

**MINUTES OF THE SPECIAL MEETING OF THE
HAILEY CITY COUNCIL
HELD FRIDAY, JULY 1, 2005
IN THE HAILEY TOWN CENTER MEETING ROOM**

The special meeting of the Hailey City Council was called to order at 12:30 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.

**WORKSHOP –
SUPPORT OF AIRPORT SITE SELECTION COMMITTEE’S RECOMMENDATION**

Brown said the Friedman Memorial Airport Site Selection Committee’s recommendation is a well written document, to which she only wanted to add the words “safe and” fun experience near the end of the document. With that change she would sign it. Keirn said it is well done. Davis said the airport site selection recommendation needs to be supported for the process to continue, because it is the next process that will be even more substantial.

Brown moved that Hailey approve support of the Friedman Memorial Airport Site Selection Summary, authorizing the mayor and council to sign after the addition of the two words. Keirn seconded; the motion carried unanimously.

MORATORIUM CONSIDERATION

McBryant said the council had met in a workshop format last Saturday to discuss budget, and the conversation was circular because of conflicting desires to offer affordable housing and the achievement of other goals. The council wanted to pursue a discussion about rewriting Hailey’s ordinances to try to bring these two conflicting goals closer together.

Williamson said Idaho law allows cities to adopt a moratorium, and after Monday’s discussion it seemed clear the council wanted a moratorium on a variety of development permits. The council would need to make a finding of imminent public peril in terms of public health, safety welfare. He said there should be a connection between the safety concerns and what can be done during a moratorium. He had drafted two proposed ordinances for debate, one dealing with a traditional moratorium under a wide variety of applications. The purpose of the moratorium as drafted only relates to affordable housing. He listed the type of applications that were in the ordinance draft. The second ordinance drafted is a short ordinance which would suspend annexation applications, the procedure for which was adopted by ordinance last year. The moratorium would prohibit the receipt of new applications that have not been submitted and certified to date. Findings in the ordinance are related to housing, other matters are not included.

Williamson explained that lot line adjustments which create more lots would be prohibited, but shifting or adjusting building envelopes would be allowed. Grotto said design review doesn't increase the number of dwelling units allowed within Hailey. Davis asked if there is a moratorium not put in place, can the city stipulate ordinance changes upon applicants after they have filed. Williamson said the right of the applicant is vested in the date filed.

McBryant noted that she had received phone calls about Davis' comment at a previous meeting that a moratorium would impact his livelihood. She asked Davis to clarify, and excuse himself if necessary. Williamson said a general statute covers conflicts of interest, as well as another specific statute under LLUPA, and one significant case law. Davis said Williamson had advised Davis that he does not have an economic interest under the statute, and he said he would go into the matter with an open mind as he always does.

Mayor McBryant opened the public hearing at 12:45 p.m.

Marjorie McGeehan said she has some property on the market in LR-1 zoning within the Hailey Townsite Overlay. She said everyone is confused, and she wanted to figure out the fair value of her property, and wanted the community to maintain safety and fairness.

Kim Johnson of 403 Carbonate Street said she has been working with the townsite overlay. She wanted to iron out how problems can be resolved before buildings get knocked down and costs are incurred by taxpayers which haven't been anticipated. She said if the moratorium doesn't include the townsite overlay, there will be even more pressure on the townsite overlay to develop. With notice of only two days, she had only two evenings to gather signatures on a petition, which she presented to the council. She said no one knows about the townsite overlay rule changes, including planners that work with the county. She presented a petition with 42 signatures, saying petitioners would like to include the townsite overlay in this moratorium.

Marty Flannes of Robin Hood Drive said his company was the project manager during the first six months of the county's moratorium. He said the 182 days go very quickly. He advised focusing on the housing problems the city is trying to solve. Does the city want deed restricted housing only, or entry level housing that can keep growing with the market? He supported the moratorium, but urged prioritization of applications which could be released from the moratorium earlier.

Bill Hughes of 241 Eureka Drive, said there are many property owners within the townsite overlay that aren't able to attend this meeting but have concerns about the new townsite overlay development. He favored the townsite overlay being included in the moratorium. He supports density in town, but doesn't believe that optimum development of properties and maximizing profit by building monolithic duplexes on small lots is the best form of development. There have been discussions of water lines in town not having adequate depth, and said that is due in part to the trees, which make the winter warmer and summers cooler; he was concerned with the retention of those trees. There appear to

be a lot of holes; what we have an infinite supply of is time. City crews worked in the alley during the meter project hacking away at trees and bushes without rhyme or reason. High density in the city core is a panacea for development of the day. There is imminent peril to this community, because there has been no accurate assessment of short and long term costs of this development. Do we want the city to be in court because someone will chain themselves to a huge spruce tree that is their neighbor? He supported a committee to study the townsite overlay and issues.

Hellen Stone of 1st Avenue North supported Kim Johnson's position.

John Dean of 1510 Heroic Drive said if this is about taking the time to consider developing smartly, he supports it.

Wynn Bird, E Myrtle Street, agreed with Johnson, saying the council should consider the townsite overlay. She wanted Hailey's streets to be safe for residents and children to walk up and down them. Our streets are becoming more and more dangerous. Children have been hit by cars, including her own. We need to look at transportation corridors. If we want density in old Hailey, how are we going to deal with all the cars that will create, and how they will get to Main Street without taking away the old-town feeling. As we get more people in the city core, we will just be another small city packed to bursting.

Ben Sheppes of 314 First Avenue North expressed concern about the congestion our density is creating. First Avenue has become a commercial 18-wheeler delivery street, with noise and problems created by extremely large trucks one after another. Moratorium is an extreme action, but he was in favor of a deliberate effort to get our arms around our town. He supported the moratorium and inclusion of the townsite overlay district. These demolitions and changes will change our community. He thanked the council for a bold effort on behalf of our community.

Michael David of 222 Galena, and the Blaine/Ketchum Housing Authority, commended the council for looking at this issue. Half of the people looking for housing work within the city limits of Hailey. Several people who work in Hailey are on the list. In terms of both safety and economics this is a very important issue. He supported a look at smart growth with housing in mind.

Kim Johnson of 403 East Carbonate Street said she is in support of housing, and density sounds good in core, but the problem is the way the concept is being applied. Creating expensive housing in Hailey doesn't increase community housing options. Creating more expensive housing, such as Conondrum Townhomes, takes a \$500,000 piece of property with a small cottage and changes it to a \$1,200,000 property, and is just profiting a few developers who won't live here. She is not against the density but the way it is being applied.

Marty Flannes said most of the comments have focused on the subdivision ordinance. He wanted to support the ban on accepting annexation applications. He said developing an impact fee ordinance, a project Byzantine in its complexity, can be aided by a

moratorium. He encouraged not accepting annexation applications until time has been given to develop an impact fee ordinance.

Mayor McBryant closed the public hearing. She said the comments made were well reasoned, and the speakers appear to be informed. Brown asked what the relationship is with this moratorium ordinance and preserving historic structures. Williamson said the townsite overlay district is included in the draft moratorium ordinance, which will allow no subdivisions in all zoning districts of the city of Hailey, including the townsite overlay district.

Brown said there are a few large lot areas that could be subdivided, and she had concerns about development within the business district being hampered by the moratorium. The comprehensive plan emphasizes the creation of community, lessening the dependency on automobiles, preserving community character, and dealing with anticipated growth. The comprehensive plan summarizes the public comments made today; these comments support us taking time out to do it right because we don't get a second chance. Design review of community housing is a factor and she would include design review elements. McBryant asked why business zones don't have the same kind of imminent perils. Business developments have associate housing applications with them, and our inability to supply fire and police services there is not exempted.

Brown said she would love to see sophisticated street designs. She was concerned about economic influences of a business development moratorium. Keirn agreed, saying we don't get that many opportunities for economic development, and could pass up a business coming in. Business impact on affordable housing is minimal, how many downtown housing projects above businesses are going to come into Hailey in the next few months?

McBryant said areas already subdivided or adopted would not have to meet the new standards. Brown said we need to be responsive. Keirn said the business community is healthy but fragile. Burke said 2 homes in the TN zone were leveled in the past 10 days. She would rather include the business district, and address it first, then release them after our goals have been met. Keirn said there won't be affordable housing in the SCI business park. Grotto said Airport West prohibits housing because of its proximity to the airport. Keirn asked if the same rules apply to Woodside. Burke said this is a quality of life issue, which, if we don't do right, will be gone forever. Not one living thing is left upon these lots that have been leveled. We need to look at what we want our ordinances to do, make sure we provide work force housing, and don't apply so much pressure to the community that we find it objectionable to live here. At what cost and at what expense to the town will development happen?

McBryant said comfortable with the council's expression of imminent danger. Fire department can't respond to north and south end of town fires. We are understaffed in the police department, unable to preserve the safety of our city. Subdivisions were not intended to be so densely developed. Davis said that statement convolutes the purpose of the moratorium. We can't put a moratorium in place for the purpose of developing

impact fees. Brown noted that emergency service personnel have to commute to town to provide the service. Davis said he is having trouble getting his arms around eminent peril. This moratorium won't stop houses from being torn down on lots that are already subdivided. He has had ex parte communications with the developers who down-zoned Woodside property from Business to Limited Business. The City has been trying to accomplish that at the cost of thousands of dollars to no avail, and suddenly it's done. It leaves a bad taste in his mouth that this developer worked hard, and now will be stymied by the moratorium. If a PUD came through with a community housing component, could we drop that out at a priority date? Brown agreed to include business development for now, and let that be one of the first exemptions. Burke was interested in hearing public comment regarding the prioritization of types of applications. Davis said he is working from a position of fairness.

Brown was in favor of taking authority in discretionary actions on annexations. Keirn said public welfare is an issue related to workforce housing. We'll not get another chance at this, and he was glad to see the overlay is included in this. It doesn't make sense to adopt a subdivision moratorium and continue annexing property. He wanted to exclude the business community as much as is practical. Davis said we have the opportunity of creating affordable housing in the downtown core business district. A North River Street project has housing on the top floor, a great concept. Business development needs to be incorporated in the moratorium, but if a proposal comes forward, we want to be able to drop it out. Burke said if we exclude any zone, we won't get the opportunity to put it there. If it's hanging out there, can't mandate the housing. Davis said these ordinances are in place in other cities. He hoped not to have to take the full six months, but to use templates. Brown said some workload will be shifted from staff which will allow them to start addressing these ordinance changes. Davis said the bottleneck is at the commission, who meets twice per month as well as a hearing examiner's activity. Staff doesn't need to work on new applications, because the commission is already bottlenecked.

Brown was interested in exemptions for one-lot annexations, she wanted to look at those separately.

Brown wanted more comments from the public regarding prioritization. McBryant said she would appoint an ad hoc committee to work on priorities. Working with a diverse group of city residents tends to get solid decisions.

Brown moved to approve Hailey Ordinance 913, declaring a moratorium on subdivisions within all zones, waive the three readings and read by title only, and authorize the mayor to sign. Burke seconded; the motion carried unanimously. The clerk indicated the ordinance would be posted by 2:00 p.m. and in effect at that time.

Brown moved to adopt Ordinance 914, declaring a moratorium on the receipt of annexation applications, read by title only, waive three readings, and authorize mayor to sign. Keirn seconded; the motion carried unanimously.

Mayor McBryant invited people to express their interest in being on an ad hoc committee.

There being no further business, the mayor adjourned the meeting at 1:38 p.m.