him or herself) and confirmed by the City Council. In the event that a Mayor or Council member resigns from the Agency Board but continues to hold office, a successor Commissioner shall be filled by a majority vote of the Board to hold the position for the remainder of the resigned member's term.

The additional four (4) Commissioners shall be appointed by the Mayor and City Council of the City of Ketchum. Each of these four (4) at large Commissioners shall serve for a period of four (4) years from the date of appointment, although terms may be shortened to two years to provide for offset terms. At least ~~two-one~~ (21) of these at large Commissioners shall be ~~Ketchum residents and/or a KURA District owner/tenant~~ registered voter of Ketchum. The other ~~two-three~~ (23) Commissioners shall be Blaine County residents. If any of these positions becomes vacant at a time other than the expiration of a term, the position shall be filled by a majority vote of the board for the remainder of the term.

Section B. Removal from Office. For inefficiency, neglect of duty, misconduct in office, a commissioner may be removed by a majority vote of the board or by the Ketchum City Council only after a hearing and after notification of the charges and an opportunity to be heard pursuant to Idaho Code 50-2006.

Section C. Compensation. Commissioners shall serve without compensation but commissioners shall be entitled to out-of-pocket costs.

Section D. General Powers. The business affairs of the Agency shall be managed by the board of commissioners which shall exercise all of the powers of the Agency. The Agency shall have all powers conferred by the Act as it may be amended

from time to time. After a quorum has been established, agency action may be taken upon a vote of a majority of the commissioners present.

ARTICLE 4

MEETINGS OF COMMISSIONERS

Section A. Regular Meetings. Regular meetings of the commissioners shall be held as determined by the Board. The Board of Commissioners shall cause notice of the regular meeting schedule to be posted or published as required by the Idaho open meeting law.

Section B. Special Meetings. A special meeting of the board of commissioners may be called at any time by the Chairman or by any two (2) commissioners by giving notice to the Secretary specifying the time, date, place and purpose of such meeting. Upon receipt of such notice the Secretary shall cause written notice of such time, date, place and purpose of such meeting to be given to each commissioner of the Agency as hereafter provided in this Article 4.

Section C. Notice of Special Meeting. Written notice of time, date, place and purpose of any special meeting of the Agency shall be posted or published as required by the Idaho open meeting law.

Section D. Waiver of Notice. Any commissioner may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a commissioner at any meeting shall constitute a waiver of notice of such meeting by such commissioner, except in case a commissioner shall attend a meeting for express purpose of objecting to the transaction of ~~my~~ any business on the ground that the meeting has not been lawfully called or convened.

Section E. Resolutions or Ordinance. Resolutions or Ordinances adopted by the Agency in connection with the exercise of any of its powers hereunder, or under the Act, may be signed by the Chairman or Vice-Chairman and attested by the Secretary, Vice Chairman or Assistant Secretary, provided that the person who attests shall not be the same person who signs.

ARTICLE 5

OFFICERS

Section A. Number and Qualifications. The officers of the Agency shall be a Chairman, a Vice Chairman, and a Secretary and such other officers as may be determined by the Agency from time-to-time to perform such duties as may be designated by the Agency.

Section B. Election and Term of Office. The officers shall be elected annually by the Agency at the first regular annual meeting of the Agency. Each officer shall hold office until his successor shall have been elected. Any vacancy in any office shall be filled by the Agency by election for the unexpired portion of the term.

Section C. Chairman. The Chairman:

1. Shall be the principal executive officer of the Agency and, unless otherwise determined by the Members of the Agency, shall preside at all meetings of the Agency.
2. May execute any resolutions adopted by the Agency and any documents, certificates, deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Agency to be expressly delegated by the Agency or by the Bylaws to

some other office or agent of the Agency, or shall be required by law to be otherwise made.

3. Shall in general perform all duties incident to the office of the Chairman and such other duties as may be prescribed by the Agency from time-to-time.

Section D. Vice-Chairman. In the absence of the Chairman or, in the event of the Chairman's inability or refusal to act, the Vice-Chairman shall perform the duties of the Chairman, and when so acting shall have all the powers of and be subject to all of the restrictions upon the Chairman. The Vice-Chairman shall also perform such other duties as from time-to-time may be prescribed by the Agency.

Section E. Secretary. The Secretary:

1. Shall keep the minutes of the meetings of the Agency in one or more books kept for that purpose.

2. Shall see that all notices are duly given in accordance with these Bylaws and as required by law.

3. Shall be custodian of the corporate records and of the seal of the Agency, and may affix the seal of the Agency to resolutions, documents, certificates, deeds, mortgages, deeds of trust, notes, bonds, contracts and other instruments, the execution of which on behalf of the Agency under its seal is duly authorized in accordance with the provisions of these Bylaws.

4. Shall keep a register of the names and post office addresses of all commissioners.

5. Shall keep general charge of the books of the Agency.

6. Shall keep on file at all times a complete copy of the Ordinance of the Municipality creating the Agency and the Bylaws of the Agency, containing all amendments thereto (all of which shall be open to the inspection of the members of the Agency at any time and to the public.)

7. May attest any resolutions adopted by the Agency and any documents, certificates, deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Agency to be attested, except in cases in which the attestation thereof shall be expressly delegated by the Agency, or by the Bylaws of the Agency to some other officer or agent of the Agency, or shall be required by law to be otherwise made.

8. Shall in general, perform all duties incident to the office of the Secretary and such other duties as, from time-to-time, may be assigned to the Secretary by the Agency.

ARTICLE 6

QUORUM

A majority of the Agency shall constitute a quorum for the transaction of business.

ARTICLE 7

FINANCIAL TRANSACTIONS

Section A. Contracts. Except as otherwise provided in these Bylaws, the Agency may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Agency, and such authority may be general or confined to specific instances.

Section B Checks, Drafts, etc. All checks, drafts or other orders for payment of monies, and all notes, bonds, or other evidences of indebtedness issued in the name of the Agency shall be signed by such officer or officers, agent or agents, employee or employees of the Agency and in such manner as shall from time-to-time be determined by resolution or ordinance of the Agency.

Section C. Deposits. All funds of the Agency may be deposited from time-to-time to the credit of the Agency in such banks or other financial institution as the Agency may select.

Section D. Fiscal Year. The fiscal year of the Agency shall begin on the first day of October of each and every year and shall end on the last day of September of the following calendar year.

ARTICLE 8

MISCELLANEOUS

Section A. Conflict With the Act. In the event of any conflict between the terms and conditions of these Bylaws and the Act as it may be amended from time to time, the Act shall control.

Section B. Rules and Regulations. The Agency shall have the power to make and adopt such rules and regulations not inconsistent with law, or these Bylaws, as it may deem desirable for the management of the business and affairs of the Agency.

Section C. Accounting System and Reports. The Agency shall cause to be established and maintained, in accordance with generally accepted principles of accounting, an appropriate accounting system.

ARTICLE 9

AMENDMENTS

These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the Ketchum City Council then in office, at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

The foregoing Bylaws were adopted by motion of the Ketchum City Council on the ____ day of February, 2014.

Mayor Nina Jonas

ATTEST:

City Clerk, Sandy Cady



Recorded

**SPECIAL JOINT MEETING
KETCHUM CITY COUNCIL and
PLANNING & ZONING COMMISSION**
Friday, December 6, 2013 at 12:00 p.m.
Ketchum City Hall, Ketchum, Idaho

Present:

Council President Baird Gourlay
Councilor Nina Jonas
Councilor Jim Slanetz
Councilor Michael David

P&Z Co-Chairperson Deborah Burns
P&Z Co-Chairperson Richard Fabiano
P&Z Commissioner Steve Cook
P&Z Commissioner Jeff Lamoureux

Absent: Mayor Randy Hall
P&Z Commissioner Michael Doty

Also Present: Ketchum Planning Manager Joyce Allgaier
Ketchum Senior Planner Rebecca Bundy
Ketchum Planning Assistant Rachel Martin
Ketchum Community and Economic Development Director Lisa Horowitz

The meeting was called to order by Council President Baird Gourlay at 12:08 pm.

Ketchum Planning Manager Joyce Allgaier thanked the Council and Planning Commission for having this meeting and noted that the purpose of the meeting is to communicate the key provisions and direction of the draft Ketchum Comprehensive Plan (the Plan). Ms. Allgaier noted that the planning process had been underway for almost 2 years and the Commission conducted a great deal of citizen outreach and numerous work sessions. The idea of a joint work session between the Council and Commission was the idea of the Commission so that there is greater understanding of the Plan prior to the Commission forwarding it to the Council for adoption. Ms. Allgaier thanked and credited the community advisory board members, Bob Crosby and John Gaeddert, Dave Patrie, Mary Jane Conger, Anne Corrock, Arlene Schieven, Dale Bates and Jerry Seiffert for their assistance with information and review. She also thanked Ketchum city employees Mike Elle, Lara McLean and Jen Smith and the Ketchum Arts Commission.

The comprehensive plan is a community guide and not considered a legal document in the State of Idaho. The City's regulations should serve as a tool to support the ideas within the Plan. The Plan has a vision statement, core community values, policies and goals, and an implementation chapter. During public outreach several themes emerged that are reflected in the chapters of the Plan. Each chapter addresses the themes, challenges, and states goals to address those issues. Background information is in the Community Profile section at the back of the document versus having a great deal of information in the policy and goal chapters.

Commissioner and Co-Chairperson, Deborah Burns noted that she felt the public process was a success and the plan is packed with feedback from the public. She stated that she would like to go chapter by chapter to discuss the plan and get feedback from the Council members, make any final edits and hand over the plan to the City Council. Deborah Burns initiated the review of the Plan chapter by chapter as many of the Council had notes in the Plan document. An executive summary was also available for use.

Councilwoman Nina Jonas asked when the Commission would hand over the document to the Council. Ms. Allgaier stated that she hoped the hand off would happen in the month of December or early January. The Commission conducted one hearing in November and would have one more in January.

Commissioner Cook suggested that for the purpose of this meeting, the Council and Commission strive to focus on the big picture aspects of the document versus individual words. If there are grammatical or typographical errors those should be forwarded to Joyce. Councilwoman Nina Jonas suggested that the document be reviewed by a

professional editor. There was general agreement to do this with the intent to clarify and improve readability, but not change the intent.

Commissioner Deborah Burns stated that each chapter has a vision statement and goals and challenges. The following suggestions were made.

Chapter 2 --

- Education
 - Add Hemmingway Elementary
 - Add public and private schools
 - "In addition to" instead of "beyond" before "College of Southern Idaho"
- E3
 - Add create event venues
 - Replace Bigwood Bread photo with a bike race or other event photo
 - Add maximize use of resources and other organizations i.e., Sustain Blaine

Chapter 3 --

- Vision doesn't speak to the aging population
- Challenges
 - Not lack of affordable housing, just affordable housing
 - Take "well" out of "well above the national average"
- Goal H2
 - Take "these" out of "these entities to fulfill its housing goals"
- Policy H3.2
 - Take elderly out of paragraph top reduce redundancy

Chapter 4 --

- Introduction
 - Change districts to areas
- Vision
 - Change encourage to promote in "encourage high performing building and landscape design"
- Challenges
 - Scale of development
 - Rewrite first paragraph to find a balance between preserving downtown character and not discourage density in the downtown.
 - insufficient wayfinding change to improving wayfinding

Chapter 5 --

- Vision
 - Capitalize Sun Valley
- NR1.1
 - Change federal to private and public
- NR.6
 - Add extra goal that addresses conservation, carbon footprint and greenhouse gas.

Chapter 6 --

- Challenges
 - Remove underserved from parks and program needs to better language
 - Add language about encouraging partnerships to improve parks
- Goal OS4.3
 - Add and "others" after Historical Society

Chapter 7 --

- Vision
 - Add wayfinding as a bullet point or include in other way
- Funding
 - Add lighting
- Goal M3

- o Discussion of the resolution limiting incoming traffic and what that number triggers. Generally the group would like to keep this in.

Chapter 8 –

Lisa Horowitz suggested the need for a master plan regarding the city owned property north of the YMCA, and all city owned property. She also discussed the need for event venue space, indoor and outdoor, which can be added to the challenges section.

Chapter 9 –

- Councilman Gourlay discussed forest and BLM property management to prevent forest fires and the need to lobbying the BLM and the Fed to manage their property.
- Councilwoman Jonas added the need for land management to prevent smoke in the Wood River Valley.

Chapter 10 – No comments

Chapter 11 –

- Lisa Horowitz suggested reintroducing the business leadership program to the community like the one in Park City and Aspen.
- Annie Corrock suggested that the city become a member of the Colorado Association of Ski Towns again, which has an annual 2 day conference.

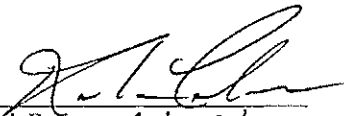
Chapter 12 –

- Annie Corrock suggested expanding the Area of City Impact to include more of River Run. It was noted that this could be done following the comp plan adoption as a new project. This takes coordination with Blaine County and Sun Valley. The group discussed expanding the Area of City Impact to include more of the south highway 75 area.
- Joyce Allgaier commented that the Future Land Use map is “big, generalized land use designations” .

Commissioner Burns suggested that the group schedule a second meeting to go through the implementation chapter and finish up the entire plan joint review and discussion.

Commissioner Burns closed the meeting at 2:02pm.

Nina Jonas
Mayor



Deborah Burns
P&Z Chairman

ATTEST:

Sandra E. Cady, CMC
City Clerk



REGULAR KETCHUM CITY COUNCIL MEETING
Monday, January 21, 2014 at 5:30 p.m.
Ketchum City Hall, Ketchum, Idaho

Present: Mayor Nina Jonas
Council President Michael David
Councilor Anne Corrock
Councilor Baird Gourlay
Councilor Jim Slanetz

Also Present: Ketchum City Administrator Gary Marks
Special City Attorney Cheresé McLain
Ketchum Community and Economic Development Director Lisa Horowitz
Recording Secretary Sunny Grant

1. The meeting was called to order by Mayor Nina Jonas at 5:30pm.

2. Communications from Mayor and Councilors

- Mayor Nina Jonas introduced Councilors and members of Ketchum staff to the public.
- Councilor Jim Slanetz thanked the Parks Department for a great pond hockey tournament.
- Council President Michael David thanked Ketchum Law Enforcement for the job they do.
- Councilor Anne Corrock suggested Ketchum consider live screening Ketchum meetings. Staff will explore options, and may check into the ability to call in during meetings.

3. Appointment of Ketchum Events Commission members

Ketchum Parks and Recreation Director Jen Smith recommended that Ketchum Council confirm nominations of Kevin Jones (co-owner of Sawtooth Brewery), Ryan Kolquist (events coordinator in south Florida for eight years, and now manager of Whiskey Jacques and its entertainment), and Frank Fiaschetti (heavy events background) to the Ketchum Events Commission.

Councilor Baird Gourlay moved to appoint Kevin Jones, Ryan Kolquist and Frank Fiaschetti to the Ketchum Events Commission. Motion seconded by Councilor Jim Slanetz, and passed unanimously.

COMMUNICATIONS FROM THE PUBLIC

4. Communications from the public

Olympic Games in Sochi, Russia

*Also Present: Idaho Chapter of United States Olympians and Paralympians Association President Dick Fosbury
Sun Valley Ski Education Foundation/Nordic Olympic Training Site Exec. Director Rob Clayton*

- Fosbury, on behalf of the Nordic Olympic Training Site, thanked the City of Ketchum for its support of families and friends of Olympians, coaches, and teachers in helping Olympic hopefuls realize their Olympic dream. Blaine County has two athletes going to the 2014 Olympic Games in Sochi, Russia; two others still competing to make the Olympic team; and two Paralympians likely to make the team. There will be a celebration to send off local Olympic athletes later this week at the beginning of the Nordic Festival.
- Phyllis Shafran said Council's meeting packet included a copy of the Urban Renewal Board's bylaws, but bylaws weren't on the agenda.

5. Ketchum Innovation Center Proposal

*Also Present: Ketchum Community Development Corporation Executive Director Jon Duval
Rick Lafave
Sustain Blaine Executive Director Harry Griffith*

Ketchum Community Development Corporation Executive Director Jon Duval presented the Ketchum Innovation Center (KIC). The KCDC supports Ketchum and the local community and their priorities, including development of a diversified year-round economy, assisting small businesses, and attracting smart, young new residents. The KCDC proposes a business incubator and accelerator program in partnership with Sustain Blaine, in a "hub" location that will bring together entrepreneurs, mentors, and investors in a single supportive space to facilitate collaboration and learning from each other as they grow. KIC welcomes interaction with all local businesses and wants to help them grow, which means more employees and a boost to the local economy and sustainability. KIC expects to attract new

residents and businesses through collaboration with organizations in and out of Idaho such as Boise State University Venture College and the Dent Conference. Duval presented KIC's first year budget.

The KCDC proposes the KIC be located in a large stone building in the Light Industrial area. The open floorplan is conducive to businesses working together. The owner will allow flexible rent if KIC will pay annual building expenses. KIC will partner with local companies to provide a fiber optic internet connection, office equipment, building tools for a workshop and office furniture, landscaping and other assorted services from tooling to design.

Interested entrepreneurs are expected to have a flexible business plan, business model and desire to help other entrepreneurs. KIC will provide hack nights, start-up weekends, a weeklong "boot camp" on how to start a business, business plan review and support, short-term space rental, a conference room open to the community, and a Dent Conference in Sun Valley in 2014.

Rick Lafave, who has started four venture incubators to date, supported the Ketchum Innovation Center hub, but didn't think it will work without some level of government support.

Sustain Blaine has been brainstorming about the incubator concept, and will partner with it.

The KCDC asked Ketchum for a service agreement and \$42,000 per year for the next five years. The contribution for the remainder of FY2014 would be pro-rated to \$28,000. The KCDC would enter into a lease with the property owner. There is no long term lease for the KCDC, or the individual tenants. Tenant rent is proposed at \$500 month plus \$100 month per employee. The building can handle about 15 people. If a business is growing well, they can move out.

PUBLIC COMMENT:

- Ryan Timmons is in the process of starting two e-commerce businesses. He thinks this mentorship process would help him and allow him to stay in the community.
- Greg Van Der Meulen works locally for a company located in New Jersey, but is starting his own company. His current location is isolated, and he'd like to be closer to other people so they can share talents and abilities with each other.
- Shawn Phillips said this concept is proposed with genuine concern for the economic vitality of the area, and an incubator hub is a good thing, but hub resources are already available for the price of a cup of coffee. He didn't believe it deserved \$200,000 of municipal funding, at least not until a more legitimate business plan is developed.
- Sheila Plowman said her business making organic snacks is growing quickly, which can be stressful and challenging. She goes to Boise every week for most of her business services; and would prefer to have a hub of local mentors and resources.
- Pam Colesworthy supported the concept. She started a business three years ago that might not have failed had she had the support this program offers. She thought the proposed \$500 rent was steep.
- Jima Rice said this was a no-brainer for Ketchum. The no-rent space is affordable; and \$42,000 annual request is reasonable. She questioned the \$500+ rent. Rice had an incubator for several years and charged \$40/month for a nice space where local entrepreneurs came together for lunches and speakers. Several of the businesses are now quite successful.
- Mickey Garcia said this was a great idea and Council shouldn't debate the small details to get it going. He encouraged Council to make an investment in the future.
- Charles Friedman commended the CDC on doing the work to make this investment opportunity affordable. There is no set rent for the building, so the rent can be reduced if necessary. Since Councilors all supported small business in their campaigns, this is a great opportunity to invest in small business.
- Aimee Christensen has been in business since 2005. When she moved to Ketchum four years ago, she found it difficult to find and hire local services. An incubation center is a great idea to help diversify the economy. Christensen said selecting the people on the advisory board is critical. She suggested value-added focus on companies that relate to expertise already in the valley, such as innovative new ski products.

Council President David recognized benefits beyond the office space. Rent can be adjusted if necessary.

Ketchum City Administrator Gary Marks said Council should be hesitant to make a multi-year commitment at this time; but recommended that Council consider a financial commitment for the incubator for this year at this time.

Councilor Jim Slanetz thought it was a worthwhile project to support for now and see where it goes. He suggested having the building full at \$250 rent would be better than having it half full at \$500 rent. Duval said they would re-evaluate rent when they see how things work out.

Councilor Corrock said the KCDC should become self-sustaining in the future. Perhaps, if the Ketchum Incubator Center is successful, there could be a cap on rent paid to the building owner, with the excess going to the KCDC. Duval said it would be hard to realize market rate rent on the building at this time, even if it's full. KIC is a non-profit effort to support and start businesses. Success would be realized if entrepreneurs move to and stay in Ketchum.

Councilor Gourlay asked if the KIC could find a less expensive location. Duval has researched all available locations for floorplan and expense, and this is a good deal on a perfect location. He thinks it will attract people from outside the area as well as locals; and the program will benefit all local entrepreneurs, including those not renting in the building.

Mayor Jonas was excited about bringing resources together and is willing to invest in an administrative structure. The KCDC will move its offices to the building.

Councilor Corrock was concerned about new businesses moving out of existing places to relocate to the building, if Ketchum is only willing to make a six-month commitment. She asked that the formal proposal contain language about KIC becoming self-sustaining.

Council President David said he was frequently asked how Ketchum was actually supporting small business. KIC is a good answer.

Council President Michael David moved to authorize the expenditure of \$28,000 from the Contingency Fund to fund the KCDC to initiate a business incubator program, subject to reporting from the KCDC during the 2014/2015 budget process. Motion seconded by Councilor Baird Gourlay. In discussion, Councilor Anne Corrock asked if Council should wait until the next regular Council meeting to give KCDC time to find a less expensive location. Duval reiterated that he'd looked at most spaces available and found very few that would work. **Roll call: Council President Michael David yes, Councilor Jim Slanetz yes, Councilor Baird Gourlay yes, Councilor Anne Corrock yes. Motion passed unanimously.**

6. Sun Valley Marketing Alliance Quarterly Report

Also Present: Sun Valley Marketing Alliance Chief Marketing Officer Arlene Schieven

Sun Valley Local Option Tax (LOT) for October 2013 was up 2%; Ketchum was down by 6%, probably still a result of the Beaver Creek Fire. Accommodations in October, November and December were strong. Engagement indicators and website visits started slow but picked up in December, with year-to-date ending up at 21%.

There was no funding to market Boise, which subsequently decreased 6%. Marketing funding was moved to San Francisco to support the new flights, and results increased over 500%. San Francisco is now #2 in website visits. Seattle and Los Angeles are staying strong.

Social media is a small portion of the budget, but all indicators are up. Sun Valley is getting great media ratings, including Top 10 Best Family Destination. The Nordic Festival is the highlight of the Nordic campaign. Six journalists from across the country will be in Sun Valley in early March. The Visitor Model is comprehensive and will deliver a detailed breakdown of visitors and second home owners, how they arrived, etc. Stakeholder Outreach and Membership Drive continue.

The Summer 2014 budget will be set when funds come from the Air Service Board.

Ride Sun Valley has transitioned to an external producer, Mountain Sports International, and will be the third week of June. The US Marathon Nationals are in early July.

PUBLIC COMMENT:

- Jerry Seiffert said it was important to keep downtown Ketchum vibrant to make the visitor experience in Ketchum's Downtown Core as pleasant as possible to keep LOT up. There may be no snow, but Baldy is skiing as well as it ever has; and Galena offers a Nordic trail system as good as any in the country. Ketchum needs to get people here the next eight weeks or the 2015FY budget will be very challenging.
- Sun Valley Marketing Alliance Co-Chair Marty Albertson said Olin Glenne and Steve Cannon had recently joined the SVMA Board. The Advisory Committee is looking for more participation from the business community.

Ketchum City Administrator Gary Marks said the Beaver Creek Fire caused a 4-5% hit on LOT tax collection. LOT tax had been trending up about 5% until the fire, and is only up about 3% now. It will hopefully improve through the rest of 2014.

The Marketing Alliance tries to get people to the website so they can see all Sun Valley has to offer, including activities other than skiing.

COMMUNICATIONS FROM CITY STAFF

7. Discussion on Ketchum Urban Renewal Board Composition

At its previous regular meeting, Ketchum Council extended the URA Board's two at-large Commissioners' terms for a couple months while Council discussed the composition of the URA Board.

Staff suggests Council consider two options: a five-member Board with two elected officials and three at-large positions; or a seven-member Board with three elected officials and four at-large positions.

Councilor Corrock said Council needed to settle once and for all the composition of the URA Board. The problem is that when elected officials resign from the Board, the URA Board appoints replacements, by State Statute, resulting in Ketchum losing elected official influence over the Board. Councilor Corrock suggested a third option was a five-member Board with only the Mayor elected official. She wanted the URA Board to be committed and consistent in attending URA Board meetings. The URA has one meeting a month, and there are usually missing Commissioners. Councilor Gourlay preferred a seven-member Board with a diverse selection of citizens, with at least one being a registered Ketchum voter. City Administrator Marks preferred a seven-member Board, to get a wide variety of expertise, and three elected officials to connect the URA to the City, especially since there is tax money involved. Councilors David and Slanetz agreed.

PUBLIC COMMENT:

- Phyllis Shafran complained about the spotty attendance of URA Board members.
- Jima Rice accused Council of making a procedural error at the previous meeting by appointing URA Commissioners Eagan and Peters for two months instead of elected officials elected at the November election, which meant there were nine members of the URA Board.

Special City Attorney Cheresse McLain said that procedure was correct in that citizen Commissioners' terms were only extended for two months. City Administrator Marks confirmed that all URA Board members' terms were staggered.

8. COMMUNICATIONS FROM THE PRESS

- Mountain Express reporter Eric Avissar asked if Councilor Corrock would prefer to see the Ketchum URA no longer exist.

Councilor Corrock responded no.

9. Recreation and Public Purposes Project Update

Also Present: Kurt Eggers, Project Landscape Architect

Ketchum Parks and Recreation Director Jen Smith updated Council on the River Park at Sun Peak BLM Recreation and Public Purposes Act (R&PP) project. The River Park's goals are habitat restoration, recreation enhancement and flood mitigation. There is also a proposed well site in the Sun Peak day area, trails and connectivity in the south parcel from Warm Springs to River Run.

The BLM paid Ketchum about \$2,500 annually to do minimal seasonal maintenance in the Sun Peak area until last summer. BLM no longer has the money to pay Ketchum for the maintenance.

The project's 60% Level Final Design was presented to the public, and many comments were received. The City's responses to the comment cards will soon be on the City's website. The Mayor signed the Change Order to pay for a FEMA Conditional Letter of Map Revision (CLOMR). Parking design is still being discussed and negotiated. Design meetings are ongoing until final design, expected this summer. Final design will include permitting through all jurisdictional agencies—Blaine County, Department of Water Resources, Army Corps of Engineers, Idaho Department of Environmental Quality, BLM; and engagement with all non-permitting agencies—Blaine County Recreation District, ITD, and Idaho Fish and Game; and will include construction documentation.

The revised Environmental Assessment was submitted to BLM on January 15, 2014. Once finalized by BLM, there will be a 30-day public comment period, concurrent with the 45-day comment period of the BLM Notice of Realty Action (NORA).

Smith has met with several Hulen Meadows residents. All written correspondence is shared with the BLM State Office.

Smith requested Council approval for the 60% level design work. Councilors expressed desire to keep the project moving. Fundraising and a framework for funding is being developed.

Councilor Corrock supports the whitewater park and other project goals, but wants to see and respond to citizen comments. Councilor Corrock also is concerned about future maintenance expense. Smith said the Management Plan is dynamic, as is the resource. S₂O will monitor the whitewater park in operation. Ongoing high-dollar in-stream maintenance in the river and Hulen Meadows Pond will require endowments from the Wood River Land Trust, Ketchum, the whitewater community, downstream homeowners, Higher Ground, the Confluence Fund, etc.

PUBLIC COMMENT:

- Jima Rice distributed packets of information from a Hulen Meadows ad hoc committee, whose members don't agree with all parts of the plan. The packet includes a petition with 100 signatures. Rice said she'd heard there was misinformation about the project, and asked what the misinformation was. She said she'd seen no mention of Hulen Meadows residents' objections to the project. Rice thanked staff for posting maintenance figures on the website, although she didn't think they were all accurate.
- Fred Beguin also asked that staff explain what the misinformation was.

- Hulen Meadows resident Marc Longley approved of the project and encouraged Council to approve the 60% level design.

The design of the river park part of the R&PP project is roughly 60% done. Council approval of the 60% level design will move the project forward. There is still a lot of work to do, including all the permits, and negotiation of site plan, parking, etc.

Councilor Baird Gourlay moved to accept the 60% design level documentation provided by S₂O Design and Engineering on December 18, 2013. Motion seconded by Council President Michael David, and passed unanimously.

Councilor Corrock requested a site visit for Council and staff.

AGREEMENTS AND CONTRACTS

10. FY2013-14 Urban Forest Management Agreement with City of Hailey

Parks and Natural Resources Superintendent Juerg Stauffacher said the cities of Hailey and Ketchum share a computer program that tracks the cities' trees. The two cities also share in other expenses regarding city-owned trees, including an occasional specialist consultant.

Councilor Anne Corrock moved to approve the FY2013-14 Urban Forest Management Agreement with the City of Hailey. Motion seconded by Councilor Jim Slanetz, and passed unanimously.

11. Multiple Project Engineering Service Agreement and Task Order No. 1 for preparation of a bid package for turbo blower installation

Ketchum Public Works Director Robyn Mattison said the City purchased efficient turbo blowers for the aeration process in early 2012 and finally received them. This contract will assist staff to prepare the construction packet to get a contractor to install the turbo blowers. Ketchum received eight responses to an RFP. A selection committee chose HDR.

Councilor Baird Gourlay moved to approve the Multiple Project Agreement for a Professional Services Agreement with HDR, Inc. and Task Order #1 for turbo blower installation design assistance with a not-to-exceed cost of \$8,310.00 (half of which will be paid by the City of Sun Valley). Motion seconded by Council President Michael David, and passed unanimously.

12. CONSENT CALENDAR

- a. Approval of minutes from the January 6, 2014 Council meeting
- b. Recommendation to approve current bills and payroll summary

Council President Michael David moved to approve the Consent Calendar for January 21, 2014. Motion seconded by Councilor Baird Gourlay, and passed unanimously.

13. EXECUTIVE SESSION

Councilor Baird Gourlay moved to go into Executive Session to discuss the Supreme Court ruling and Firefighters Local Union #4758, City of Ketchum, pursuant to Idaho Code §67-2345 1(f) at 8:50p.m. Motion seconded by Council President Michael David. Roll call: Councilor Baird Gourlay yes, Council President Michael David yes, Councilwoman Anne Corrock yes, and Councilman Jim Slanetz yes. Motion passed unanimously.

14. ADJOURNMENT

Councilor Baird Gourlay moved to adjourn at 9:05 p.m. Council President Michael David seconded the motion, and it passed unanimously.

Nina Jonas
Mayor

ATTEST:

Sandra E. Cady, CMC
City Clerk

Report Criteria:

Invoices with totals above \$0 included.
 Paid and unpaid invoices included.
 [Report].GL Account Number = "0110000000"-9449008022,"9910000000"-9911810000"

Vendor Name	Invoice Number	Description	Net Invoice Amount
GENERAL FUND			
01-2171-2000 P/R TAXES PBL--STATE W/H			
STATE TAX COMMISSION	PR0124141	State Withholding Tax Pay Period: 1/24/2014	6,294.00
01-2171-9000 P/R DEDUC PBL--HEALTH INSURANC			
III-A	PR0124141	Health Ins - Family Pay Period: 1/24/2014	105.22
III-A	PR0124141	Health Ins - Employee + 1 Chld Pay Period: 1/24/2014	40.05
III-A	PR0124141	Health Ins - Employee + 1 Chld Pay Period: 1/24/2014	3,495.90
III-A	PR0124141	Health Ins - Employee + 2 Chld Pay Period: 1/24/2014	103.70
III-A	PR0124141	Health Ins - Employee + 2 Chld Pay Period: 1/24/2014	10,833.12
III-A	PR0124141	Health Ins - Family Pay Period: 1/24/2014	157.83
III-A	PR0124141	Health Ins - Family Pay Period: 1/24/2014	7,796.34
III-A	PR0124141	Health Ins - Family Pay Period: 1/24/2014	10,395.12
III-A	PR0124141	Health Ins - Employee Pay Period: 1/24/2014	17,640.00
III-A	PR0124141	Health Ins - Employee + Spouse Pay Period: 1/24/2014	223.16
III-A	PR0124141	Health Ins - Employee + Spouse Pay Period: 1/24/2014	16,814.16
III-A	PR0124141	Health Ins - Family Pay Period: 1/24/2014	631.32
III-A	PR0124141	Health Ins - Family Pay Period: 1/24/2014	28,586.58
01-2172-1000 P/R DEDUC PBL--AFLAC INSURANCE			
AFLAC	PR0124141	AFLAC After-Tax Pay Period: 1/24/2014	198.83
AFLAC	PR0124141	AFLAC Pre-Tax Pay Period: 1/24/2014	754.78
01-2172-2000 P/R DEDUC PBL--LIFE & L.T.DISB			
LifeMap Billing	PR0124141	Long Term Disability Pay Period: 1/24/2014	1,155.49
01-2172-3000 P/R DEDUC PBL--DELTA DENTAL			
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - 1 Child Pay Period: 1/24/2014	198.44
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - Employee Pay Period: 1/24/2014	823.84
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - Spouse Pay Period: 1/24/2014	148.56
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - Spouse Pay Period: 1/24/2014	565.40
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - Family Pay Period: 1/24/2014	739.52
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - Family Pay Period: 1/24/2014	1,019.15
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - 2+ Child Pay Period: 1/24/2014	91.71
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - 2+ Child Pay Period: 1/24/2014	217.28
DELTA DENTAL PLAN OF IDAH	PR0124141	Dental Insurance - 1 Child Pay Period: 1/24/2014	69.28
01-2173-3000 P/R DEDUC PBL--PEBSO			
NATIONWIDE RETIREMENT SOL	PR0124141	Nationwide - 0026904-001 Pay Period: 1/24/2014	716.63
01-2174-0000 P/R DEDUC PBL--GARNISHMENTS			
CHILD SUPPORT SERVICES	PR0124141	Child Support Pay Period: 1/24/2014	269.68
01-2175-0000 P/R DEDUC PBL--PIONEER FED.CR.			
PIONEER FEDERAL CREDIT UNI	PR0124141	Pioneer Federal Credit Union Pay Period: 1/24/2014	2,350.00
01-2175-8000 P/R DEDUC PBL--EMPLOYEE CAF-MD			
NBS-NATIONAL BENEFIT SERVI	PR0124141	125 Medical Savings Pay Period: 1/24/2014	1,071.79
01-2175-9000 P/R DEDUC PBL--EMPLOYEE CAF-DC			
NBS-NATIONAL BENEFIT SERVI	PR0124141	125 Dependant Care Pay Period: 1/24/2014	650.00
Total :			114,156.88

LEGISLATIVE & EXECUTIVE

01-4110-3100 OFFICE SUPPLIES & POSTAGE

UNIFIED OFFICE SERVICES	176955	Name Plate	17.05
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Vendor Name	Invoice Number	Description	Net Invoice Amount
01-4110-4200 PROFESSIONAL SERVICES			
COPY CENTER	453	P&Z Maps	168.00
01-4110-4910 MYR/CNCL-TRAINING/TRAVEL/MTG			
JONAS, NINA	012214	Lunch Meeting Reimbursment	47.26
01-4110-5100 TELEPHONE & COMMUNICATIONS			
VERIZON WIRELESS, BELLEVUE	9718316843	ACCT. 365459737-00001	40.01
Total LEGISLATIVE & EXECUTIVE:			272.32

ADMINISTRATIVE SERVICES**01-4150-3100 OFFICE SUPPLIES & POSTAGE**

COPY & PRINT, L.L.C.	010714	Toner	61.64
COPY & PRINT, L.L.C.	55681	Office Supplies	8.22
COPY & PRINT, L.L.C.	55803	Toner	58.99
COPY & PRINT, L.L.C.	55819	Office Supplies	54.97
COPY & PRINT, L.L.C.	55825	Office Supplies	167.68
GREAT AMERICA LEASING COR	14738983	Copier Charges	69.48
INTEGRATED TECHNOLOGIES	C1X398	Copier Maintenance	49.86
INTEGRATED TECHNOLOGIES	C1X419	Copier Maintenance	12.22
UNIFIED OFFICE SERVICES	176385	Office Supplies	43.91
UNIFIED OFFICE SERVICES	176505	Stamp	21.95

01-4150-4200 PROFESSIONAL SERVICES

GRANT, SUZANNE	012114	CC Minutes 01/21/14	292.50
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01-4150-4800 DUES, SUBSCRIPTIONS & MEMBERSH

INTERNATIONAL INSTITUTE OF	121213	Annual Membership - Sandra Cady	145.00
INTERNATIONAL INSTITUTE OF	121313	Membership Dues - Patricia Bennett	85.00

01-4150-5100 TELEPHONE & COMMUNICATIONS

CENTURY LINK	2087260034189	ACCT. L-208-726-0034 189M	906.31
CENTURY LINK	2087275060239	ACCT. 208-727-5060 239b	14.69
CENTURY LINK	2087880257262	ACCT. L-208-788-0257 262M	389.35
COX COMMUNICATIONS	1240102722230	ACCT. 001 2401 027222301	225.00
VERIZON WIRELESS, BELLEVUE	9718316843	ACCT. 365459737-00001	58.61

01-4150-5200 UTILITIES

IDAHO POWER	2203990334-01	ACCT. 2203990334	126.22
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Total ADMINISTRATIVE SERVICES:

2,791.60

COMMUNITY PLANNING/DEVELOPMENT**01-4170-3100 OFFICE SUPPLIES & POSTAGE**

COPY & PRINT, L.L.C.	55681	Office Supplies	16.44
GREAT AMERICA LEASING COR	14738983	Copier Charges	138.96
INTEGRATED TECHNOLOGIES	C1X398	Copier Maintenance	99.72
INTEGRATED TECHNOLOGIES	C1X419	Copier Maintenance	24.44

01-4170-4200 PROFESSIONAL SERVICES

COPY CENTER	453	P&Z Maps	84.00
GALENA ENGINEERING, INC.	1318.153-01/14	Plat Checks	258.75
GRANT, SUZANNE	011314	P&Z Minutes 01/13/14	112.50

Vendor Name	Invoice Number	Description	Net Invoice Amount
01-4170-4267 PROFESSIONAL SVC-COMP PLAN			
CLARION	5656	Comp Plan	450.00
COPY CENTER	483	Zoning Maps	126.00
01-4170-4800 DUES, SUBSCRIPTIONS & MEMBERSH			
ALLEN BEST	011414	Subscription to Mountain Town News	45.00
01-4170-4860 DUES,SUBSCRIPTNS,MEMBRSP-HOTEL			
IDAHO ECONOMIC DEVELOPME	626	Lisa Horowitz IEDA Membership	250.00
Total COMMUNITY PLANNING/DEVELOPMENT:			1,605.81
CONTINGENCY			
01-4193-9930 GENERAL FUND OP. CONTINGENCY			
GALENA ENGINEERING, INC.	1318.94.1	Street Light Project	159.52
SUN VALLEY EVENTS	492	NBS Summit Hours	2,000.00
Total CONTINGENCY:			2,159.52
BUILDING			
01-4240-3200 OPERATING SUPPLIES			
COPY & PRINT, L.L.C.	55681	Office Supplies	6.16
GREAT AMERICA LEASING COR	14738983	Copier Charges	52.11
INTEGRATED TECHNOLOGIES	C1X398	Copier Maintenance	37.45
INTEGRATED TECHNOLOGIES	C1X419	Copier Maintenance	9.17
Total BUILDING:			104.89
Total GENERAL FUND:			121,091.02
WAGON DAYS FUND			
WAGON DAYS EXPENDITURES			
02-4530-4200 PROFESSIONAL SERVICES			
SUN VALLEY EVENTS	492	Wagon Days Hours	1,000.00
SUN VALLEY EVENTS	492	Constant Contact	60.00
CODY ALRED	110713	Wagon Days Teams	400.00
Total WAGON DAYS EXPENDITURES:			1,460.00
Total WAGON DAYS FUND:			1,460.00
STREET MAINTENANCE FUND			
STREET			
04-4310-2800 STATE UNEMPLOYMENT INSURANCE			
IDAHO DEPARTMENT OF LABO	010914	Unemployment	3,094.60
04-4310-3200 OPERATING SUPPLIES			
CHATEAU DRUG CENTER	1146308	Supplies	48.40
DAVIS EMBROIDERY	22158	Uniforms	519.68
FASTENAL COMPANY	IDJER46177	Parts & Supplies	809.98
RIVER RUN AUTO PARTS	6538-68835	Supplies	30.00
TREASURE VALLEY COFFEE IN	2160:03472725	COFFEE	93.55

Vendor Name	Invoice Number	Description	Net Invoice Amount
04-4310-3500 MOTOR FUELS & LUBRICANTS			
UNITED OIL	369496	ACCT. 37269	514.25
UNITED OIL	754116	ACCT. 37269	4,287.24
04-4310-4200 PROFESSIONAL SERVICES			
JOE'S BACKHOE SERVICES	16122	Snow Hauling	1,987.50
LUNCEFORD EXCAVATION, INC.	5174	Snow Hauling	412.50
WESTERN STATES EQUIPMENT	MR000510714	Rental Equipment	5,202.00
04-4310-5100 TELEPHONE & COMMUNICATIONS			
VERIZON WIRELESS, BELLEVUE	9718316843	ACCT. 365459737-00001	93.37
WHITE CLOUD COMMUNICATIO	75936	Mobile Radios	150.50
04-4310-5200 UTILITIES			
IDAHO POWER	2204882910	ACCT. 2204882910	596.23
04-4310-6000 REPAIR & MAINT--AUTOMOTIVE EQU			
NAPA AUTO PARTS	766054	Supplies	96.46
NAPA AUTO PARTS	766103	Supplies	6.66
RIVER RUN AUTO PARTS	6538-68736	Supplies	10.92
RIVER RUN AUTO PARTS	6538-68755	Parts & Supplies	11.39
RIVER RUN AUTO PARTS	6538-68760	Supplies	4.03
04-4310-6100 REPAIR & MAINT--MACHINERY & EQ			
A.C. HOUSTON LUMBER CO.	14-365498	Supplies	6.59
A.C. HOUSTON LUMBER CO.	14-365582	Supplies	16.49
A.C. HOUSTON LUMBER CO.	14-365590	Supplies	4.13
COLOR HAUS, INC.	146595	Paint	17.92
EASY PACK INC	170290	Shipping	12.01
FREIGHTLINER OF IDAHO	146164	Parts & Supplies	68.86
K & T STEEL CORP.	16087	Parts & Supplies	95.13
NAPA AUTO PARTS	764524	Supplies	33.33-
NAPA AUTO PARTS	765827	Supplies	23.28
NAPA AUTO PARTS	765861	Supplies	20.78
NAPA AUTO PARTS	766057	Supplies	302.72
NAPA AUTO PARTS	766074	Supplies	59.00
NAPA AUTO PARTS	766717	Supplies	77.57
PIPECO, INC.	129796	Supplies	9.34
PIPECO, INC.	129802	Supplies	6.91
PIPECO, INC.	129814	Supplies	12.82
RIVER RUN AUTO PARTS	6538-68682	Supplies	20.28
THORNTON HEATING	21997	Heater Repairs	554.30
WESTERN STATES EQUIPMENT	PC040208675	Supplies	84.67
WESTERN STATES EQUIPMENT	PC040208825	Parts	98.95
WESTERN STATES EQUIPMENT	PC040208826	Parts	2,070.69
WOOD RIVER WELDING, INC.	155296	Services	29.20
WOOD RIVER WELDING, INC.	155324	Supplies	40.88
04-4310-6910 OTHER PURCHASED SERVICES			
AMERIPRIDE LINEN	2400290149	ACCT. 241076800	68.80
AMERIPRIDE LINEN	2400291920	ACCT. 241076800	32.61
04-4310-6930 STREET LIGHTING			
EASY PACK INC	170297	Shipping	70.34
IDAHO POWER	2204882910	ACCT. 2204882910	767.39
SUN VALLEY LIGHTING	129530	Street Lights	1,268.79

Vendor Name	Invoice Number	Description	Net Invoice Amount
04-4310-6950 MAINTENANCE & IMPROVEMENTS			
A.C. HOUSTON LUMBER CO.	14-366038	Supplies	12.37
COLOR HAUS, INC.	146420	Paint	112.39
COLOR HAUS, INC.	146526	Paint Supplies	41.62
Total STREET:			23,942.76
Total STREET MAINTENANCE FUND:			23,942.76
FIRE & RESCUE FUND			
FIRE & RESCUE			
10-4230-3200 OPERATING SUPPLIES			
COPY & PRINT, L.L.C.	55681	Office Supplies	3.09
GREAT AMERICA LEASING COR	14738983	Copier Charges	26.10
INTEGRATED TECHNOLOGIES	C1X398	Copier Maintenance	18.70
INTEGRATED TECHNOLOGIES	C1X419	Copier Maintenance	4.59
LUTZ RENTALS	33505	Propane	8.98
OLIVER, MARK	141	Fire Department Poster	725.00
WATTS HYDRAULIC & REPAIR	137675	Supplies	34.00
10-4230-3500 MOTOR FUELS & LUBRICANTS			
CHEVRON AND TEXACO CARD	KU091-1/14	Acct. KU091	77.20
UNITED OIL	754114	ACCT. 37267	165.19
10-4230-4900 PERSONNEL TRAINING/TRAVEL/MTG			
CHATEAU DRUG CENTER	1145924	Supplies	3.79
10-4230-5100 TELEPHONE & COMMUNICATIONS			
UNITED COMMUNICATIONS CO	797105	Supplies	346.65
VERIZON WIRELESS, BELLEVUE	9718351185	ACCT. 765494480-00001	83.82
WHITE CLOUD COMMUNICATIO	75856	Parts & Supplies	58.13
10-4230-6000 REPAIR & MAINT--AUTOMOTOVE EQU			
HUGHES FIRE EQUIPMENT, INC.	483112	Repairs to Pumper	561.09
FIRE INNOVATIONS, LLC	13-566404	Supplies	1,087.99
10-4230-6910 OTHER PURCHASED SERVICES			
SUN VALLEY COMPANY	157711	Forest Service Fees	51.50
SUN VALLEY COMPANY	157762	annual Rent 2014	616.67
Total FIRE & RESCUE:			3,872.49
Total FIRE & RESCUE FUND:			3,872.49
AMBULANCE SERVICE FUND			
AMBULANCE SERVICE			
14-4260-3200 OPERATING SUPPLIES			
BOUNTREE MEDICAL	1315253	Supplies	7.99
BOUNTREE MEDICAL	81300205	Supplies	511.43
BOUNTREE MEDICAL	81302084	Supplies	131.55
BOUNTREE MEDICAL	81303048	Supplies	3.84
COPY & PRINT, L.L.C.	55681	Office Supplies	3.08
GREAT AMERICA LEASING COR	14738983	Copier Charges	26.09
INTEGRATED TECHNOLOGIES	C1X398	Copier Maintenance	18.69
INTEGRATED TECHNOLOGIES	C1X419	Copier Maintenance	4.58
LUTZ RENTALS	33505	Propane	8.97

Vendor Name	Invoice Number	Description	Net Invoice Amount
NORTH AMERICAN RESCUE	142834	Supplies	52.20
OLIVER, MARK	141	Fire Department Poster	725.00
ST. LUKES	IW242	Medical & Pharmacy Supplies	761.39
WATTS HYDRAULIC & REPAIR	137675	Supplies	34.00
14-4260-3500 MOTOR FUELS & LUBRICANTS			
CHEVRON AND TEXACO CARD	KU091-1/14	Acct. KU091	77.19
UNITED OIL	754114	ACCT. 37267	381.29
14-4260-4900 PERSONNEL TRAINING/TRAVEL/MTG			
DEPT. OF HEALTH & WELFARE	64935	Services	75.00
FELDMAN, RICHARD	012114	CPR Class	24.75
MARTIN, GREG	012314	CPR Recertification	24.95
NURGE, DON	012314	CPR Recert Class	24.95
KAPLAN FIRE & EMS DIVISION	13735	Training	675.00
REBECCA RUSCH	011414	CPR Recert	24.95
ANJA SUNDALI	012014	EMT Exams	220.00
14-4260-5100 TELEPHONE & COMMUNICATIONS			
UNITED COMMUNICATIONS CO	797105	Supplies	346.66
VERIZON WIRELESS, BELLEVUE	9718351185	ACCT. 765494480-00001	109.34
WHITE CLOUD COMMUNICATIO	75856	Parts & Supplies	58.12
14-4260-6910 OTHER PURCHASED SERVICES			
SUN VALLEY COMPANY	157711	Forest Service Fees	51.50
SUN VALLEY COMPANY	157762	annual Rent 2014	616.67
Total AMBULANCE SERVICE:			4,999.18
Total AMBULANCE SERVICE FUND:			4,999.18
PARKS AND RECREATION FUND			
PARKS AND RECREATION			
18-4510-3100 OFFICE SUPPLIES & POSTAGE			
OFFICE VALUE	450639-001	Office Supplies	51.98
18-4510-3200 OPERATING SUPPLIES			
CHATEAU DRUG CENTER	1140798	Supplies	58.80
CHATEAU DRUG CENTER	1145811	Supplies	39.84
18-4510-3250 RECREATION SUPPLIES			
CHATEAU DRUG CENTER	1140798	Supplies	18.97
18-4510-3500 MOTOR FUELS & LUBRICANTS			
LUTZ RENTALS	33322	Propane	17.95
LUTZ RENTALS	33381	Propane	29.78
LUTZ RENTALS	33391	Propane	21.62
LUTZ RENTALS	33412	Propane	10.61
LUTZ RENTALS	33413	Propane	11.02
LUTZ RENTALS	33460	Propane	29.78
UNITED OIL	754115	ACCT. 37268	215.30
18-4510-4800 DUES, SUBSCRIPTIONS & MEMBERSH			
BMI	24439511	License Fee	294.30
18-4510-5100 TELEPHONE & COMMUNICATIONS			
VERIZON WIRELESS, BELLEVUE	9718316843	ACCT. 365459737-00001	74.27

Vendor Name	Invoice Number	Description	Net Invoice Amount
18-4510-5200 UTILITIES			
IDAHO POWER	2203313446-01	ACCT. 2203313446	5.45
18-4510-6100 REPAIR & MAINT--MACHINERY & EQ			
LES SCHWAB	11700130742	Gator Tire	34.94
18-4510-6950 MAINTENANCE & IMPROVEMENTS			
A.C. HOUSTON LUMBER CO.	14-365508	Supplies	21.38
A.C. HOUSTON LUMBER CO.	14-365807	Supplies	5.26
Total PARKS AND RECREATION:			941.25
Total PARKS AND RECREATION FUND:			941.25
LOCAL OPTION SALES TAX FUND			
LOCAL OPTION SALES TAX			
22-4910-9930 LOT FUND OP. CONTINGENCY			
SUN VALLEY MARKETING ALLI	4607	Visitor Center Rent	1,500.00
Total LOCAL OPTION SALES TAX :			1,500.00
Total LOCAL OPTION SALES TAX FUND:			1,500.00
UNDERGROUNDING IMPROVEMENT FND			
UNDERGROUNDING EXPENDITURES			
UNDERGROUNDING			
50-4800-7179 5TH STREET UNDERGROUNDING			
C & R ELECTRIC, INC.	69433	Undergrounding	271.21
Total UNDERGROUNDING EXPENDITURES:			271.21
Total UNDERGROUNDING IMPROVEMENT FND:			271.21
WATER FUND			
WATER EXPENDITURES			
63-4340-3120 DATA PROCESSING -- ADMIN			
BILLING DOCUMENT SPECIALIS	23121	Statement Processing for Utility Billing	474.03
63-4340-3200 OPERATING SUPPLIES			
AMERIPRIDE LINEN	2400293049	ACCT. 241076901	19.16
AMERIPRIDE LINEN	2400293050	ACCT. 241076900	68.99
CHATEAU DRUG CENTER	1143074	Supplies	24.66
D AND B SUPPLY	11041-01/21/14	Uniforms -- Acct. 11041	201.46
63-4340-3400 MINOR EQUIPMENT			
PIPECO, INC.	129779	Supplies	81.52
63-4340-3500 MOTOR FUELS & LUBRICANTS			
LUTZ RENTALS	33343	Propane	60.35
RIVER RUN AUTO PARTS	6538-68617	Supplies	5.50
UNITED OIL	754118	ACCT. 37271	687.99
63-4340-3800 CHEMICALS			
GEM STATE WELDERS SUPPLY,I	E237566	Chemicals	243.00
USA BLUEBOOK	233601	Parts & Supplies	340.00

Vendor Name	Invoice Number	Description	Net Invoice Amount
63-4340-5100 TELEPHONE & COMMUNICATIONS			
CENTURY LINK	2087250715195	ACCT. 208-725-0715 195B	108.15
CENTURY LINK	2087255045103	ACCT. 208-725-5045 103b	47.16
COX COMMUNICATIONS	1240120518800	ACCT. 001 2401 205188001	91.39
VERIZON WIRELESS, BELLEVUE	9718223111	ACCT. 965494438-00001	148.03
VERIZON WIRELESS, BELLEVUE	9718316997	ACCT. 365516521-00001	102.57
63-4340-5200 UTILITIES			
COLUMBIA ELECTRIC SUPPLY	8819-527630	Supplies	162.46
USA BLUEBOOK	245884	Parts & Supplies	120.37
63-4340-6000 REPAIR & MAINT-AUTO EQUIP			
BURKS TRACTOR COMPANY, IN	35301	Parts	107.37
NAPA AUTO PARTS	766705	Supplies	26.34
63-4340-6100 REPAIR & MAINT-MACH & EQUIP			
COLUMBIA ELECTRIC SUPPLY	8819-527573	Supplies	803.42
SHERWIN-WILLIAMS CO.	3979-1	Paint & Supplies	47.17
USA BLUEBOOK	233601	Parts & Supplies	115.32
Total WATER EXPENDITURES:			4,086.41
Total WATER FUND:			4,086.41
WATER CAPITAL IMPROVEMENT FUND			
WATER CIP EXPENDITURES			
64-4340-7600 MACHINERY AND EQUIPMENT			
COLUMBIA ELECTRIC SUPPLY	8819-527630	Supplies	923.00
WAITE ELECTRIC CO.	31435	Dip & Bake	90.00
64-4340-7800 CONSTRUCTION			
LUNCEFORD EXCAVATION, INC.	5206	Backfill Water Leak	400.00
Total WATER CIP EXPENDITURES:			1,413.00
Total WATER CAPITAL IMPROVEMENT FUND:			1,413.00
WASTEWATER FUND			
WASTEWATER EXPENDITURES			
65-4350-3120 DATA PROCESSING -- ADMIN			
BILLING DOCUMENT SPECIALIS	23121	Statement Processing for Utility Billing	711.04
65-4350-3200 OPERATING SUPPLIES			
AMERIPRIDE LINEN	2400293049	ACCT. 241076901	19.16
CHATEAU DRUG CENTER	1147052	Supplies	12.81
D AND B SUPPLY	11041-01/21/14	Uniforms -- Acct. 11041	91.49
65-4350-3500 MOTOR FUELS & LUBRICANTS			
UNITED OIL	754117	ACCT. 37270	92.02
65-4350-5100 TELEPHONE & COMMUNICATIONS			
COX COMMUNICATIONS	1240120518800	ACCT. 001 2401 205188001	91.38
VERIZON WIRELESS, BELLEVUE	9718223111	ACCT. 965494438-00001	226.48

Vendor Name	Invoice Number	Description	Net Invoice Amount
65-4350-5200 UTILITIES			
IDAHO POWER	2202158701-01	ACCT. 2202158701	14,820.90
65-4350-6100 REPAIR & MAINT-MACH & EQUIP			
McMASTER-CARR SUPPLY CO.	70808744	Supplies	238.62
PLATT	B499004	Credit	29.44-
SHERWIN-WILLIAMS CO.	3979-1	Paint & Supplies	61.13
SHERWIN-WILLIAMS CO.	3981-7	Supplies	35.48
WOOD RIVER LOCK SHOP	4896	Service Call	581.99
65-4350-6900 COLLECTION SYSTEM SERVICES/CHA			
COX COMMUNICATIONS	1240120518800	ACCT. 001 2401 205188001	32.25
SHERWIN-WILLIAMS CO.	3979-1	Paint & Supplies	16.64
UNITED OIL	754117	ACCT. 37270	97.30
VERIZON WIRELESS, BELLEVUE	9718223111	ACCT. 965494438-00001	33.10
Total WASTEWATER EXPENDITURES:			17,132.35
Total WASTEWATER FUND:			17,132.35
Grand Totals:			180,709.67

Report Criteria:

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

[Report].GL Account Number = "0110000000"- "9449008022", "9910000000"- "9911810000"

IN RE:)
)
 Connorriley Townhomes) **KETCHUM CITY COUNCIL -**
 Preliminary Plat) **FINDINGS OF FACT,**
) **CONCLUSIONS OF LAW AND DECISION**
)
 File Number: 13-118)

BACKGROUND FACTS

APPLICANTS: Connorriley LLC

REPRESENTATIVE: Bruce Smith, Alpine Enterprises, Inc.

REQUEST: Preliminary plat approval for a two (2) unit, detached townhouse development with each building on a separate subplot.

LOCATION: 203 Sabala Street (Ketchum FR NWSE, Tax Lot 2573, SEC 13 4N 17E)

ZONING: General Residential – Low Density (GR-L)

NOTICE: Adjacent property owners and outside agencies/political subdivisions were mailed notice on December 30, 2013.

REVIEWER: Rebecca F. Bundy, Senior Planner

Regulatory Taking Notice: Applicant has the right, pursuant to section 67-8003, Idaho Code, to request a regulatory taking analysis.

GENERAL FINDINGS OF FACT

1. The applicant is requesting preliminary plat approval for a two (2) unit, detached townhouse development with each building on a separate subplot.
2. Each unit is 2,816 square feet in size, including the attached two car garage. Each unit is two (2) stories tall. The units are under construction and are substantially complete at this time.
3. The Planning and Zoning Commission considered this preliminary plat application at their meeting on January 13, 2014 and unanimously recommended approval to the City Council, subject to Conditions 1-7 below.

4. The project received design review approval from the Planning and Zoning Commission, with findings of fact signed on April 22, 2013. All design review conditions of approval will be inspected by Planning Division staff prior to issuance of certificates of occupancy for the units.
5. No public comments were received regarding this application.
6. City department comments are limited to those already incorporated into the design review conditions of approval, with the exception of comments from the Street Department. Brian Christiansen, Street Department Superintendent, met with the applicant on site on January 6, 2014 to inspect the driveways and drainage. He commented that, "The ROW at the South East corner of the property needs improvement. A drainage swale needs to be established from the edge of the driveway 50 feet around the corner and up the hill onto the Williams street side. We are looking for at least 4% slope off the edge of the asphalt and the bottom of the swale should be approximately 6 feet from the edge of the asphalt. It is not practical to accomplish the work now so spring will be ok..." To addresses this issue, Condition #1 requires that, "Prior to the City Clerk's signing of the final plat, all requirements of the Street Department shall be met, or a security deposit in the amount of 150% of the cost of the improvements shall be submitted to the Planning Division to ensure completion of the required work."
7. Attachments to the February 3, 2014 staff report:
 - A. Application, submitted December 13, 2013, including:
 - Application Form
 - DRAFT Townhome Declaration of Covenants, Conditions and Restrictions for Connorriley Townhomes
 - B. Reduced scale preliminary plat, dated January 6, 2014. (Full-sized plat is also available.)
 - C. Connorriley Townhomes Preliminary Plat Findings of Fact, signed January 27, 2014.

APPLICABLE EVALUATION STANDARDS FROM TITLE 16, CHAPTER 16.04

16.04.070 TOWNHOUSES.

B. Owner's Documents. The subdivider of the townhouse project shall submit with the preliminary plat application a copy of the proposed party wall agreement and any proposed document(s) creating an association of owners of the proposed townhouse sublots, which shall adequately provide for the control and maintenance of all commonly held facilities, garages, parking and/or open spaces. Prior to final plat approval, the subdivider shall submit to the city a final copy of said documents and shall file said documents prior to recordation of the plat, which shall reflect the recording instrument numbers.

Findings: The applicant has made a complete preliminary plat application including draft CC&R's. The final documents shall be recorded with the final plat.

Conclusion: This standard has been met.

C. Preliminary Plat Procedure.

1. The subdivider may apply for preliminary plat approval from the commission pursuant to Section 16.04.030.D herein at the time application is made for design review approval pursuant to Chapter 17.96. The Commission may approve, deny or conditionally approve said preliminary plat upon consideration of the action taken on the application for design review of the project.

Staff Analysis: The project has received design review approval from the Commission (findings of fact signed on April 22, 2013) and townhouse subdivision preliminary plat approval (findings of fact signed January 27, 2014).

Recommendation: This standard has been met.

2. The preliminary plat, other data, and the commission's findings shall not be transmitted to the council until construction of the project has commenced under a valid building permit issued by the Ketchum building inspector. The council shall act on the preliminary plat pursuant to Section 16.04.030.E.

Findings: The project has commenced under building permit application #13-025 and is substantially complete at this time.

Conclusion: This standard has been met.

D. Final Plat Procedure.

1. The final plat procedure contained in Section 16.040.030.F herein shall be followed. However, the final plat shall not be signed by the City Clerk and recorded until the townhouse has received:

- a. An approved life safety inspection for the building shell and all common areas from the Ketchum Building Official; and,
- b. Completion of all design review elements as approved by the Planning and Zoning Administrator.

2. The Council may accept a security agreement for any design review elements not completed on a case by case basis pursuant to Section 17.96.120.

Findings: This application is for preliminary plat.

Conclusion: This standard does not apply to the preliminary plat application.

E. Garage. All garages shall be designated on the preliminary and final plats and on all deeds as part of the particular townhouse units. Detached garages may be platted on separate sublots, provided that the ownership of detached garages is tied to specific townhouse units on the townhouse plat and in any owner's documents and that the detached garage(s) may not be sold and/or owned separate from any dwelling unit(s) within the townhouse development.

Findings: Each unit has an attached garage, and the garages are tied to each unit.

Conclusion: This standard has been met.

- F. **General Applicability.** All other provisions of this chapter and all applicable ordinances, rules and regulations of the city and all other governmental entities having jurisdiction shall be complied with by townhouse subdivisions.

Findings: All other ordinances and regulations shall be followed.

Conclusion: This standard shall be met.

CONCLUSIONS OF LAW

1. The City of Ketchum is a municipal corporation organized under Article XII of the Idaho Constitution and the laws of the State of Idaho, Title 50, Idaho Code.
2. Under Chapter 65, Title 67 of the Idaho Code, the City has passed a land use and subdivision ordinance, Title 16.
3. The City of Ketchum Planning Division provided adequate notice of the time, place and summary of the applicant's proposal to be heard by the Commission for review of this application.
4. The proposed preliminary plat **does** meet the standards of approval under Title 16, Chapter 16.04, subject to conditions of approval.
5. This approval is given for the preliminary plat of Connoriley Townhomes Subdivision, plans dated January 6, 2014, by Alpine Enterprises, Inc.

DECISION

THEREFORE, the Ketchum City Council **approves** this preliminary plat application this 3rd day of February, 2014, subject to the following conditions:

1. Prior to the City Clerk's signing of the final plat, all requirements of the Street Department shall be met, or an estimate for the work, approved by the Street Department, and a security deposit in the amount of 150% of the cost of the improvements shall be submitted to the Planning Division to ensure completion of the required work.
2. The Covenants, Conditions and Restrictions (CC&R's) shall be simultaneously recorded with the final plat, and the City will not now, nor in the future, determine the validity of the CC&R's;
3. This approval is given for the preliminary plat of Sublots 1 and 2, Connoriley Townhomes plans dated January 6, 2014, by Alpine Enterprises, Inc.;

4. The failure to obtain final plat approval by the Council of an approved preliminary plat within one (1) year after approval by the Council shall cause all approvals of said preliminary plat to be null and void;
5. The recorded plat shall show a minimum of two Blaine County Survey Control Monuments with ties to the property and an inverse between the two monuments. The Survey Control Monuments shall be clearly identified on the face of the map;
6. An electronic CAD file shall be submitted to the City of Ketchum prior to final plat signature by the City Clerk. The electronic CAD file shall be submitted to the Blaine County Recorder's office concurrent with the recording of the Plat containing the following minimum data:
 - a. Line work delineating all parcels and roadways on a CAD layer/level designated as "parcel";
 - b. Line work delineating all roadway centerlines on a CAD layer/level designated as "road"; and,
 - c. Line work that reflects the ties and inverses for the Survey Control Monuments shown on the face of the Plat shall be shown on a CAD layer/level designated as "control"; and,
7. All information within the electronic file shall be oriented and scaled to Grid per the Idaho State Plane Coordinate System, Central Zone, NAD1983 (1992), U.S. Survey Feet, using the Blaine County Survey Control Network. Electronic CAD files shall be submitted in a ".dwg", ".dgn" or ".shp" format and shall be submitted digitally to the City on a compact disc. When the endpoints of the lines submitted are indicated as coincidental with another line, the CAD line endpoints shall be separated by no greater than 0.0001 drawing units.

Findings of Fact **adopted** this 3rd day of February, 2014.

Nina Jonas
Mayor

STATE OF IDAHO)
) ss.
County of Blaine)

On this 3rd day of January, 2014, before me, the undersigned, a Notary Public in and for said State, personally appeared Nina Jonas, known or identified to me to be the person whose name is subscribed to the within instrument.

WITNESS my hand and seal the day and year in this certificate first above written.

Notary Public for Idaho
Residing at:
Commission Expires: