



City of Ketchum

January 30, 2019

To the Ketchum Community:

How can the light industrial zone be preserved and invigorated while providing an opportunity for the housing needed in the community? Last week, the city hosted 160 attendees at open houses held at the Limelight Hotel to answer this question. The city shared its vision for the light industrial area (LI) developed thus far and which positions the LI needs – as the place for businesses and housing – to secure a sustainable and diverse future for Ketchum. Open house participants conversed with elected officials and staff and shared thoughts in writing to a series of open-ended questions. What still remains a major concern is an increase in vacation rentals and second homes being introduced into the LI.

Some broad observations were as follows:

- Majority expressed support for workforce housing and live/work, or a healthy balance of housing and light industrial use, as the priority for the LI
- The LI as a place for entry-point housing was seen as the biggest opportunity for housing in the LI
- Preservation of light industrial use on the first floor was deemed most important in the geographical center of the LI – the LI-2 district
- Support was expressed for a broad variety of uses – recreation technology, modern office spaces, educational workshops, teacher housing, artist live/work space, building trades; yet auto repair and construction related uses were deemed essential
- Support over height limit increases was mixed
- Overall, the majority agreed the city is on the right track with proposed changes to the LI

City Council will now consider the recommendations of the Planning and Zoning Commission along with any changes city staff deem essential after hearing from the public.

Now that we've heard from the community, we are confident a solution can be achieved that satisfies the requirements of the businesses and users of the LI, and provides affordable, workforce housing we so desperately need.

Read on for the full results and a copy of the presentation.

Mayor Neil Bradshaw

OUR VISION FOR A VIBRANT SUSTAINABLE COMMUNITY

What kind of community do we want to become?

A High End Resort
Retirement Community
or

A Living Community
with a Sustainable Economy
and a Diverse Demographic
Prepared for the 21st
Century?

"This should have been done 20 years ago.
It's too late to change now."
Ketchum Resident 2040

Ketchum is Becoming Older

1990 median age: 33.4 years
2000 median age: 39.0 years
2016 median age: 50.6 years
U.S. median age: 37.4 years

Emptier

Population Census 2000: 3,011
Population Census 2016: 2,753
Population year round* 1,800

*Estimate based on water use.

Slower

Fewer Slack Events
Less Evening Entertainment Offerings
Town Closes Earlier



Part-time Homeowners
and Visitors rank
sense of community as one
of their top priorities

"Come for the skiing,
return for the summers,
stay for community."

Vibrant Communities & Healthy Economies
need **people to live in them**,
not just to visit or commute to them

"No businesses will move here if they can't find a
place for their employees to live."
Longtime Ketchum Businessman

"If the only people left after most workers
leave for the day are tourists and night staff,
the sense of community, tradition, and history
that are Ketchum's cornerstones will be lost."
Housing Affordability in Ketchum p5

Age diversity creates vibrancy
Vibrancy increases tourism
The next generation of tourists
won't visit a retirement community

**We Need Housing for
the Next Generation of
Community Leaders**

HOUSING FOR PEOPLE WHO WORK IN KETCHUM & WANT TO LIVE HERE

A Vision for Housing

2014 Ketchum Comprehensive Plan Page 25

The Ketchum community wants:

- the majority of people who work in Ketchum to have an **opportunity to reside here**
- people who have lived here to be able to **stay here** regardless of their age

The Ketchum community knows:

- diversity of housing** is critically linked to a strong economy and a year-round population
- diverse and **affordable housing** is often one of the first considerations for new business locating in a community

Living south and commuting will always be an option, but people who live in Ketchum:

- spend their money** in Ketchum stimulating the Ketchum economy
- are closer to where they work and more **invested in the community**
- relieve traffic congestion** by eliminating a commute

the Community Supports

Results from A Fair on the Square Summer 2018

We need more long-term rental housing for our workforce!



Mayor's Comments:
The public overwhelmingly believes that more long-term rentals are needed in Ketchum.

Is it important to have a greater variety of housing types and prices!



Mayor's Comments:
The public indicates that it is important for Ketchum to have a greater diversity when it comes to housing types and prices.

It is important for our future to have housing in Ketchum for people who want to live and work here!



Mayor's Comments:
Housing for the workforce is important if local businesses are going to retain employees.

and the Data Confirms

Long-Term Rentals play a vital role in creating a functional community

- Local businesses need affordable rentals to attract and retain employees
- Lack of rental housing is an impediment to new businesses looking to establish in Ketchum
- The Next Generation needs a way to get started when first moving to our town

In Ketchum
there were only
79 Long-Term Rentals
advertised in all of 2016
and
over **300 Short-Term Rentals**
are advertised online daily

"Since 2010, short-term rentals contribute to the loss of workforce ownership and rental housing in Ketchum."
Housing Unaffordability in Ketchum p.5

HOW IS THE LIGHT INDUSTRIAL ZONE CURRENTLY WORKING?

The L.I. Zone is Under-Developed

Definition:

Under-Developed Land =
land value is greater than
the value of the built improvements



 Vacant Land
 Under-Developed Properties

L.I. 3
Transition Area
adjacent to
Saddle Road

L.I. 2
Heart of the L.I.
centered around
Lewis Street

L.I. 1
Transition Area
centered around
Warm Springs Road

Existing Residential Uses in the L.I.

The current ordinance allows
residential use in the L.I. zones
as a Conditional Use or as part
of a Planned Unit Development



 Residential Units

L.I. 3
48 Permitted
Residential Units

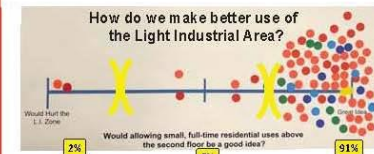
L.I. 2
18 Permitted
Residential Units

L.I. 1
8 Permitted
Residential Units

The Community Supports Residential Use in the L.I.

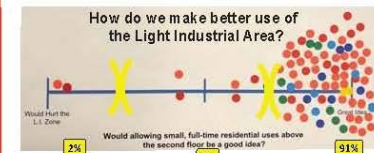
Results from A Fair on the Square Summer 2018

Would allowing small, full-time residential uses above the second floor be a good idea?



Mayor's Comments:
Clearly there is
support for more
residential units in the
L.I., as long as the
units are above the
ground floor.

Would zoning for Live/Work places be a good idea in the L.I.?



Mayor's Comments:
Encouraging a
diversity of housing
options is essential to
enable a diversity of
residents to live in
Ketchum. "Live/
Work" should be one
of those options.

**as long as L.I. on the
ground floor is protected**

Mayor's Comments:

Any potential rezone of the L.I. must ensure that
L.I. use is allowed and provided for on the
lower floors. This has to be part of our thinking.

PURPOSES AND

USES IN THE THREE

DIFFERENT L.I. ZONES

L.I. 3 17.18.150

LIGHT INDUSTRIAL DISTRICT 3

Purpose: The L.I. 3 light industrial district is established as **a transition area between the L.I. 2 district and the adjacent residential districts.**

L.I. 2 17.18.150

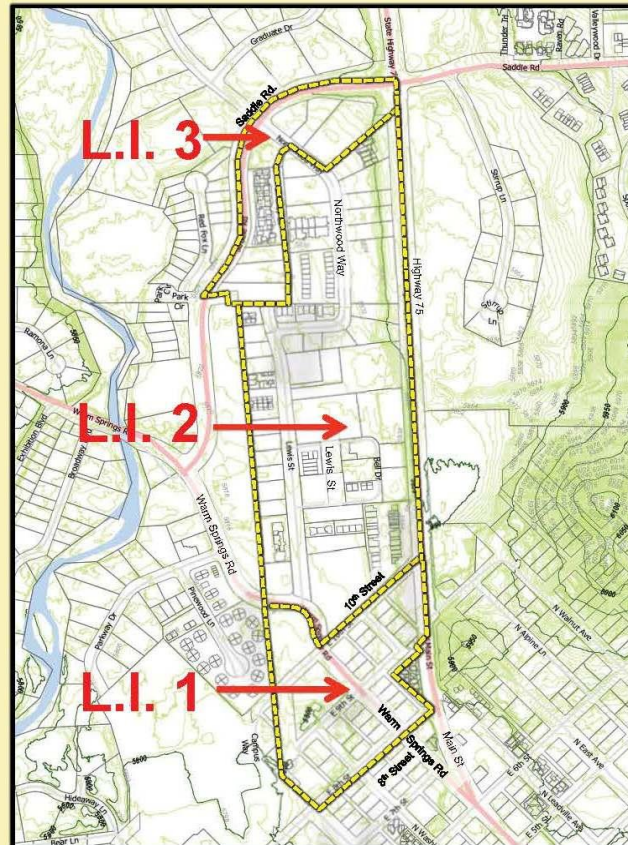
LIGHT INDUSTRIAL DISTRICT 2

Purpose: The L.I. 2 light industrial district is the city's **primary light industrial area** with the foremost purpose of providing suitable land and environs for uses that are not appropriate in other zones due to their light industrial nature, but which provide an **essential or unique service to support the local economy** and permanent year-round employment base.

L.I. 1 17.18.140

LIGHT INDUSTRIAL DISTRICT 1

Purpose: The L.I. 1 light industrial district is established as a **transition area between the L.I. 2 district and the Community Core.**



L.I. Permitted Uses

essential or unique services to support the local economy and provide a permanent year-round employment base

1. small light manufacturing
2. wholesale trade and distribution
3. service industries with bulk retail
4. office use related to construction and maintenance services
5. technology industries
6. research and development

L.I. Conditional Uses

1. limited retail less than 25% of wholesale
2. multiple-family dwellings intended to be secondary and subordinate to the primary light industrial purposes
3. deed-restricted and market-rate multiple-family dwellings located within mixed-use buildings

PROPOSED CHANGES TO THE L.I. ZONE FOR CITY COUNCIL CONSIDERATION

Recommended by the Planning & Zoning Commission Oct 8, 2018

The L.I. is essential for a functional community

Provides essential services and critical year-round employment base

Limited Land Area

Less than 3% of land in the city is zoned L.I.

Lacks Economic Incentive to Develop

Building for purely L.I. use yields minimum economic returns

A Challenging Environment for Business Relocation

Lack of workforce housing limits business relocation and expansion

A Prime Opportunity

To retain and attract L.I. uses and provide live/work and workforce housing

Workforce Overlay Area

18' Ground Floor Ceiling Ht.
allows 48' Building Height



Ground floor use is limited to approved L.I. uses

Primary L.I. use required on ground level for delivery and material handling to protect current and future L.I. use

A broader definition of Industrial Uses

Creates opportunity for future uses- Industrial Design, Cottage Industries, etc.

Live/Work Opportunities

Incentivizes start up businesses and entrepreneurs.

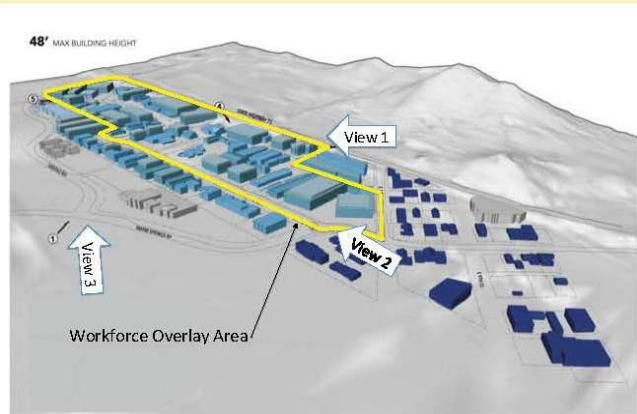
18' Minimum Ground Floor Ceiling Height

To provide for the greatest variety of future L.I. Allows for 16' garage doors, vehicle access, and ventilation equipment.

Increased Allowable Height

For buildings with 18' min ceiling height on ground floor
40' height for 3-story building
48' height for 4-story building within Workforce Housing Overlay Area

OPTIMIZE OPPORTUNITY & MINIMIZE IMPACT



Showing some buildings
in the L.I. 1 & L.I. 2
Workforce Overlay Area
built up to 48' height

**Increased building height
creates future opportunities
with minimum impact**



Topography
allows for
greater height
without
blocking views
or shading
highway



Minimum view
impact from
Warm Springs Rd



Minimum view
impact from
Saddle Road

WHAT ARE THE RIGHT

RESIDENTIAL USES

Emphasizing Workforce Housing

- Incentivizes rental units
- Smaller Units
- Size Restriction 400 to 1000 sq.ft. in L.I. 1 & L.I. 2
- Ownership units require Deed Restrictions and affordable housing caps

Live/Work Opportunities

- New housing option allowed by city code
- Live/work units can be condominiumized
- Development standards prioritize the work aspect of the unit guaranteed by restrictive covenant
 - Work component must be greater than the residential component
 - Work component must have the primary entry. Residential entry will be secondary.

Minimizing Impact of Residential Use on Industrial Use

Conditions of Approval for Residential Uses

- adequate and separated parking
- safe and suitable street access required
- sound mitigating construction in new buildings
- residential rentals and sales must be notified they are in an industrial zone, and the residential use is secondary to the industrial use

PLANNING FOR FUTURE OPPORTUNITIES

Planning for Today Allowing for the Future

- Current economics make it unlikely that there will be a “boom” in application for 48’ high buildings in the near future.
- The ordinance rewrite is intended to preserve L.I. uses in Ketchum and provide for future development that facilitates a functional community.

New business and industrial opportunities that could occur under the revised ordinance
















































































- High Tech Centers
- Cottage Industries
- Start up / Incubator
- Business to Business collaborations (hotels that need employee housing partnering with industrial uses)

The L.I. 3 Presents Unique Opportunities

- It is a relatively small portion of the L.I. zone
- It is an important buffer between L.I. uses and the adjacent single-family and multi-family residential zones
- It is already somewhat residential by nature. It currently contains 48 residential units; 2 times as many as the rest of the L.I.
- The Scott and Smith Buildings have been converted to primarily residential use
- It has better access to bus, bike and roads that do not travel through the heart of the L.I.

**It may not be necessary to
require L.I. use on the
ground floor**

YOUR IDEAS ON HOW TO CREATE A HEALTHY L.I. ZONE

IDEA	CHECK HERE IF YOU AGREE
* IN L.I.2 - RESIDENTIAL USE MUST BE SUBORDINATE TO L1 USE	            
h. L2 - as long as commercial use is on ground / first level, a given priority, for offices above then use 2nd/3rd floor for residential.	            
1st floor remains industrial	            
L1/2 L1y 2 / work only (no short term) 2nd flr change the height - 60'-80' OK! *	            
10th st. needs speed bumps! people racing up and down 10th st.	            
no height change or do not exceed 48'	            
YES	
TAX RELIEF	
Uniformity in the whole zone : preserve 1 st fl. com/ Indus	
Limit size of housing to 1100 sq ft	
48' HEIGHT LIMIT IS NOT SUFFICIENT TO ACCOMMODATE 4 STORIES W/ 18' GROUND FLOOR C/A HT	
ENFORCE YOUR RULES! WHY BOTHER MAKING RULES WHEN DON'T ENFORCE-	

WHAT FUTURE BUSINESSES WOULD BE RIGHT IN THE L.I. ZONE

IDEA

CHECK HERE
IF YOU AGREE

Vocational Education Workshops with Teacher Housing above.
Rec/Tec



Artists Live/work space (proven professional)
"SOHO"



NOT PARKING INTENSIVE (Theater, etc)



Anything that is QUASI INDUSTRIAL/Business



small business's w/living quarters!



KEEP OUR LIGHT INDUST. BUSINESSES (PAINT; HARDWARE, WOOD, ETC).



SMELTER



COMMERCIAL PRODUCTION STUDIO



MEDIA PRODUCTION

TRADES (PAINT, HARDWARE, WOOD, ETC.)
BUILDING COMPONENTS (WINE, BEER, SNACKS, FOOD), DISTRIBUTORS (CABINETS, HARDWARE, FOOD), LIGHT MFG. (APPS, DESIGN, STORES), WEB BUSINESS (WEBSITE, WEB)



YOUR IDEAS ON HOW TO GET RENTAL WORKFORCE HOUSING IN KETCHUM

CHECK HERE

IDEA

Requiring contractors to include affordable units in apt. bldgs. — No in lieu payments instead. ^{agree!}

IF YOU AGREE

Fund raise — buy units at different condo complexes — rent at below Mkt. rates

Look at property near the hospital in conjunction with the county and city of Hailey

USE CITY FEE-IN-LIEU FUNDS TO HELP PAY FOR DIRT TO MAKE PROJECTS MORE VIABLE FOR IMPACT INVESTORS / WORKFORCE DEVELOPERS.

ANNEX PROPERTY AT HOSPITAL AND BENCH ABOVE

Look @ Gateway property — (limit (3) story ht)

Allow the market to work
INCENTIVISE ALL THE STAKE HOLDERS.

WE NEED \$20,000,000 dedicated To a fund To start the process — To buy the land etc put into a 501 C3

change the zoning code to make it feasible

(BE SURE TO HAVE "FOR SALE" IN WORKFORCE HOUSING)

LET DEVELOPERS BUILD CHEAPER, SMALLER, DENSER. IMPACT FEES, AFFORDABLE USING FEES
RAISE THE COST OF BUILDING, AS DO HEIGHT RESTRICTIONS.
GOVERNMENT SUBSIDIZED HOUSING, PROJECTS PUSH OUT NATURAL MARKET FOR DEVELOPMENT

REDUCE CODE RESTRICTIONS. FACE THE SUN

We need deed-restricted housing for full-time workers.

Approve de Chase Miksis proposal for (25) unit apt bldg. on School District owned lot across from Huntington school.

WHAT ARE THE ESSENTIAL L.I. USES WE NEED TO PRESERVE?

ESSENTIAL USE

**CHECK HERE
IF YOU AGREE**

Attractive office usage for the next Smith, Scott, Decker + First Lites of the world

Essential service providers spaces (auto, building, repair, etc)

LUMBER YARD

CONSTRUCTION RENTAL

PRINTING SHOP

Paint stores

cutting edge theaters like "The Spot" ← not Industrial!

Adequate, Convenient, Ample Parking for all

Keep living costs DOWN! hello +!

Companies that can make money!

TRADE BUS (PLUMBING, LIGHTING
ELECT, CABINET, HVAC)

RENTAL BUSINESSES -

WHAT ARE THE ESSENTIAL L.I. USES WE NEED TO PRESERVE?

ESSENTIAL USE

CHECK HERE
IF YOU AGREE

healthy mix of commercial & residential



COMMERCIAL 1ST FLOOR



L2 core with trades



No bldg. above (3) stories to preserve view corridor (w) parking



Height limit to 80 feet



LIGHT INDUST. FIRST FLOOR

TALLER



More Residential, strictly affordable, no short term



Primary use in LI is light industrial; noisy, deliveries e all hours,



HOW CAN WE RETAIN AND ATTRACT ESSENTIAL L.I. USES

IDEA

CHECK HERE
IF YOU AGREE

Tax incentives for businesses [★]	✓✓ 👍 👍 ✓✓ 👍 👍 👍 👍 👍 👍
Clear, objective standards	👍 👍 👍 👍 👍
WHY BOTHER ... Cheaper down south BUT WE NEED HERE!	👍 👍 👍
NEW-TAX INCENTIVIZED USES (REDUCE CITY COST) ^{I DON'T WANT TO DRIVE SOUTH TO GET A GAIN OF PAINT.}	👍 👍 👍 👍
Move-in cost for \$1,100 ⁰⁰ To city.....really???	
Mitigate impact of residential on the businesses	👍 👍 👍 👍
clear jersey barriers on 10th st. ugly!	
remove illegal residents especially those who are disrupting businesses.	👍 👍 👍 ✗ ✗ ✗
Make sure parking of residents doesn't take business parking	👍 👍 👍 ✗ ✗
What are 'essential' LI uses?	
Residential adds diversity & vibrancy to LI. For mixed use	👍

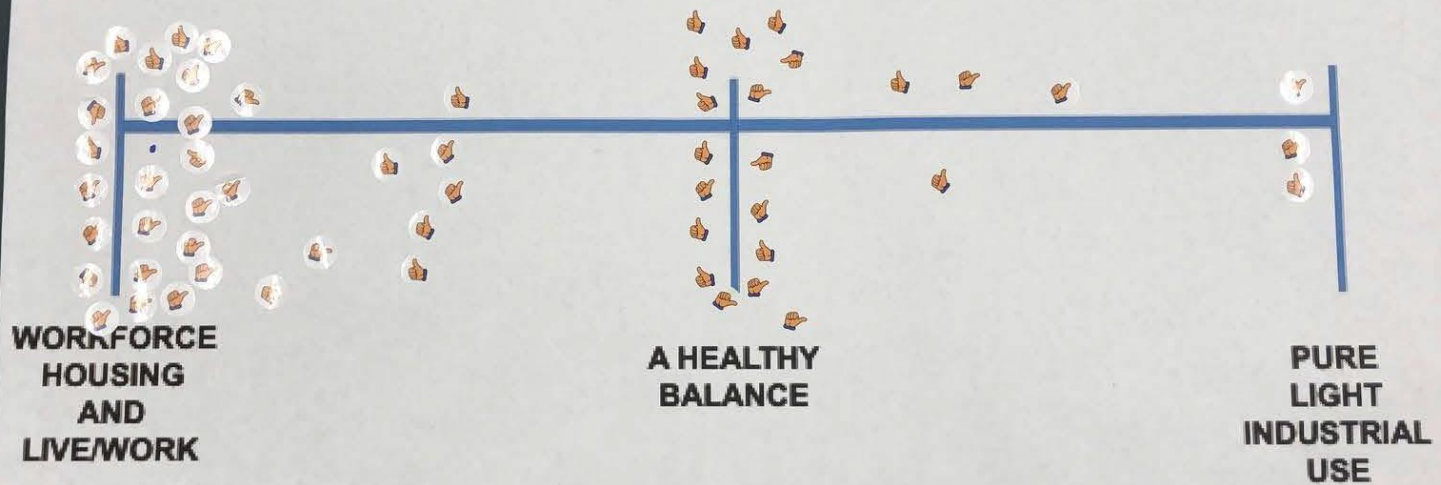
What are the top opportunities that we have in the L.I. Zone?

- Young population being more open to living in a work/live environ than a family → younger population
- Live/work community
- Entry point housing for local full time residents
- New business attraction for young working professionals
- Ensure economic future by providing workforce housing
- ENTRY POINT "FOR SALE" HOUSING FOR FULL TIME RESIDENTS
- Set up rules, regulations and check-ups to ensure affordable housing stays affordable in perpetuity.
- More diverse housing adds vibrancy. Live/Work opportunities
- Attract more businesses
- Create vibrancy & a hip vibe for live/work.

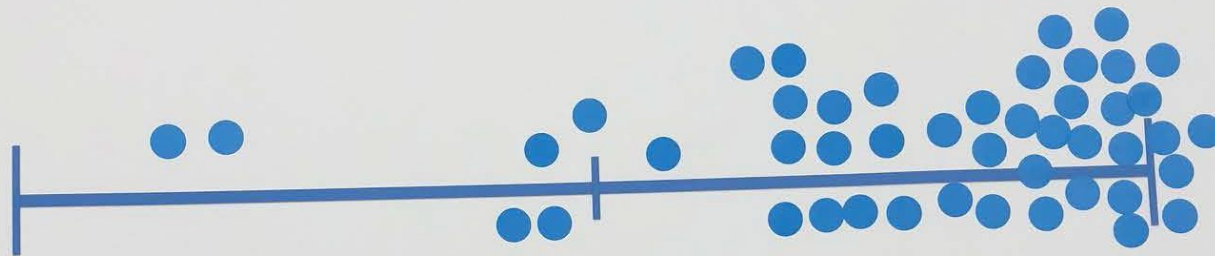
What is the worst outcome we could have in the L.I. Zone

- Second home owners & Short-term rentals.
- Trucks vs CHILDREN = Disaster
- A big Affordable Housing unit that would become an AirBNB!
 - * THIS IS A LEGITIMATE CONCERN, BUT CAN BE ADDRESSED WITH CCR's + HOA RULES. - CHECK INCORPORATING LAW AND COURT CASES!
- Residential limited to owner use or affordable housing, no arbitrage.
- Abuse of community housing
- Bldgs higher than (3) stories which block mt. view corridor
- NEGLIGENT SIDEWALK on Saddle Road SOUTH SIDE GETTING P.D. TRAFFIC OUT OF LI
- Too Much Traffic! Road is ALREADY CONGESTED. Keep intersection REPLACING IT WITH USES THAT COULD BE ESTABLISHED ELSEWHERE
 - ↳ area around YMCA & crosswalks must be protected → children vs traffic
- A meaningful number of residential workforce units is NOT built
- Allowing residential housing + running out of space in I/I for business/industry
- Allowing affordable housing in LI w/o strict rules, check-ups + insurance that units will remain affordable in perpetuity.
- Housing w/o balconies. Open communal space is also important; incentivize the developers to put in balconies.
- HOUSING WITHOUT OUTDOOR SPACE

WHAT SHOULD BE THE PRIORITY IN THE L.I. ZONE



IS THE CITY ON THE RIGHT TRACK PROPOSED CHANGES TO THE L.I. ZONE



NO WAY

**NEEDS FURTHER
CONSIDERATION**

RIGHT ON