

**MINUTES OF THE REGULAR MEETING OF THE
HAILEY CITY COUNCIL
HELD MONDAY, JUNE 27, 2005
IN THE HAILEY TOWN CENTER MEETING ROOM**

The regular meeting of the Hailey City Council was called to order at 5:30 p.m. by Mayor Susan McBryant. Present were Council members Rick Davis, Martha Burke, Don Keirn, and Carol Brown. Staff present included City Attorney Ned Williamson and City Clerk Heather Dawson.

LOCAL OPTION TAX COMMITTEE PRESENTATION

Ron Fairfax said the Local Option Tax Committee had decided that every business in Hailey depends a great deal on tourists for their economic well-being. There was only one dissenting opinion stating Hailey may not be a destination resort community. The rest of the 12-member committee felt we derive a major portion of our economic well being from businesses catering to travelers.

The recommendation of the committee was that the city council adopt an ordinance to be voted upon, which would tax restaurant and entertainment establishment food at 1%, restaurant and entertainment establishment alcohol at 2%, and rental cars and hotels at 3%, which all together would yield about \$326,000 per year. The committee recommended a short duration on the tax. Their first thought was for a 2-year term, but then people would not yet be able to see the results of the tax, so the committee determined that a 3 or 4 year term would be better. The tax revenue should be used to enhance city services most impacted by the influx of tourists, including police, fire, streets, and parks. One of the purposes of the tax is to market and promote the City of Hailey, and lastly, to pay for the costs of administering the tax.

Burke was impressed with the work done by the committee. Brown appreciated the report bringing forth the dissenting opinion. Davis said all Hailey's rooms, both hotel and bed and breakfast, are fully booked over the 4th of July weekend.

Jim Spinelli said the Hailey Chamber of Commerce Board has made it a unanimous priority to move the LOT matter forward.

TOM BERGIN PRESENTATION – COUNTY DENSITY CALCULATIONS

Bergin said he prepared density calculation information some time ago relative to the Cutter's property. He displayed a map which shows city boundaries and the county area adjacent to the city with its different zoning designations including R-4, A-10, R-5, and R-2. The Valley Club is the only development that has been allowed less than one-acre lots, but there was a lot of open space there. McBryant noted that a same land mass in the county can't have nearly the number of as in the city. Brown asked if this is first evaluated at P&Z or as a result of septic limitations. Bergin said the determination is made on the septic requirements. He said location does matter, soil surveys are becoming

more and more a part of the calculations. He said a river running through the property would further complicate the density calculations. The reality of the actual calculations are tied to the specific property. Brown said on large annexation requests, the calculations will be important, and she urged Bergin and Grotto to consult together regarding those areas' density calculations.

CONSENT AGENDA

Keirn moved to approve the Consent Agenda as presented. Burke seconded; the motion carried unanimously.

- CA 199 Motion to approve Findings of Fact, Conclusions of Law and Decision for approval of Winterhaven Condominiums Phase 1 Final Plat.
CA 200 Motion to approve Woodside Central Park Bid

OLD BUSINESS

OB 201 2nd READING OF REZONE ORDINANCE TAX LOTS 5377 & 7573

Mayor McBryant read the second reading of Ordinance 908 by title only.

OB 202 2nd READING OF TOWNSITE OVERLAY MAXIMUM LOT COVERAGE ORDINANCE

Mayor McBryant read the second reading of Ordinance 909 by title only.

PUBLIC HEARINGS

PH 841 BUSINESS PARK SUBDIVISION FINAL PLAT

Scott Allen said he had been working with Albertson's over the past two weeks, and has been unable to get any further with that company on the easement issue discussed at the previous meeting with the Hailey City Council. A third party agreement existed prior to his purchase of the property, and he will continue to try to get the easement taken out of there. Williamson said he had spoken with 2 attorneys at Albertson's. We can not condition this approval on third party consent, and although he felt it best to proceed without the easement vacated, it would not necessarily show on the plat, but would be unbuildable next to Main Street. Williamson said the role of enforcement regarding building would be with Albertson's. The applicant has a duty to alert the building inspector of these types of easements.

Mayor McBryant opened the public hearing. There was none. The council felt it was a well-done infill project. Brown said approval would be minus Condition D of last meeting's staff report. **She moved to approve the final plat of 841 Business Park, finding it is in conformance with the comprehensive plan, does not jeopardize the health, safety and welfare of the general public, and should be approved with**

conditions A through G, minus Item D, of the June 13, 2005 staff report. Keirn seconded; the motion carried unanimously.

PH 204 HOMESTEAD INVESTMENTS FINAL PLAT OF MOUNTAIN SAGE II AND MOUNTAIN SAGE TOWNHOMES

Gary Slette, representing Homestead Investments, said the commission recommended approval in November 2004, and the council conditionally approved the preliminary plat in January 2005. Conditions have been reviewed by the client and incorporated into the final plat approval. Davis asked if Parcel O can be accessed by Winterhaven. Hellen said there is no access onto Winterhaven. Grotto said that Parcel O will be city owned when Plat 15 gets recorded.

Mayor McBryant opened the public hearing. There was none. Grotto said the change from naming to not naming the private street is the only issue. It is easier for the fire department to respond to a number rather than an private street name. Subdivisions with less than 5 lots shall not have private streets named, and the subdivision ordinance does not mandate larger subdivisions must name their private streets.

Keirn moved to approve the final plat of Mountain Sage II and Mountain Sage Townhomes subject to conditions A-J. Burke seconded; the motion carried unanimously.

PH 205 BLUEBIRD SUBDIVISION PRELIMINARY PLAT

Gordon Williams, a land surveyor representing Kirk Anderson's Bluebird Subdivision located just south of Northstar Meadows, said part of the property is zoned LR-1 and part GR, with lots ranging from 8000 to 10,000 square feet in size. A public pedestrian easement would run next to the road, to connect with a little city of right of way at the end of Silver Street. Five parking spaces will be placed on the Parcel A, the road parcel, as well as one additional space provided outside each garage. Snow storage and easement for emergency vehicle access with adequate room for fire-truck turnaround is planned. Proposed easements are shown to connect to city services. Besides utility easement, gaining a pedestrian easement to connect to the city park has been suggested by the city attorney, and the applicant is pursuing that. Parcel B, belonging to the Northstar Meadows Homeowners association, has been targeted for easements, which will be granted. Areas overlying the easements won't get any trees planted upon them. Davis asked what the pedestrian trail surface would be, and if it would be kept open during the winter. Williams said the surface would be gravel, and currently there is no plan to keep it open during the winter. Davis asked if this will effect Tax Lot 14. Hellen said it is to the west of Tax Lot 14. Williamson said he had sent two letters to Greg Luce, regarding conveyance of a six-foot wide access easement into Lot 19, which would allow enough width for a private street to come in. McBryant asked if the light-screening fence which will be built on the boundary of Lot 44 will be maintained by the association. Williams said the fence may be given to the owner of Northstar Lot 44.

McBryant opened the public hearing.

Karen Worbath, adjacent neighbor of Lot 44, thanked the developer for only developing 5 lots. She said the six-foot cedar fence would belong to the owner of Lot 44. Cindy Ward of Bellevue said she owned Tax Lot 4621 east of the city's Tax Lot 14. Williams said there are no plans to open up a street there because the area is only 10 feet wide.

Shay said the original preliminary plat did not have the pedestrian improvements that are now shown. Keefer felt a gravel surface is adequate. Hjelm said the fire department requirements are met, but wanted the addresses posted at the entry of the driveway. Shay said that Luce decided this morning that he would like to have dialogue with the owner. Ward asked if there are any potential restrictions from this property relative to the sewer line to his property. The Wards wondered if it would be timely to develop the sewer line at the same time.

McBryant said the pedestrian pathway has not been viewed by the commission. Shay said the commission had asked for that pathway. Davis noted that if granted to the city, it would become the city's maintenance matter. McBryant said there would be an impact on the neighbors; Silver Street may not be designed to accept pedestrian traffic. Tom Hellen said currently pedestrians use a natural path that's there. Grotto said Easement C should be rephrased to say the six-foot wide easement is granted for public use, to be maintained by the homeowner's association. Easement C is contained within Parcel A, which already is stated to be maintained by the homeowners association. Williams said he would like a grantee for the easement, so that people know who to go to with requests for change. He would like to grant the easement to the city, but would still be happy to maintain the easement. Davis had a liability problem with that. Maintenance would need to be to the city's specifications. Williams and the council agreed the best approach would be to grant the easement to the public at large.

Davis moved to grant preliminary plat approval of the Bluebird Subdivision conditioned upon items A-H, with change in plat note C to state that a six-foot wide pedestrian easement will be granted to the public and maintained by the homeowners association. Keirn seconded; the motion carried unanimously.

PH 206 ANIMAL CONTROL ORDINANCE AMENDMENT

Williamson said this matter has been set on the public hearing agenda to get rid of verbal control over animals, and requiring only leash control. Davis said he had received a call from a Ketchum resident who felt we may be persecuting people who have verbal control of their dogs.

McBryant opened the matter for public hearing. Carl Hjelm of 212 Second Avenue South seconded the words of the Ketchum resident, saying this ordinance punishes owners who have good control of dogs and who have made the effort to train their dogs. The city is looking to further regulate owners who can not control their dogs.

Matt Furber agreed with Hjelm, saying the dogs that are out of control are out of control on their leashes. The leash doesn't improve control, unless the dog likes jumping on people.

Davis said he had received a phone call from Kathy Lovell who supported the ordinance.

Burke said she had received 4 calls from mothers because dogs knock little kids down or tip over their strollers. The intention for the change is to create some sense of enforcement.

The council discussed that the minutes can reflect that this matter could be revisited in a few years if it doesn't work. Hjelm said the problem with this approach is telling a good dog owner he can knowingly ignore a regulation, and officers knowingly not enforcing regulations.

Davis moved to adopt ordinance 911, and proceed with the first reading by title only. . Brown seconded; the motion carried unanimously. Mayor McBryant said dogs are part of the personality of the town, which is seeming to be shut down. She had tried for several years to get the Parks and Lands board to address dog usage in the parks, including bags, areas, etc.

SPECIAL EVENTS ORDINANCE REVISIONS

Williamson said a special event trade show with a commercial component was recently held on GR zoned property, prompting this revision. He added a new definition for commercial special event. He changed the definition of Special Event so that it will be treated like an accessory use. He had included examples within the definitions. The number precipitating a special event is reduced from 200 to 50. The four-consecutive days would be put in the standards. The Nelson tournament would require a permit in that it would be a non-school event on school property. Estimate of gross ticket sales and revenues would be required under Commercial Special Events. That's as far as this ordinance goes, and the provision of data may prove useful. He could do further restrictions such as commercial special events only in certain areas. He said the standards had been consolidated where possible, and the most important is relative to the impact on the neighborhood. He gleaned these standards partially from conditional use permit standards. Events would be harmonious with existing and past character of the neighborhood. He had put "past" in on purpose, thinking of the folk festival, where a new neighborhood concert may not get approved. Council approval would be required if the event is expected to draw over 200 people. There are other various standards regarding number of dumpsters and portable toilets. He also changed the park ordinance to get rid of that special event definition.

McBryant said the Wood River Grange has large events in excess of 50 people, the school is starting to have concerts and events not related to the school, and we need to determine if we're comfortable with the changes the community is undergoing. The Dali

Llama event permit could have been approved by the clerk and the council would not even know its going on. These events create a tremendous impact to people's lives. What is the expectation from the city, no matter how worthy the cause.

McBryant opened the matter for public hearing. Cory Wolfley said he is on the advisory board for a youth baseball program and supported the ordinance. Burke said elected officials must assume accountability for the events. Burke said the use of the school is not a typical use in GR. Schools don't sell stuff except bake sale products. Brown noted that a St Patrick's day fundraiser is held in GR zoning at a local church, and draws over 50 people, and asked how that event would fit into this new ordinance. McBryant said that is a typical church activity. Williamson said interpretation questions will emerge. Brown summarized that it is better to tie to the use rather than the zone.

Brown suggested changing the language to state "50 people at one time" rather than 50 people who may trickle in throughout a day. She asked if street closure would include sidewalks. Williamson said it doesn't. McBryant said it allows neighborhoods to close a street for a block party. Brown wasn't sure if 50 or 75 would be a better bottom number. She asked if there are ADA standards to tie to in terms of these standards. Burke asked if the sound/music will trespass onto surrounding properties, and will activity involve a cleanup after the noise curfew. What is the time-frame for clean-up? Williamson said the city can impose conditions that would address these matters. Davis asked what this does with the fireworks display. McBryant said it is a city application, but would still be approved by the city council. Davis said the number of dumpsters and bathrooms is overkill. The Northern Rockies Folk Festival has 20 blue rooms, 2 are for disability, and there are 2500 people present at one time. Brown said standards are appropriate when an event has a longer duration.

Keirn wanted more research on the blue-room numbers. McBryant suggested taking out the word 'substantial' purpose of special event. The council agreed that the Recreation Ddistrict events on school property would not be treated as a special event.

Burke favored going forward with first reading. Keirn moved that council proceed with the first reading of Ordinance 912 by title only. Burke seconded; the motion carried unanimously.

OPEN SESSION

Cory Wolfley said he wanted to start a hot dog vending business, and wanted to know why there is an ordinance against that. McBryant said the council's rationale is to preserve and protect the downtown core. One could operate a vending stand during the 4th of July parade, or could apply for a series of events, such as a series of softball games. Brown said it could also work if the use is ancillary to a business. The Farmer's Market received special approval.

NB 210 – YELLOW RIBBONS ON MAIN STREET

Brown said the yellow ribbons stand for armed forces, which is the theme of this 4th of July parade. She was fine if there is a military connection, but not comfortable with religious representations. Davis agreed, saying there should be a separation of church and state. Brown said they will have to take the ribbons down as well, within a week of the event.

2005/2006 PRELIMINARY BUDGET

Brown said she would like \$500 of the city council's discretionary line item to go toward Peak Bus grant matches. She recommended that the city hall remodel be pulled from this year and done at a later time. She hoped that \$7500 of that money could go instead to the library for redistribution by the library board, and the other \$7500 be allocated for studies not paid for by applicants. McBryant added that the funds could be added to the council's discretionary funding to be used for grant matches, studies, and the like.

Burke said the library department head's salary doesn't compare with other departments. She said we are making a mistake by not funding that properly. McBryant said the library staff is a salary schedule set by the library board, and Tabler readily admits she doesn't have the qualifications that many librarians have. Burke said we keep getting invitations to spend money on other contracts for services, and she wanted that kept in mind as we fund the Peak Bus.

Keirn wanted to give thought to funding the economic development efforts of Southern Idaho Economic Development Association. Brown agreed that needs to be a line item. Keirn also favored an enforcement officer. He said he had come up with his own list regarding the decline in services, and it was similar to the mayor's.

Davis said it is time to bite the political bullet and put in a salary for a full time mayor. That salary would be split across three funds by 1/3 each. The city needs full time help at its helm. We're all putting a ton of time into the city to keep it running. McBryant said putting the money in the budget doesn't mean it will necessarily be spent and it doesn't mean that person will work full time. She said the council needs to determine how it will manage that. The Mayor's salary has to be set by ordinance. Davis realized there is risk, but that is what the checks and balances will do.

Davis asked about the reduction in amount funded for the animal shelter, and wondered how that is being received by the animal shelter board.

The clerk asked the council if they would be ready to adopt a tentative budget at the next meeting, or if the public hearing on the budget should be extend out into August. Brown felt the council would need more time to determine some of these budget matters.

McBryant discussed the animal shelter contract issue, saying Hailey has been charged over the past two years \ for impoundments that have been taken to the shelter by citizens. Although Hailey paid that money, we want it paid back or to receive a credit.

Under the contract we have the right not to pay for those fees, and the reality is there is a breach of contract if we are neither paid back nor receive a credit.

WORKSHOP - MORATORIUM DISCUSSION

The mayor said Saturday's goal setting was a success in terms of applying the council's goals to the budget. It became apparent that a review of the subdivision ordinance is high on the council's list of priorities, and determining what role community housing plays in that. The only way to close development until the subdivision ordinance is rewritten is with a moratorium. We have recognized that impact fees are a real and viable means to fund operations, and we have also talked about the community housing component. We know that as long as we keep accepting applications we lose our opportunities.

Brown said the subdivision ordinance needs a line by line review. We will set ourselves up for failure if we try to juggle both, and we will lose our opportunities. Keirn said we are at a critical point in development. Grotto said we have seven annexation applications, some not certified complete, and 15 to 20 subdivision applications in the pipeline. Brown said one of the goals is the workforce housing and its relationship to the subdivision ordinance. We couldn't talk about that much in the goal setting format; instead we talked about goals. Brown said single family developments shouldn't create an impact. Keirn said it does in terms of impact fees. Williamson said building permits are outside the local land use planning act, and we can't do a moratorium on building permits. Moratoriums are governed under LLUPA.

Brown said even if the LOT became a reality, it's a year out from the time we would begin to receive sales tax revenue. If we adopt an impact fee ordinance, we will start receiving the money right away. Hellen said the traffic master plan requires a capital improvement plan, which can be tied to development impact fees. Burke said if we produce an impact fee, it gets tacked onto a new house. The subdivision ordinance has to balance these two issues – our concern for our workforce and our need for impact fees. How do we concurrently look at work force housing, without tapping into a too-crowded staff schedule. What can we do with the subdivision ordinance to start addressing the impact fee component? Should we be thinking about a contractor in this budget? Grotto said annexation applications alone will book her for the next three years. A new subdivision ordinance could be rewritten, and some of the commissioners are interested in rewriting that ordinance. An impact fee ordinance would have to be written by a consultant. Brown said a workforce ordinance would require similar studies. Grotto said Melanie Reese said Hailey wouldn't have to pay for any new studies.

Brown summarized that the annexations are eating our staff alive. She said city staff should be devoted to people who are already in the city. Keirn said every report says residential housing doesn't pay for itself. McBryant said the topic immediately identifies what is going on in Hailey. Those who will protest the loudest are those that have the most to gain. The political heat will be enormous. Hailey has deed restricted units and gets no credit for this. Anyone who is thinking about plans will get them into the city in the morning.

Brown said we have not talked about our own incredible accomplishments here. She said she would commit time to working on the subdivision ordinance line by line. She said a realistic time frame is six months. Williamson said a moratorium can be put in place for 182 days. He said it needs to be on an agenda. Brown wanted to take advantage of the full moratorium period. If the work gets done earlier we can end the moratorium, but we could certainly use the full time. We may not get what we want out of the study. We will need to know early on what the impact fee ordinance will achieve. McBryant said we can establish what is a good body of time to do the work and get key information up front.

Davis told the council that he would really have to think about this issue. A moratorium would have a large impact, including an effect upon his livelihood. He doesn't know how he's going to end up going on this one.

The mayor and council then set a special meeting for consideration of a moratorium on Friday, July 1, 2005 at 12:30p.m.

NB 208 BULLOTTI APPEAL

Keirn moved to continue the Bullotti appeal to July 11, 2005. Burke seconded; the motion carried with Burke and Keirn in favor, Brown and Davis abstaining.

WORKSHOP

Brown said she put her transportation meeting notes in the packet. She wanted a 15 minute presentation on the next agenda.

Burke said her trip to Washington DC today was postponed until tomorrow. The FAA and Congress have cut discretionary funds, and she is going to talk about money in regards to keeping this airport open and safe while the EIS process goes on. Quite a few members of the FAA will be present at the airport on the 5th of July. All other planes are off the taxiway and runway when Q-400 is on the ground. This is mitigation by procedure.

Davis said the historical commission received information from the state, and he would like to scan those items onto disks and keep those at the museum. He would like to get the Sanborn map matted and stored in the basement. This commission has no funds. He asked for use of old downtown development funds which have shown on Hailey's books for over 10 years.

EXECUTIVE SESSION

Davis moved to go into executive session to discuss pending litigation, land acquisition, and personnel matters. Brown seconded; the motion carried unanimously. The council went into executive session at 9:17 p.m. Following a motion by Brown and second by

Keirn and a roll call vote showing all in favor, the council went out of executive session at 10:04 p.m.