

**MINUTES OF THE SPECIAL MEETING
OF THE HAILEY PLANNING AND ZONING COMMISSION
HELD THURSDAY, APRIL 13, 2006
IN THE UPSTAIRS MEETING ROOM WITHIN HAILEY CITY HALL**

The special meeting of the Hailey Planning and Zoning Commission was called to order at 6:30 p.m. by Commission Chair Kristin Anderson. Commissioners Trent Jones, Stefanie Marvel, Elizabeth Zellers and Nancy Linscott were present. Staff present included Planning Director Kathy Grotto, City Planner Diane Shay, and Administrative Assistant Dusty Liman.

PUBLIC HEARINGS

AMENDMENT TO SUBDIVISION ORDINANCE – INCLUSIONARY HOUSING

Proposed text amendment to Section 4.11, Inclusionary Community Housing, of Hailey Subdivision Ordinance No. 821. The amendments would provide for revised Community Housing requirements in the Business, Limited Business and Transition Districts and for subdivisions including dwelling units less than one thousand (1,000) square feet in size.

Grotto gave an overview of the background of inclusionary community housing.

Grotto stated the proposed change is to address additional alternatives and provide some relief for developments providing very small dwelling units. Additionally, the P&Z Commission decided that the ordinance in its current language may be in conflict with the City's goal of encouraging residential uses in the downtown core.

Section 4.11.4 of the Subdivision Ordinance, Inclusionary Community Housing

- Exceptions are added for residential and mixed use in the downtown core, increasing the threshold level from 5 to 10 units and decreasing the required number of Community Housing units to 10%
- Requirements are reduced for developments that include small units sized at less than 1,000 square feet, which would come with a lower market rate

Section 4.11.5.1.6 Alternative Deed Restrictions:

- In the downtown core 50% by the standard income deed restriction
- 50% may be proposed under alternative types of deed restricted (sometimes called the Telluride Model) even if only two Community Housing units are required
- Provides a little more incentive to do residential
- Telluride model was described by Grotto as deed restricted. Normally a person who purchases Community Housing is restricted by income. The Telluride model limits to only people working in the City (location restricted) where there is a cap on total net worth and where there is not ownership of additional property. Our City is working on adopting this model. Future sale of house must be to another qualifying person

Section 4.11.6.2 Density Increase – changes are proposed that density may be increased and minimum lot size may be decreased by up to 20%.

The following sections of the Comprehensive Plan lend support the proposed amendments:

- Section 5.0 – Land Use supports a dynamic and vital downtown core and addresses density
- Section 8.0 - Housing provides for home ownership and rental opportunities
- Section 13 - Community Design encourages a Central Business District that maintains general architectural standards, human scale and pedestrian friendly atmosphere and decreased dependency on automobiles.

Zellers asked about waiving Community Housing for mixed use for commercial or residential less than 1,000 square feet.

Grotto responded that builders building than more than 10 units or more would have to contribute to Community Housing, if less than 10 units, Community Housing is waived.

Marvel was concerned that developers might avoid the Community Housing obligation with the above stipulation by Zellers. Marvel wondered if an ‘in lieu’ fee should be required for contribution to Community Housing.

Linscott wondered if even commercial units should contribute monies for Community Housing through a “linkage ordinance” for any commercial building built in the town core.

Grotto stated that the linkage ordinance may eventually have to be addressed. The current City Council is very pro-business and they are concerned with legalities. The City is waiting to see if linkage in Sun Valley faces any legal issues related to collection of fees for Community Housing in Idaho.

Marvel still sided with Linscott - felt the developers would not put any housing in to the downtown area to avoid the Community Housing requirement.

Linscott believed there to be an imbalance if only all business and no housing in the Business District.

Anderson stated her belief that Community Housing is a requirement and should be dealt with through an impact fee.

Anderson opened the public hearing.

Keith Pangborn of 309 South Main, Ketchum said this was a good discussion. There are too many businesses and not enough housing. There should be an employee requirement for each business to provide housing on site.

Andy Erstad, 420 Main Street, Boise liked Linscott's comment about banking dollars. He has watched the City of McCall go through a full city re-write. They are looking at our models, with inclusionary Community Housing with a 14% threshold as mandatory.

Anderson closed the Public Hearing.

Anderson said we cannot decide on implementing linkage fees but a recommendation for the future could be discussed.

Jones participated in the County's dialog regarding the 2025 process and has heard a lot from farmers and ranchers that they are providing on-site housing for their employees. Jones asked if Community Housing requirement would be met by this kind of on-site housing, even as a rental.

Anderson asked Grotto if this type of provided housing in the way of rental units would fulfill the Community Housing.

Grotto responded that if a developer built condominium units to be sold but held several units back for employee housing, this would fulfill the Community Housing requirement. Hailey has a very large stock of deed-restricted rental units.

Jones said that the Meriwether Building might meet CH requirements in other ways as would other commercial buildings.

Anderson stated the threshold should be at ten units.

Zellers agreed – need to raise the threshold for required Community Housing units.

Anderson liked the square foot aspect but thought it should be raised to 1200 square footage.

Marvel supported exempting the smaller units and giving credit for those smaller units and supported raising the cut-off to ten units. Would prefer that everyone contributed to Community Housing rather than have a cut-off.

Linscott agreed. Supports linkage ordinance and thought this should be addressed very soon.

Grotto wanted to address the alternative type of deed restrictions. The ability to do half and half, (half income restricted and half Telluride Model) currently does not kick in unless the project has to provide six or more community units. The proposed change may help to balance Community Housing and mixed use.

Anderson said that everyone seems to be in favor of all of the changes, but with the recommendation for linkage.

Anderson suggested the proposed amendments needed to get on the books and that the concept of downtown employee housing satisfying the Community Housing requirement needed more thought and research.

Jones suggested the inclusionary housing as a concept is evolving and it is important to get a quality ordinance on the books.

Anderson suggested that affordable rental units could be made available in the downtown core.

Jones hoped that a countywide housing authority would be developed and from that effort all of the above issues would be addressed.

Grotto suggested the Commission move on the provided ordinances with the language as is, with recommendations for the next step.

Zellers moved to recommend that the City Council accept the amendments to the Subdivision Ordinance, of Inclusionary Housing, finding them in compliance with the Hailey Comprehensive Plan, Sections 5.0 Land Use and 8.0 Housing and 13.0 Community Design. Zellers also moved and requested the City Council review the possibility of amending the Inclusionary Housing Ordinance to contain some sort of a linkage ordinance as it may pertain to any new commercial development in the City of Hailey as well as looking into credit for inclusionary housing if the developer provides some sort of employee housing that the employees may rent on-site. Linscott seconded the motion. All were in favor. Motion passed.

PROPOSED DESIGN REVIEW GUIDELINES (LI, SCI, TI AND B, LB AND TN DISTRICTS)

Proposed new Design Review Guidelines for development in Light Industrial, Service Commercial Industrial, and Technological Industrial zoning districts and for commercial and mixed use developments in Business, Limited Business, and Transitional zoning districts.

Shay presented proposed guidelines for the Business District

- Main Items
 - Safe site layout for good pedestrian circulation
 - Orienting the buildings to street
 - Placing building at the back of the sidewalk
 - Pedestrian amenities to break up the hard scape

- Snow storage cannot be any dimension less than 10 square feet. Snow may be hauled offsite when there is no other option
- Prohibit vending machines unless they are in an enclosed structure
- Utilize alleys for delivery
- Standardized corporate design is not acceptable
- Building healthy buildings with solar access with south facing windows
- Colors – integrated appropriately into the architecture of the building. Require bigger sample boards and larger sized color samples
- Business canopy structures and signage should comply with City requirements
- Safe pedestrian entrances – snow and ice removal on walkways
- Scale and height increase – plan for human scale and take the bulk out of the building
- Height and taller first floor
- Chain link fences should be prohibited
- Landscaping – at least 50% of the landscaping should be xeriscaping. Less Aspen and Spruce trees. Plantings more appropriate for high mountain desert
- Pedestrian areas should have special plantings for color and variety. Encourage planter boxes for color and variety

Anderson suggested a general Commission discussion should begin on the business district. There was general discussion without any definite decisions made. Discussion continued until 9:00 when Linscott suggested the discussion cease due to time constraints.

Anderson opened the Public Hearing. There being no public comment, Anderson closed the Public Hearing.

Shay commented that she felt the Commission was not ready to pass on the guidelines and suggested that they be addressed after a revision with the Commission's general comments thus far taken into consideration. She will regenerate the guidelines and present them at a future meeting.

Linscott moved to continue discussion of the amendments to the Design Review Guidelines at the Regular P&Z meeting on May 15, 2006. Zellers seconded the motion. All were in favor. Motion passed.

STAFF REPORT:

Grotto will be out of the office for 2 weeks beginning April 17, 2006.

Linscott moved to adjourn. Marvel seconded the motion. All were in favor. Motion was passed. Meeting adjourned at 9:45pm.