

## MEMORANDUM

**To:** For Consideration by DIF ADVISORY COMMITTEE as their report to **Hailey City Council**  
**Date:** August 3, 2020  
**RE:** Report and Recommendations on FY 2021 Capital Budget and Capital Improvement Plan

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### Background

Hailey's Development Impact Fee Advisory Committee (the Committee) met on June 15, 2020 and August 3, 2020 to make recommendations to the Hailey City Council on Hailey's Capital Improvement Plan and Capital Budget for FY 2021. This report comprises those recommendations.

The Committee's last annual meeting was conducted on March 4, 2019, wherein review and recommendations on the unfinished 2019 Capital Improvement Plan were discussed, resulting in the FY 2020 capital projects.

### Completed Projects

Hailey completed several projects in the past two construction seasons, including:

- Balmoral Park Improvement completed under an Idaho Land & Water Conservation Grant;
- Hop Porter Park play equipment had exceeded its 20-year life expectancy, and a grant from the Seagraves Family Foundation was used to fully rehabilitate and upgrade the equipment to the new safety standards now required. The life expectancy of the equipment was extended 10-20 years.
- Conceptual Design of South Woodside Park;
- River Street Bike Paths conceptual design completed under an LHTAC Grant;
- Pathways for People projects, including Croy Street cycle track and Myrtle Street bike path, both of which lie between Main Street and BCRD Wood River Trails, and the 2<sup>nd</sup> Avenue Advisory bike lanes between Myrtle and Elm Streets;
- Repaving of Broadford Road under Colorado Gulch Preserve/Subdivision annexation agreement;
- Transportation Master Plan conducted in advance of an unsuccessful BUILD Grant application;
- Drainage channels and culverts constructed along War Eagle Drive to protect Hailey's streets in the Della View Subdivision, under grants from FEMA and Flood District 9;
- Sidewalk connections on First Avenue north of Carbonate (in partnership with Miley development) and on Croy Street at Third and Fourth avenues (in partnership with Pathways for People);
- Bucket truck acquisition;
- Arena floor refurbishment, adding sand.
- Hailey procured quitclaim deeds from the Upper Big Wood River Grange for a portion of land beneath the Hailey Fire Station after learning that the fire station was not fully on city property.

Hailey has several projects underway, scheduled for continued work through FY 2020 and 2021, including;

- Construction of South Woodside Park;
- River Street Final Design and construction;
- Property acquisition from school district for snow storage site, with implementation of drainage infrastructure at site to be installed.

- Upgrade projects to the Hailey Fire Station for improved seismic strength and snow and wind load of the facility are planned to be completed under a FEMA Idaho Office of Emergency disaster preparedness grant.
- Agreement with Idaho Transportation Department for Highway 75 repaving and curb ramp upgrades.
- Final Pathways for People project identified as Werthheimer Connector path, which formerly was intended to connect First Avenue to the Haile Skatepark through or adjacent to Nelson Field. This project is combined with a line item called 'bike and pedestrian pathways' in an effort to install such pathways as aggressively as possible.

## Contractual Obligations

Some of the money within Hailey's Capital Fund are obligated under contracts, and should be held until the projects for which they are earmarked can be constructed. These contractual obligations include:

- Colorado Gulch sidewalk in-lieu fees in the amount of \$60,350 were collected and are intended for the Broadford Road path when it is constructed in the future. Development Impact Fees of approximately \$39,000 will be collected with building permits issued within the CGP subdivision and can be used to help complete the Broadford Road Pathway project;
- Sidewalk in-lieu fees collected from subdivisions including Lupine Subdivision (\$21,748.50) and Carbonate View Subdivision (\$21,500) can be used on sidewalk projects, as these funds are obligated by city ordinance to be used on sidewalks within Hailey;
- Park in-lieu fees were collected from Lupine Subdivision, in the amount of \$20,555, and are available to be applied to park projects, as these funds are obligated by city ordinance to be used on sidewalks within Hailey;
- Quigley Annexation Fees of \$232,821 were received at Quigley Final Plat approval for Phase 1, and will be used to construct Eighth Street reconfiguration and improvements in partnership with Quigley developers, who is also obligated toward the Eighth Street project.

## Projects

### A. River Street Project.

The City is approved for an LHTAC grant to improve three blocks of River Street. The conceptual design for this project has been completed, and engineers are working with LHTAC on the final design. The match component of this \$2 million grant is 7.34%, or \$146,500. The grant construction period is set by ITD in FY 2023/2024. Because the project is set so far in the future, we expect the project to actually cost around \$3.5 million. The Hailey URA is willing to contribute toward the River Street project. We expect that contribution to be approximately \$1.5 million, which will help to close the funding gap. We also plan to apply for an Idaho Community Development Block Grant, requesting up to \$500,000 in funds to assist with this project. Portions of the project are DIF eligible, with bicycle/pedestrian improvements being 30% eligible, and lane and intersection expansion or sidewalk infill improvements 40% eligible. These amounts are largely unbudgeted at this time, as the project is still far in the future and final design and bids are not yet in.

- B. Pathways for People Projects.** Hailey collected \$800,000 from a two-year levy which funded projects completed over the past several years. Hailey made those levy dollars stretch further by:
- using them as grant match on a \$500,000 TAP grant applied to the Myrtle Street bike path.
  - applying Development Impact Fees of \$302,928 to these projects (30% of eligible costs).
  - conceiving an additional project, using interest and tax collected in excess of \$800,000 from the special levy as grant match for a new TAP grant of \$482,264, which will extend bike paths along East Croy from the BCRD Wood River Trails to Eastridge Drive.
  - retaining funds in the amount of \$198,327 for an unfinished project which was intended to be a connector path from First Avenue to the Werthheimer Park (Werthheimer Path). The area in question is being planned now for better transportation flow due to the entitlement of ARCH apartment units in the area Drive. The outcome of the circulation plan for the entire site needs to be determined to know whether these funds should continue to be assigned to this area.
- C. Snow Storage Infrastructure Installation.** As part of the Greenway Master Plan, Hailey prioritized securing a snow storage site other than Lions Park. A site has been identified and agreements are complete and deed exchanges are pending. Development of access, compaction and drainage infrastructure is needed before snow can be piled on a site, with plans for completion this fall. Development impact fees can assist with the funding of this project.
- D. Parks In-Lieu Fees.** The Hailey Parks & Lands Board is tasked with making a recommendation on how park in-lieu fees are spent. Hailey plans to build a park on South Woodside Boulevard, in the ½ lot north of the Wood River Land Trust Thrift Store and adjacent to ARCH's new project. We expect that all available park capital money will be needed for this roughly estimated \$75,000 project.
- E. FEMA Seismic Retrofit to Hailey Fire Station.** Hailey applied for a FEMA grant to upgrade windows, doors and the roof of Hailey Fire Station to better withstand snow loads and seismic activity. This project amount is \$225,000 and with a 25% match required from city funds. We have earmarked \$84,000 as match from the capital fund to cover the city's match as well as up to 15% contingency.
- F. New Street & Pathway Projects.** Active development in the Quigley & Sunbeam area will be providing new roadways and trails. City projects have been identified to increase connectivity of this area, with projects such as 8<sup>th</sup> Street relocation and pathway, or the East Croy Street pathway being proposed. Generally, anytime an opportunity presents itself, the installation of bike/pedestrian improvements will be aggressively pursued. Additionally, the streets within the Woodside Light Industrial area and on Airport Way are old, with poor drainage and inadequate parking. These street areas need to be improved, and could be done so through a Business/Local Improvement District or potentially through an Urban Renewal Area.
- G. Buildings & Facilities.** Recent development approvals have required the historic Forest Service building formerly occupied by the WR Sustainability Center on River Street to be demolished or moved. Hailey has a contract with the developer that requires removal of the building by October, 2020. Hailey developed cost estimates for moving the building and using it as a public space at McKercher Park, and the project proved to be highly expensive. An interested private party has come forth to move the building. If that option is successful, the building will be moved at no cost to the city at this time, with the city having an option in

the future to acquire the building later for public use. The project schedule for the private party to remove this building is aggressive. Should the effort fail, the Hailey Development Impact Fee Advisory Committee recommends \_\_\_\_\_.

Upgrades to City Hall remain on the future list but are currently unfunded. Three skylights need to be replaced, as severe leaks were temporarily repaired several years ago. Hailey has also developed a conceptual plan for expanding the meeting room, which may be less important following the advent of virtual meetings in Hailey this year.

**H. Street Equipment and projects.**

The street department has identified several small projects, such as drywells, sidewalks and several facility or equipment needs. These are shown in the table on the next page.

**Report Filed**

This constitutes the annual report as approved by a motion of the Hailey Development Impact Fee Advisory Committee on August 3, 2020 and submitted to the Hailey City Council for consideration during its budget hearings.