

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD MONDAY, MARCH 23, 2009
IN THE HAILEY TOWN CENTER MEETING ROOM**

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

AIRPORT ISSUES:

Haemmerle spoke regarding a Freidman Airport Users Alliance prospective member information package that he received. Haemmerle continued by stating that the sole purpose of this alliance is to keep the airport in the City of Hailey. Haemmerle is surprised that there is no mention of public safety within the information. Nor is there a mention of anyone person's name promoting this alliance membership.

Keirn has read this same material and agrees with Haemmerle.

EXECUTIVE SESSION: RE: Personnel (IC 67-2345.a/b/d)

Motion made by Burke to go into executive session at 5:33 pm for personnel reasons (IC 67-2345.a/b/d, seconded by Haemmerle. Motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

Mayor and council returned from Executive Session at 6:08

CONSENT AGENDA:

CA 122	Motion to approve Elite Pyrotechnics Display and Services Agreement for 4 th of July Fireworks show and authorize the Mayor to sign - \$20,000 with 50% payment now and 50% on July 7 th , 2009	1
CA 123	Motion to ratify Mayor's signature on Legislative letter to the House Revenue and Taxation Committee re: House Bill 244.....	11
CA 124	Motion to approve Safe Routes to Schools Grant Application for 2011 Grant and authorize Mayor to sign. 15	
CA 125	Motion to approve Alcohol Beverage License Application for J. Alyson LLC	41
CA 126	Motion to approve Special Event sponsored by Crisis Hotline held at The Inn at Ellsworth Estate "Spring Wine Tasting and Silent Auction" on May 30, 2009 from 5:30 - 7:30 pm and consideration of waiver of application fee \$125	47
CA 127	Motion to approve Special Event sponsored by The Advocates "Carbonate Hill Climb" at Hop Porter Park on April 25, 2009 8:00 am - 4:00 pm	55
CA 128	Motion to approve Special Event Sun Valley Center for the Arts Concert at Hop Porter Park on June 27, 2009 from 7:00 pm - 9:30 pm	63
CA 129	Motion to approve and Findings of Fact and Conclusions of Law - final plat of the Rimrock Cottages, Phase I.....	77
CA 130	Motion to approve Rimrock Cottages Phasing Agreement	89
CA 131	Motion to approve City Council meeting minutes of March 9, 2009 and to suspend reading of them.....	97

CA 132 Motion to approve claims for expenses incurred during the month of February 2009 (handout at meeting)

Hellen pulled consent agenda item 128 for clarification.

Keirn pulled consent agenda item 126.

Burke moved to approve all other consent agenda items minus CA 126 and CA 128, Haemmerle seconded, motion passed unanimously.

Keirn spoke regarding consent agenda item 126. Keirn remembers that the council did not waive the application fee last year when asked by the applicant. Keirn has not changed his mind regarding this topic. Brown is in agreement with Keirn.

Brown moved to approve CA 126 the Special Event for the Crisis Hotline but not waive the application fee, Keirn seconded, motion passed unanimously.

Hellen clarified that the Sun Valley Center for the Arts special event has changed the date of their event to July 18, 2009, not June 27, 2009.

Motion by Brown to approve consent agenda item 128, seconded by Keirn, motion passed unanimously.

MAYORS REMARKS:

April 1st is Fool's day at Liberty Theater announced Mayor Davis. The event begins at 6:30 pm and Mayor Davis will be reading a proclamation at the beginning of the night. These programs are a great asset to our community.

PROCLAMATIONS & PRESENTATIONS:

PP 133 Safe Routes to Schools Proclamation of Support for Woodside Elementary 2011 Infrastructure Application, with motion to authorize the Mayor, and designated staff to sign

Mayor Davis read the 2011 proclamation for Safe Routes to Schools.

Motion made by Brown to authorize Mayor and selected staff to sign Proclamation, seconded by Keirn, motion passed unanimously.

PP 134 Tree Committee presentation to council – general update including tree inventory

Jen Smith, chair for the Tree Committee presented to council. Smith reviewed milestones of the Tree Committee, including: Tree Ordinance adopted in August 2008, and tree committee formed in October 2008. Smith announced the committee's goals and how to accomplish them. Smith reviewed the steps to achieve the goals, assess inventory, and develop a maintenance plan, urban forestry plan and implementation of these plans. Smith is an arborist and lives in Ketchum. Smith is asking for \$7,950 for 2009 on behalf of the Tree Committee. Smith reviewed the

CITY COUNCIL MINUTES

March 23, 2009

purpose of the Tree Committee; keeping citizens' health and safety in mind with regards to assess health and maintenance of trees. Smith estimates the public trees in Hailey as approximately \$4 million dollars; Ketchum's public trees are assessed at \$2 million. Smith ended with additional specific goals on inventory, selection, maintenance and removal of trees in Hailey.

PUBLIC HEARINGS:

PH 135 An application by Ralph Pearson for final plat approval of Lots 9A and 10A, Block 62, Hailey Townsite Overlay (217 Spruce Street East), located within the Limited Residential (LR-1) and Townsite Overlay districts. The plat would create two lots, 5,989 and 6,000 square feet in size

Marcel Platt reviewed some procedural history of this application; deadline for final plat was June 2008. This applicant missed his deadline and therefore needs to go through the preliminary and final plat process again.

Greg Harbison with Galena Engineering is present on behalf of applicant to answer any questions.

Haemmerle asked what the purpose is for rounding up the square footage. Williamson will revise the language and possibly state the actual square footage for reference.

Brown, Keirn, Haemmerle and Burke are okay with the request.

Keirn made a motion to approve final plat of Lots 9A and 10A, Block 62, Hailey Townsite Overlay (217 Spruce Street East) with conditions A-G, seconded by Burke, motion passed unanimously.

NEW BUSINESS:

NB 136 Discussion of Old Cutters' proposed amendments to Hailey's Inclusionary Community Housing Ordinance to allow a different ratio of workforce housing units to income restricted units, and to exempt community housing from certain fees, and discussion of proposed community housing plan agreement amendment

Mayor Davis recused himself of this discussion. Davis handed floor over to council president Martha Burke.

Platt summarized that this proposal would allow for all development to build 100% workforce housing units versus what is now in place (50% income restricted and 50% workforce housing).

Williamson stated that this is for council to discuss, if they authorized this proposal, then the next step would be for this to go to the Planning and Zoning Commission and the public hearing process.

**CITY COUNCIL MINUTES
March 23, 2009**

Jim Speck spoke on behalf of applicant John Campbell/Old Cutters LLC to council. Speck reviewed the proposal, 100% workforce housing versus 50% workforce and 50% income restricted and eliminate the water and sewer hookup fees. Speck believes that a city needs to waive some fees to give builders incentives to provide community housing. Speck asks council to consider this proposal.

Kathy Grotto with the Blaine County Housing Authority stated that Rebecca Helzel is present tonight. Helzel will give comments on income restricted housing.

Rebecca Helzel, with ARCH board of directors spoke to council. Helzel quoted the reasons why community housing benefits the community. Helzel stated the challenges with our area, which is not as diversified as places such as San Francisco. In 2006, a study, NIES assessment was performed, 2,600 people were commuting outside of Hailey. Helzel quoted problems with resort communities, Telluride and Aspen.

Anna Mathieu with Blaine County Housing Authority spoke to council. Mathieu stated that we should not lose site of the challenges with deed restricted housing.

Kathy Grotto answered Haemmerle's question and gave the approximate number of community housing units available on the market and that the last unit sold was last week. There are 2 workforce housing units currently for sale. One unit in Ketchum and one unit in Hailey, neither of these units have been sold and have been listed for some time. The Old Cutters housing units are being listed at about 10% below market compared to 20%-30% in some other community housing units. If a deed restricted unit is foreclosed on, then the deed restriction goes away and the benefit to the community goes with it. Grotto handed out a graph to council, the BCHA graph of income categories.

Nathan Fierman, a realtor with McCann, Daech Fenton and a member of the BCHA board spoke to council. Fierman stated that the core of the problem is that the housing is not set up to be affordable for very long and it is truly not community housing. Fierman stated that a successful, long term formula must be income based. Fierman asked council to look at long term, and not change the Cutters agreement.

Brown asked what Hailey's housing needs are now. Anna Mathieu stated that Hailey's level is 3.25 income category, the majority household needs are a 3 bedroom/2 bath unit.

Jim Speck does not understand that a foreclosure wipes away the deed restriction.

John Campbell applicant spoke to council. Campbell is surprised with the comments from Grotto, Helzel and Fierman. There have been 500 people looking for community housing over the past few years where we've only provided approximately 90 units. Campbell thinks the housing solution out there is not working; he is willing to put more units available at a little more cost than the current inventory.

Burke brought discussion back to council for deliberation.

CITY COUNCIL MINUTES
March 23, 2009

Hellen suggested that the council consider waiving half of the connection fees which would be equivalent of waiving the development impact fees \$~2,600.

Keirn does not like this idea because waivers of connection fees, in the long haul, other users would be paying for the difference in fees. Keirn does not see changing the ordinance for one situation.

Brown is cautious to make any changes because she does not want to see anymore than 50% workforce housing. Brown does not want to change the ordinance. Brown would be open to waiving fees at another point if the development impact fee ordinance is ever revised.

Haemmerle reviewed the situation as we see it now. This project would provide approximate benefit of jobs in building these units. Haemmerle would like to see jobs for people in the valley. Haemmerle does not know what changing this would do, as we won't know unless we change the requirements.

Burke thinks that workforce housing becomes unreachable to qualified buyers because of the expense. Burke asked if there was a way to stimulate the economy without changing our ordinance for all future units.

Haemmerle makes a motion to request that the Planning & Zoning Commission reconsider the ordinance specifying the mix between workforce housing and income based ratios, Keirn seconded, with role call vote; Haemmerle, yes. Brown, no. Keirn, no. Burke, no. Motion did not pass.

Discussion on the proposed amendment to the community housing plan:

Mariel Platt reviewed the suggested changes which Old Cutters submitted. This proposal is in council's packet tonight.

Williamson summarizes the changes; including the proposal to rent units that have not yet been sold.

Grotto and Fierman have read these amendments and they are okay with the proposed changes and in favor of them.

Brown asked if anything else had changed in this document other than the language that Kathy Grotto asked to include in the last council meeting. Williamson confirmed it was the only change.

Speck spoke on behalf of the applicant. This has been amended at the request of Rimrock Cottage Final Plat conditions of approval. Speck asked to amend language on page 123b of the council packet, paragraph beginning with Step 1; replace "The twelve (12) people chosen" with "those that are offered for sale will follow this scenario." This language applies also to steps 2 and 3 Williamson added.

**CITY COUNCIL MINUTES
March 23, 2009**

Kathy Grotto spoke on behalf of BCHA. Grotto is okay with Speck's suggested changes tonight and also with the recommended changes in sections 4.11.4.5 and 4.11.4.6 she proposed in the last meeting.

Motion made by Brown to approve the amended Old Cutters Community Housing Plan as stated "Those that are offered for sale will follow these steps, seconded by Keirn, motion passed unanimously.

Brown asked for a 5 minute recess at 7:55 pm.

Mayor Davis reconvened the meeting at 8:00 pm.

NB 137 Parks reservation policy discussion

Hellen summarized the suggested changes for the Parks reservations policy from the Parks and Lands board.

Keirn points out what he likes about this proposal, that we should not waive fees and should be commensurate of the impact to the park.

Dawson clarified to council, that a deposit procedure was instituted a few years ago, which was administratively time consuming. The end result was an ordinance change where we eliminated the deposit for clean up. Dawson walked council through the various fees applicable for special events.

Brown asked Hellen to revise the forms and bring it back to council for review.

Hellen will get with the Parks and Lands board and revise their ideas.

Dawson stated that Hellen will bring proposed ordinance changes and fees resolution to another meeting.

WORKSHOP:

Hellen gave council a memo on flood plain from FEMA. FEMA has revised some flood plain areas around China Gardens along the Big Wood River and north of Bullion Street. This revision has removed China Gardens from the floodplain and at least one property north of Bullion Street from the 100 year floodplain.

Hellen has two requests for qualifications open for engineers and architects for the Rodeo Grounds proposed development.

Mariel Platt discussed the sign ordinance and proposed changes. Platt reviewed the "softer" language in the letters which are sent and before sending a letter, make a call.

Dawson, in response to enforcement from the public survey, reviewed the steps the city has taken to uphold the current municipal code. Dawson handed out to council an invitation. Sue Bailey made a comment to Dawson regarding our council. Bailey indicated that Hailey's city council seems to debate during meetings unlike other municipalities (where citizens don't feel they are being heard).

Williamson brought up two things. Williamson has received the grant deed for water rights from Old Cutters along with a partial release of the mortgage. Secondly, Williamson has received a letter from Wood River Fire and Rescue which gives a 30 day notice for terminating the auto aid agreement with Hailey Fire Department.

Gunter, police chief will be submitting a grant application next week for \$400,000 for 3 years.

Keirn and Dawson attended the last Blaine County Commissioners meeting where dispatch was discussed, nothing was decided.

A representative from Senator Risch's office will be meeting with Mayor Davis at 10:30 on April 7th, 2009 here at city hall.

Davis received a call from Mr. Fenton to tell his side of the story. Council would welcome his presentation. Davis will pass on the comments.

Mayor Davis adjourned the meeting at 8:40 pm.

Rick Davis, Mayor

Mary Cone, City Clerk