

**MINUTES OF THE REGULAR MEETING OF THE
HAILEY CITY COUNCIL
HELD MONDAY, JUNE 26, 2006
IN THE HAILEY TOWN CENTER MEETING ROOM**

The regular meeting of the Hailey City Council was called to order at 5:35 PM. by Mayor Susan McBryant. Present were Council members Don Keirn, Martha Burke and Carol Brown. Rick Davis was absent. Staff present included City Attorney Ned Williamson and City Clerk Heather Dawson.

OPEN SESSION FOR PUBLIC CONCERNS

There were no comments of a general nature made by the public.

CONSENT AGENDA

Several items were pulled from the Consent Agenda, including CA 204, CA 211, CA 212, CA 213, and CA 214. Brown moved and Keirn seconded to approve the consent agenda with those omissions. The motion carried unanimously.

- CA 202 Motion to approve Summary of Publication for Ordinance #950 – Local Option Tax
- CA 203 Motion to authorize Grant Agreement for ITD Proj A009(745) – Vacuum Sweeper purchase
- ~~CA 204 Motion to accept Grant Project Final Report for Reconnaissance Survey of the Old Hailey Townsite, prepared under a Idaho State Historical Society grant~~
- CA 205 Motion to approve Resolution authorizing Friedman Memorial AIP Grant for EIS
- CA 206 Motion to approve Pay Request # 2 for \$321,904.50 to RSCI for Water Storage Tank Project
- CA 207 Motion to approve Findings of Fact, Conclusions of Law and Decision for MSP Condominiums Final Plat
- CA 208 Motion to approve agreement with Clearwater Landscaping for constructing Echo Hill Park
- CA 209 Motion to approve Special Events Permit for Foxmoor Block Party – 4th of July
- CA 210 Motion to approve claims for expenses incurred during the month of June, 2006
- ~~CA 211 Motion to approve minutes of May 22, 2006 and to suspend reading of them~~
- ~~CA 212 Motion to approve minutes of May 25, 2006 and to suspend reading of them~~
- CA 213 Motion to approve License Agreement with Weather Channel Interactive to put current weather information on Hailey’s website
- CA 214 Motion to approve License Agreement with Google Free Web Search to utilize search services within Hailey’s website

CA 204 - Historical Preservation Grant Report

Williamson had pulled this matter from the consent agenda not liking how the motion was worded. He suggested the wording simply be that the council accept receipt of the report, eliminating any approval of the contents of the report.

Brown moved that the city council accept receipt of the Hailey Historic Preservation Commission’s Reconnaissance Survey report conducted under a State Historical Preservation Grant. Burke seconded, the motion carried unanimously

CA 211 & CA 212 APPROVAL OF MINTUES

Brown moved to continue the approval of minutes for May to the next meeting. Keirn seconded; the motion carried unanimously.

OB 215 3RD READING ORD 941 –HEIGHT INCREASE IN B ZONE

Burke asked if the council was sure of itself in adopting this height increase ordinance. She said an additional five feet adds substantially to the bulk of a building. The council felt that with design review criteria in place, this amendment is beneficial. Brown moved and Keirn seconded that the third reading by read by title only. The motion carried unanimously.

OB 216 3RD READING OF 947 – FIRE CODE AMENDMENTS

Burke moved to read the third reading of the Fire Code Amendments Ordinance 947 by title only. Keirn seconded; the motion carried unanimously.

OB 217 3RD READING ORD 950 – LOCAL OPTION TAX

Brown moved to adopt the 3rd reading of the Local Option Tax Ordinance No. 950 and direct the mayor to read by title only. Keirn seconded; the motion carried unanimously.

OB 218 2ND READING ORD 949 – ZONING MAP AMENDMENT SWEETWATER

Mayor read the second reading of Ordinance 949 by title only.

OB 219 – JOINT POWERS FOR LAW ENFORCEMENT RECORDS MANAGEMENT

Mayor McBryant said following the city council’s approval, during the previous meeting’s consent agenda, of a joint powers agreement from law enforcement records management system, she had become concerned about ongoing maintenance costs within the contract, and asked the council to reconsider this matter. **Brown moved to reconsider the records management contrac;** Keirn seconded; the motion carried unanimously.

Williamson said the contract contemplates a full time administrator of the contract, and recommended we go back and see specifically what is proposed so we don’t have to fund a full time administrator. Keirn said this agreement does not create any separate legal or administrative entity. Williamson explained that the administrator of the system would be an employee of Blaine County. He said this is an issue of long term obligation.

Mayor McBryant said she has some other more insidious issues. She was concerned about a replay of what’s been going on with E-911. Who has the authority to make the decisions? She was uncomfortable creating a body such as that created with E-911 which will someday present us with a budget and requests for funding. Keirn noted that the devil is in the details. Brown agreed, but said the system itself was advocated for by the chief of police and supported by the council.

Brown moved to continue this matter to July 10, 2006. Burke seconded; the motion carried unanimously.

PRESENTATIONS – HERITAGE CITY

Mayor McBryant noted that council president Davis, who was absent tonight, should be making the following presentation because one of his goals has been to identify the historical significance of Hailey and a methodology by which to preserve the historical character of Hailey over time. This council adopted an ordinance which created Hailey's Historic Preservation Commission, after which that commission took off running and never looked back, making some significant accomplishments in a very short time. A strong component of the commission are those involved in the museum, a program of which is to highlight the cultural heritage still living but which will die: the ladies of the Heritage Court. Through this program the museum program honors women who have lived in the community for over 30 years, are over 70 years of age, and contributed to the community. 2006 has been targeted as the Year of the Museum. Hailey was acknowledged as having been identified as a Heritage City, and signs will be posted at the entrance to our town. A plaque denoting Hailey as a Heritage City had been bestowed upon Hailey during the recent Association of Idaho Cities Annual Conference, and a decision as to where to hang the plaque can be made by the Hailey Historic Preservation Commission.

NB 225 BILL SIMONS GIFT OF 77 ACRES WEST OF LION'S PARK TO HAILEY

Mayor McBryant introduced Bill Simons, who was present to discuss with the city council his desire to gift to the city 77 acres at the mouth of Croy Canyon for use as a passive park and recreational open space. Simons said he will gift 39 acres now, and the remaining acreage in 5 years for IRS purposes. He hoped the area would be used for trails, shelters for picnicking along the hillside, and other general recreational use. He said, as a resident of Boise he sees that city's parks heavily used, such as Camels Back park which has climbing trails.

Brown said she has skied on that hillside, and thanked Simons for the generous offer. John Gaeddert displayed a map of the property and its environs. He envisioned that by mid-July a deed of gift would be signed. Burke noted that this property is the area Simons used to ride his horse upon as a youth, and as part of his childhood. She suggested that the Friedman name should be on this property. Simons said the Friedman family acquired the property in 1910. Hailey was very meaningful to the Friedmans. Becki Keefer thanked Simons on behalf of the Parks and Lands Board and the community. Teddy Daley also thanked Simons on behalf of the museum board.

PH 220 DESIGN REVIEW GUIDELINES AMENDMENT

Grotto said the planning and zoning commission has developed revisions to the design review guidelines to accommodate taller buildings in Hailey. She addressed specifically one of the guidelines relating to height. The Fire department staging elements shall be incorporated into the design of the building. Keirn asked if the plantings have an internal list of drought tolerant landscaping. Grotto said we do have a list.

Mayor McBryant opened the public hearing; there was none.

Brown complimented the commission. She was not in favor of waiving the three readings. This is a substantial improvement, and wanted the public to have every opportunity to hear that. This first reading may draw others in.

Brown moved to authorize the first reading of Ordinance 952 by title only. Burke seconded; the motion carried unanimously.

PH 221 PARKS SECTION AMENDMENT OF SUBDIVISION ORDINANCE

Grotto said the section of Hailey's Subdivision Ordinance governing parks requirements and in lieu contributions has been reorganized, and is being proposed for replacement in its entirety. While park dedication is being required in the downtown core, other types of greenspace will be allowed.

Becki Keefer, Hailey Parks Project Coordinator, said the first version of the parks dedication ordinance was adopted in late 2004. Some developers weren't happy with the requirements, and improvements are warranted which flush out how to make usable public gathering spaces and not be so onerous on the developers that they look for alternatives. The cost of maintenance of public parks is an issue. It is not cost effective to maintain small spaces, less than an acre will be owned and maintained by the development.

Keirn noted that the threshold had dropped from 9 to 3 units. Keefer said 9 units requires a ¼ acre park, and lots of developments were coming in at 7 or 8 units. Keirn was concerned about the cost of 3 unit townhouses if these costs can't be spread out across them. McBryant said while we have resistance at every turn, it hasn't slowed the growth of development in our community. Keirn asked if the sentence saying only the city could give permission to amend CC&R's is correct. Brown said she wanted to see multiple housing paying into the parks fund. The reduction of the parks requirement in business areas is brilliant, to encourage developers to provide some great spaces in the downtown area. If the city wanted to own a smaller park, could we demand ownership of it? Williamson said we could.

Dawson noted that developers providing park fees or space may be given a credit against development impact fees. Grotto said it will be interesting to know how different the amounts will be. With knowing that there will be a credit, the council was fine with the 3 unit threshold. **Brown moved to adopt the ordinance, make findings, and read the first reading by title only.** Keirn seconded; the motion carried unanimously.

PH 222 DEMOLITION ORDINANCE

Grotto said the draft demolition ordinance, as prepared by the parks and lands board, was on the agenda for June 12, but had received a memo from Williamson about a process to create a historic district first. The matter had been continued to this evening for more discussion with Williamson and Rob Lonning of the Hailey Historic Preservation Commission. Williamson said he had outlined the process under state law. The historic preservation commission should make an investigation, a recommendation that would come to the council after being heard by the planning and zoning commission. Should we establish the district after this process, or do we want to

establish the boundaries of the district concurrently with the regulations? The district will impact a lot of properties in Hailey. The district itself will be controversial. Brown suggested that if the boundary is developed prior to the regulations, property owners will not know whether they want to be in or outside of the district. The mayor wanted to avoid hysteria and actions resulting. She saw it as dangerous to delay the regulations, because the fear factor will drive the argument.

Mayor McBryant opened the public hearing. Rob Lonning said there are a lot of issues swirling around. We are working on establishing design review guidelines. The demolition ordinance is another piece. All of the pieces have to come together. Neighborhood Conservation Districts can be formed in response to developmental pressure. The process of NCD's is that a lot of public input is included.

Peter Lobb said if we are going to do this, we need to make people of old Hailey very aware of it. He said the city already blew it with the zoning changes. Destruction of older homes is the biggest issue, not restructuring around them.

Lonning suggested that use of the term historic district is limited to an area with enough historic registry buildings. Williamson said there has to be a historic cultural value – if the state doesn't agree with those findings, that's their problem.

Carl Hjelm said his first question as a property owner is what does it mean to him. He would want to know what the regulations are. There being no further public comment, the Mayor closed the public hearing.

Brown was intrigued by the NCD concept brought up by Lonning, and wanted staff to look at that concept. Keirn said the driving organization in Boise is the neighborhood association. McBryant said we are not trying to create a better opportunity for developers, or affect changes the neighborhood can't support. Protection of historical structures is the goal. Brown wanted the issues to be handled concurrently. She wanted the townsite overlay demolition amended as drafted following our last meeting. Keirn felt dovetailing this will require orchestration and hard work. He agreed that it is better to get it all over with at once. Burke wanted to start that way.

PH 223 REVISIONS TO SECTION 1.E. -DEMOLITION PERMITS ORD NO. 928

Mayor McBryant opened the public hearing on a proposed amendment to the demolition moratorium, the content of which had been discussed at the previous meeting . There were no comments. Keirn moved that the council adopt Ordinance 954, waive the three readings, and read by title only. Burke seconded; the motion carried unanimously.

PH 224 TITLE 13 REVISIONS – WATER AND WASTEWATER REGULATIONS

Tom Hellen said this would be brought back in ordinance form the next time it is discussed. He needs this discussion tonight in order to be able to set new water metered rates.

Brown asked if the backflow prevention requirement is fairly recent. Hellen said it has been in place for some time. Brown said recently installed systems will likely have them. Burke asked

how properties with two hookups will be handled. Hellen said that will be addressed through the rates. Mayor opened the public hearing but there were no comments.

NB 226 INTRODUCTION OF PRELIMINARY FY 2006/2007 BUDGET

Mayor McBryant introduced the preliminary fiscal year 2006/2007 budget, and identified the highlights of the budget. Departments had been asked to put together 2 draft budgets, one being the budget they recommended to reach their department goals, and the second showing no more than a 3% operations cost increase. The 3% limit would be imposed in an effort to meet the finance director's goal of shifting the city away from deficit budgeting. Instead of budgeting fund balance to cover operating costs, the city's fund balance would be earmarked for capital projects. She hoped that the city will be able to start funding the capital projects which have been on hold for a couple of years. The mayor said she would require the city to stay within operating revenues, and not exceed that with our operating expenditures. We've been working toward that goal for a long time, and have been working on increasing our operating revenues in order to get closer to that goal. The numbers still show some deficits. She said the capped second draft budget does not diminish the level of operation that we currently have, and should not diminish the salaries. She asked the council to contact any of the department heads regarding their first draft budget.

McBryant said the Local Option Tax revenue is shown as \$100,000, based on the committee's estimate that the tax would bring in \$325,000 per year, and we will collect tax for 3 months before the fiscal year ends, and those three months would be heavy tourist impact months.

Following a question by Keirn, Dawson said development impact fees are not included as new revenue in the budget, since the council has not yet put in place a development impact fee ordinance. Following the Development Impact Fee Advisory Committee's recommendations, Hailey's capital improvement plan would be discussed by the Planning and Zoning Commission and incorporated into Hailey's Comprehensive Plan. Following that, the city council would adopt the CIP, then go through the process of adopting a development impact fee ordinance. The process will take until near calendar year end to complete.

Mayor McBryant noted that a special workshop to further consider the preliminary fiscal year 2006/2007 budget will be held at 5:00 p.m. on July 17, 2006.

WORKSHOP

Mayor said Davis had proposed closing off Croy Street to create an outdoor room. Although opposed to the concept initially, she has since looked at the park in Ketchum and although parking is lost, something extremely beneficial is created. She said there are a variety of different funding sources which may be used to develop this commercial area park, and she suggested the park should be named the Heritage Park.

Brown mentioned that PEAK/KART will be requesting funding, and she wanted it clear as to our expectations. McBryant said we can consider that in our budget workshop. Brown said service in

the south county will continue to improve. Keirn noted that the Blaine County Housing Authority is finalizing a letter to the city requesting funding as well.

Mayor McBryant noted that the city will need to seek a new misdemeanor prosecutor. Jim Thomas has sent the city notice of non-renewal because he recognized the changes impacting law enforcement departments, and felt our contract needed to be given some attention.

Tom Hellen thanked everyone for the Relay for Life fundraising effort of \$56,000 to date. Some street striping has been done in east Hailey. .

EXECUTIVE SESSION

Keirn moved and Burke seconded that the council go into executive session to discuss land acquisition and personnel issues. A roll call vote showed all in favor. The council went into executive session and made no decisions, after which Mayor McBryant adjourned the meeting at 10:25 p.m.

Susan McBryant, Mayor

Heather Dawson, City Clerk