CITY OF VICTOR

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City Council Staff Report

REPORT DATE: August 20, 2026

MEETING DATE: August 26, 2026

FILE NUMBER / NAME	**Reconsideration of Council Decision of LU2026-01 Annexation & LU2026-02 Zoning – 250 Aspen St, 17 Baseline Rd, and 106 Antelope Ln.**		
APPLICATION TYPE	Reconsideration of a Council Decision		
PROJECT APPLICANT	Annexation & Zoning	PROPERTY OWNERS REPRESENTED	Spencer Stewart, Francisco Lazalde, and Val D. Kunz
OWNERS REPRESENTATIVE	Zach Smith		

PURPOSE & PROCESS

This action item is for the Council to consider granting or denying a request for reconsideration of its written decision denying the Rezoning and Short Plat application, submitted by Macher Management LLC on behalf of the owner East Idaho Holdings LLC. This is not a meeting to reconsider the written decision, but only to decide if the Council believes reconsideration of the decision is warranted. The Council has three options as outlined in the Alternatives section below.

BACKGROUND

- The application was filed [LDC Sec. 14.3.2.B] on January 20, 2026 and fees paid on January 21, 2026.
- Service Provider Notification [LDC Sec. 14.2.2.D] was completed on February 19, 2026. The following service providers were emailed notice: City of Driggs, Teton County Fire, Fall River Electric, Trail Creek Irrigation, Public Works, Teton County Joint Housing Authority, Idaho Transportation Department, Silverstar Communications, Teton Valley Trails and Pathways, Teton County, Teton School Dist., 401 RAD Curbside, City Attorney.
- The public hearing notice was posted on the City website [LDC Sec. 14.3.5] on February 24, 2026.
- The public hearing notice was posted at City Hall [LDC Sec. 14.3.5] on February 26, 2026.
- Property owners within 300', and all political subdivisions have been notified by mail of this application and notice was posted on the property on March 3, 2026. [LDC Sec. 14.3.5]
- Legal notice in the newspaper was published on March 4, 2026. [LDC Sec.14.3.5]
- The Planning and Zoning Commission held a public hearing on March 19, 2026, reviewed the project record, heard testimony from staff and the applicant, heard public comments, and discussed the application's impacts.
- The Planning and Zoning Commission voted to continue the public hearing until April 16, 2026, at 7:00PM. They requested that the applicant return with a proposal showing less density.
- The applicant voluntarily chose to host a neighborhood meeting on April 9, 2026.
- The Planning and Zoning Commission held a public hearing on April 16, 2026, reviewed the updates to the project record, heard testimony from staff and the applicant, heard public comment, and discuss and deliberate regarding the application's impacts.
- The Planning and Zoning Commission voted to recommend approval of the annexation with the assignment of RS-7 Single and Two-Family Zoning for the whole site.
- The public hearing notice was posted on the City website [LDC Sec. 14.3.5] on May 4, 2026.
- The public hearing notice was posted at City Hall [LDC Sec. 14.3.5] on May 4, 2026.
- Property owners within 300', and all political subdivisions have been notified by mail of this application and notice was posted on the property on March 12, 2026. [LDC Sec. 14.3.5]
- Legal notice in the newspaper was published on March 6, 2026. [LDC Sec.14.3.5]
- City Council held a public hearing on May 27, 2026, reviewed updates to the project record, heard testimony from staff and the applicant, heard public comment, and discussed and deliberated regarding the application's impacts.

- City Council as decisionmaker on the application voted to approval the applicant in accordance with the Planning and Zoning Commission recommendation with the assigned zoning of RS-7.
- The development agreement and ordinance will be prepared for a future public hearing.
- Both the annexation and zoning are required to be approved by Ordinance. The Ordinance will be published and recorded with the Teton County Recorder's Office with the annexation plat.
- All adoption documents must also be filed with the Idaho Tax Commission to formally adjust the City boundary map.

ALTERNATIVES

The Council may i) deny the request for reconsideration and allow the prior written decision to stand; (ii) grant reconsideration and schedule the matter for a new, properly noticed public hearing; or (iii) grant reconsideration and direct staff to redraft the written decision to address identified deficiencies or clarify the findings, based solely on the existing record.

ATTACHMENTS

Reconsideration Documents
Minutes from March 19, 2026, P&Z meeting
Minutes from April 16, 2026, P&Z meeting
Minutes from May 27, 2026, Council meeting
Staff Report and Application Materials for May 27, 2026, Council meeting
Approved Findings of Fact

FISCAL IMPACT

N/A

STAFF IMPACT

N/A

LEGAL REVIEW

Reconsideration Overview. Reconsideration is the process by which an aggrieved party asks the City Council to review its prior land use decision and issue a new decision. It is a required step before seeking judicial review in district court. A land use decision is not considered final for purposes of judicial review unless the statutory reconsideration process has been completed. See I.C. § 67-6521. Although the Victor Code references reconsideration, it does not establish a separate procedure; the process is governed by state law.

A request for reconsideration must be filed within fourteen (14) days of the Council's final written decision. Once submitted, the request may be placed on a City Council agenda as an open business item. The Council can also do nothing, and the request will be deemed denied in 60 days. If placed on an agenda, the Council is not holding a public hearing on the merits of the reconsideration request; it is only deciding whether reconsideration should be granted.

It is important to clarify that this agenda item is not a public hearing and no new public testimony should be taken. The purpose of the meeting is limited to determining whether reconsideration should be granted or denied. Allowing new testimony or additional evidence at this stage creates a risk that the Council could rely on information outside the formally noticed public hearing record.

If reconsideration is denied, the prior decision remains in place. If reconsideration is granted, the Council has two primary options.

First, the Council may schedule a new public hearing to address the issues raised in the reconsideration request. If a new hearing is held, proper notice must be provided consistent with statutory requirements, including notice to affected agencies and the same published and radius notice originally required for the application.

Second, the Council may grant reconsideration solely to revise or clarify its written decision. In that circumstance, the Council may direct that a new or amended decision be drafted to correct deficiencies or provide a more complete reasoned statement. Any redrafted decision must be based entirely on the existing record, which is limited to the prior testimony, exhibits, and materials previously submitted. No new evidence may be considered without reopening the record and providing proper notice and an opportunity for public hearing. If new information is introduced or relied upon, a properly noticed public hearing is required.

SUGGESTED MOTIONS

Affirm the approval (no reconsideration).

I move to deny the Request for Reconsideration and affirm the Council's prior decision on the annexation and granting initial zoning applications LU2026-01 and LU2026-02.

Grant reconsideration and schedule new public hearing.

I move to grant Petitioner's Request for Reconsideration on the annexation and granting initial zoning applications LU2026-01 and LU2026-02 and direct planning staff to schedule a properly noticed public hearing for further consideration of the application.

Grant reconsideration and redraft decision with no new hearing.

I move to grant Petitioner's Request for Reconsideration and direct staff to redraft the written decision for the annexation and granting initial zoning applications LU2026-01 and LU2026-02 to clarify and supplement the Council's findings and reasoned statement, based solely on the existing record, without reopening the public hearing. I make this motion for the following reasons: [provide direction to Staff on how the Decision should be re-written].

[Roll call vote]

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City of Victor, Idaho
Appeal Application

Permit #: _____

Date Received: _____

IWORQ #: _____

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An applicant or any person affected by an application decision may appeal that decision. An affected person is defined as one having a bona fide interest in real property which may be adversely affected by the decision (see State Statute 67-6521).

Appeals must be received no later than 14 days after the written decision was issued.

***APPLICANT:** Francisco & Kathy Lazalde, Val & Susan Kunz, Spencer Stewart **PHONE:** [redacted]

* If the applicant is someone other than the owner, a notarized statement authorizing applicant to act as an agent for the owner must accompany this application.

APPLICANT MAILING ADDRESS: Victor Idaho

APPLICANT EMAIL ADDRESS: [redacted]

PROJECT ADDRESS: 850 S 17 W (RP03N45E110500), 106 ANELOPE (RP03N45E110400), 250 ASPEN (RP03N45E110100)

PROJECT PARCEL NUMBER(S): above **CURRENT ZONE:** County

PROJECT NAME OR DECISION THAT IS BEING APPEALED: LU2026-01

REASONS FOR APPEAL, BASED UPON RELEVANT APPROVAL CRITERIA (ATTACH ADDITIONAL PAGES IF NECESSARY): Please see attached letter for more information.

Signed by: [signature] 7/21/2026 | 3:13 PM PDT

Signed by: [signature] 7/21/2026 | 3:15 PM PDT

DocuSigned by: [signature] 08CECE9BB37D439... 7/21/2026 | 4:07 PM MDT

DocuSigned by: [signature] 08CECE9BB37D439... 7/21/2026 | 4:05 PM MDT

DocuSigned by: [signature] 0FF362E47909495... 7/21/2026 | 7:25 PM PDT

APPLICANT'S SIGNATURE: _____ **DATE** _____

OFFICE USE ONLY

FEE - $1,446.00

RECEIPT #: _____ DATE RECEIVED: _____ RECEIVED BY: _____

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July 16, 2026

Mayor and Members of the City Council
City of Victor
Victor, Idaho 83455

Re: Request for Reconsideration of LU2026-01 — Annexation and Rezone of Parcel Numbers RP03N45E110500, RP03N45E110400, RP03N45E110100 Addressed as [address redacted] [address redacted] 106 Antelope, and 250 Aspen, Victor

Dear Mayor and Councilmembers:

We are the owners of the three parcels comprising the property that was the subject of the annexation and rezone application filed by D&B Partners LLC and decided by the Council on May 27, 2026. We write respectfully to request reconsideration of that decision. Specifically, we accept and would agree to the annexation and the RS-7 zoning designation approved at the public hearing, but we request that the fourteen conditions of approval be removed. As explained below, those conditions were tailored to a specific development project that will no longer occur, or they simply restate requirements the City's development code already imposes on every parcel within City limits.

I. Background: The Proposed Project Will Not Move Forward

The private land sale contract between the property owners and D&B Partners LLC has been terminated. The development project proposed under the annexation and rezone application will therefore not proceed. The subject property consists of three parcels held by three separate, unrelated owners, and the parcels may or may not be developed congruently in the future, if at all. The property is a county island surrounded by City land, and once annexed with a zone applied, all future development will be subject to City code in the same manner as any other parcel within City limits, regardless of the removal of the project-specific conditions. As a county island, annexation of these parcels does not expand the exterior boundaries of city limits.

II. The RS-7 Zone Does Not Conform to the Comprehensive Plan

Under Section 14.7.12(B)(1) of the Victor Land Use Development Code, a rezone approval must conform to the Comprehensive Plan. The City's own staff report to Council concluded that the RS-7 zone is not consistent with the future land use map designation of Downtown Neighborhood and is not listed among the recommended zoning districts for that designation. The staff report further observed that RS-7 would yield approximately four lots per acre (roughly 58 lots at the 7,000-square-foot minimum lot size), or up to eight units per acre if an accessory

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dwelling unit were placed on each lot, which is not consistent with the density the Comprehensive Plan recommends for this area. Please see Exhibit A which includes the specific language set forth in the City's Staff Report.

Givens Pursley LLP, widely regarded as Idaho's leading land use practice, reached the same conclusion in its letter to the Council included in the staff report: the RS-7 zone does not conform to the Downtown Neighborhood land use designation or the broader policies of the Comprehensive Plan, as required by Section 14.7.12(B). The Comprehensive Plan, adopted in February 2021 following extensive and award winning community outreach, identified housing supply and affordability as central concerns, and its Downtown Neighborhood designation (formerly Medium-High Density Residential) contemplates denser development of eight to sixteen dwelling units per acre near the Downtown Core. RS-7 is not among the allowed zones for the designation and cannot deliver that density. Please see Exhibit B which includes the specific language from the letter.

We also respectfully note that the City's legal counsel was not present at the public hearing, and the City was therefore unable to answer Councilmembers' specific questions regarding the legality of applying a zone that is plainly inconsistent with the Comprehensive Plan.

We raise these points not to relitigate the zoning designation. Rather, they underscore why the conditions attached to the approval, which were built around a specific high-density project in a zone that cannot accommodate it, should not remain in place.

III. The Request

While we agree with much of the reasoning set forth in the Order, Reasoning, Findings and Conclusions of Law dated June 29, 2026, and while we acknowledge that RS-7 plainly does not align with the Comprehensive Plan for the reasons stated above, the property owners request, and would agree to, maintaining the annexation and the RS-7 zoning designation approved at the public hearing, provided that all conditions of approval are removed. In place of the conditions, the City can and should rely on its already-established development code, which fully governs any future development of these parcels.

IV. The Conditions of Approval Should Be Removed

A common thread runs through the conditions: nearly all were drafted around the specific D&B Partners project, which will not be built, or they duplicate requirements already imposed by City code on every development. Addressing each condition in turn:

1. **The Owner shall be solely responsible for compliance with these conditions of approval, all applicable development requirements, and all previous and future**

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land use decisions rendered for the Project. All federal, state, and local laws shall be met. This is a standard condition that already applies to every parcel and every development project within City limits by operation of law. It adds nothing that the City does not already possess.

2. **At the time of development, street trees per Art. 12 of the LDC shall be installed by the developer along Baseline Road.** As noted, street trees are already required by Article 12 of the Land Development Code and will be imposed on any future development as a matter of course.

3. **At the time of development, the developer shall install the public road extension of Birch Street to Baseline Road, and Antelope Lane shall connect with the proposed Birch Street extension to the street cross section of the Public Works Director's satisfaction in accordance with the City of Victor Public Works Standards, Specifications, and Drawings.** This requirement was designed around a unified project that will not occur. The three parcels are now held by three unrelated owners and may or may not develop congruently. City code independently requires street connectivity at the time of development, making this condition unnecessary.

4. **Prior to construction of any infrastructure improvements, an improvements plan shall be approved by the Public Works and Engineering including all water, wastewater, roads (both public and private), sidewalks, and street trees, etc.** This is a standard requirement applicable to all development within City limits and need not be restated as a condition of this approval.

5. **A bond or financial surety 125% the cost of the infrastructure improvement plan shall be in place at the time of the pre-construction meeting, prior to any work on the improvements plan.** City code already requires bonding of certain public improvements. The condition presumes a single, coordinated project that no longer exists.

6. **No building permits shall be issued prior to the completion of the improvements plan.** This is a standard Planning Department requirement that applies to subdivisions regardless of this approval and presumes a unified project that will not occur.

7. **Excavation permits can be issued once site plan approval has been granted to allow foundations to be placed during the improvements plan installation.** Again, this restates standard Planning Department procedure and was drafted around a specific project that has been abandoned.

8. **The City is requesting that the applicant paving Baseline Road, from Center Street to Aspen Street.** The paving of Baseline Road is listed as a capital project in the City's adopted Capital Improvement Plan, and the City is actively collecting impact fees to

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fund it. If a private developer were required to complete Baseline Road improvements, the City could be obligated to refund impact fees collected for that purpose, creating an administrative burden. This requirement was designed around a unified project that will not occur. The three parcels are now held by three unrelated owners and may or may not develop congruently.

9. **A pedestrian easement and pathway connection shall be constructed to match up with the easement on the property to the south. This shall be constructed at the time of construction for the adjoining parking areas.** The referenced parking areas were elements of the abandoned project. Connectivity requirements in the City code will govern any future development.

10. **Sidewalks along Birch St. are required to continue to the Birch St/Alpine Trail intersection.** The sidewalk locations were project-specific. City code independently requires sidewalks and connectivity at the time of development.

11. **That the buildings fronting baseline road shall not exceed two stories in height.** The building designs and heights were project-specific. The Land Development Code already contains height limitations that will apply to any future development.

12. **60% of the multi-family units will be subject to a deed restriction not allowing short-term rental. All rentals for these units shall be no less than 30 days.** The multi-family units were project-specific, and multi-family dwellings (defined by the City as three or more units) are not a permitted use in the RS-7 zone in any event. We further note that effective July 1, 2026 this condition may no longer be legal and/or enforceable under current state statute (amended § 67-6539).

13. **30% of the duplex-units and 15% multi-family-units shall be deed restricted to a qualified local household. A qualified local household being a household having one adult occupant who is either employed or has a verified job offer within Teton County, Idaho for at least 30 hours per week (or 1,560 hours per year) or has resided in Teton County, Idaho for at least one year prior and is either over the age of 65 or has a disability recognized by the federal government.** As above, the units described were project-specific and multi-family is not permitted in RS-7. In addition, the City's subdivision process already incorporates affordable housing requirements for multi-family subdivisions.

14. **The developer shall, at the developer's expense, apply for a ROW vacation for the properties at 120 and 136 Antelope Lane, obtain all required submittal materials, and cover all review and recording fees. The ROW vacation shall be designed to create rectangular shapes parcels like the others on the same block.** This was a project-specific requirement tied to a site design that will not be built, and there is no way to know whether it will be relevant to any future proposal.

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Overall, we are also concerned that conditioning the development rights of one owner's parcel upon actions affecting the property of separate, unrelated owners is 1) impossible to achieve and 2) legally problematic.

V. Property History and the Need for Clear Direction

In 2023, the City approved a similar project on these lands for annexation with RM-2, RS-3, and NX zoning. That project never came to fruition. In late 2024, Mr. Spencer Stewart individually applied for annexation and rezone of his parcel; the City approved the annexation with RS-5 zoning, but conditioned the approval as though development were imminent, even though Mr. Stewart had neither the intention nor the ability to develop at that time. Because all conditions were required to be satisfied within two years, that approval has since expired. Now, in 2026, the properties are approved for annexation with RS-7 zoning, conditioned upon a specific project that no longer exists.

Reviewing this history as a whole, it is apparent that the Council envisions a different direction for these lands as time moves on. Yet, because so many of the conditions are project-specific, and because the property consists of three parcels held by three unrelated owners, the parcels currently have no clear path forward. This is the third round of applications on this land, at a cost of hundreds of thousands of dollars to the applicants and a substantial investment of staff, legal, and board time by the City. Without clearer direction, both the City and future applicants risk repeating that expense on proposals that do not meet the City's vision.

Removing the conditions does not diminish the Council's authority. If a future developer seeks a rezone to a designation in better alignment with the Comprehensive Plan, the Council retains full authority to impose appropriate conditions of approval on that application. Conversely, because RS-7 is already one zoning designation less dense than the least dense zone allowed under the Comprehensive Plan for this designation (RS-5), any rezone to a still less dense district would constitute a spot zone and would likewise fail to conform to the Comprehensive Plan.

VI. Conclusion

All three owners acknowledge and appreciate that the needs of the City continue to evolve, the public comments submitted during the hearing, and the Council's desire to see smaller-scale projects at this location. In that spirit, the property owners respectfully request that the Council reconsider its May 27, 2026 decision and approve the annexation with the RS-7 zoning designation as previously approved, with all conditions of approval removed, relying instead on the City's established development code to govern any future development.

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Thank you for your time and consideration. We welcome the opportunity to discuss this request with the Council.

Respectfully submitted,

Signed by:
C763CCC1521D462...

Signed by:
C763CCC1521D462...

Francisco and Kathy Lazalde
Owner, [address redacted] Victor

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DocuSigned by:
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Val and Susan Kunz
Owner, [address redacted]

DocuSigned by:
0FF362E47909495...

Spencer Stewart
Owner, [address redacted]

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Exhibit A

Language from City Staff Report

Review of recommended RS-7:

• The zoning is NOT consistent with the future land use map designation of Downtown Neighborhood. It is NOT listed as one of the recommended zoning districts.

• The RS-7 zoning is adjacent to the north, west, and east of this portion of the subject property.

• The density is unknown as the applicant does not have a design for this zoning. According to the minimum lot size of 7,000 square feet approximately 58 lots could be created on this parcel. That's a density of 4 lots per acre. The code allows for a home and ADU on each lot proposing 116 dwelling units, which would double the projected density to 8 units per acre. This is NOT consistent with the recommended density for this area according to the Comprehensive Plan's Downtown Neighborhood designation.

• Description: *RS-7 is primarily intended to accommodate single-family detached houses with a minimum lot size of 7,000 square feet. RS-7 should be applied in areas where the land use pattern is predominately single- or twofamily that is served by central water and sewer facilities or where such land use pattern is desired in the future. Uses that would substantially interfere with the residential nature of the district are not allowed.*

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Exhibit B

Language from Givens Pursley LLP Letter

As noted in their letter to the Victor City Council included in the staff report, the recommended RS-7 zone does not conform to the Downtown Neighborhood land use designation or the broader policies of the Comprehensive Plan, as required by Section 14.7.12(B) of the Victor Land Use Development Code." "The Comprehensive Plan was adopted in February 2021 after "a high level of community feedback and input."[1] This community feedback and input was the result of numerous outreach sessions over the course of the year leading up to the official public hearing adoption process as required by state law.[2] A major issue identified in the comprehensive planning process was housing, summarized in this excerpt:

From mobile homes to traditional single-family and multi-family options, Victor has a diversity of housing styles. However, many working residents feel that housing is too expensive. Many homeowners list their homes as short-term rentals. Renting out properties for short-terms helps residents afford their home, but it can contribute to reduced supply and increased rent charged for long-term rentals and increase difficulty in building community, sense of place, and sense of security without consistent neighbors.

Implementation of the Comprehensive Plan is guided by the future land use map, which identifies the areas where the City anticipates growth and development.[3] Under the 2021 Comprehensive Plan, the prior Medium-High Density Residential designation became the "Downtown Neighborhood" designation,[4] which applies to the Project site.

The Planning & Zoning Commission's recommendation that the Project be annexed and zoned RS-7 is plainly not aligned with the Downtown Neighborhood designation. The RS-7 zone is not listed among the "allowed zoning" districts for the Downtown Neighborhood designation and does not permit the 8-16 dwelling units per acre density contemplated by the Comprehensive Plan for the site. Instead, the Project should be annexed and zoned for a higher density to facilitate the anticipated denser development near the Downtown Core.