MEMO

To: Tetonia Planning & Zoning Commission
From: Ashley Koehler, Contract Planner
Report Date: September 3, 2025
Meeting Date: September 8, 2025
Project Name: Pinnacle Peak Zone Change & Conditional Use Permit
Future Review: *City Council- public hearing*

SUMMARY

The purpose of the hearing is to consider a REZONE of 38 acres from Transitional Agricultural zone to High Density Residential R-3 zone. The Rezone request is accompanied by a CONDITIONAL USE PERMIT request for allowance to pursue platting up to 90 single-family homes in the pending R3 zone. These requests are known as Pinnacle Peak and propose a future high density residential development containing townhomes and single family homes built out in phases, subject to future subdivision review.

PARCEL:	RPC00000291200
OWNER:	PFG Idaho, LLC
APPLICANT:	Johnny Watson, JRWA Engineering
LOCATION:	NW portion of city limits/ NW of 1st St and Jackson Ave
ACRES:	38.25 acres
ZONING:	TA- Transitional Agriculture

CODE CRITERIA

Zone Change & Code Text Amendment (City Code 9-5)

"The planning and zoning commission, prior to recommending an amendment, supplement, or repeal of a comprehensive plan provision or land use regulation, shall conduct at least one public hearing in which interested persons have an opportunity to be heard" (9-5-4).
"The planning and zoning commission shall ensure that any recommendation for amendment, reclassification, or annexation is in accordance with the comprehensive plan" (9-5-6).

Conditional Use Permit (CUP) (City Code 9-6)

"The planning and zoning commission shall hold a public hearing on each conditional use permit as specified in the official schedules of district regulations. Subject to section 9-6-7 of this chapter, the planning and zoning commission may approve, conditionally approve or deny a conditional use permit under the conditions as herein specified and considering such additional safeguards as will uphold the intent of this Title." The review criteria is quoted below in the Analysis section of the Report.

ANALYSIS

COMPREHENSIVE PLAN

The Comprehensive Plan calls for orderly growth adjacent to existing city services. The site is within city limits and would be eligible and required to be tied into the city sewer and water systems during Phase 1, with possible upgrades. Phase 2 will require coordination with the City for infrastructure expansion.
The upzone and increase in density is responding to the housing shortage felt County-wide and creates a logical extension of Tetonia's city fabric rather than scattered rural sprawl. The Comp Plan emphasizes housing diversity

and this upzone proposes a mix of single-family homes and townhomes which meets this goal. The Comp Plan identifies the importance of compatibility with surrounding uses and this project includes setbacks, landscaping, and open space buffers to transition from agricultural surroundings. Through the subdivision platting, consideration for open space, parks, and Rail trail access will need to be evaluated.
The Comp Plan also stresses transportation connectivity and safety. The project proposes a new access to Highway 33 (pending ITD approval) and integrates pedestrian/bike pathways with Rails-to-Trails. This would all be further evaluated during a subdivision application.

ZONE CHANGE

- See the applicant's narrative and the Zoning Vicinity Map. The property is surrounded by the Area of Impact and the SE corner is zoned R1.
- Land Use Code description of the R3 zone (9-10-02-1):
    - **R3 High Density Residential:** High density residential uses typically served by collector and arterial streets and characterized by multi-unit dwellings, ample off street parking, higher traffic volumes, common open space and low nuisance potential.
- Currently, the other R3 area in city limits is vacant.
- Comprehensive Plan Land Use Map: Categorizes this property as "agriculture".

In order to avoid any speculative rezones, the city ideally reviews the development proposal, such as the subdivision application with the rezone. Considering the scale of this development proposal, it is understood that the applicant would like some assurance before they move forward with more detailed subdivision drawings and engineering. Therefore, they have chosen to only pursue the rezone and CUP at this time. A sketch plan of the potential lot layout has been submitted that demonstrates maximum density, but not all the subdivision requirements, such as park open space. **It is suggested that any recommendation to approve the Rezone and CUP be conditioned on a subdivision application being submitted within 1 calendar year of the Rezone and CUP approval. Otherwise, the rezone and CUP approvals are rescinded.**

CONDITIONAL USE PERMIT (CUP)

In order to adequately consider the Rezone, information related to the intended land use was requested so it could be jointly reviewed. Therefore, the applicant concurrently applied for a CUP for the Single-family dwellings to be platted as a part of a *future* subdivision request. Any recommendation on the CUP by the P&Z Commission is conditional and is only a recommendation if and until the City Council approves the Rezone.

Code review criteria and Staff's analysis: *"The planning and zoning commission shall review the particular facts and circumstances of each proposed conditional use in terms of the following standards and shall find adequate evidence showing that such use at the proposed location will:*

1. *Conditional use: Constitute a conditional use as established in this Title.*

The application requests rezoning to R3, which zone requires a CUP for single-family homes. The applicant states that no variances are requested and that all dimensional standards (including setbacks, height, lot footprints) will be met consistent with 9-10-06-3 Residential Dwelling Standards.

2. *Comprehensive Plan: Be harmonious with and in accordance with the general objectives or with any specific objective of the comprehensive plan and/or this Title;*

The submittal emphasizes orderly growth, housing variety, view corridor protection, and trail/open-space connectivity, all identified as Comp Plan objectives. Phase 1 leverages existing utilities; trails along the eastern boundary are preserved; building heights/layout are described as protecting Teton Range view corridors. See analysis above.

3. *Existing Character: Be designed, constructed, operated and maintained to be harmonious and appropriate in appearance with the existing or intended character of the general vicinity and that such use will not change the essential character of the same area as far as is possible;*

The narrative describes landscaping, setbacks, and central open space as buffers to surrounding agricultural lands and the city edge; noise, light, and waste are expected to remain at typical residential levels; exterior lighting is to be residential in scale to reduce trespass. However, the sheer number of potential homes is higher than anywhere else in the City so the density would stand out from the existing pattern of the city. The CUP

coupled with the Rezone is considering the number of single-family (SF) homes and the subdivision proposal in the future will consider the layout, lot size, and access. Staff finds that *yes,* this density will change the existing character of the City at this location and the entire city, as this density of SF homes could accommodate a population of nearly 234 people, considering a household size of 2.6 and up to 90 SF homes. This is nearly double the current population of Tetonia. **P&Z should discuss the land use implications of this density at this location.**

4. *Neighboring Uses: Not be unduly hazardous or disturbing to existing or future neighboring uses;*

No inherent hazardous issues are identified from the single-family homes, but the density poses disturbances to adjacent existing homes and traffic impacts to the city at large.

5. *Public Facilities and Services:*
    a. *Not create excessive additional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the city;*
    b. *Be served adequately by essential public facilities and services or that the persons or agencies responsible for the establishment of the proposed use shall be able to provide such service;*

Phase 1 will connect to the existing Tetonia sewer/water (sewer to main line near Teton Ave; water system looped). **See comments from Public Works/Engineer regarding studies and upgrades needed.** This will be evaluated further at time of subdivision application along with the expectation for the Developer to cost share and/or construct upgrades anticipated for Phase 2 especially. Phase 2 expects infrastructure upgrades and agreements with the city, such as transferring groundwater rights (additional rights could be purchased if needed) and a well. These commitments indicate a willingness to navigate a feasible path to capacity for full buildout.

The subdivision standards state that the P&Z Commission may require an Impact Study; "*the study may include, but not limited to, transportation and traffic, water, sanitary sewer, drainage and scenic and environmental conditions*" (9-11-4-2-B-4).
Electricity is available; police/fire/EMS coverage remains consistent with other city neighborhoods.
The School District was notified, but no comments were received as of the date of this Report.

6. *Pollutants: Not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to persons, property or general welfare by reason of excessive production of traffic, noise, smoke, fumes or other pollutants;*

The Narrative anticipates impacts consistent with typical residential neighborhoods; waste will be managed via standard services; lighting scaled to residential to minimize off-site spill.

7. *Traffic Hazards: Have vehicular approaches to the property that will be so designed as not to constitute a hazard to traffic on adjacent public thoroughfares; and*

Internal streets are planned to connect efficiently to city streets; primary site access contemplates a new connection to Highway 33 subject to ITD approval, which is in progress per the applicant. Until ITD access permit and any required traffic study/mitigations are finalized, compliance is partial and should be conditioned.

8. *Historic Features: Not result in the destruction, loss or damage of a scenic or historic feature of major importance.*

None identified.

OPTIONAL RECOMMENDATIONS

It is recommended that the P&Z Commission discuss this project, specifically the items in bold in the Report and make a recommendation to City Council. Optional motions are provided below to consider.

OPTIONAL RECOMMENDATIONS

Rezone

Approve: Motion to recommend approve the rezone of the property described in this Report to be rezoned from TA to R-3 based on the finding that the property would support the Comp Plan by offering a mix of housing types, with the following condition:

1. The rezone to R3 is conditioned on an application for the subdivision presented here to be submitted within 1 calendar year and pursued in good faith. If the subdivision is not applied for on this site or the subdivision application review and/or approvals expire, then the zone will revert back to TA.

Continue: Motion to continue the decision to rezone the property described in this Report until the following information is submitted or responded to: _____

Deny: Motion to recommend denial of the Rezone of the property due to the finding that: _____

Conditional Use Permit

Approve: Motion to recommend approval of the Conditional Use Permit for the "Single-Family Homes" if the City Council approves the Rezone, with the following conditions:

1. An application for the subdivision presented here shall be submitted within 1 calendar year and pursued in good faith. If the subdivision is not applied for on this site or the subdivision application review and/or approvals expire, then the CUP shall be null and void.
2. Others? _____

Continue: Motion to continue the decision on the CUP request until the following information is provided:_____

Deny: Motion to recommend denial of the CUP due to the finding that: _____

Attachments:

1. Application Narrative 8/21/25
2. Sketch Plan
3. Engineering Comment letter 9/3/25

PINNACLE PEAK
— AT THE TETONS —

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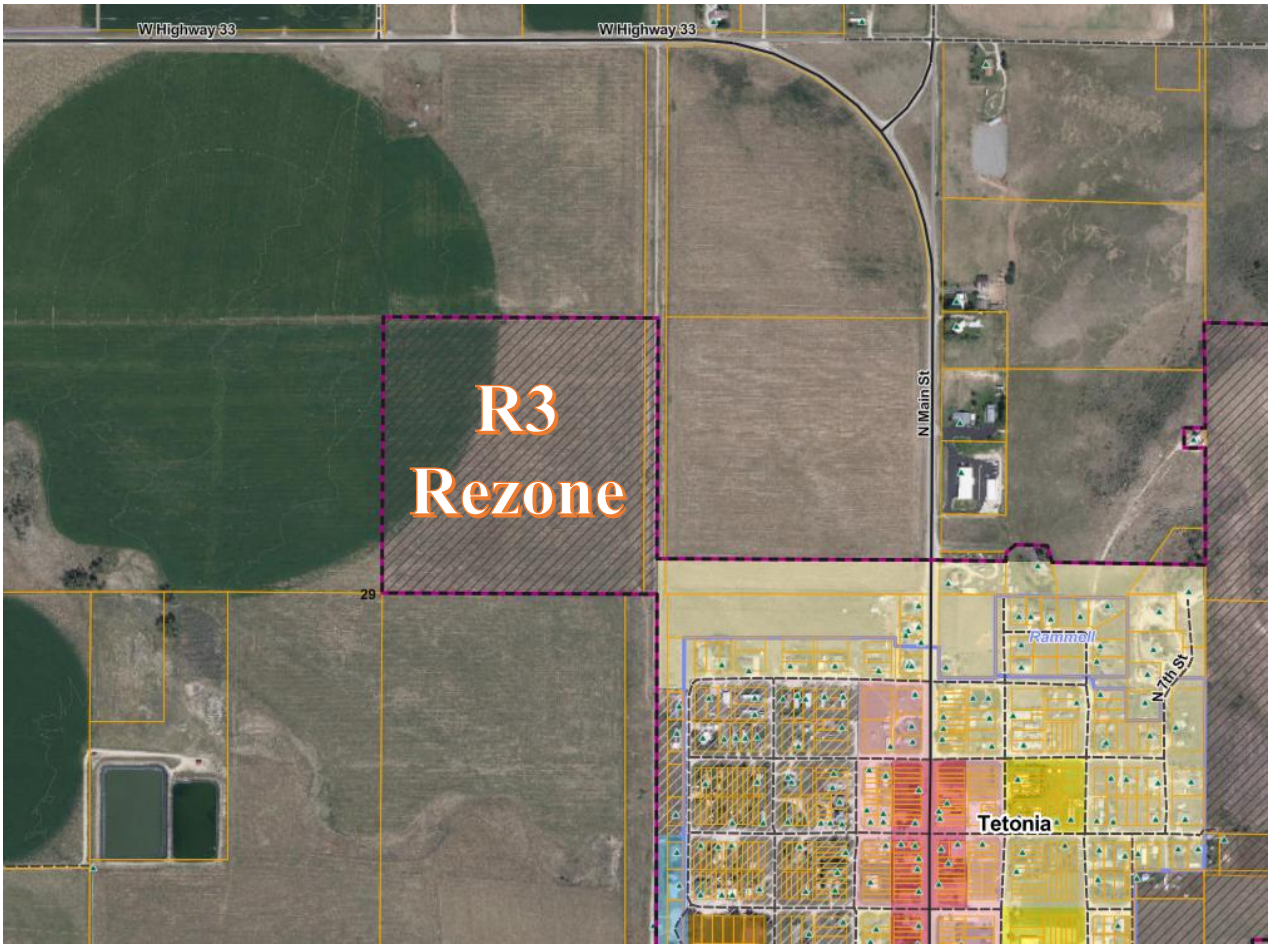
On behalf of Powell Family Group - Idaho, a local developer specializing in residential communities, we respectfully submit this Rezone and Conditional Use Permit application. We're proposing to develop a 38-acre mixed-use residential community, "Pinnacle Peak," in Tetonia, Idaho. This project will be executed in two phases. Phase one will develop up to 100 residential units, a mix of single-family homes and townhomes, utilizing the existing City of Tetonia sewer and water capacity. For phase two, we'll actively work with the City of Tetonia and the City Engineer to ensure sewer and water infrastructure expands not only to serve this development, but the broader needs of the City of Tetonia, as well.



Project Location

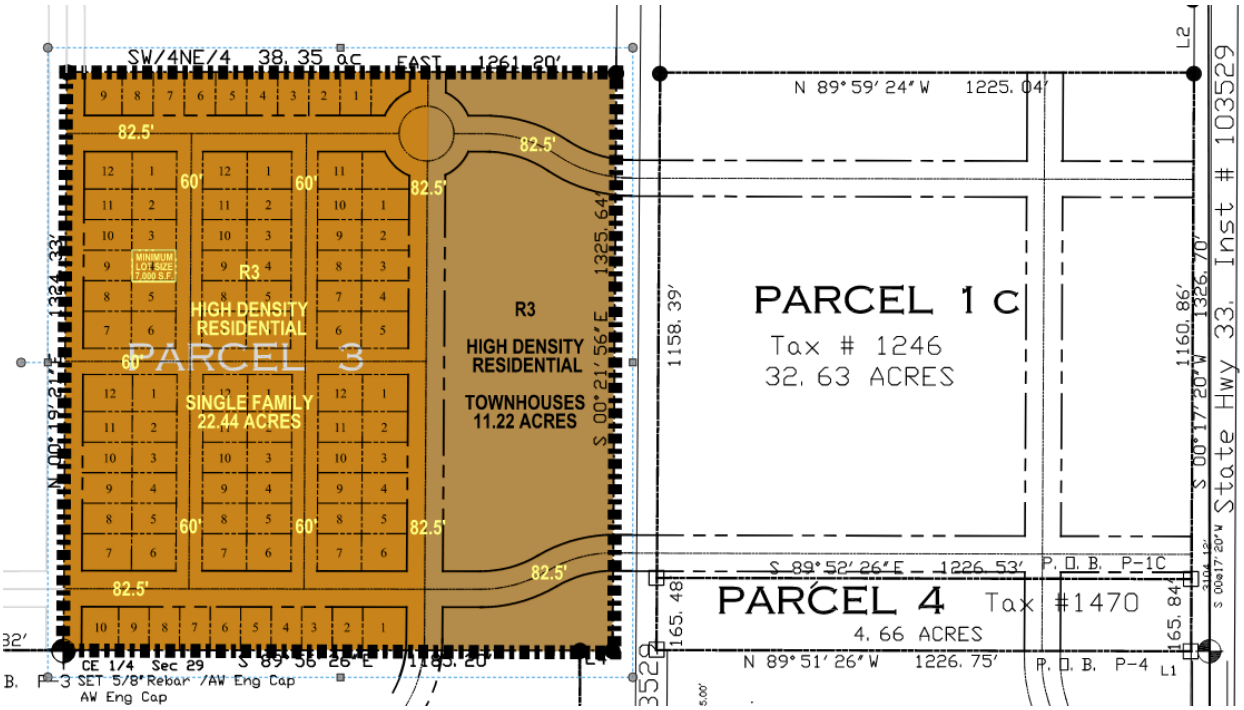
The subject property, identified by the legal description SW4NE4-TAX# 1470 SEC 29 T6N R45E, encompasses approximately 38.35 net acres. This currently undeveloped parcel is situated in the northwest corner of the City of Tetonia. The Rails for Trails public trailway borders the property to the east. This trail will remain undisturbed, except for a proposed future road connection from Pinnacle Peak to State Highway 33, just north of the city.

The parcel's current zoning is Transitional Agriculture (TA), and the land is presently used for farming. The property is surrounded on all four sides by land outside the City of Tetonia but within its Area of Impact. A small, 4-acre lot zoned R1, also owned by the applicant, is the only city land directly adjacent to the 38.35 acres proposed for rezoning.

Proposed Project

The existing Transitional Agriculture zoning facilitates the transition of agricultural land, no longer used for extensive purposes, into residential areas while preserving compatible agricultural uses. However, this low-density housing zone restricts development to one house per 2.5 acres, allowing for a maximum of only 15 single-family residences under the current TA zoning.

Therefore, we're proposing a rezone to R3 – High Density Residential. A high density residential project in an R3 zoning would allow us to provide multiple housing options at various price points. This High Density zoning is defined as residential housing typically served by collector and arterial streets and characterized by multiple-unit dwellings, ample off-street parking, higher traffic volumes, common open space and low nuisance potential.



Utilities – Phase 1

- Existing Use: 38.35 acres of Transitional Agriculture would allow for 15 single family homes and 15 Equivalent Dwelling Units (EDU)
- Develop up to 100 residential units, a mix of single-family homes and townhomes, utilizing the existing City of Tetonia sewer and water capacity.
- Sewer to connect to existing mail line adjacent Teton Ave.
- Water system to be looped to existing infrastructure

Utilities – Phase 2

- The proposed phase 2 permitting or construction would not commence until Pinnacle Peak and the City of Tetonia agree to infrastructure upgrades and water right transfers.
- Based on the upcoming sewer and water reports that are being procured by the city, we will work to ensure sewer and water infrastructure expands not only to serve this development, but to the broader needs of Tetonia as well.
- A portion of the existing Pinnacle Peak water rights will be conveyed to the City of Tetonia. Pinnacle Peak currently has 1.0 CFS in ground water rights that are roughly equal to 528 EDUs.
- Pinnacle Peak also has additional water rights that are available to us for purchase if needed by the city of Tetonia.
- A water well will be provided by the seller to support the city water system.

Adherence to the Comprehensive Plan

Tetonia, Idaho, a charming town nestled in the Teton Valley, is experiencing a gentle ripple of growth, and with it, the careful consideration of how new developments can enhance, rather than detract from, its unique character. Imagine "Pinnacle Peak," a proposed new residential community on a property that is being rezoned to a High-Density Residential (R3) zone, aiming to seamlessly integrate with Tetonia's Comprehensive Plan while diligently maintaining the small-town essence of Tetonia.

The Tetonia Comprehensive Plan emphasizes orderly development, preservation of community character, and a balance of uses. The R3 zoning district itself is specifically designed to allow for a mixture of housing types, ensuring compatibility and harmonious design within the community. Pinnacle Peak, therefore, is not simply a housing project; it's a thoughtfully conceived neighborhood.

Adherence to the Comprehensive Plan: A Narrative of Pinnacle Peak

From its inception, the developers of Pinnacle Peak understood that their vision had to align with Tetonia's guiding principles. Their approach was multi-faceted, addressing key objectives outlined in the Comprehensive Plan:

- Encouraging Orderly Growth and Development: The Pinnacle Peak site, carefully selected for this R3 rezoning, is situated to utilize existing infrastructure and minimize sprawl. Its layout incorporates a central green space, designed not just for recreation, but as a visual and functional buffer, mitigating potential impacts on surrounding agricultural lands. The community's internal road network is designed to connect efficiently with existing city streets, preventing isolated enclaves and encouraging a logical extension of Tetonia's fabric.
- Providing for a Variety of Dwelling Types and Densities: Recognizing the Comprehensive Plan's objective to offer diverse housing options, Pinnacle Peak will feature a mix of housing types, specifically single-family residences and townhomes. The density is carefully calculated to be appropriate for an R3 zone, allowing for a slightly higher concentration of units than purely R1 or R2 zoned detached homes, but without overwhelming the site or neighboring areas. This adheres to the Comprehensive Plan's call for "opportunities for a variety of dwelling types and densities."
- Promoting Compatible Integration of Uses: The development's design ensures harmonious integration with surrounding areas. Ample landscaping and strategic setbacks are employed to ensure visual harmony with any adjacent purely residential or agricultural properties.
- Sustainable Infrastructure Planning: Phase 1 of the development will be served by existing public facilities and services. To ensure responsible growth, the development team for Pinnacle Peak will actively work with the City of Tetonia and their engineer to sustainably develop Phase 2 of this property, taking into careful consideration the needs for future sewer, water, and road infrastructure. This collaborative approach aims to align the development with the city's long-term infrastructure goals. Electricity is readily available and will continue to meet the demand of the proposed development. The property is within the service area of local fire, police and emergency medical services. Response times and coverage will remain consistent with other residential homes in the City of Tetonia.
- Preserving View Corridors: A critical consideration in the design of Pinnacle Peak is the preservation of Tetonia's iconic views. The new development will be carefully sited and designed to ensure it does not impact the city's view corridors of the Teton mountains, allowing residents and visitors alike to continue enjoying the breathtaking natural scenery.
- Existing Character, Encouraging Variety, Excellence, and Creativity in Design: The architectural guidelines for Pinnacle Peak emphasize a contemporary mountain aesthetic, drawing inspiration from the local vernacular, to integrate organically with the surrounding properties while allowing for individual expression within a cohesive framework. Natural materials, varied rooflines, and thoughtful landscaping are required to create a visually appealing and distinct Tetonia community. Open spaces within Pinnacle Peak are designed

with both passive and active recreation in mind, including pedestrian walkways, bicycle paths, and walking trails that connect to potential future city trails, fulfilling the Comprehensive Plan's desire for preserved open space and natural beauty.

- Effects on Adjoining Property: The proposed development will not generate significant noise beyond typical residential levels, and will not create air, water or soil pollution. Waste will be managed through standard residential trash services. Any exterior lighting will be residential in scale to avoid large light trespass onto adjacent properties.
- Traffic Hazards: The vehicular access to the property is designed to maintain safety and minimize traffic impacts on public streets. The property will be accessed by a new drive connecting with Hwy 33. We are actively working with Idaho Transporation Department to obtain the necessary approvals for access off Hwy 33.

Through meticulous planning and adherence to the spirit and letter of Tetonia's Comprehensive Plan, Pinnacle Peak is poised to become a vibrant, well-integrated residential community featuring single-family homes and townhomes that respects Tetonia's past while contributing positively to its future.

Adherence to Existing Land Use Code

The proposed "Pinnacle Peak" residential community aims to become a seamless addition to this landscape, demonstrating its compatibility with the Tetonia Land Use Code not through exceptions, but through thoughtful adherence to its principles, beginning with a strategic rezone and a commitment to responsible development.

Pinnacle Peak: A Narrative of Compatibility with the Tetonia Land Use Code

The journey of Pinnacle Peak begins with a request to rezone the property to a High-Density Residential (R3) designation. This particular zoning district within the Tetonia Land Use Code is recognized for its flexibility to accommodate diverse yet harmonious development, a perfect fit for Pinnacle Peak's vision. Crucially, as part of this rezone, the development team will be seeking Conditional Use Approval. This process, clearly outlined in the Land Use Code, provides the City of Tetonia with the necessary oversight to ensure that the proposed use, while allowed in the R3 zone, meets specific conditions to safeguard public health, safety, and welfare, and maintains the integrity of the surrounding area. It is a proactive step to ensure compatibility from the outset.

The core of Pinnacle Peak's residential offerings will consist exclusively of single-family homes and townhomes. This mix directly aligns with the intent of the R3 zone to provide a variety of dwelling types, catering to different housing needs within the community, as encouraged by the Land Use Code. This intentional design choice eliminates the need for deviations from established standards. Indeed, a foundational principle of the Pinnacle Peak development is the unwavering commitment that no variances will be requested. Every aspect of the project is engineered to conform precisely to the Land Use Code's stipulated dimensions and requirements. Specifically, Pinnacle Peak will strictly meet Land Use Code 9-10-06-3 Residential Dwelling Standards, including all lot footprint, minimum setbacks, and building height requirements, ensuring that all residential structures adhere to the detailed criteria set forth for quality and compatible housing. This commitment underscores a dedication to responsible development that respects the established regulatory framework.

Furthermore, Pinnacle Peak's design meticulously considers the broader community context and specific Code requirements:

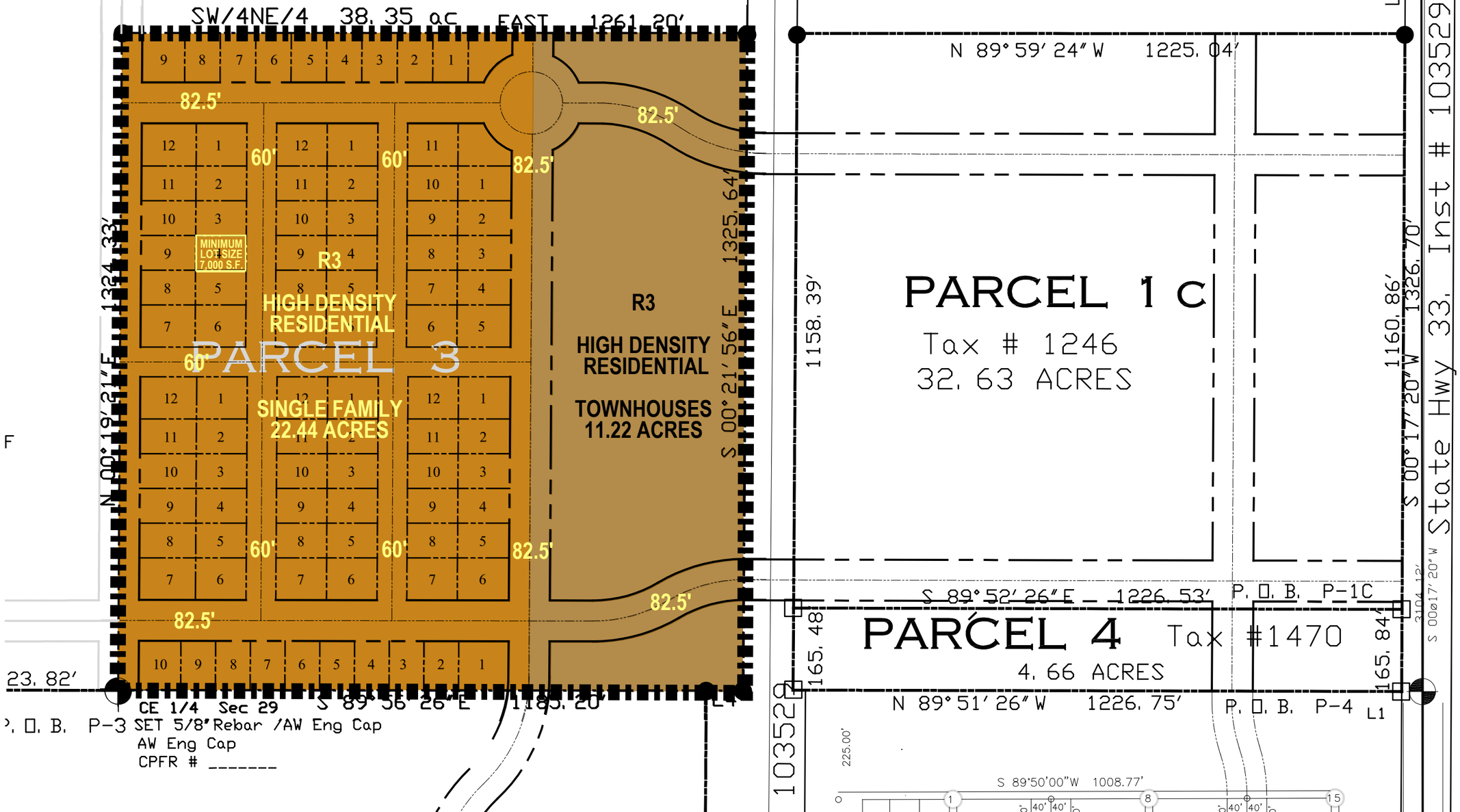
- Preserving Visual Harmony: A vital component of Tetonia's character, explicitly addressed in the Land Use Code, is the preservation of its iconic views. Pinnacle Peak's layout and building heights are carefully orchestrated to ensure that the development does not impact the city's view corridors of the Teton mountains, allowing the natural beauty to remain unobstructed for all.
- Architectural Integrity: The aesthetic guidelines for Pinnacle Peak will reflect a commitment to the Code's intent for appropriate design. Employing a contemporary mountain architectural style, with natural materials and varied rooflines, the homes will harmonize with Tetonia's vernacular, ensuring the new development enhances the town's visual appeal without jarring contrasts. These guidelines will also ensure operations or uses are not undertaken that will be detrimental to the general welfare of the Tetonia residents.

By adhering to the Tetonia Land Use Code, including the detailed 9-10-06-3 Residential Dwelling Standards, embracing the Conditional Use Approval process, and committing to develop only single-family homes and townhomes in full compliance with all standards, Pinnacle Peak is poised to exemplify thoughtful, compatible, and sustainable growth that genuinely respects and enhances the unique small-town essence of Tetonia.

PARCEL 3 DESCRIPTION

THE SW¼ NE ¼ OF SECTON 29, TWP 6N, RNG 45 E, B.M. TETON COUNTY, IDAHO, LESS THE RAIL FOR TRAILS RIGHT OF WAY ON THE EAST SIDE.
BEING FURTHER DESCRIBED AS;

COMMENCING AT THE CENTER ¼ CORNER OF SAID SECTION 29, AND RUNNING;
THENCE N 00°19'21"E, 1324.33 FEET TO THE NW CORNER OF THE SW¼ NE ¼ OF SAID SECTION 29;
THENCE EAST, 1261.20 FEET TO A POINT ON THE WEST SIDE OF THE RAILS FOR TRAILS RIGHT OF WAY;
THENCE S 00°21'56"W, 1325.64 ALONG THE RAIL FOR TRAILS WEST RIGHT OF WAY;
THE N 89°56'26"W, 1260.20 FEET TO THE POINT OF BEGINNING.
CONTAINS 38.35 ACRES MORE OR LESS.



BARTON BA ARCHITECTURE PLLC
JRW & ASSOCIATES ARCHITECTS

PINNACLE PEAK
— AT THE TETONS —

PARCEL 3 REZONE
R3 HIGH DENSITY RESIDENTIAL
CITY of TETONIA VERSION

SUNRISE ENGINEERING

Pocatello Office
[address redacted] [address redacted] | **Tel:** [phone redacted] | **Fax:** [phone redacted]

September 2, 2025

City of Tetonia
Attn: Jacque Beard
[address redacted]
[address redacted]

Re: Pinnacle Peak - Concept Plan Review for CUP and Rezone Request

Dear Ms. Beard,

SEI has reviewed the proposed conceptual site plan for the above-mentioned project. Below are our comments and recommendations.

Sewer

- A facilities plan update needs to be completed to verify the status of the existing sewer collection and treatment system. This will also verify what improvements need to be completed to accommodate this proposed development.
- The development will be required to connect to the city sewer collection system via the sewer main that ties into the treatment facility. The size of this line needs to be field verified. This can be completed as part of the facilities plan update.
- A sewer main line stub out will be required to adjacent properties. This can be assessed when a more detailed development plan is provided.

Water

- A facility plan update needs to be completed to verify the status of the existing water distribution system, water rights, and sources. This will help verify what improvements are needed and what water rights will be needed to accommodate this proposed development.
- The development will be required to connect to the city water distribution system and to loop it. The two recommended connection points are the water main on Main Street and Perry Ave. This will include any necessary fire hydrants.
- A main line stub out may be required to adjacent properties. This can be assessed when a more detailed development plan is provided.
- The developer has proposed to transfer water rights to the City to accommodate the development. The City should include this assessment of the water rights and what is needed from the development as part of the facilities planning study.

Irrigation

- The developer shall verify if the property has water rights. If water rights are available an internal irrigation system shall be designed and constructed as part of the development process. The internal irrigation system shall be owned and maintained by a Homeowner's association.

Roadway Connectivity

- The subdivision will be required to improve all roadways and adjacent roadways to meet the cross section requirements set forth in the City of Tetonia Public Works Standards and Specifications.
- The developer shall consider the future roadway connectivity plan that the City is working through as part of the transportation plan when considering the layout of the roadways and their classifications. The current layout appears to meet this requirement.
- A traffic impact study should be required along with any mitigations that are recommended.

General

- There are approximately 100 connections of capacity in the existing sewer and water system. It appears that there will be enough to service this development. This will need to be verified as part of the recommended facilities planning updates. These connections will be issued on a first come, first serve basis with building permits. The development does fall within the service boundary and will be provided a will serve letter based on the detailed assessment in the facilities planning study.
- All other public and private improvements shall meet City of Tetonia, DEQ, and other governing agency specifications and requirements.
- When designing the improvements please refer to the City of Tetonia Public Works Standards and Technical Specifications wherever possible.

A more detailed review and analysis will need to be performed when the applicant provides a more detailed concept plan or layout.

Please let us know if you have any questions or require any additional information.

Regards,



Robert M. Heuseveldt, PE, CFM
Sunrise Engineering
[email redacted]