

**MINUTES OF THE REGULAR MEETING OF THE  
HAILEY CITY COUNCIL  
HELD MONDAY, OCTOBER 8, 2007  
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, Don Keirn, and Carol Brown. Martha Burke was absent. Staff present included City Attorney Ned Williamson and Clerk Heather Dawson.

There were no comments offered for the open session for public concerns

**CONSENT AGENDA**

After items were pulled from the consent agenda, Keirn moved and Brown seconded to approve the remaining consent agenda items as presented. The motion carried unanimously.

- CA361a Motion to approve lease agreement for tower lease on Della Mountain
- ~~CA 361 Motion to approve the Joint Powers Agreement for Mountain Rides Transit Authority~~
- CA 362 Motion to approve Alcohol Beverage License for Three Ten Main (Former Java location)
- CA 363 Motion to approve special events permit for Thanksgiving Turkey Trot
- CA 364 Motion to approve special events permit for KB's Jerry Lee Lewis Day with noise waiver.
- ~~CA 365 Motion to approve findings of fact and conclusions of law for P.M. Brown Condominiums~~
- ~~CA 366 Motion to approve minutes of September 21, 2007~~
- ~~CA 367 Motion to approve minutes of September 25, 2007~~
- CA 368 Motion to approve claims for expenses incurred during the previous month

Brown pulled CA 361 for clarification. There were two questions from council about the Mountain Rides Joint Powers Agreement – do we need to discuss whether we want to own property at this time, and what the member at larges terms are. Dawson explained terms were set up to stagger into 3 year terms, and that the ownership of property issue is separate from the JPA, but the council would want to notify Mountain Rides Board if it does own property (other than land) used by the organization. **Davis moved to approve the Mountain Rides Joint Powers Agreement as clarified,** Keirn seconded; the motion carried unanimously.

Davis pulled CA 366 to correct wording in 3<sup>rd</sup> paragraph, 4<sup>th</sup> line to read “as long as the cost is **not** driven up.” Davis also pulled CA 367 to correct the 2<sup>nd</sup> paragraph, 1<sup>st</sup> line. Dave Petri is an employee of Benchmark Associates. **Keirn moved to approve the minutes of September 21, 2007 and September 24, 2007 as amended.** Brown seconded; the motion carried unanimously.

**CA 365** Findings of Fact PM Brown Building – Davis recused himself from approval of the findings of the PM Brown building, as he had a business interest. **Brown moved to approve the findings of fact as presented.** Keirn seconded; the motion carried unanimously.

### **PROCLAMATION**

Mayor McBryant proclaimed October as National Arts Month. She said she had attended the Wood River Artist’s Alliance meeting, and was pleased to be able to support, and find opportunities to give back to the communities of the North Valley.

### **AIRPORT WEST SUBDIVISION**

Brian Yeager presented, on behalf of Bryan Evans, a request for final plat approval of Airport West Phase II, Block 2, Lots 3AA & 3AB. He requested that the council consider elimination of the sidewalk requirement, or cash in lieu contribution rather than requiring actual construction of the sidewalk. Robrahn said the sidewalk situation is not uncommon in Airport West, and concurred that the sidewalk does pose problems to the property owners because the roadways are easements. The infrastructure development must occur on private property rather than public property. Nevertheless, the sidewalks should be required per the Subdivision Ordinance, and won’t look different than sidewalks in other parts of town placed upon public property. She said the purpose of a subdivision ordinance is to plan for such infrastructure early, rather than haphazardly at the time buildings are constructed. The ordinance prohibits accepting in lieu payments in the SCI zone. Williamson suggested that the applicant be allowed to bond, and would have to put the sidewalk in place when the building is developed. **Brown moved to approve final plat with conditions a-f as shown, modifying condition B to add option of allowing the applicant to bond.** Keirn seconded; the motion carried unanimously.

### **ALTERNATIVE DEED RESTRICTIONS**

Williamson said the city council had met in a special workshop to talk about affordable housing in general. The alternative deed restriction concept was discussed a bit there as well. He had met with several parties since then to talk about the alternative deed. The number of hours worked in Blaine County had been changed in the document from his original draft. The number of years of employment in Blaine County for retired persons had been changed. A definition about net worth had been added, and states that the net worth can not exceed double the actual sales price. In order to be friendly toward teachers, 9 out of 12 months is language used in the deed. At the previous meeting, he had been intrigued with the idea stated by Jim Speck that the deed restrictions be put in the guidelines rather than in the deed. After thinking that through, he decided that it’s not a good idea; the parameters of the property should be in the deed restriction and run with the property, rather than be in guidelines which could change. The anti flip clause is meant to prevent speculators from buying these properties, and that is why penalties are placed upon appreciation. The true appreciation, rather than that including debt reduction, should be the basis for percentage points. Brown said the five year period is too short. She said these prices shoot up in other areas, and she wouldn’t want to see anything shorter than 7 years. McBryant asked if it would become impossible for people

to move out of the affordable housing market. Keirn pointed out that improvements would be deducted from the appreciation. Davis was concerned about the person who may get transferred. Williamson then went over, with the council, some correspondence that had been sent by Jim Speck, and largely agreed with Speck's recommendations. The council did not concur with a restriction being lifted, but Jim Fackerel said that factors into the net worth of the buyer. Mayor said the intent of affordable housing is for those who don't otherwise have property.

Williamson broached another topic – should Hailey have interest in the deed, and should there be a flat fee or percentage for the entity monitoring the deeds. He did not see reason for joint interest in the deed between Hailey and the BCHA. The entity given this interest will be acquiring a liability. He suggested a one-time fee at the time of real estate transaction, and a flat fee rather than a percentage. Brown noted that the fee would need to be updated, as we update other types of flat fees. Keirn felt that BCHA should be the governing body, with Hailey as its successor if the organization dissolves. Davis preferred the percent, because it remains constant and reflects the rising cost of doing business as property goes up. Mayor felt it is incumbent upon the city to retain the liability of the deeds. Hailey would then contract that out if it so desired, and we don't then have to worry about a successor clause. Williamson noted that Gates Kellet Dunaway had suggested the same. Brown felt the contracting entity would want some stability. Davis said whoever is doing the monitoring and managing should also have the liability.

Jim Laski said the deed restrictions are not consistent with his development agreement. He wanted the opportunity to further this dialogue with the council when the deed on the table is for Sweetwater, not Cutters. Some of these percentages could get to be significant; it makes more sense to set a flat fee based on the cost, and would need to be adjusted somewhat. He asked if there is any evidence or data supporting the anti flip clause. A community housing program should get people into market rate housing.

Jim Fackerel said the housing authority has no experience with this type of deed restriction. He said the concern which the anti flip clause is intended to address is that the developer would transfer property appreciation to the first buyer.

Davis asked if a contract for services style is addressed, and the contract isn't renewed due to performance reasons, to whom would the liability transfer? Brown asked Williamson to consider that question in his future work. Davis said if we can't get our interest in those deeds back, they would have to be in Hailey's name. Mayor said she sees some outstanding opportunities to have a very small specification that we are paying for. In addition to that, we take the broader contract, based upon need and funding. We need to be specific about the tasks that have to happen, and the broader needs of the authority. She sees this as the hybrid way we can justify the application of city dollars to this entity. Fackerel said the housing authority does not want to be involved if it doesn't have the authority over the deed. He suggested looking toward how the city of Ketchum has addressed it. He said the BCHA is a county entity. Mayor asked if the BCHA has the authority NOT to provide the service if requested not to do so by a city within the county.

Brown suggested that staff should explore where the interest should reside, and to work with the BCHA on this. Williamson said that is critical, and he wanted this scheduled for the next meeting. Speck asked for expediency, as Cutters final plat can't be recorded until this is decided. Williamson said we could complete the work within two weeks.

### **LOCAL OPTION TAX**

Dawson presented to council the LOT final numbers. LOT funds came in at \$462,721. This is \$37,721 above budgeted estimate. Dawson made 3 proposals to council. The first one being to pay Mountain Ride their \$30,000 budgeted in 2007/2008 now. This would leave the \$30,000 for next year's budget available for disbursement at a later date to the Chamber of Commerce after the Chamber can come back to council with a proposal. The second proposal was to fund \$7,000 for 200 more crosswalk flags and 20 more brackets for the crosswalks on Main Street to continue our efforts in pedestrian safety. The third and final proposal is to fund Wood River Ride Share an additional \$5,000 in exchange for 1 way bus passes that would be used to hand out in the library or from the city. Jason Miller lauded the program concept for the bus passes. Keirn supported the recommendation. Mayor thanked Hailey's partners in the business community, especially the businesses. **Davis moved to expend the \$37,721 excess LOT funds as depicted in the staff report. Keirn seconded; the motion carried unanimously.**

### **CITY ADMINISTRATOR**

Brown said we still don't know what we want in a City Administrator, and so she thought the concept of interim city administrator might be put in place to help us define what we want. Davis said the transition from the Interim County Administrator to the County Administrator was smooth, and intrigued him. Keirn said Stan McNutt worked also as a consultant, and that is the combination we need. Davis and Keirn accepted the task of putting together the proposed plan, which would identify what you're looking for in the interim position and how you're going to find them.

### **STAFF REPORTS**

Dawson presented three items to the council. The first was to note that there are 3 council meetings left in the calendar year. The second item was to ask for discussion on how to structure Mountain Rides Bus Shelters. There are 3 property's involved. 1- State Highway, 2 – Publicly owned city right of ways, and 3 – publicly owned property that is not right of way (such as the municipal parking lot). Dawson asked the council if it wants to own bus shelters on any of these types of property. Davis felt Mountain Rides should own and maintain the shelters, even if they are on city property which may eventually change its use.

Dawson's third item was on the topic of free event buses. She wanted to be sure council did not see an impediment to the Mountain Rides Board setting up free busses to events. The Council agreed that the buses would work both ways and benefit all communities.

Robrahn reported that Mariel the new Planning Technician started and is working out well. Tara Hyde's last day is Friday.

Keirn announced that there is a SEIDO meeting on the 19<sup>th</sup> and he will be bringing a report to Blaine County.

Davis said Fly Sun Valley met last week. There's planning by South Valley Merchants for Christmas parade. He wanted to facilitate a meeting between HPD, Chamber, and that SVMA. Mayor assigned Davis to that task. On behalf of Burke, the Mayor said the Tri-bah is on Thursday of this week.

There being no further business, the mayor adjourned the meeting at 7:30 p.m.