

**MINUTES OF THE SPECIAL QUIGLEY MEETING OF THE
HAILEY CITY COUNCIL
HELD TUESDAY AUGUST 31, 2009
IN THE HAILEY TOWN CENTER MEETING ROOM**

The special meeting of the Hailey City Council was called to order at 5:31 P.M. by Mayor Rick Davis. Present were Council members Don Keirn, Carol Brown, Martha Burke and Fritz Haemmerle. Staff present included City Attorney Ned Williamson, and City Administrator Heather Dawson and City Clerk Mary Cone.

Handouts from B. Robrahn include a fax received from Lili Simpson on 8/31, email dated 8/31 from Erwin Kett, email from Sarah Heiden dated 8/31, email from Judy Prothero dated 8/30, email from Frank Andrews received on 8/30, letter dated 8/29 from Carol Comtaruk, letter received from Scott H. Phillips to Mayor and council, letter dated 8/26 received 8/31 from Denise Jackson Ford, email to Heather Dawson from Sharon Parker dated 8/21/09, letter dated 8/14 from John and Joan Davies, Article on Twin Falls Municipal golf pro Hamblin in Times-News article from the Monday July 27, 2009 newspaper, letter from Wendy Pabich to Hailey City Council dated 8/3/09, email from Scott Phillips to Beth Robrahn received 8/31, email from Julia Augustus to Mayor Davis sent 7/19, email from Evelyn Phillips to Beth Robrahn dated 8/31, letter from James and Evelyn Phillips dated 8/30 to the Mayor and council, letter from Rob Cronin dated 8/31, email from Janet Carter-Meyer received 8/28 to Mayor and council, and an email from Charlie Meyer received 8/28 to Mayor and council.

Krista Gherke 120 Prairie Sun Road spoke about safety in Hop Porter Park. Gherke recently spoke with the Parks department regarding maintenance and fill at the bottom of the slide in Hop Porter Park. Gherke wants to have safe playground equipment for her son and others. Gherke was told by the Parks department that maintenance would happen around June 15, 2009.

CONSENT AGENDA:

- CA 365 Motion to approve renewal of annual Alcohol Beverage Licenses for Hailey businesses 1
- CA 366 Motion to approve Bus Stop Easement in front of the Mini Mart.....5

Motion to approve all consent agenda items made by Burke, seconded by Haemmerle, motion passed unanimously.

PUBLIC HEARINGS:

- PH 367 *An application by Quigley Green Owners, LLC for Annexation of approximately 1,109 acres proposed to be developed with a total of approximately 379 residential units and an 18 hole public golf course and Nordic facility. The property is currently located in the County and is zoned R-5 and A-10. The annexation application requests that the property be zoned as RGB, NB, LR-1, LR-2 and GR upon annexation. The Planning and Zoning Commission recommends to the City Council approval of this annexation with conditions*

Richard Caplan joined the meeting via telephone conference.

Mayor Davis asked council and staff if they had questions for Caplan.

Brown asked Caplan about front page of your summary outlines two changes, addition of Mountain Rides and Water and Wastewater. Total revenues and expenses declined, and the net impact to the general fund declined, reflected in the cover letter, replied Caplan.

Mayor Davis, page 3, one time fund, table A, under one time only it has 6 million. Caplan replied that the 5.8 million is correct not the 6 million amount.

Keirn commented on the \$2,856,406 impact - not an annexation fee. Caplan's summary refers to this amount as an annexation fee, this is incorrect stated Keirn. An annexation fee is something completely different. Caplan meant to refer to this number as an impact, not annexation fee.

Dawson summarized the report from Caplan. This report walks through all the potential costs that the city would incur due to a potential annexation offset by income received by the development. Some of the fees are one time fees others are recurring. The study is over a ten (10) year period) to capture an average. The Water and Wastewater estimated impacts to the City are also in this report. This study shows a potential cost of \$7.6 million quantified by 10 years of ongoing revenue the study shows a deficit of ~\$138,000.

Evan Robertson for the developer remarked that he has not had a chance to review the study at length but he feels they are back where they started on the annexation fees. Most of the comments they will have will be dependent on the negotiations with the City on the annexation fees. Robertson stated also that the project feasibility hinges on the outcome of these negotiations. Robertson would like to reserve sometime in the future to discuss this report with Caplan as he has not had much time to review the report yet.

Richard Caplan dropped off the phone.

Arlene Tapia of 230 Apache Drive in Old Hiawatha Subdivision is concerned with the golf club. They are going to cut out the hillside to put in these golf club amenities, Tapia objects to this proposal.

Aubrey Stephens of 1231 Buckskin Drive addresses the same issue as Arlene Tapia (golf course). Stevens wonders if there is in place an active communications line between the City and the County. Overall, Stevens is concerned with the potential viability of the project.

Peter Lobb 403 E. Carbonate – Development above the pond and Deadmans Gulch should be done by the county. Lobb has always felt that the county is obligated to approve of development in this area. This thought was predicated on the fact that they had the rest of the development below to push the number of homes down above the pond and Deadmans Gulch. Since the applicant has removed this area from his application with the City, who knows what the County will do. Lobb suggests to council, don't approve the annexation as he feels it is more pressure to the city.

Darlene Finnell of 710 East Bullion Street spoke to council. Finnell initially felt that the council should allow annexation of this property. Now, though Finnell feels that by removing development above the pond and Deadmans Gulch from the annexation request, the developer can go to the county and ask for development approval in these same areas. Finnell believes the best protection for the land and wildlife is to let the county develop this property.

John Wiese 1141 Buckskin Drive asked a question about future zoning approval for this application. Wiese wonders if there is any control after zoning is approved on property?

Richard Stopol of 150 6th Ave South agrees with Finnell and Lobb. Stopol feels that density is still an issue if developed in the County.

Sarah Heiden 315 East Carbonate feels like this is a good development for the citizens and the City. Heiden appreciates all the work the developer has done towards sustainability and has many amenities to offer.

Nick Uberuaga 410 Evergreen Lane in Ketchum Idaho spoke to council. Uberuaga feels this project would be good for creating new jobs - a benefit given the economic times. Uberuaga wants the city to consider this application.

Gloria Carlton of 841 Eastridge feels this isn't the only development which would create jobs. Other municipalities have projects which could create jobs for the valley residents.

Cathy Royston of 970 Buckhorn wants to see this property developed through the county instead of the city. Royston opposes this project because of love and fear; she loves this area and fears it is the last open space left in the area.

John Finnell of 710 East Bullion spoke to council. Finnell wants the City to work with the County on developing this area.

Bill Hughes of 241 Eureka Drive agrees with John Finnell on the joint decision process requested. Hughes feels the County is better prepared to assess the impact on the area than the City. Hughes sees this as an economic panacea to the city. Hughes hopes that the council will negotiate with a position of strength.

Tom Swenson of 731 Bonanza Lane believes that Hailey would benefit greatly from this development. Swenson does not approve of the potential development above the pond and Deadmans Gulch. Swenson asks the council to include a development restriction regarding the land above the pond and Deadmans Gulch.

Williamson asked for the council to discuss the potential for cutting off public comments at some point.

Haemmerle feels it is really necessary to pick a date to stop receiving public comments. Haemmerle has reviewed the P&Z staff report (page 8, 8/4/2008 document) question whether or

not the development can pay for itself. Haemmerle feels that there is no way to be 100% in compliance with our Comprehensive Plan.

Brown agrees with Haemmerle that there are complex discussions which need to take place before making a decision. Haemmerle feels the developer needs to discuss these concerns with staff.

Haemmerle asked staff to draft an annexation agreement in the last meeting. Evan Robertson agrees with Haemmerle in that they cannot make a final decision without an annexation agreement agreed to. Robertson feels the public comment doesn't help unless the developers get some questions answered as well.

Robertson asked to make sure the City Engineer, Tom Hellen weighs in on this annexation agreement draft.

Council would like staff to draft the annexation agreement after meeting with the applicant.

Robrahn clarified that the conditions 1-67 are the beginnings of a future development agreement.

Haemmerle wants to make sure at the next meeting money should be topic of discussion.

Brown regarding Condition 19 – traffic and street design received a lot of public comment on this condition. Brown wants to be more specific now, different than what was originally discussed. Brown wants Tom Hellen to work on this condition.

Keirn has 3 issues on Water, the first; condition 5 (cost sharing) does the city have funds available for this? The City will pay 10% of the cost for upgrading the Fox Acres main line. And the last, is the cost sharing of the reclaimed water line. Keirn asks if the City has the money to pay for these items. Dawson confirmed these points must be addressed in the discussions with the developer.

Burke proposes a change to condition 19, asking for a solid plan instead of leaving the statement “final design to be constructed by the City Engineer”.

Conditions 51-67

Haemmerle asked if the developer opposes to any of these conditions. Robertson asked that the alternatives if proposed would be considered by council.

Condition 59 requires 20% community housing units.

Condition 56, Keirn is concerned this one, avalanche area.

Condition 65 & 66 – future dollar or land contributions for a fire station or school.

Dave Hennessey for the applicant spoke to council. Hennessey commented that impact fees would make a contribution to the fire station. Caplan indicates a zero dollar amount allocated since it is covered in another piece. Haemmerle asked if applicant has discussed this with the school. Nothing is final but several discussions have occurred replied Hennessey. Applicant will have a draft of this when the city has a draft annexation agreement.

Dawson proposed a scenario where the council tables this application which will give staff time and then give everyone time to review financial figures.

Brown agrees with Keirn in that she sees annexation fees and development impact fees as separate fees.

Brown reported an ex parte conversation with Bill Hughes. Hughes stated that if Keirn and Burke members vote for this project then long time residents in Hailey will run against you in the upcoming election.

Burke received an email from Charles Meyer and Janet Carter. Burke received a phone message from Steve Kearns in favor of the golf course / Nordic skiing center and hoped that the council would look closely at these items. Burke also spoke with Bill Hughes regarding his concerns which he voiced tonight. Chris Roebuck is in favor of this project. And finally Burke received a letter from Jim Phillips.

A concerned citizen asked to submit written comments until Thursday this week. Mayor Davis asked Robrahn to make sure the website puts the deadline of Thursday 9/3 to receive public comments.

Dawson summarized that we will probably hear a motion by council to table this application. A few modifications on Conditions 19, 56 (no building in the avalanche zone), address specifically how the Caplan report and the Capital Improvement Plan deal with some of the other conditions like the fire station. All of the conditions that are tied to our Ordinances, i.e. Community Housing, staff will refer to the ordinances for guidance and lastly we have identified 8 cost sharing opportunities to solve impact issues. All of these items will be incorporated into the draft annexation agreement.

Hennessey mentions that they need to also create a draft with the Blaine County Recreation District (BCRD).

Brown makes a motion to table this application to a date uncertain and until we have a draft annexation agreement proposal, seconded by Haemmerle, motion passed unanimously.

Burke asked staff, Mayor and Council to attend the Airport meeting tomorrow night (Tuesday) FMAA regular meeting before the joint meeting scheduled with Blaine County Commissioners on Wednesday night. Burke believes the meetings will be very informative because all of the key stakeholders will be present at the meeting.

Mayor Davis adjourned the meeting at 6:53 pm.

HAILEY CITY COUNCIL MINUTES
August 31, 2009

Rick Davis, Mayor

Mary Cone, City Clerk