

## STAFF REPORT



**To:** Planning and Zoning Commission  
**From:** Doug Self, Acting Planning & Zoning Administrator  
**Report Date:** 11/3/22  
**Meeting Date:** 11/9/22  
**Project Name:** AX22-2 Handler LeGrande and N 5th  
**RE:** Public Hearing/Possible Recommendation

**APPLICANT:** City of Driggs

**LAND OWNER:** Multiple: Stone Ridge Townhomes PUD & Aspen Point Townhomes PUD Owners

**LOCATION:** Stone Ridge Townhomes PUD & Aspen Point Townhomes PUD

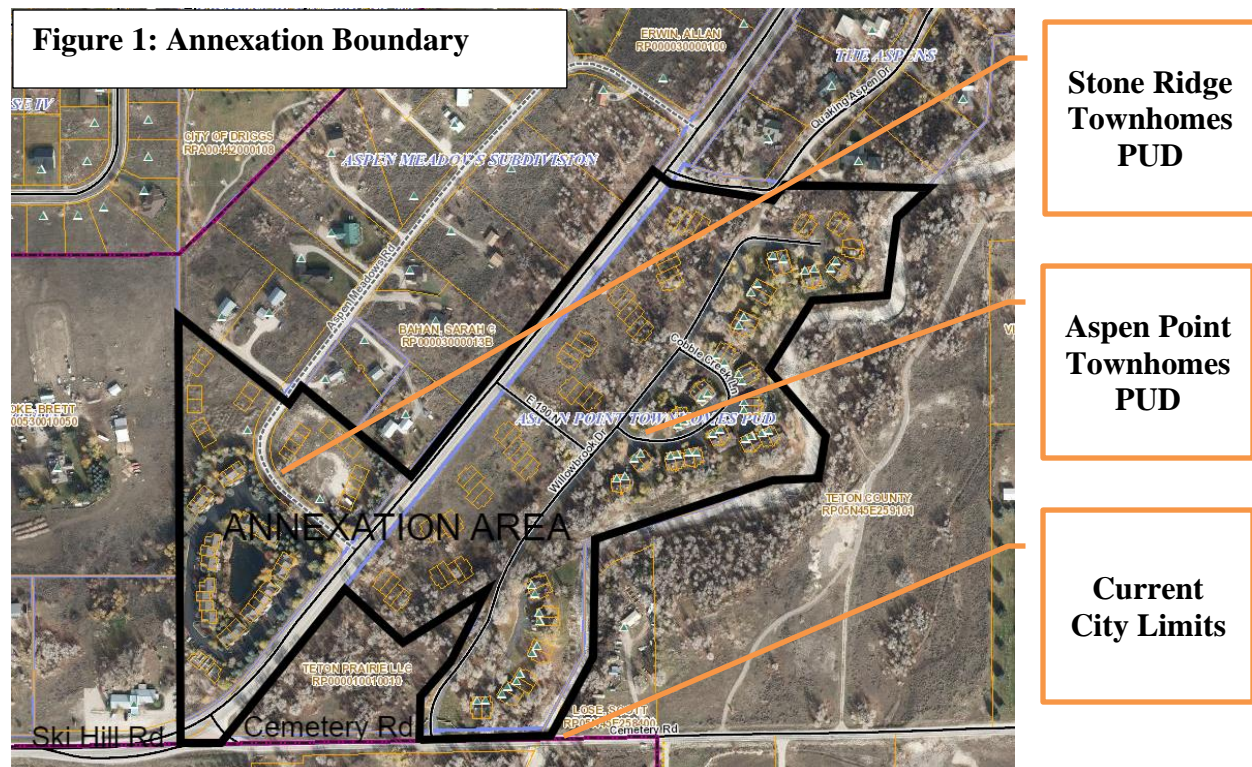
**EXISTING ZONING:** Area of Impact Multi-Family Residential (AOI R-3)

**PROPOSED ZONING:** PUD-SR (Stone Ridge) & PUD-AP (Aspen Point) – incorporating standards on recorded plats

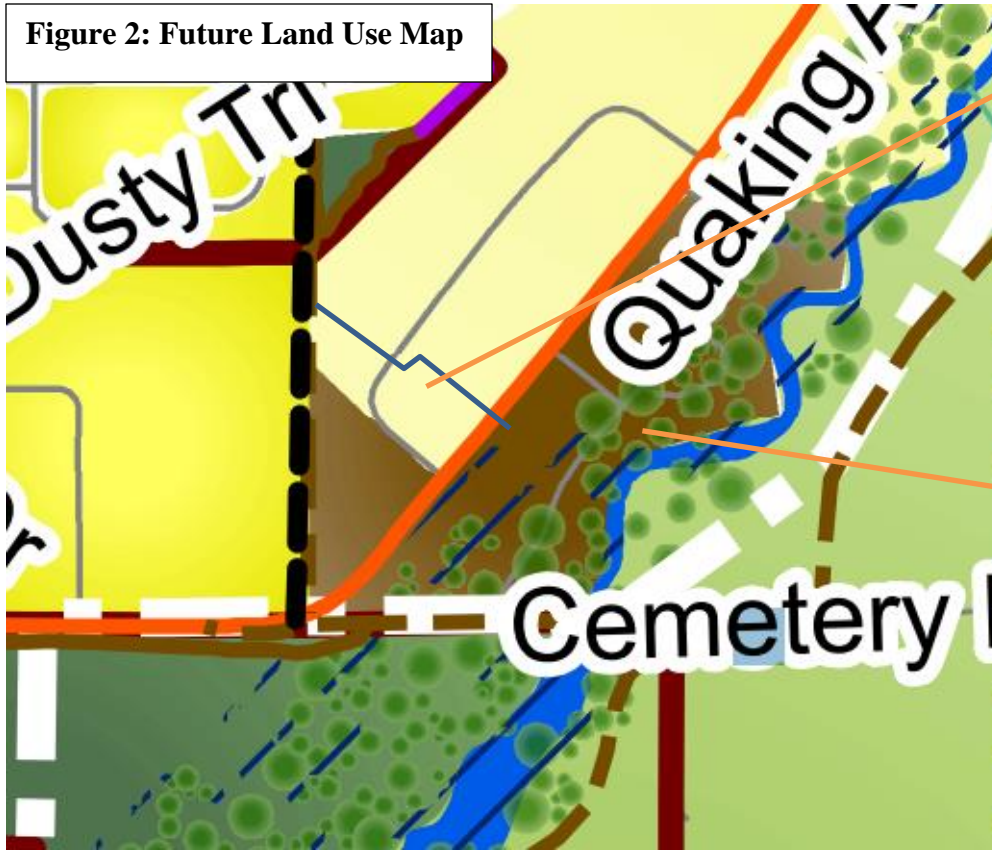
**OVERLAYS:** Design Review (330ft either side of Ski Hill Rd center line)

**COMPREHENSIVE PLAN FUTURE LAND USE MAP DESIGNATION:** High-Density Residential (HDR3) Low-Density Residential (LDR2, east of Aspen Meadows Rd)

**SUMMARY:** The Driggs City Council, on September 6, 2022, requested that staff proceed with the process for annexation of Aspen Point Townhomes and Stone Ridge Townhomes into the City of Driggs. This type of annexation is pursued by the City based on general recommendations of the Driggs Comprehensive Plan to ensure that development on the City fringes and within the Urban Growth Boundary that utilizes or impacts City services and facilities (roads, trails & pathways, parks, civic spaces, hazard mitigation, land use planning and enforcement, etc.) contributes equitably toward the costs of such municipal expenses. Annexation also allows the City to improve its facilities and services in and around the neighborhood and enjoy greater civic participation.



**Figure 2: Future Land Use Map**

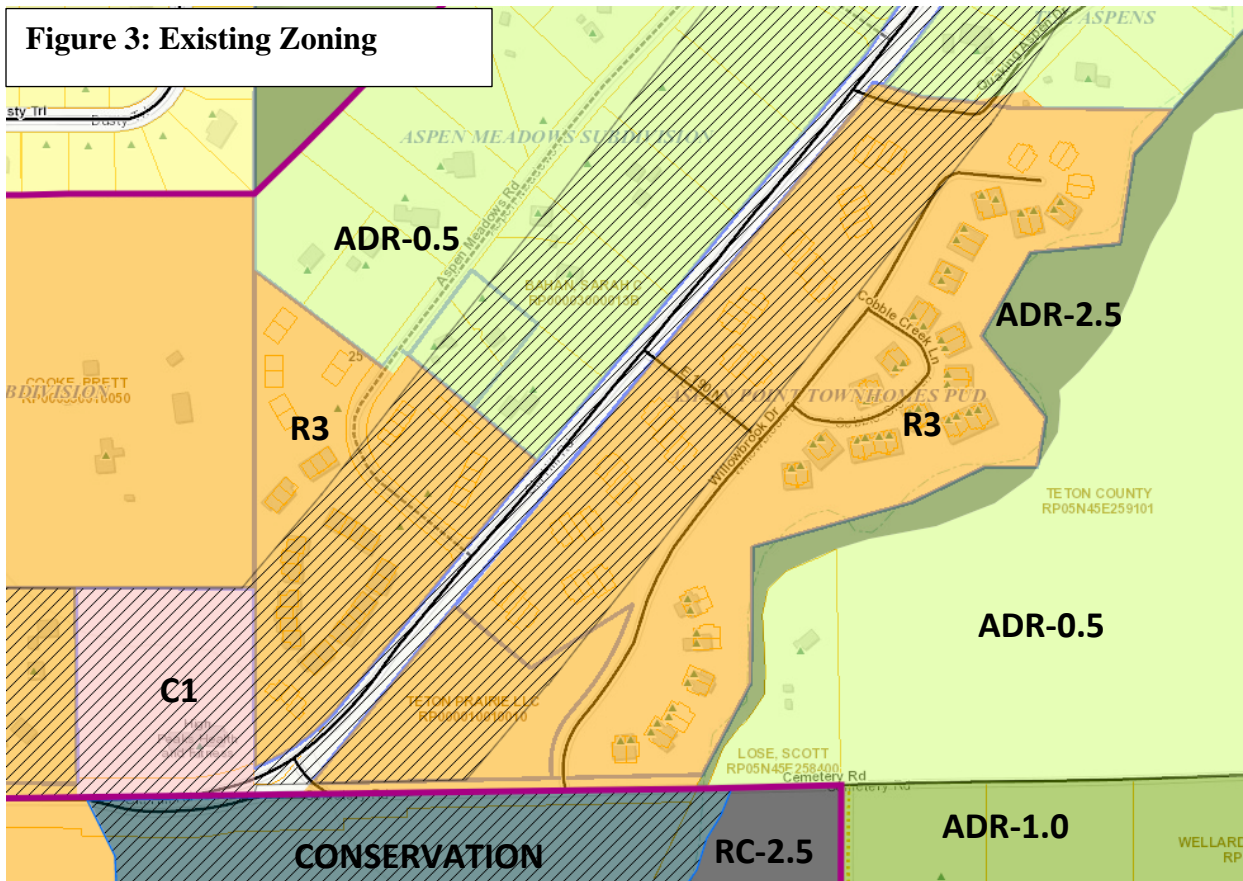


Stone Ridge = HDR west of Aspen Meadows and LDR east of Aspen Meadows

Aspen Point – 100% within HDR

HDR = High Density Residential | LDR = Low Density Residential

**Figure 3: Existing Zoning**





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## **I. PROCESS BACKGROUND**

Idaho Statute section 50-222 states that “valid consent to annex is implied for the area of all lands connected to a water or wastewater collection system operated by the city if the connection was requested in writing by the owner, or the owner’s authorized agent, or completed before July 1, 2008.” Aspen Point Townhomes PUD and Stone Ridge Townhomes PUD requested and were granted water and sewer service connections in 1997.

As per Idaho Code Section 67-6525 regarding annexations of an unincorporated area, the Planning & Zoning Commission will review the application for annexation at a public hearing and make a recommendation to City Council regarding the requisite zone map amendment to accompany annexation. The P&Z Commission may also provide findings and a recommendation on the annexation. Following this, City Council will hold another public hearing and make a final decision on the annexation and rezone.

## **II. SERVICE PROVIDER COMMENTS**

There were no service provider comments. The City of Driggs will assume ownership and maintenance responsibility for all public roads within and adjacent to the annexation boundary. The only dedicated and accepted public roads in or adjacent to the annexation area are Ski Hill Road and Cemetery Road. The internal roads within Stone Ridge Townhomes and Aspen Point Townhomes PUDs were stated on the recorded plats to be privately owned and maintained. Aspen Meadows Rd was not dedicated to or accepted by the public at the time of platting or since.

The City currently serves Stone Ridge Townhomes and Aspen Point Townhomes with sewer and water services.

## **IV. PUBLIC COMMENT:**

This request has been noticed in accordance with Idaho Code 67-6509. As of the date of this report, the City has received sixteen public comments, which are attached as **Exhibit A**.

Issues identified in the public comments include:

- Opposition to increased taxes
- Desire for better snow plowing on Ski Hill Rd (to curb)
- Desire for improvement of Aspen Meadows
- Desire for Grand Targhee shuttle bus stop
- Desire for safety improvements for bike/ped
- Building height maximum

## **V. ANNEXATION FINDINGS:**

1. **Review Criteria.** The annexation application will be defined as a Category A annexation according to Idaho Statute Section 50-222, based on the finding that the original owner / developer consented to annexation. Category A annexations are subject to the criteria listed in the table below. Additionally, the accompanying rezone will be reviewed according to the criteria for a Zone Map Amendment found in the Idaho Code 67-6525 and Driggs Land Development Code 14.9.

<b>Category A Annexation Process as per Idaho Code 50-222 and Idaho Code 67-6525</b>		
Land is contiguous to the city	Conforms	The area to be annexed is contiguous with the current city limits along Cemetery Road.
Consent of all private landowners received	Conforms	Original owner and developer consented to annexation by requesting and connecting to city water and sewer services.
Land included in the Comp Plan [FLUM]	Conforms	Yes. See analysis below.
Comprehensive Plan policies identified	Conforms	Complies with the objective of the Area of Impact that identifies land that is reasonably expected to be annexed.
Appropriate zoning of lands to be annexed identified	To be confirmed	<i>Proposing PUD zones adopting standards from plat; see zoning Findings.</i>
<b>Annexation Criteria per Driggs Land Development Code 14.10</b>		
Determine if the Annexation provides a compelling public benefit	To be confirmed	The City Council has made this overall finding, which initiated the process of city annexation. Below are supporting findings.

## 2. Fiscal Findings:

### a. Existing Costs

The City has constructed and maintains transportation (road, pathway, sidewalk, transit), recreation (parks, trails, indoor recreation) and general civic facilities (community center) that are likely used by occupants residing in the annexation area, but does not receive any direct revenue through property tax, impact fees, local option sales tax, etc. New development on the city fringe requesting city sewer and water service is required to annex into the city as a condition of providing such service so that associated impacts are offset by established revenue mechanisms.

### b. New Costs

#### i. Transportation Maintenance

Upon annexation, the City would take over ownership and maintenance responsibility for any public road in the annexation area. Currently, the only public roads to be added is the .38 miles of Ski Hill Road from Cemetery Road to Quaking Aspen Drive, with a cost estimate of \$8,000-10,000/year. This cost is estimated to be roughly offset by the reassignment of the existing county road levy to the city based on the increase in assessed value within the City.

Aspen Meadows was not dedicated to or accepted by the public (county) at the time of platting, or since. The City could consider accepting a dedication to the public through a future plat amendment.

#### ii. New Facilities to support new development

As additional units are constructed and occupied on the 20 vacant Stone Ridge lots and the 46 vacant Aspen Point lots, the impacts on city facilities and services would see a corresponding increase.

The annexation therefore ensures that the cost burden associated with the impacts is not carried by existing Driggs property owners and that the City will be able to maintain current service levels as the developments build out by collection of impact fees. The annexation also allows the City to enforce development standards such as paving of Aspen Meadows Rd by the developer building out the next phases of Stone Ridge.

Specific improvements that are planned or proposed include:

- A trail extension along Cemetery Road, including a bike/pedestrian bridge over Teton Creek (planned for 2023);
- A transit stop will be requested of the Grand Targhee Shuttle (being proposed to START and Grand Targhee).;
- Pathway connections to Shoshoni Plains Park and Ski Hill Rd trail (shown on adopted Transportation Plan).

**iii. Code & Law Enforcement**

Code enforcement is fairly minimal currently, but will increase as new development occurs in the annexation area. Enhanced law enforcement is typically paid for by property taxes, subject to annual budgeting, but typically increases to ensure coverage for newly annexed areas.

**c. Revenues**

- Impact Fees.** Transportation and Parks Impact fees are collected from new construction; calculated to directly offset impacts of new development on transportation and parks & recreation facilities and services. Annexation will allow the City to collect impact fees from new development.
- Local Option Sales Tax.** The LOST increase will primarily consist of the collection of 6% City lodging tax, estimated to be \$70,000 annually. Two thirds of LOST typically funds transportation maintenance and improvements. Smaller amounts fund visitor facilities and services, parks and recreation projects, utility upgrades and affordable housing, all items directly impacted by visitors and short-term rentals.
- Property Tax.** The annexation area's assessed property value is \$43,112,140. However, cities can only add 90% of annexation and new construction value, with a cap of 8% on annual property tax revenue increase. With a FY23 property tax budget of \$668,533 and an estimated 2022 new construction value of \$20,000,000, the increase in property tax revenue attributable to the annexation is \$36,500 with a decreased City levy rate of 0.00102 (\$102 per \$100,000 of property value).
- Utility Payments.** Utility payments will decrease from the annexation area since the City charges a surcharge of 1.5 times the in-city rate for water and sewer usage (note: this does not apply to the monthly base fees). The Stone Ridge Townhomes are individually metered while Aspen Point is connected via a master connection to both sewer and water (6"). City staff expects a reduction in annual water and sewer fees of approximately \$4,000 from Stone Ridge Townhomes and \$6,000 from Aspen Point Townhomes. This can be offset by the increase in local option sales tax.

**VII. ZONE MAP AMENDMENT CRITERIA FOR APPROVAL, LDC 14.8.4:**

- 1. The proposed Zoning Map Amendment substantially conforms to the Comprehensive Plan.**

As shown in Figure 2, all of Aspen Point and all of Stone Ridge west of Aspen Meadows Rd are designated as High Density Residential (HDR 3). The area north and east of Aspen Meadows Rd is shown as Low Density Residential (LDR 2), however the Stone Ridge PUD plat was recorded 1997 with the existing townhome use and building envelopes, etc. The Comprehensive Plan land use descriptions are:

HDR 3: HDR3. This area is an established high-density residential neighborhood along Ski Hill Road and Teton Creek.

LDR2. This low-density residential area north of Ski Hill Road and east of City limits is partially developed. This area is partially connected with the City sewer lines, which could facilitate annexation in this area.

**Staff finds that the proposed zoning map amendment substantially conforms to the Comprehensive Plan. The Planning & Zoning Commission should consider the recommendations provided by the Comprehensive Plan's Future Land Use Map, as well as other recommendations from the Plan text. Conforms.**

**2. The requested Zoning Map Amendment substantially conforms to the stated purpose and intent of this Land Development Code.**

The eleven stated purposes of the Land Development code include the protection of environmental features, agricultural lands, fish and wildlife, while providing for urban development, adequate public facilities and open spaces, and protecting from hazards, pollution and incompatible land uses.

**Staff finds that since the Planned Unit Developments are already platted with townhome footprints and contain open space, the proposed PUD zoning districts will not alter any conditions related to the LDC purpose and intent, while annexation will allow the City to ensure future build out conforms to LDC requirements. Conforms.**

**3. The Zoning Map Amendment will reinforce the existing or planned character of the area.**

The Zoning map amendment seeks to adopt the prior approvals for development of Stone Ridge Townhomes and Aspen Point Townhomes. However, public comments included a concern about building height in Stone Ridge and requested a reduction to 35ft. The existing buildings are between 30ft and 35ft. The zoning does restrict building height to 30ft on lot 3 (north of Aspen Meadows). The Planning and Zoning Commission could recommend a lower height maximum on Lots 2 and 3 of Stone Ridge.

**Staff finds that the zoning map amendment will reinforce the planned character of the area, shown on the recorded Stone Ridge Townhomes PUD and Aspen Point Townhomes PUD plats, however a lower height maximum of 35ft on Lot 2 of Stone Ridge Townhomes would help mitigate for the increased development intensity. Can conform.**

**4. The subject property is appropriate for development allowed in the proposed district.**

The sole use for both PUDs is Townhomes, as stated on the recorded plats. Both PUDs fall within the big game . Aspen Point also falls within the Songbird/Raptor Breeding and Wintering Habitat.

**Staff finds that the proposed zoning restricts development to the number of units stated on the recorded plats and shown in the platted building envelopes, which the Board of County Commissioners has previously found to be appropriate for the property. Conforms.**

**5. There are substantial reasons why the property cannot be used according to the existing zoning.**

The property can and has been used under the existing zoning, but the R-3 zoning district is a county designation, which is not available within the City of Driggs.

**Staff finds that a new zoning district is necessary and that special PUD zoning districts are the most direct method of preserving the original PUD zoning standards. Conforms.**

**6. There is a need for the proposed use at the proposed location.**

**Staff finds that a portion of the proposed/allowed use is already existing and that there is a need for townhome building types as a more affordable ownership option and locations next to arterial roads with existing city utilities are appropriate locations for such development. Conforms.**

**7. The City and other service providers will be able to provide sufficient public facilities and services to the site (i.e. schools, roads, wastewater treatment, stormwater facilities, fire services) while maintaining sufficient levels of service to existing development.**

**Staff finds that the subject properties have previously been platted and that the new zoning designations do not provide for any increase in density. Conforms.**

**8. The Zoning Map Amendment will not significantly impact the natural environment, including air, water, noise stormwater, wildlife, and vegetation.**

**Staff finds that the zoning map amendment by itself has no affect on the natural environment. Conforms.**

**9. The Zoning Map Amendment will not have a significant adverse impact on property in the vicinity of the subject property.**

The Zoning map amendment seeks to adopt the prior approvals for development of Stone Ridge Townhomes and Aspen Point Townhomes. However, public comments included a concern about building height in Stone Ridge and requested a reduction to 35ft. The existing buildings are between 30ft and 35ft. The zoning does restrict building height to 30ft on lot 3 (north of Aspen Meadows). The Planning and Zoning Commission could recommend a lower height maximum of 35ft on lot 2.

**Staff finds that the zoning map amendment will not have a significant adverse impact on property in the vicinity if the City revises the zoning proposal to include a lower height maximum of 35ft on Lot 2 of Stone Ridge Townhomes. Can conform.**

**VIII. STAFF RECOMMENDATION:**

Staff recommends that the Planning & Zoning Commission consider the above findings along with written comment and any verbal public comment at the public hearing, while focusing on the statutory requirement of recommending the appropriate zoning designation for the proposed annexation lands (since the City Council initiated the annexation, that body is the better one to respond to annexation concerns and issues).



**Motion Options:****Recommend Zoning Designation With Modification:**

Motion to recommend adoption of the PUD-SR and PUD-AP zoning designations for the annexed properties, with the following modification(s):

- a reduction from 45ft to 35ft for Stoneridge Townhomes Lot 2.

**Table:** Motion to table the Zone Map Amendment and annexation request until additional information is provided... [*to be determined by P&Z*].

***Optional Comments on the Annexation:***

**Approve:** Motion to recommend annexation, which provides compelling public benefit by ensuring the impacts of development on public facilities and services are addressed, with prioritization of the following actions suggested to address concerns raised in the public comments:

- Complete improvement of the Cemetery Rd connection to the Teton Creek Trail;
- Pursue the addition of a stop for the Grand Targhee Shuttle, serving the annexed area;
- Improve snow removal on Ski Hill Rd;
- Require Aspen Meadows to be paved as Lots 2 and 3 of Stone Ridge is built out;
- Facilitate consideration of the dedication of Aspen Meadows within the annexation area;
- Pursue planning and development of additional pathways to ensure safe pedestrian and bicycle connection to downtown, neighborhood parks, etc.

**Deny:** Motion to recommend the proposed annexation of Stone Ridge Townhomes and Aspen Point Townhomes PUDs based on the finding that the annexation does not provide a compelling public benefit because: [identify reasons]

**Exhibits:**

- A- Public Comments
- B- Letter to Owners