

ORDINANCE 1279

AN ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, TO AMEND KETCHUM MUNICIPAL CODE TITLE 16 – LAND DEVELOPMENT CODE REGARDING THE BUILDING HEIGHT MAXIMUMS FOR RESIDENTIAL AND MIXED USE ZONE DISTRICTS, SETBACK REQUIREMENTS FOR THREE AND FOUR STORY BUILDINGS IN SUBDISTRICTS 1 AND 2 OF THE COMMUNITY CORE ZONE DISTRICT, AMENDMENTS TO THE COMMUNITY HOUSING INCENTIVE REGULATIONS, REDUCTION OF HEIGHT MAXIMUMS FOR HOTELS, AND AMENDMENTS AND ADDITIONS TO DEFINITIONS; PROVIDING FOR PUBLICATION BY SUMMARY; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Idaho Code Section 67-6524 authorizes local jurisdictions to enact interim ordinances, effective up to one (1) year, during the pendency of preparation and adoption of a permanent ordinance; and

WHEREAS, the City of Ketchum adopted an update to its comprehensive plan on September 11, 2026, which included a new Future Land Use Map and Future Land Use Categories outlining the existing conditions and future intent for each land use category; and

WHEREAS, the revised land use categories and future intent statements, along with action steps outlined in Chapter V – Implementation, noted a variety of changes to the zoning regulations necessary to align future development with the city's vision; and

WHEREAS, the City of Ketchum initiated an update to the city's zoning regulations, also known as the Land Development Code, in Fall 2025 outlining a three phased process; and

WHEREAS, on January 22, 2026, a joint meeting between the City Council and Planning and Zoning Commission was held to review potential changes to regulations specific to downtown, citywide parking, the mountain overlay district, and non-conforming buildings and structures. The Council and Commission provided preliminary feedback to staff and directed staff to continue the amendment process; and

WHEREAS, following continued research and analysis, and meetings with the city's Technical Advisory Group (TAG), a joint meeting between the City Council and Planning and Zoning Commission was held on May 4, 2026, to review further recommendations. The Council and Commission provided further feedback and requested staff prioritize a short list of changes that could be adopted more quickly than the larger code update to demonstrate progress to the community; and

WHEREAS, as requested by the Council and Commission, staff conducted additional research and drafted an ordinance to change the city's land development code in regard to building heights in residential neighborhoods and the mountain overlay district, step-backs and building height in the downtown, and revisions to the city's Community Housing Incentive program; and

WHEREAS, the draft regulations were made available to the public on _____ and community feedback was solicited. The public hearing schedule was published well in advance of the hearings with encouragement of the community to attend and provide feedback on the proposed changes; and

WHEREAS, the Planning and Zoning Commission held a public hearing on _____, to review this ordinance, as prepared by staff; and

WHEREAS, the Planning and Zoning Commission found that XXXXX

WHEREAS, the Planning and Zoning Commission recommended _____ of this ordinance at a regular meeting on _____; and

WHEREAS, the City Council held a public hearing on _____ to review Ordinance 1279, information from staff, and recommendations from the Planning and Zoning Commission; and

WHEREAS, the City Council held the first reading of Ordinance 1279 on _____; and

WHEREAS, The City Council held second and third readings of Ordinance 1279 on _____ resulting in approval of this ordinance; and

WHEREAS, the Planning and Zoning Commission hearings and City Council hearings were duly noticed per the requirements of Idaho Code Section 67-6509; and

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF KETCHUM, IDAHO:

SECTION 1. AMENDMENTS TO SECTION 16.02.020. RESIDENTIAL DISTRICTS

A. LR: Limited Residential District

The Table contained in subsection **A.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” from 35 ft to 27 ft, retaining footnote 1.

B. LR-1: Limited Residential – One Acre District

The Table contained in subsection **B.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” from 35 ft to 27 ft, retaining footnote 1.

C. LR-2: Limited Residential – Two Acre District

The Table contained in subsection **C.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” from 35 ft to 27 ft, retaining footnote 1.

D. GR-L: General Residential – Low-Density District

The Table contained in subsection **D.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” from 35 ft to 27 ft, retaining footnote 1.

E. STO-.4: Short-Term Occupancy – 0.4 Acre District

The Table contained in subsection **F.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” from 35 ft to 27 ft, retaining footnote 1.

F. STO-1: Short-Term Occupancy – One Acre District

The Table contained in subsection **G.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” from 35 ft to 27 ft, retaining footnote 1.

G. STO-H: Short Term Occupancy – High-Density District

The Table contained in subsection **H.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” from 35 ft to 27 ft, retaining footnote 1.

SECTION 2. AMENDMENTS TO SECTION 16.02.040. MIXED-USE DISTRICTS

A. T: Tourist District

The Table contained in subsection **A.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” to read:

<0.5 FAR – 27 ft (2)(3)

>0.5 FAR – 35 ft (2)(3)

The Table contained in subsection **A.2 Lot and Building Standards** shall be amended to change Footnote 2 under “Notes” as follows:

For a building with a roof pitch greater than ~~35~~:12, the maximum height to the mean point of the ridge or ridges measured from eaves line to the ridge top shall be the maximum height per this table~~35 ft~~. Roof ridges above the mean point may extend up to ~~a height of 44 ft~~ three feet above the maximum height per this table.

B. T-3000: Tourist – 3000 District

The Table contained in subsection **B.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” to read:

<0.5 FAR – 27 ft (1)(2)

>0.5 FAR – 35 ft (1)(2)

The Table contained in subsection **B.2 Lot and Building Standards** shall be amended to change Footnote 1 under “Notes” as follows:

For a building with a roof pitch greater than ~~35~~:12, the maximum height to the mean point of the ridge or ridges measured from eaves line to the ridge top shall be ~~35 ft~~the maximum height per this table. Roof ridges above the mean point may extend up to ~~a height of 44 ft. three feet above the maximum height per this table.~~

C. T-4000: Tourist – 4000 District

The Table contained in subsection **C.2. Lot and Building Standards** shall be amended to change “E – Maximum Building Height” to read:

<0.5 FAR – 27 ft (1)(2)

>0.5 FAR – 35 ft (1)(2)

The Table contained in subsection **C.2 Lot and Building Standards** shall be amended to change Footnote 1 under “Notes” as follows:

For a building with a roof pitch greater than ~~35~~:12, the maximum height to the mean point of the ridge or ridges measured from eaves line to the ridge top shall be ~~35 ft~~the maximum height per this table. Roof ridges above the mean point may extend up to three feet above the maximum height per this table~~a height of 44 ft.~~

D. CC: Community Core District

The Table contained in subsection **D.2 Lot and Building Standards – Subdistrict 1 Retail Core** shall be amended as follows:

Lot Standards		
A	Minimum Lot Size	5,500 sf
	Minimum Lot Width	55 ft average
Setbacks (Minimum)		
B	Front and street side	0 ft
	<u>3rd Floor front and street side</u>	<u>10 ft from 2nd floor building facade</u>
	Adjacent to alleyways	3 ft
C	Rear side not adjacent to an alleyway	0 ft
D	Interior Side ^[1]	
	Cantilevered decks and overhangs	
	<u>Setback for 5th floors</u>	<u>20 ft from street sides and frontage and 10 ft on all other sides</u>
	<u>Setback for 4th floors (except for community housing projects ^[2])</u>	10 ft

	Non-habitable structures, permanently affixed deck amenities, solar panels visible above roof ridge or parapet, and mechanical equipment and screening affixed to a roof from all building facades at the top floor for all projects (except for community housing projects⁽²⁾)	
	Perimeter walls enclosing roof decks	0 ft provided the perimeter wall is 75% transparent and does not exceed 4 ft in height
	Setback for 4th floor habitable and uninhabitable portions of the building, fixed amenities, solar and mechanical equipment for community housing projects⁽²⁾	An average 10-foot setback from the ground floor building facade

Lot Coverage

	Maximum FAR	See §16.02.070.A
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Height (Maximum)

E	Building Height	42 ft, unless otherwise allowed in this Code
	Cantilevered decks and overhangs	8 ft above grade and/or walking Surface
	Height of buildings for community housing projects⁽²⁾	52 ft
	Hotels⁽²⁾	68 ft
	Non-habitable structures located on building rooftops	10 ft above roof ridge or parapet
	Perimeter walls enclosing roof top deck and structures	4 ft above roof surface height. Perimeter roof top walls are required to be at least 75% transparent.
	Roof top solar and mechanical equipment and associated screening above roof surface	5 ft

Overlay Districts

	16.02.060
Measurements and Exceptions	16.02.070
Table of Permitted Uses	Table 16-7
Accessory Buildings and Uses	16.03.040.A
Off-Street Parking	Table 16-13
Landscaping, Buffering, and Screening	16.04.060

Notes

⁽¹⁾ All side lot lines shall run perpendicular to the alley and/or avenue.

~~⁽²⁾ A project in the Community Core Subdistrict 1 that provides 100 percent community housing above the first floor and complies with the ground floor street frontage uses of the subdistrict, shall be considered a 100 percent community housing project.~~

~~⁽²⁾ See §16.03.030.C.4.~~

The Table contained in subsection **D.3 Lot and Building Standards – Subdistrict 2 Mixed Use** shall be amended as follows:

Lot Standards		
A	Minimum Lot Size	5,500 sf

	Minimum Lot Width	55 ft average
Setbacks (Minimum)		
B	Front and street side	5 ft average ^[1]
	3rd Floor front and street side	10 ft from 2nd floor building facade
	4th Floor front and street side^[5]	10 ft from 3rd floor building facade
	Adjacent to alleyways	3 ft
C	Rear side not adjacent to an alleyway	0 ft
D	Interior Side ^[2]	
	Cantilevered decks and overhangs	
	Setback for 5th floors	20 ft from street sides and frontage and 10 ft on all other sides
	Setback for 4th floors (except for community housing projects^[3]) side and rear^[5]	10 ft
	Non-habitable structures, permanently affixed deck amenities, solar panels visible above roof ridge or parapet, and mechanical equipment and screening affixed to a roof from all building facades at the top floor for all projects (except for community housing projects^[3])	
	Perimeter walls enclosing roof decks	
	Setback for 4th floor habitable and uninhabitable portions of the building, fixed amenities, solar and mechanical equipment for community housing projects^[3]	An average 10 feet setback from the ground floor building facade
Lot Coverage		
	Maximum FAR	See §16.02.070.A
Height (Maximum)		
E	Building Height	42 ft, unless otherwise allowed in this Code
	Cantilevered decks and overhangs	8 ft above grade and/or walking surface
	Height of buildings devoted 100% towards community housing <u>Community Housing Developments^[3]</u>	52 ft
	Hotels^[4]	68 ft
	Non-habitable structures located on building rooftops	10 ft above roof ridge or parapet
	Perimeter walls enclosing roof top deck and structures	4 ft above roof surface height. Perimeter roof top walls are required to be at least 75% transparent.
	Roof top solar and mechanical equipment above roof surface	5 ft
Other Standards		Section
Overlay Districts		16.02.060

Measurements and Exceptions	16.02.070
Table of Permitted Uses	Table 16-7
Accessory Buildings and Uses	16.03.040.A
Off-Street Parking	Table 16-13
Landscaping, Buffering, and Screening	16.04.060

Notes:

^[1] The average shall be calculated individually at all floors and shall be measured from edge of building façade to edge of building façade. For corner lots, areas cannot be counted on both sides..

^[2] All side lot lines shall run perpendicular to the alley and/or avenue..

^[3] A project in the Community Core Subdistrict 2 that provides 100 percent community housing above the first floor and complies with the ground floor street frontage uses of the subdistrict, shall be considered a 100 percent community housing project.

^[4] See §16.03.030.C.4.

^[5] 4th floors shall only be permitted for 100 percent community housing developments and developments on sloped lots that slope away from streets.

SECTION 3. REPEAL AND REPLACE SECTION 16.02.080.B. COMMUNITY HOUSING INCENTIVE

Section 16.02.080.B shall be repeal entirely and replaced with the following:

A. Community Housing Incentive

1. General Requirements

All new buildings and alterations to existing buildings in the GR-H, T, T-3000, T-4000, and CC districts, unless otherwise specified in this Code, shall be subject to the maximum floor area ratio (FAR) described below.

Table 16-1: Maximum Permitted Gross FAR		
Districts	Permitted Gross FAR	Community Housing Incentive FAR
GR-H	0.5	1.4
T	0.5	1.6
T-3000	0.5	1.6
T-4000	0.5	1.6
CC-1	1.2	2.0
CC-2	1.0	2.25

2. Community Housing Incentive

a. Purpose

The City limits a permitted gross FAR in zoning districts for the public purpose of limiting the public impacts associated with increased development. The purpose

of this section is to establish a higher allowable FAR in certain districts for the offsetting public purpose of incentivizing new development to support restricted, affordable and resident-occupied community housing, to help meet the demand and needs for housing of the community. Land within the zoning districts specified in the table above may be built to the listed permitted gross FAR. As an incentive to build or contribute to community housing and offset the impacts of increased development, floor area may be increased up to the community housing incentive FAR listed in the table, provided conditions in this Section are met.

b. Zone-specific Standards

In CC-2, 100% community housing developments are permitted to exceed the 2.25 FAR maximum and do not have a maximum FAR limitation provided that all other lot and building standards are complied with.

c. Conditions for Increased FAR

An increased FAR, up to the Community Housing Incentive FAR for the zone, will be permitted provided that the following conditions are met:

- (1) The project has received Design Review approval from the Planning and Zoning Commission or City Council, as applicable.
- (2) A minimum of 20 percent of the total increase in gross floor area above the permitted gross FAR is provided as community housing per the Options for Fulfillment in §16.02.080.B.1.d.
- (3) A minimum of 30 percent of the total increase in gross floor area above the permitted gross FAR shall be provided as community housing on lots exceeding 10,000 square feet.
- (4) The community housing shall be targeted for income category 4 (80 percent to 100 percent of area median income, as determined by the City). The applicant may alternately propose units targeted to income categories 5 (100 to 120 percent of area median income) or 6 (120 to 140 percent of area median income), subject to City Council review and approval.
- (5) All community housing shall be restricted with the deed restriction currently in use by the City of Ketchum, unless otherwise approved by the City Council for an alternative proposal.
- (6) All community housing units shall be administered by the City of Ketchum or its designated administrator, unless otherwise determined by the City Council.
- (7) Community housing shall meet the requirements of adopted housing policy documents in use by the City of Ketchum or its housing program administrator.

d. Options for Fulfillment of Community Housing Contribution

- (1) The following options for fulfillment of the community housing incentive are available to the applicant outright if the applicant meets all standards and

conditions of this Section. Outright options meeting all standards and conditions shall be reviewed and approved administratively.

(A) Housing constructed by the applicant on-site;

(B) Payment of an in-lieu fee;

(C) Combination of 1 and 2.

(2) In addition to those outright options, the City Council may consider alternative proposals by the applicant to fulfill the community housing incentive, subject to the process described in §16.02.080.B.1.f. Alternative options for fulfillment of the community housing incentive may include, but are not limited to:

(A) Land conveyance to the City;

(B) Construction or acquisition of housing off-site,

(C) Other proposals and options as approved by the City Council.

e. Fee In Lieu

Community housing requirements may be paid via a fee in lieu of housing. The required community housing square footage multiplied by the fee equals the amount due to the City.

(1) The fee in lieu shall be recommended by Ketchum Housing Department on an annual basis and adopted by the City Council.

(2) The fee in lieu per square foot shall be as described in the adopted City fee schedule at the time that the final Design Review application is deemed complete and all application fees have been paid.

f. Review Process

(1) An application proposing a community housing contribution using one of the outright methods and meeting all standards and conditions not requiring City Council review shall be reviewed and approved administratively prior to the hearing for the Design Review for the application.

(2) An application proposing either 1) an alternative option for fulfillment of the community housing contribution or 2) an alternative standard or condition, including an alternative income category, shall be reviewed and acted on by the City Council at a public meeting prior to the Design Review hearing for the application.

(A) The City Council shall approve, approve with conditions, or deny the requested alternative.

(B) If the City Council denies an alternative proposal, the applicant shall satisfy the community housing contribution through an outright option meeting all standards and conditions not requiring City Council review.

(3) In review of alternative proposals and discretionary options, the Council will consider the following criteria.

- (A) The proposal is consistent with the goals and objectives of the City of Ketchum Comprehensive Plan, Housing Action Plan, and other current, adopted policy documents. The proposal provides a type of community housing prioritized by current City policy and consistent with the City's identified community housing needs.
- (B) The proposal meets or exceeds the equivalent value of the community housing contribution that would be provided under an outright method meeting all standards and conditions. Factors for consideration in this evaluation include but are not limited to amount, location, quality, and timing of delivery.
- (C) Other factors relevant to the unique circumstances and context of the proposal.

SECTION 4. AMENDMENTS TO SECTION 16.03.020 TABLE OF PERMITTED USES

Table 16-7: Table of Permitted Uses shall be revised to remove "P" from the T, T-3000, and T-4000 districts for "dwelling, one family" use in the Residential Use category.

SECTION 5. AMENDMENTS TO SECTION 16.03.030.C.4. HOTEL

- a. Hotels may exceed the maximum floor area, ~~height~~, or minimum open site area requirements of this Code subject to the following review process:
 - (1) A Planned Unit Development, outlining the requested exceptions to ~~bulk regulations~~lot and building standards, shall be prepared and approved by the City.
 - (2) A subarea analysis, addressing the Comprehensive Plan designation for the subarea; impacts of the proposed hotel on the character and scale of the surrounding neighborhood; impacts on proposed height and mass relative to the City's Design Review standards and the PUD standards; and the appropriateness of the subarea for a hotel that exceeds the ~~dimensional standards~~lot and building standards requirements of the underlying zoning district, shall be prepared and approved by the City.
- b. In addition to all other hotel requirements of this Code, the following standards apply to hotels in the T and CC districts:
 - (1) For hotel developments, community housing calculations apply to all residential units. However, 100 percent of the community housing requirement will be waived only for the residential portion of hotel projects that meet the hotel definition adopted by the City Council.
 - (2) Hotel developments are required to mitigate employee housing impacts at a ratio of 25 percent of the total number of employees calculated by the following formula: one employee per hotel room or bedroom.
 - (3) The applicant shall provide an employee housing plan that 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 a mix of employee housing that addresses the range of employees needed to serve the hotel.

- (4) 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, voluntary real estate transfer fees or other considerations may be proposed by the hotel developer. Larger sites are encouraged to include workforce housing on site. The Council has full discretionary power to deny the request.
- (5) Hotels shall enter into a development agreement with the city as part of the approval process. The 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 issues the Planning and Zoning Commission or City Council deems appropriate. The development agreement shall follow the public hearing process as outlined in §16.02.050, *Planned Unit Development* (PUD). The development agreement shall be subject to §16.07.020.E.8.
- ~~(6) Hotels may build a fourth floor. If a site meets the criteria for five-story hotel site designation, a fifth floor may be built. Five-story hotels may only be approved via a Planned Unit Development (PUD) as outlined in §16.02.050. A property shall meet all of the following criteria to be designated as a five-story hotel site:
(A) Is located in subdistrict A, retail core of the community core district.
(B) Has a minimum lot area of 33,000 square feet.~~

SECTION 6. AMENDMENTS TO SECTION 16.08.020 TERMS DEFINED.

Amend the definition for “**Building Height**” as follows:

1. In all other Districts:
 - a. Building height shall be the greatest vertical distance measured at any point from natural, existing, or finished grade, whichever is lowest, to the highest point of the roof. ~~The maximum vertical distance from the lowest exposed finished floor to the highest point of the roof (regardless of vertical alignment) shall be no more than five feet greater than the maximum height permitted in the zoning district.~~ No facade shall be greater than the maximum height permitted in the zoning district or overlay district.

- b. Facades that step up or down hillsides shall be set back from the lower facade a minimum of 50 percent of the height of the lower facade; except, that roof overhangs may extend up to three feet into this area. This building height provision shall apply to parapets, Boston roofs and any other portion of a building roof, but shall not apply to flagpoles, lightning rods, weathervanes, antennas, or chimneys.

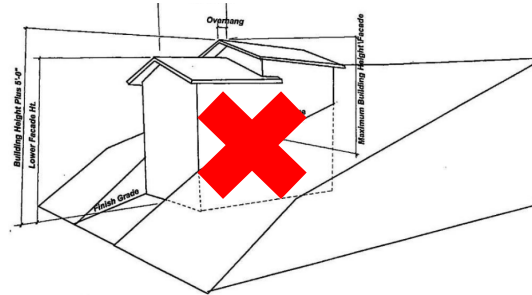


Figure 08-2: Building Height Calculation

Add the following definitions in alphabetic order:

Floor

A floor means the vertical portion of a building between the finished floor surface of one level and the finished floor surface of the level immediately above or below. Where no floor exists above, the upper boundary is the ceiling or roof structure above.

SECTION 7. SAVINGS AND SEVERABILITY CLAUSE: It is hereby declared to be the legislative intent that the provisions and parts of this Ordinance shall be severable. If any paragraph, part, section, subsection, sentence clause or phrase of this *Ordinance* is for any reason held to be invalid for any reason by a Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 8. REPEALER CLAUSE: All City of Ketchum Ordinances or resolutions or parts thereof which are in conflict herewith are hereby repealed.

SECTION 9. PUBLICATION: This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, substantially in the form annexed hereto as Exhibit "A" shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.

SECTION 10. EFFECTIVE DATE: This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

PASSED BY THE CITY COUNCIL and APPROVED by the MAYOR OF KETCHUM IDAHO, on this ____ day of _____ 2026.

APPROVED:

Peter Prekeges, Mayor

ATTEST:

Trent Donat, City Clerk