

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD MARCH 6, 2017
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 Fritz Haemmerle. Present were Council members Colleen Teevin, Don Keirn, Pat Cooley, and Martha Burke. Staff present included City Attorney Ned Williamson, City Administrator Heather Dawson, and City Clerk Mary Cone.

[5:30:40 PM](#) call to order by Mayor Haemmerle.

Open Session for Public Comments:

[5:31:00 PM](#) Bob MacLeod Hailey resident, nice fire truck outside, congrats to the city. Applause from room.

CONSENT AGENDA:

- ~~[CA 058](#) Motion to approve amend Resolution 2017-018 to correct the date for the Ordinance No. 1212 adoption~~
- ~~[CA 059](#) Motion to approve Resolution 2017-019, authorizing fees to be charged to public and private parties who rent Hailey Police Facility for emergency service training and Hailey-based events sponsored by the Chamber of Commerce.~~
- ~~[CA 060](#) Motion to approve minutes of February 27, 2017 and to suspend reading of them~~
- ~~[CA 061](#) Motion to approve claims for expenses incurred during the month of February, 2017, and claims for expenses due by contract in March, 2017~~

[5:31:38 PM](#) Williamson pulls item CA058 and CA 061

[5:31:53 PM](#) Cooley pulls item CA 060 to abstain as he did not attend this meeting.

Motion to approve CA 059 made by Keirn, seconded by Burke, motion passed unanimously.

[5:32:22 PM](#) **Burke moves to approve CA 060, seconded by Keirn, motion passed with Cooley abstaining.**

[5:32:39 PM](#) Williamson asked to move CA 058 to later in the meeting with the other Election topic item PH 068.

CA 061 – Williamson points to page 24 of packet, the payment to Contractors Northwest Inc. (CNI), asks to pull this item only, amount is \$67,684.94.

[5:33:53 PM](#) **Burke moves to approve CA 061 deducting claims payment for CNI of \$67,684.94, seconded by Cooley. Motion passed unanimously.**

APPOINTMENTS AND AWARDS:

AA 063 *Recognition of exiting Library Board of Trustees Member Ron Hayes*

Ron Hayes is recognized by Mayor Haemmerle [5:35:27 PM](#)

[5:36:31 PM](#) Mayor responds

AA 062 *Recognition of Hailey Public Works employees for snow removal efforts*

[5:36:56 PM](#) Mariel Miller recognizes Public Works employees for snow removal efforts this winter, spent a total of 2,000 hours in these efforts. Miller is very impressed with this crew.

[5:38:36 PM](#) Mayor Haemmerle adds to this recognition, spectacular job by this group of individuals.

Kelly Schwarz is given a Recognition Certificate [5:39:23 PM](#) by Mayor Haemmerle, thank you for all you do.

Mayor Haemmerle then calls employees one by one, gives them a certificate, hand shake and thanks them for their work this winter.

[5:39:50 PM](#) Terry Turner is recognized, thank you for your hard work.

[5:40:22 PM](#) Tim Green is recognized, thank you.

[5:41:06 PM](#) Luis Gomez-Carrillo is recognized, thank you for your hard work.

[5:41:36 PM](#) Kingston West is recognized, thank you for working for the street department.

[5:42:01 PM](#) Mike Parker thank you for what you do. Parker shakes Schwarz's hand.

[5:42:37 PM](#) Jim Savage is recognized, thank you for your hard work.

[5:42:54 PM](#) Brian Vincent is recognized for his hard work.

[5:43:20 PM](#) Kurtis Holtzen is recognized for his hard work.

Mayor asked the crew to front of room for picture.

Round of applause by room for all of the Public Works employees snow removal efforts this winter.

PUBLIC HEARINGS:

PH 064 *Introduction to Ordinance No. _____ amending Municipal Code, Title 12, Parks and Pathways, to prohibit certain activities at Jimmy's Garden and the Skate Park*

[5:44:45 PM](#) Miller asked for council to continue this item to the next meeting.

[5:45:02 PM](#) Burke moves to continue, seconds by Cooley, motion passed unanimously.

PH 065 Continuation of an application within the Hailey Area of City Impact for Planned Unit Development (PUD) and Subdivision Preliminary Plat, the Quigley Farm PUD. This is an application to Blaine County by Quigley Farm & Conservation Community, LLC for a 51-unit mixed use project. The City of Hailey is not the decision-maker, and will provide comments to the County on this application (Continued from 2/6/17 meeting) Staff will recommend that this hearing be continued to April 3, 2017

[5:45:34 PM](#) Mayor Haemmerle opens this item.

Williamson asked to have this item continued to April 3rd. The Planning and Zoning Commission will meet tomorrow night to discuss zoning on this property.

No public comments.

[5:46:27 PM](#) **Burke moves to continue this item to April 3, 2017 as suggested, seconded by Cooley. Motion passed unanimously.**

PH 066 Consideration of a Zone Change Application by Dirt Simple, LLC, for an amendment to the City of Hailey Zoning District Map. Proposed changes would rezone 404 and 410 Bluebird Court, (Lots 1 and 2, Block 1, Blue Bird Subdivision) from Limited Residential 1 (LR-1) to General Residential (GR) (Continued from 2/27/17 meeting)

[5:46:40 PM](#) Haemmerle opens this item.

[5:47:02 PM](#) Lisa Horowitz shows this area on a map. Owners asked for a rezone because they want to build Accessory Dwelling Units (ADUs) in this area. Horowitz covers the 4 conditions of approval as suggested by the Planning and Zoning Commission.

[5:49:41 PM](#) Nick Maricich local realtor represents Dirt Simple, the owners of this property. The zoning splits the property, would like to change to GR to allow for the ADUs, and they are in agreement with the suggested Conditions of Approval.

No public comments.

[5:50:47 PM](#) Williamson wants council to discuss a development agreement or plat note? Williamson thinks a more reasonable priced option is the development agreement.

Owners would like the development agreement to be drafted by Ned Williamson Hailey city attorney.

Burke thinks this is a good idea.

[5:52:08 PM](#) Cooley moves to approve Ordinance No. 1213 and conduct 1st reading by title only, motion seconded by Burke, motion passed with roll call vote. Teevin, yes. Keirn, yes. Cooley, yes. Burke, yes.

[5:53:30 PM](#) Mayor Haemmerle conducts the 1st Reading of Ordinance No. 1213, by title only.

PH 067 *Consideration of a Text Amendment Application by Economical Housing Solutions, LLC, to Title 17, Section 17.04G.050, Bulk Requirements, to Title 17, Section 17.05.040 District Use Matrix, Multi-Family Residential Density, and to Title 17, Section 17.09.040 On Site Parking Space Requirements. Proposed changes would create a housing district titled, Small Residential Overlay District, and would allow for a greater number of residential units in the Business Zone District, while retaining current bulk requirements and providing required parking (Continued from 2/27/17 meeting)*

[5:54:06 PM](#) Mayor Haemmerle opens this item.

[5:54:46 PM](#) Horowitz reviewed questions raised in the last meeting. Why this location? The Comprehensive Plan identifies this area as an appropriate place for higher density. How does the Parking work? Zoning code requires 1 space for every living space. Horowitz explained the guest parking is above our zoning code requirements. There are no plans (for the Developer to allow or plan) to park in the public alley. On site management of the apartments. The Planning and Zoning Commission suggested that this should be required as part of the Conditional Use Permit process - to have onsite Management. Size of units and amenities, have picture examples of some similar sized units. Every unit will have a bathroom and kitchen. Vehicular impacts to nearby residents. Horowitz reviews other Hailey apartments and the amount of parking provided by each, on page 62 in packet. Perimeter screening size was questioned by the Planning and Zoning Commission, they believe it should be smaller in the business district.

[6:00:31 PM](#) Jim Laski representing Economical Housing Solutions speaks to council. Laski displays a letter to council from a local single resident, Piper Reed. Group living situation for affordability reasons, but want to live alone. Laski reviews the requests from his client, including on-site parking, confirms 1 per unit, allows 30% of compact spaces (25% in code) with maximum of 5 and reduction of minimum driveway width to 22 ft versus 24 feet. Additional requirements by the Planning and Zoning Commission include, guest parking, communal space provided where units are 300 sq feet or less. Conditional Use Permit required to take advantage of benefits of overlay district zoning and management of apartments to enforce compliance with individual leases. After 3 meetings, the Planning and Zoning Commission recommended adoption of this overlay district. Laski refers to the 1997 and 2010 Comprehensive Plans to support the overlay district and the higher density in this proposed area. Laski shows a few more pictures of units, 300 sq feet or less.

[6:13:26 PM](#) Laski shows maximum density site plan and hands over floor to Jim Warjone. Warjone noted that there are only 4 sites along River Street where this overlay district could be applied, all other properties are developed. Warjone explains the site plan up to 23 units with all

the parking. If the adjacent 4 lots were purchased next to this property, up to 26 units would be possible and provide the necessary parking.

[6:16:20 PM](#) Laski shows compact parking spaces along one row.

Warjone adds that he intends to fully sprinkler the building.

[6:17:37 PM](#) Laski explains the maximum units exercise. Laski reads from a letter submitted by Hailey business owner Larry Green, owner of LL Greens Hardware store. Laski implores to council to create this overlay district.

[6:19:46 PM](#) Keirn asks, will they be furnished? Warjone confirms yes. What will rent be? Warjone answers, around \$650 to \$700 per unit. Trying to get all utilities to be around \$850, Warjone explains. Keirn asks about people parking in the alley during the weekend? Warjone answered. Manager will tag cars that park in the alley.

[6:24:02 PM](#) Cooley asks about fencing, what material is the fence? Warjone explains, lattice work to support growing vines. Cooley asks if bike parking will be provided. Warjone confirms he would like to provide a storage closet outside the front door of each unit.

[6:26:03 PM](#) Laski answers drought tolerant landscaping for the screening.

Public comments:

[6:27:16 PM](#) Charlie Gifford has a lot of concerns as a Northstar subdivision resident. Gifford's first concern is the property value of his residence. And what is the tax burden on this proposal? What is a livable space, he thinks these are too small. Noise is a concern in small spaces. Gifford is concerned with the leases, the city needs to review the lease. Gifford talks about Dark Sky Ordinance and how it will be impacted by this proposed living area. Lastly, Gifford moved here for a better quality of life, this project needs to be family conducive. Mayor Haemmerle asks Gifford what a reasonable livable space is. Gifford responds, he grew up in 700 sq ft with mother and sister. Maybe 500 sq ft is better, Gifford answers.

[6:35:14 PM](#) Jerry Ann Heaney Ketchum resident speaks to council. These are designed for a single person, how are you going to put all of those people in one spot?

[6:37:05 PM](#) John Heaney Ketchum resident comments to council. He thinks these units will be expensive. This has a lot of promise, but the ambiguity must be cleared up.

[6:39:36 PM](#) Brandon Williams, General Manager of Silver Creek Ford, is in favor of this proposal, have had 21 individuals to try to relocate, 5 months into their commute, they hit the wall. They are big proponents for more housing. 17 of the 21 were single. It is an issue for their business and preventing them from growing. Williams commends Warjone for this proposal.

[6:41:52 PM](#) Walt Denekas with Sun Valley Economic Development, is a proponent for this overlay district. Denekas feels that noise will not be a problem. Denekas suggests that this be a one-time experiment, see how it goes before allowing others to do the same.

[6:44:21 PM](#) Jamie Sharp, Valley Club employee speaks to council. In the summer, Valley Club hires 170 seasonal employees, and they must find housing for these people. Our economic base is based on seasonal workforce. Sharp is in support of this proposal.

[6:46:52 PM](#) Shane Carlson speaks for he and his wife, they support this project. Carlson lives in Woodside, and he is trying to produce energy efficient affordable housing. Carlson moved from Seattle. He has seen these similar types of apartments improve areas. This is a start. A transition thing for the valley. Carlson expresses his support of this project again.

[6:49:26 PM](#) John Vaughn with the Ketchum Innovation Center (KIC) speaks to council. KIC has about 100 business startups, 50 of them are by people who reside south of Ketchum. There is a real need for housing. This won't solve our housing problem but it will help. Vaughn is in support of this proposal. Vaughn answers the anticipated question from the Mayor, what size apartment is livable? Vaughn thinks we should let consumers decide, what will the market bear? Vaughn adds if they are too small, the owner will have to make the units larger. Vaughn believes that people make do with smaller spaces and that he would have loved the opportunity to live alone in a new, clean and efficient apartment rather than live in an old house, with expensive utilities with several roommates.

[6:56:01 PM](#) Nick Maricich asks for clarification of the size of the proposed overlay district. Horowitz answered it is a 4 block area. Maricich commends Warjone for proposing this. what is the max capacity for the 4 block area? He thinks it should be a piecemeal thing, don't allow all blocks at once.. One (1) dollar / sq ft for long-term rents, seems high, adds Maricich.

[6:58:54 PM](#) Jeff Bacon Hailey resident and Chamber of Commerce employee speaks to council. Bacon tells a story about living challenges, there are approx. 20 sheriff deputies live outside of county. Young people don't stay in valley, because there is no place for them. This (development) would help keep them.

[7:00:49 PM](#) Jen Lavigne spoke to council. Lavigne has a problem with removing the maximum number of units. Haemmerle responds. Lavigne moved her when she was 25 years old. Housing has been an issue, concerned about the text change.

[7:04:26 PM](#) Charlie Gifford, where do we go next?

[7:05:17 PM](#) Walt Denekas 300 sq feet should be fine.

[7:05:34 PM](#) Hillary Anderson Ketchum resident, too much too fast not enough information. Anderson loves this idea. Anderson would like to see a transitional living idea, what about people getting married and having kids. Anderson 375-500 sq ft would be great. What about a variety of sizes.

[7:07:36 PM](#) Gary Poole, part owner of the lot that Warjone is looking at developing speaks to council. Poole thinks clean is key, it should be important to note. If done well it can be small.

[7:08:26 PM](#) Len Harlig Blaine County resident speaks to council. Harlig originally came here tonight to speak in opposition to the ordinance. Harlig was involved in county for 32 years. He knows it is difficult to be in councils position. This appears to be developed so that this project can move forward. Concerned that the horse and cart have been mixed up. The larger problem is attracting employees for municipal employees, they will need more room. Think carefully that the ordinance properly precedes the development, spot development. Is this the way you want to see development in Hailey? [7:12:41 PM](#) Haemmerle asks a few questions. What are we going to do for living? Too expensive up north, we have conservation easements on east / west of our city, where are people going to live? Harlig understands Haemmerle's question. We are going to have to make sacrifices to make this work.

[7:17:16 PM](#) Laski responds to some public comments. There is no project, it is a request for an overlay district. There is not 1000 people planned for this space, it is not as scary as people are fearing. There are a mix of sized units. The Comprehensive Plan instructs you to look at this area for higher density, it is not spot zoning. Noise and dark sky ordinances will apply, no changes are proposed with this overlay district.

[7:21:49 PM](#) Warjone replied. This is transitional living. There are only about 4 sites on River Street where this overlay district can be applied – all other land is developed. This is a learning opportunity; most cities deter higher density.

Council deliberation.

[7:23:49 PM](#) Williamson asks to look at pg 72 – 73, the standards to review this proposal. Analyze this on these criteria.

[7:24:33 PM](#) Haemmerle makes general comments. We have medical tech workers living in a trailer in a parking lot where they work, not desirable in his eyes. Young people have no hope of living here. The vast majority of young people move away. We want more protected space around our cities, north valley too expensive, south valley is down zoned, want farms there, where are people to live? Haemmerle thanked Warjone for this proposal because this sparks good debate.

[7:28:02 PM](#) Cooley thanks council for delaying the discussion until his return. Cooley's son has just returned from college and wants to be here. There is a need for housing. 500 sq ft will work, open for discussion. We are not within the comp plan guidelines unless we make changes. Cooley, highest density requires highest response from emergency services, this will impact us. If a living unit is smaller than a parking space, then Cooley cannot support that.

[7:31:41 PM](#) Burke raised 2 daughters in this valley, one is a nurse, living in a barn in Bellevue above a horse. This would be a good solution for the nurse. We want infill as close to downtown as possible, to promote walkability in the core. This is in the Comprehensive Plan - higher density. This is a start. And serves a niche that we've never had before. What happens if

these are not cared for in 20 years, run down? What we are hoping with CUP that they are valued and cared for and will meet the needs of our valley. Burke is in favor of this proposal.

[7:37:46 PM](#) Keirn agrees with Burke. We have the Conditional Use Permit to control the project. The marketplace will take care of the size needs. Keirn is in support of this proposal. Keirn agrees with Denekas, do as a one-time thing and see how it goes.

[7:39:45 PM](#) Teevin hears the term “affordable” with these units, she has heard tonight that it might be twice the going rental rate per sq ft. this is a proposed change to the zone, concerned with some of the language proposed. General housing question. Can we meet some of the need without changing the zone? Idea of removing the no maximum size concerns Teevin. Do we have other projects coming up that will help fill some housing needs? [7:44:06 PM](#) Haemmerle comments, question is does this proposal satisfy the standards of evaluation? [7:44:44 PM](#) Teevin feels this is subjective, compatible with surrounding area. [7:45:39 PM](#) Horowitz has received calls regarding other projects but cannot speak about specifics, too early to mention. Application for living units came in today.

[7:46:49 PM](#) Haemmerle goes through each standard of evaluation. In accordance with Comprehensive Plan A.1) roll call vote: Burke, yes. Cooley, no. Keirn, yes. Teevin, no. A.2), essential public services excessive public costs, Burke, yes. Cooley, yes. Keirn, yes. Teevin, yes. A.3) Burke, yes. Cooley, no. Keirn, no. Teevin, no. A.4), Burke, yes. Cooley, no. Keirn, yes. Teevin, no. Do you support the rezone? Burke, yes. Cooley, no, need set ground floor on size. Keirn, yes. Teevin, no.

[7:52:05 PM](#) Is surrounding area compatible? Discussion.

[7:53:30 PM](#) Haemmerle asks a question of Cooley? Cooley responds. Burke comments, if we pick the size, the numbers may not work. The market will drive the size and price.

[7:55:29 PM](#) Haemmerle speaks, both positions have a lot of merit. Someone in valley has to figure this out. 150 sq ft seems a little too small. Haemmerle would like to see some type of limitation. He could vote that the use is compatible.

Burke is in full support of this zoning change.

General discussion around apartment size in Hailey. If we allow 300 sq ft Accessory Dwelling Units (ADU's) why won't we allow 300 sq ft apartments, asks Haemmerle.

[8:01:08 PM](#) Teevin addresses the concern about the people that it will bring in. An apartment she knows of had a lot of turnover until rented by a Boise resident, uses it one week a month.

[8:03:24 PM](#) Charlie Gifford speaks again, would be able to speak better if there was a project presented. Haemmerle responds. Gifford, the CUP process helps answers some questions.

[8:05:12 PM](#) Horowitz suggested an idea (limiting the number of smallest units) that came up at the Planning and Zoning Commission meeting, applicant was not wild about it.

Thoughts from applicant? Asks Williamson.

Haemmerle brings up Cooley's comment, workshop. Warjone is open to a workshop. [8:08:00 PM](#) he would like to talk policy first then speak with the neighbors.

[8:08:40 PM](#) Williamson suggests that a workshop would be a public process. Horowitz gave another suggestion.

[8:10:52 PM](#) Laski is open to a workshop style meeting. They do not want to walk away from this idea.

Special meeting after spring break is suggested.

[8:13:23 PM](#) Burke asks what if continued to date certain to discuss economics with this type of project. Haemmerle responds.

[8:14:54 PM](#) Warjone wants to find a solution for someone who makes \$13/\$14 per hour. He is open to different models.

[8:16:23 PM](#) Dawson offers dates for meetings. Wednesday March 29, March 30th? Week of April 3rd. April 11th meeting.

[8:17:43 PM](#) **Burke moves to continue this item to a special meeting on April 11th, seconded by Cooley, motion passed with roll call vote. Burke, yes. Cooley, yes. Keirn, yes. Teevin, yes.**

PH 068 Consideration of Ordinance No. 1212, amending the term of the 1% LOT for air service for an additional five (5) year term, beginning January 1, 2019 (Continued from 2/27/17 meeting) election called for May 16, 2017

[8:18:47 PM](#) 1% LOT for Air

[8:19:01 PM](#) Williamson full ordinance was not in packet last meeting. This proposes to extend the term, adding another 5 years for the 1% LOT for air service, beginning in 2019. Williamson also asks council to consider Resolution 2017-018, minor error found (referencing the ordinance adoption date) after the last meeting. The error has been corrected.

No public comments.

[8:20:26 PM](#) **Keirn moves to approve Ordinance No. 1212, authorize the Mayor to conduct the 1st reading by title only seconded by Burke. Motion passed unanimously.**

Mayor Haemmerle conducts 1st Reading of Ordinance No. 1212 by title only.

8:21:43 PM Motion to approve Resolution 2017-018 made by Cooley, seconded by Burke motion passed unanimously.

PH 069 Discussion of March 7, 2017 Friedman Memorial Airport Authority Meeting agenda and airport matters (no docs)

8:22:12 PM Chris Pomeroy with Friedman Airport speaks to council about the next meeting. Item 3, bylaws election of officers, old business update from noise abatement committee, chairman will present ideas that came from meetings. An action item, draft airport layout plan, master plan, had enough time to approve them, have you had enough time to review them? Long term solution needs to be decided on the trees south of airport. Brief Executive Session on extension of current easement with land owner.

NEW BUSINESS:

NB 070 Consideration of proposed Ordinance prohibiting Yew plants within the City of Hailey

8:27:49 PM Haemmerle suggests using county's ordinance. Williamson would rather have a citation issue. "Dangerous plants" instead of "yew" plants. Misdemeanor, is appropriate, comments Haemmerle.

Will see this under Public hearing in the next meeting.

NB 071 Consideration of amendment to the Ehrenberg annexation agreement

8:31:36 PM Williamson spoke with attorney, amendments, require \$2,500 payment for sidewalk at time of development. And would like to pay the annexation within 120 days.

Williamson suggests Executive Session.

EXECUTIVE SESSION: Pending & Imminently Likely Litigation (IC 74-206(1)(f))

8:32:45 PM Motion to go into Executive Session to discuss Pending & Imminently Likely Litigation (IC 74-206(1)(f)) made by Burke, Cooley seconds. Motion passed with roll call vote. Burke, yes. Cooley, yes. Keirn, yes. Teevin, yes.

8:47:52 PM Mayor and council return from Executive Session

8:48:01 PM Keirn moves to adjourn meeting, Teevin seconds motion passed with roll call vote. Teevin, yes. Keirn, yes. Cooley, yes. Burke, yes.