MEMORANDUM

TO: Mayor and Council

FROM: Beth Robrahn, Planning Director

RE: Quigley Annexation materials

DATE: December 29, 2008

Attached are additional materials pertaining to the Quigley Canyon Annexation application.

The packet contains the following:
- Planning and Zoning Commission Findings of Fact
- Public Comment
- Agency Comment
- Department Comments
- Updated Plans submitted by the applicant during P&Z public hearings
- Visual Analysis and Density Calculations submitted by the applicant
- Water Requirements and Availability, prepared by ERO Resources Corporation

The packet does not include copies of all of the studies submitted by the applicant. These studies are posted on the website. If there is a study you are particularly interested in and would like a copy of, please let me know.
FINDINGS
OF FACT
FINDINGS OF FACT, CONCLUSIONS OF LAW AND RECOMMENDATION

On April 7, June 18, June 19, June 24, June 25, June 26, July 7, July 21, August 4, and August 19 the Hailey Planning and Zoning Commission considered an application by Quigley Green Owners LLC for annexation of Quigley Canyon east of Hailey. The Commission, having been presented with all information and testimony in favor and in opposition to the proposal, hereby makes the following Findings of Fact, Conclusions of Law and Recommendation.

FINDINGS OF FACT

Notice
Notice for the public hearing on April 7 was published in the Wood River Journal on March 19, 2008. The notice was mailed to property owners within 300 feet, to public agencies, and to area media on March 19, 2008. Notice was posted on all boundaries of the subject property on March 31, 2008.

Notice for the public hearings on June 18, June 19, June 24, June 25, June 26 was published in the Wood River Journal on May 28, 2008. The notice was mailed to property owners within 300 feet, to public agencies, and to area media on May 28, 2008. Notice was posted on all boundaries of the subject property on June 11, 2008.

The public hearing was continued on the record on June 26 to July 7, on July 7 to July 21, on July 21 to August 4 and on August 4 to August 19.

Application
Annexation of approximately 1,109 acres to be developed with a total of approximately 379 residential units and an 18 hole public golf course and Nordic facility. The legal description is attached as “Exhibit A”.

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 application for annexation was received on November 27, 2007 and certified as complete on January 11, 2008 with the receipt of the draft annexation review agreement.

Procedural History
April 7, 2008 - The applicant presented an overview of the proposal. The Commission asked initial questions of the applicant. The public had the opportunity to ask questions and comment. Questions and comments from the April 7 meeting were compiled, then paraphrased and responded to by the applicant. These responses were made available to the Commission and were posted on the city website for public information on May 16, 2008.

April 30 and May 7 - Public open houses were held at two times each day, 12:00 to 2:00 and 5:00 to 7:00. The open houses were held by the Planning Department to provide the public
additional opportunity to review the applicant’s proposal. Announcements were sent to property owners within 300 feet with the time and location of the open houses. At each open house plans and maps related to the application were displayed at four stations – transportation, wildlife, recreation and general land use. The Open Houses were not conducted as formal public hearings, no presentations were made and the Commissioners were not present. City staff and representatives of the applicant were available to field questions. Participants were asked to fill out a comment form and submit the form to the Hailey Planning Department if they wanted a question or comment submitted into the record and addressed during the public hearing process. Participants were also advised that additional written comments may be submitted in person, by mail or email prior to the public hearings or given at the public hearings.

June 18 - The Commission had discussion on the following topics:

- Number of units, lot sizes, phasing and development plan
- Water
  - rights and adjudication
  - quantity
- Resource Impact and Consumption
  - energy
  - water
  - land
  - materials
- Visual impact on hillsides
- Affordable Housing
- Transportation
  - network - inter and intra connectivity
  - dispersion of traffic – benefits and impacts
  - access and alternative routes
  - vehicular, bicycle and pedestrian use
  - traffic mitigation/vehicle trip reduction
  - planning for future transit
- Public access and trails

June 19 - The Commission had discussion on the following topics:

- Wastewater
- Hazardous areas –
  - Avalanche
  - Floodplain
  - Wildland/Urban interface
- Wildlife –
  - habitat
  - migration corridors
  - impact & mitigation
  - conflicts between recreational users and wildlife
- Recreation –
  - Nordic
- Golf – economic analysis, public benefit
- Park space
- Other
- Open space

June 24, June 25, June 26 and July 7 - The Commission continued discussion of all components of the application.

July 21 - The Commission reviewed and discussed a draft of suggested recommendations and conditions based on the Commission’s discussions to date.

August 4 - The Commission continued discussion of the draft conditions. The Chair started the August 4 meeting with a final opportunity for public comment.

August 19 - The list of conditions were further discussed and refined and the Commission discussed their zoning recommendation. The Commission voted 4 to 1 to recommend approval of the annexation with 54 conditions.

**Procedure for Commission Review**

The primary role of the Commission in the annexation application process is to make findings of fact and conclusions of law relating to the application’s specific and general compliance with the Hailey Comprehensive Plan and forward these findings to the City Council. The Commission also makes a recommendation for zoning designation should the annexation be approved by the City Council.

Pursuant to Section 14.01.080, Commission Review, the Commission’s review shall be as follows:

- **Subject to its bylaws, the Commission shall conduct a public hearing to review the application for annexation.**

- **The Commission shall review the particular facts and circumstances of a proposed annexation for the purpose of determining:**
  
  (1) whether the proposed annexation will be harmonious and in accordance with specific goals and policies of applicable components of the Hailey Comprehensive Plan and

  (2) whether the proposed annexation generally complies with the Hailey Comprehensive Plan.

- The Commission shall also make a recommendation that the property sought to be annexed should be zoned as one or more particular zoning districts, as more fully described in the Hailey Zoning Ordinance. Pursuant to Section 14.01.040
consideration of zoning classification shall be consistent with the requirements and standards of Article XIV of the Hailey Zoning Ordinance.

- The Commission shall make findings of fact and conclusions of law relating to the application’s general [and specific] compliance with the Hailey Comprehensive Plan and to the Commission’s recommendation for zoning.

- The Commission shall forward those findings and conclusions in writing to the Council and the applicant.

Studies Submitted
Pursuant to Section 14.01.050, Submittal Requirements, “unless the Administrator determines, in the Administrator’s sole and absolute discretion, one or more of the following studies are not warranted based on the size, scope and impact of a proposed annexation, the following studies shall be submitted”:

a) Traffic study showing impact on adjacent streets and streets that would serve the proposed project.

b) Floodplain study (if applicable).
“100 Year Floodplain Analysis of Quigley Canyon Ranch”, V3 Companies of Colorado, August 2007. Full report available at Planning Department.

c) Avalanche study (if applicable).

d) Wetland study (if applicable).
“Quigley Creek Riparian Inventory and Wetland Delineation”, Fisher and Associates, December 2006.

e) Wildlife study.

f) A Level I environmental study showing the presence of any hazardous waste.

g) Contour map depicting 15% and 25% slope lines measured at two foot (2’) intervals.
15% and 25% slopes shown on Constraints Map (E3)
One foot (1’) and five foot (5’) contour intervals shown on Existing Conditions Map (E2)
• Additional studies requested and submitted

Waivers Requested
Pursuant to Section 14.01.040, “the City shall not consider any other application by the applicant on the subject property under the City’s zoning or subdivision ordinance unless and until the application for annexation has been approved and an annexation ordinance has been adopted and published in accordance with state law”.

Subsequent approvals include, but may not be limited to, the following applications:
Subdivision, Design Review, Hillside Alteration (the application is currently proposed for holes 1, 3, 4 & driving range) and Stream Alteration Permit (rehabilitation of Quigley Creek and its floodplain)

Discussion:
All applicable city standards will have to be met unless the city agrees to waivers through the Planned Unit Development (PUD) process.

Sections 10.4.3 and 10.4.6 describe the modifications that are permissible in a PUD application (Off-street Parking Modifications are also allowed but are not applicable to this application).

10.4.3 Bulk Requirements Modifications.
a. Setbacks, Lot Size and Width. Modifications may be permitted in minimum front, side and/or rear yard setbacks, minimum lot size, and/or minimum lot width, provided the proposal creates a superior design resulting in clustering of units for the purpose of creating Green Space or other common amenities.

b. Height. In order to provide flexibility in the type and design of structures, the maximum height or size of buildings and structures may be varied in consideration of the following factors:
1. Geographic location.
2. The probable effect on surrounding slopes and terrain.
3. The visual effect on adjacent sites or other areas in the immediate vicinity; potential problems for adjacent sites caused by shadows, loss of circulation or loss of view.
4. The integration, or lack thereof, of the proposed building or structure with surrounding buildings, structures or other man made or natural features.
5. Uses within the building or structure requiring additional height as clearly shown by the applicant.
6. Applicable IFC, IBC and IRC requirements.

If annexation is approved the applicant plans to submit a Planned Unit Development (“PUD”) application and request the following waivers applicable to 10.4.3:

1) Lot size
• The city will generally not approve single family residential lots larger than 1/2 acre. In the event a single family residential lot larger than 1/2 acre is platted, irrigation shall be restricted to not more than 1/2 acre ... and such restriction shall be a plat note (§4.5.1)

Waiver Request:
• 32 lots at 1/4 to 1/2 acre
• 14 lots at 3/4 to 1 acre
• 45 lots at one+ acre
• 9 lots at 4+ acres
A maximum building envelope of 26,000 square feet is proposed, which includes buildings and all irrigated land. Some of the larger lots include hillside area.

2) Bulk requirements

Waiver Request:
Modifications to setbacks and lot sizes (lots less than 6,000 square feet) are requested for the clustered units identified in the Traditional Neighborhood Design (TND) located in Parcel 1. Staff notes that §10.4.6 does not allow for modifications to setbacks. However, Section 10.4.3 allows for modifications to minimum front, side and/or rear yard setbacks.

10.4.6 Modifications to the Subdivision Standards. Standards in the Subdivision Ordinance for streets, sidewalks, alleys and easements, lots and blocks, and parks may be allowed. The requirements for sidewalks set forth in Section 4.2.1 of the Subdivision Ordinance shall not be waived.
If annexation is approved the applicant plans to submit a Planned Unit Development (“PUD”) application and request the following waivers applicable to 10.4.6:

1) Sidewalk width and location
• Six (6) foot wide, concrete sidewalks on both sides of public ROWs are required (§4.2.1).

Waiver Request:
A trail and sidewalk master plan have been submitted with some sections of 5 foot wide sidewalks and some sections where the sidewalks are not on both sides of the street (public ROW). Section 10.4.6 specifically states that the “requirements for sidewalks set forth in Section 4.2.1 of the Subdivision Ordinance shall not be waived”.

2) Street widths
• City street ROW width is 60 feet for local residential streets and local collectors and 80 feet for primary collectors.

Waiver Request:
The applicant proposes widths of 58, 57 and 45 feet for local streets and local collectors and 68 feet for primary collectors.
3) **Street integration & configuration**
   - Integration of streets to other developments (§4.1.1 & 4.1.10.2) and Cul-de-sacs are only allowed if connectivity not possible due to topography or existing platted development (§4.1.2).

4.1.1 All streets in the subdivision must be platted and developed with a width, alignment, and improvements such that the street is adequate to safely accommodate existing and anticipated vehicular and pedestrian traffic and meets City standards. Streets shall be aligned in such a manner as to provide through, safe and efficient access from and to adjacent developments and properties and shall provide for the integration of the proposed streets with the existing pattern.

4.1.10.2 Private streets, wherever possible, shall provide interconnection with other streets.

4.1.2 Cul-de-sacs or dead end streets shall be allowed only if connectivity is not possible due to surrounding topography or existing platted development. Where allowed, such cul-de-sacs or dead end streets shall comply with all regulations set forth in the IFC and other applicable codes and ordinances. Street rights-of-way extended into un-platted areas shall not be considered dead end streets. More than one access may be required based on the potential for impairment of a single access by vehicle congestion, terrain, climatic conditions or other factors that could limit access.

Waiver Request:
The applicant suggests that unique topographic and land use issues exist, including the lay out of Nordic course in a manner that minimizes street crossings. Access to the parcels beyond the mouth of the canyon is shown for emergency use and public non-motorized use only. The applicant offers to provide emergency access across the golf course using golf paths (plowed in winter) if there are any other locations that the fire chief requests dual access.

According to the Fire Chief the following is a summary of the applicable Fire Code standards that cannot be waived.

1) **Dead End Roads**
Dead end fire apparatus roads in excess of 150 feet in length shall be provided with an approved turnaround. (IFC Sec. 503.2.5)

2) **Additional Access Roads**
Where there are more than 5 dwelling units, or:
   - o buildings exceeding 62,000 sq. ft. of floor area;
   - o multi-family dwelling units over 36 units;
   - o vehicle congestion;
   - o adverse terrain conditions or;
   - o other factors as determined by the Fire Chief, not less than two approved means of access shall be provided to the city/county roadway or access easement.
Exceptions may be allowed when automatic fire sprinkler systems are installed. 
(IFC Appendix D107.1 & D104, as amended)

3) Grade
Private fire apparatus roadway grades shall not exceed an average grade of 6% with a maximum grade of 8% for lengths of no more than 200 feet. Intersections and turnarounds shall be level with the exception of crowning for water run-off. (IFC Sec. 503.2.7)

COMPREHENSIVE PLAN ANALYSIS
The Comprehensive Plan includes over 100 goals and policies applicable to the Quigley application related to Growth, Land Use, Open Space, Environment and Natural Resources Transportation, Recreation, Wildlife, Water, Wastewater and Public Facilities. The following policies related to each topic (in table format) were reviewed by the Commission with discussion of the applicant’s proposal and staff’s analysis.

GROWTH
Protect environment, quality of life, and infrastructure from damage by unchecked, unmanaged growth.
1.5.2 Protect and maintain the quality view that is inherent in the Wood River Valley.
4.4 Ensure that future growth does not place undue demands on our current quality of life, recreational opportunities, and/or facilities.
7.1 Ensure that increasing total population does not diminish the quality of life in Hailey and its environs.
7.1.3 Preserve agricultural, natural and recreational open space as a community asset.
10.3 Ensure that future growth does not place undue demands on our current quality of life, transportation infrastructure, rural character, or environmental quality, including clean air.
12.1.1 Ensure that growth does not outpace infrastructure, services or capacity of resources. The following implementation items are considered high priority for the City. Provide a permanent means of funding future growth.
4.2 Establish a permanent means of funding land acquisition, capital improvements, and maintenance of recreation facilities.
12.1.5 Ensure that development, both within current city limits and in future annexation areas, pays all cost associated with additional services required. Future growth should pay for itself.
Manage and accommodate infill development, and control and/or limit expansion.
12.1 To manage and accommodate growth due to infill development and to control and/or limit expansive development within the City of Hailey, through flexible, responsive, and consistent controls, in order to provide for a community that is well-defined in terms of distinct boundaries, compact in terms of human scale elements and distances between structures and uses, and surrounded by and integrated with green space. To provide for alternative modes of transportation, sustainable economic development, a balanced mix of housing, serviceable annexations and adequate infrastructure.
## LAND USE

### Limit exposure to natural and man-made hazards.

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<tr>
<th>2.5</th>
<th>Reduce the potential threat to loss of life, limb or property and minimize public expenditures due to flooding.</th>
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<td>2.6</td>
<td>Reduce the potential threat to loss of life, limb or property and minimize public expenditures due to avalanche.</td>
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<td>2.7</td>
<td>Reduce the potential threat to loss of life, limb or property and minimize public expenditures due to wildfires which threaten natural resources, or which threaten structures within the urban interface.</td>
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<td>2.8</td>
<td>Reduce the potential threat to loss of life, limb or property and minimize public expenditures due to man made hazards such as pollution, toxic waste, electromagnetic emissions, hazardous utility or transportation facilities, or the storage and transport of noxious, radioactive, or hazardous material.</td>
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### Retain a compact City, allow for increased average density within the city core, discourage sprawl, and provide a balanced mix of landuses.

<p>| 5.4 | To provide for a balanced mix of land uses suitably related to each other and their natural setting. Include sufficient space in all types of districts to accommodate future growth. Direct density of development towards the community core, with increasing green space and generally decreasing density toward the edges of the community and within the Area of City Impact. |
| 5.4.1 | Encourage integration of compatible land uses in order to retain a compact City comprised of a central downtown with surrounding diverse neighborhoods, thereby reducing sprawl and traffic, increasing efficiency, and creating neighborhood and community character. |
| 5.4.7 | Include preservation of green space and the creation of public park spaces with all development |
| 5.7.1 | Promote the highest housing density within the community core and discourage sprawling residential development. |
| 10.1.5 | Promote land development that discourages urban sprawl, connects the community, and encourages multi-modal use. |
| 12.1.2 | Promote infill development and allow for increased average density within the city core. Increased density should be carefully planned and designed to provide high quality projects that will balance the need for accommodating growth and maintaining a small town character. |</p>
<table>
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<tr>
<th>Build a mix of housing types and cost within neighborhoods.</th>
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<tr>
<td>5.4.5 Promote land use policies that protect and enhance new and existing neighborhoods in residential zoning districts. Encourage a diversity and mix of residential housing throughout the city in order to create a fully integrated community.</td>
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<td>7.2 Maintain and improve the quality of Hailey's social fabric.</td>
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<td>8.1 To establish and encourage community and neighborhood character through the use of innovative design, diversity of housing types, and individuality of homes.</td>
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<td>8.2 Ensure a viable economy by providing home ownership and rental opportunities for individuals and families of all socio-economic levels.</td>
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<tr>
<td>12.1.6 Ensure that community and neighborhood character is provided for future development through the use of innovative design, diversity of housing, and individuality of homes.</td>
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<td>13.0 The Goal of the Community Design section of the Hailey Comprehensive Plan is to encourage or require architecture, landscape architecture, land planning and land development which will create interest, caring, and value in the City of Hailey, for residents and visitors alike.</td>
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<th>Use land efficiently.</th>
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<td>5.6 Emphasize efficient use of resources, including all infrastructure, and the land itself.</td>
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<td>5.6.2 Establish land use policies that ensure orderly residential development relative to public facilities and services.</td>
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<td>5.6.3 Promote the creation of neighborhood businesses in order to protect environmental quality, provide for greater convenience, and furnish residents with neighborhood centers.</td>
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<td>5.6.4 Encourage energy efficient design in the use of land through sound land use planning policies.</td>
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<td>6.3 Allow and encourage the creation of neighborhood business in order to increase convenience to neighborhood residents and decrease distance traveled.</td>
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<tr>
<td>10.1.3 Ensure an interconnected community that provides multi-modal access from and to all neighborhoods.</td>
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<td>13.0.1 Maintain a City that emphasizes the human being and places less emphasis on the automobile.</td>
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<th>Use design standards to retain community character.</th>
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<td>5.5.2 Utilize planning tools, such as Design Review Guidelines, Planned Unit Development standards, or other special standards or ordinances, to address other areas of special concern.</td>
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<td>8.1.5 Promote human scale architecture in all multi-family and mixed housing residential areas. Use creative design to integrate multi-family dwelling units with single-family residences.</td>
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<td>13.0.1 Maintain a City that emphasizes the human being and places less emphasis on the automobile.</td>
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<th>Consider public safety and welfare service needs.</th>
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<td>9.6 Support Fire Department improvements to meet projected fire protection and emergency incident response needs.</td>
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OPEN SPACE

Preserve and protect green space and open space

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<tr>
<td>1.3.1</td>
<td>Encourage the retention and stewardship of green space and large parcels in unincorporated land in, and adjacent to, the Area of City Impact.</td>
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<td>3.2.1</td>
<td>Preserve hillsides in and around Hailey as green space in order to preserve those areas as a community resource.</td>
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<td>3.4.1</td>
<td>Support and establish regulations that enhance the value of, preserve, or require green space.</td>
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<td>3.4.2</td>
<td>Encourage cooperation with developers to create green space corridors accessing outlying areas with link-ups into and through the City.</td>
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NATURAL RESOURCES

Protect the environment from damage and promote, conservation of energy and natural resources

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<td>1.5.1</td>
<td>Ensure enforcement of all Federal, State and Local environmental quality regulations. These standards include but are not limited to regulations on water and wastewater quality, air quality, or stormwater drainage.</td>
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<td>1.5.3</td>
<td>Recognize the value of and preserve, enhance or restore natural resources such as: water resources, scenic areas, view corridors, wildlife habitats, and ecosystems.</td>
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<td>1.6.2</td>
<td>Promote design features that conserve energy and natural resources.</td>
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<td>1.6.3</td>
<td>Promote water conservation.</td>
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<td>7.1.5</td>
<td>Assure that clean, renewable energy sources and measures to manage transportation and energy demand are given priority.</td>
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Applicant Proposal:
The applicant proposes to annex 1,109 acres of land that is currently within the Hailey/Blaine County Area of City Impact and proposes 379 residential units.

Five parcels are proposed for residential development stretching from the mouth of the canyon to the beaver pond approximately 3,500 feet (less than ¾ mile) beyond the irrigation pond at Deadman Gulch. Approximately 87 lots are over ½ acre in area.

Staff Analysis and Discussion:
The Blaine County Regional Planning Office assisted staff with the analysis of past and current land use consumption and development patterns using Blaine County GIS Assessor data.

Definitions –
Units per Acre (U/A) - the number of households (residential lots, sub-lots or units) divided by the underlying acreage, including public right-of-way.

Residential Units per Residential Acre (RU/RA) - the number of households (residential lots, sub-lots or units) divided by the underlying acreage, excluding all land in non-residential use, easements and public right-of-way.
The differences in what is included when calculating each of the above measures can result in confusion when attempting to make comparisons. As the size of the area of land being considered increases, there are typically more non-residential uses included in the calculation which results in a lower number of units per acre. The units per acre measure is a more inclusive measure and provides a better overall sense of the relative walkability (uses within ¼ to ½ mile) of a site. However, measuring only the units per acre can make compact or clustered development on a large area of land with a significant amount of open space or commercial uses appear to be an inefficient use of land. Therefore, both units per acre and residential units per acre will be discussed in our analysis.

Hailey Development Trends - The Hailey Townsite was originally platted with a land use efficiency of approximately 5 units per acre. Using this historic context, Hailey’s “small town character” can be translated into a land use pattern of 4 to 5 units per acre. As the city grew beyond the Townsite, the units per acre reduced to 1.31 units per acre. Hailey’s current land use efficiency is equivalent to that which is typically associated with sprawling single family developments. If Hailey continues to develop in the same trend as the last 50 years, the city should expect to consume 19 acres per year.

If the City of Hailey determined its overall aim was to maintain land use efficiency of 4 to 5 units per acre for the city as a whole this would be approximately equivalent to 7 to 10 residential units per acre (7 to 10 residential units per acre equates to an average lot size of 6,000 square feet). It should be noted that the residential units per acre calculation for specific sites would be higher (e.g. Sweetwater at approximately 15 U/A).

Growth Projections - It is the responsibility of the city to plan for the projected growth in a manner that is consistent with the adopted goals and policies of the Comprehensive Plan. Hailey city departments have adopted the growth projections sited in the Hailey Wastewater Facility Plan (WFP) for planning purposes. The growth projections in the WFP estimate that Hailey may have a population of approximately 19,000 by 2025; an increase of approximately 10,000 people. This projection is derived from taking that average of the realized (actual) growth from 1990 to 2007. To plan for this growth without expanding the current city boundaries, the land use efficiency in Hailey would have to change from 1.31 units per acre to 9 units per acre. Current zoning would have to adapt to allow for this change in overall land use efficiency. Otherwise the city boundaries would have to be expanded by approximately 2,982 acres and developed at the same land use efficiency trend of 1.31 units per acre.

The proposal for Quigley Canyon is at a land use efficiency of 0.34 units per acre (379 units/1109 acres), significantly less than the Hailey development trend at 1.31 units per acre. If the land proposed to be used as a golf course is subtracted, the land use efficiency is 0.42 units per acre. The total 379 units proposed would accommodate approximately 970 people, assuming an average household of 2.56 (the “Down Canyon” portion of the proposed development could support approximately 522 people). The development as proposed would accommodate approximately 10% of the projected 2025 growth within 1,100 acres. The applicant submitted its own analysis of land use efficiency using modified acreage numbers on June 13, 2008 (“Planning Response to Blaine County Planning and Zoning Comments”, DTJ Design, Inc.)

Land Use Efficiency - Efficient land use practices reduce the excessive consumption of land (commonly referred to as sprawl) while accommodating projected growth. Comp Plan Policy 5.4 encourages highest densities at city center with generally decreasing densities toward the edges of the city. This principle should be applied using land use calculations appropriate for towns and cities,
which are not the same as land use calculations appropriate for rural areas of the County. The misinterpretation of Policy 5.4 could easily result in inefficient land use practices within the city that mimic the land use pattern typically found, and more appropriate in unincorporated parts of the County. Policy 5.7.1 states promote the highest housing density within the Community Core (within a ½ mile of the Business District) and discourage sprawling residential development. The wording of Policy 5.7.1 is more consistent with the underlying principles of efficient land use.

Avalanche Hazards - The Building Official referred to the Comprehensive Plan policy that recommends prohibiting building in any area designated as a “red zone” and requiring a site specific study and engineered building plans of any building permit in any area designated as a “blue zone”. The Fire Chief requested the following additional information:
- Overlay of roads, lots and winter trails on avalanche map
- Information on yellow avalanche zones
- Analysis of what effect compliance with Wildland-urban interface standards will have on avalanche zones

The overlay map has been provided and the Fire Chief’s questions regarding the yellow avalanche zones have been satisfied. A "Fire Plan" will be required for any future subdivision of Quigley canyon to address Wildland-Urban Interface issues.

Natural Resources - The proposed development includes designated wildlife migration corridors, the restoration of Quigley Creek, 453 acres of open space, 200 acres of an “Audubon certified” golf course, plans for wastewater reuse, proposed limits on the amount of irrigated land, and plans for the implementation of green building practices.
Table 1 shows the units per acre of each of the proposed parcels and the total units per acre for the entire site. Table 2 compares the number of units allowed under County zoning and the proposed number of units. Exhibit 1 is a map showing how the parcel numbers described in Table 2 relate.

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<th>Table 1: Proposed Development</th>
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<thead>
<tr>
<th>Table 2: Unit Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Analysis Parcel #</td>
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<tr>
<td>--------------------------</td>
</tr>
<tr>
<td>1</td>
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<tr>
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<td>13</td>
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<td>14</td>
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<tr>
<td>15</td>
</tr>
<tr>
<td>total</td>
</tr>
</tbody>
</table>

* Differences between "county analysis parcels" and "proposed parcel" account for slight differences in the total number of proposed units in Table 1 and Table 2.

The applicant submitted revised numbers for County Parcels 9, 10, 11, 12 and 15 (memo from applicant dated August 14, 2008)
# TRANSPORTATION

## Increase opportunities for alternative transportation

| 5.7 | To increase opportunities for alternative transportation, reduction of vehicle traffic, creation of safe and walkable neighborhoods, creation and preservation of public spaces and green space, and efficiency of services by promoting appropriate housing densities. |
| 8.1.4 | Encourage pedestrian oriented design of residences and developments in order to encourage social and community interaction, and to provide for multi-modal transportation and community character. Encourage architecture and land planning which, while accommodating the automobile, places greater emphasis on the pedestrian. |
| 10.1 | Create and maintain a pedestrian and bicycle-friendly community that provides safe, convenient and efficient multi-modal transportation for all Hailey residents, that moves people and not just cars, and that preserves and enhances our quality of life. |
| 10.2 | Recognize that Engineering and Education are better tools for traffic management than enforcement - use creative street designs to manage transportation demands, and use education to encourage healthy transportation choices. |
| 10.3.1 | Standards for development should encourages multi-modal transportation |
| 12.1.8 | Promote alternative modes of transportation to lessen dependency on the automobile, thereby minimizing the increase in traffic and maintaining quality of life. |
| 15.12 | It is the goal of the City of Hailey to provide or ensure the provision of safe, adequate, convenient and multi-modal transportation access to all school sites, as incorporated herein and referenced on the attached Conceptual School District Transportation Master Plan Map. |

## Reduce the need for residents to travel long distances

| 6.3.1 | Neighborhood business are those which are designed and operated to primarily serve and/or employ residents in the areas in which they are located, and are generally less than an acre in size. |

## Provide for creation and maintenance of transportation infrastructure

| 9.0.1 | Continue to improve City streets and transportation services to meet projected needs. |
| 10.3 | Ensure that future growth does not place undue demands on our current quality of life, transportation infrastructure, rural character, or environmental quality, including clean air. |
| 15.12.2 | Cooperate with both the Blaine County School District and the Blaine County Recreation District in order to master plan and provide separated non-vehicular access to all School District properties within the City |

### Applicant Proposal:
The applicant proposes the main vehicular access route serving the development to be located along the south side of the canyon, connecting to Fox Acres. A connection from Quigley Road into the portion of the development at the mouth of the canyon is also proposed upon the request of City Planning, Engineering and Fire Departments. Additionally, the applicant proposes an emergency only access along the north side of the canyon from Parcel 1 to the upper canyon.

### Staff Analysis and Discussion:
Access – According to the Fire Chief, the Idaho State Fire Code requires any development that has over 200 units to have multiple access roads. Hailey’s ordinance allows no more than 36 units on a single access road. The Fire Chief, City Engineer and Planning Director suggested developing a site
plan showing two main roads from the entrance of the main canyon; one connecting to Fox Acres Road and one connecting to Quigley Road and suggested both roads continue to the pond to maximize accessibility into and out of the canyon.

The applicant submitted revised site plans adding a vehicular access connecting Quigley Road to the first parcel proposed at the mouth of the canyon. Parcels 2-7 would be accessible publicly by one road on the south side of the canyon. The applicant proposes an emergency access only road on the north side of the canyon beyond Parcel 1. The requirements specific to the emergency access road and the details of the design would be determined through the PUD and subdivision process should the property be annexed.

Connectivity and Opportunities for Alternative Transportation - The number of potential destinations located within a geographic area tends to increase with the amount of population and employment within the same geographic area, reducing travel distances and the need for automobile travel. Increased land use efficiency tends to increase the number of transportation options available in an area due to economies of scale. Areas with greater land use efficiency tend to have better sidewalks, bicycle facilities and transit service because increased demand makes them more cost effective.

Increased land use efficiency tends to reduce traffic speeds, increase traffic congestion and reduce parking supply, making driving relatively less attractive than alternative modes. Increased land use efficiency tends to reduce per capita vehicle miles traveled (VMT); each 10% increase in urban units per acre typically reduces per capita VMT by 2-3%\(^1\). Other research data suggests that driving is reduced 20 to 30 percent every time the number of units per acre doubles\(^2\). In transit planning, it has been found that 7 dwelling units/acre supports 30 minute headways (bus stops every 30 minutes) and 30 dwelling units per acre are needed to support 10 minute headways.

Connectivity refers to the degree to which a street, sidewalk or path system is connected. Connectivity provides more direct routes of travel between destinations. A wider selection of routes for individuals to choose from also helps to minimize the impact of vehicular traffic on any one street. A hierarchical road network with many dead-end streets that connect to a few major arterials provides less accessibility than a well-connected network. Increased connectivity reduces vehicle travel by reducing travel distances between destinations and by improving walking and cycling access, particularly where paths provide shortcuts, so walking and cycling are relatively direct. It is important to note that connectivity can be measured separately for pedestrian, bicycle and motor vehicle travel, taking into account shortcuts for non-motorized modes. For example, a street stub exists east of Buckhorn and the end of Antler Drive in the Deerfield subdivision and the applicant shows no connection to this stub; this stub is an opportunity to provide a bicycle and pedestrian connection if it is determined that a vehicular connection is not required.

According to the U.S. Census, the average American makes 3.3 trips per person on a typical weekday. In areas where residential uses are spread out and separated from business and retail uses, VMT are

\(^1\) "Land Use Impacts on Transport, How Land Use Patterns Affect Travel Behavior, TDM Encyclopedia, Victoria Transport Policy Institute, August 27, 2007 and "Low Density Transit in the United States: Year 2050" Sarah Hawks, CE 790, University of Wisconsin-Milwaukee, December, 2003

\(^2\) "Smart Growth -- As Seen From the Air, Convenient Neighborhood, Skip the Car", John W. Holtzclaw, Air & Waste Management Association's 93rd Annual Meeting & Exhibition, 23 June 2000, Salt Lake City, UT
greater than in compactly developed areas. Higher VMT in sprawling areas in turn contribute to higher gasoline consumption. When high VMT are coupled with SUV use, which average around 20.7 mpg, the rate of energy consumption is even greater.

Impacts on Neighboring Streets - Existing problems with speeding vehicles on neighborhood streets have been brought up by residents living on Buckhorn, Eastridge, Quigley Road, Bullion and Croy Street. There is an opportunity for the neighborhoods and city to collaborate to plan streetscapes and appropriate traffic calming measures that are consistent with the Transportation Master Plan and in keeping with the desired character and function of different neighborhood streets. Any annexation agreement should include appropriate mitigation measures on neighborhood streets in addition to intersection improvements and improvements to Fox Acres Road and Woodside Boulevard identified in the traffic impact study. Updates to the trip generation volumes with the addition of the access to Quigley Road, including an analysis of traffic at the Eastridge, 8th and Croy Street intersection, is included as Exhibit 2.

To tie these growth and land use issues with related transportation policies, the following is offered as an example of an alternative development pattern for the site:

If development on the site were to be limited to the area within a mile of Quigley Road, various numbers of units could be generated depending on the number of units per acre determined desirable or necessary to address issues of sprawl. The far edge of “Proposed Parcel” 3 is just over a mile (approximately 6,000 feet) from Quigley Road; this area includes “County Analysis Parcels” 2-6. This area represents approximately 217 acres currently zoned County R5 and includes the proposed mid and down canyon portions of the site.

- Development in this area at 2 units per acre would result in approximately 434 units and would account for approximately 11% of projected 2025 growth.
- Development in this area at 3 units per acre would result in approximately 651 units and would account for approximately 17% of projected 2025 growth.
- Development in this area at 4 units per acre would result in approximately 868 units and would account for approximately 22% of projected 2025 growth.

These 217 acres in the above example include the area proposed for use as a golf course. Therefore, additional development in this area would conflict with the proposed layout of the golf course. In addition, the big game migration occurs in this portion of the canyon and therefore would be impacted by more development in this portion of the canyon. The overall desirable number of units per acre may be reduced, or translated to desired residential units per acre, to accommodate wildlife migration.
### RECREATION

**Create and preserve a variety of recreational opportunities.**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1.2</td>
<td>Preserve and establish water-related recreation opportunities.</td>
</tr>
<tr>
<td>1.3</td>
<td>Preserve and protect upland sage steppe and green space in unincorporated areas adjacent to the Hailey/Blaine County Area of Impact for recreation, wildlife, responsible agricultural uses, and for future growth areas.</td>
</tr>
<tr>
<td>4.1</td>
<td>To create and maintain an interconnected system of parks, recreational facilities, trails, green spaces and natural lands for the community of Hailey in order to provide diverse recreation opportunities for Hailey residents.</td>
</tr>
<tr>
<td>9.4</td>
<td>Continue to strive for improvements and augmentation of the City park system according to the adopted Recreation Master Plan.</td>
</tr>
</tbody>
</table>

**Provide recreational opportunities in a financially responsible manner**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.2</td>
<td>Establish a permanent means of funding land acquisition, capital improvements, and maintenance of recreation facilities.</td>
</tr>
<tr>
<td>4.3</td>
<td>Maximize recreation opportunities and minimize tax dollars.</td>
</tr>
</tbody>
</table>

**Applicant Proposal:**

The applicant proposes a golf facility on 204 acres of the subject property. The facility includes 18 holes of golf, driving range, pro shop and food and beverage operations. The applicant’s proposal is to deed the land occupied by the golf facility to the Blaine County Recreation District (BCRD), after the construction of the golf course and ancillary facilities. The Blaine County Recreation District would then be responsible for operating and maintaining the entire golf facility. No formal commitment or agreement between the applicant and the Blaine County Recreation District has been finalized.

One of the objectives of the Blaine County Recreation District is to provide good-quality public golf for residents at affordable rates and to establish an endowment geared towards future community recreation opportunities. Nordic skiing in Quigley Canyon is an existing use operated by the BCRD since 2002/2003 winter season. Between 10 and 13 km of trails are groomed and the farthest trail reaches the southeast end of the pond (Exhibit 3). The proposed golf course is designed to facilitate Nordic skiing on the course during the winter.

The applicant has proposed to operate the golf course until the operation is profitable. Once the golf course is profitable the application would assume responsibility for the management and operation of the golf course. If the golf course is not successful, the applicant proposes to deed the golf course property to a third party such as a homeowners association or the city.

Peterson Economics was retained by the applicant to reexamine the market and financial potential for the proposed golf course and to update the original analysis that Peterson Economics prepared for the Blaine County Recreation District and completed in August 2004.

The report concludes the following:

- Demand would come from a combination of short-term overnight visitors, seasonal residents and permanent residents. The inclusion of non-resident play is essential to generate an acceptable Net Operating Income.
- Demand from short-term visitors and seasonal residents' accounts for the majority of total annual play and total annual revenues at both existing public-access golf courses in Blaine County and is concentrated generally from June 20 through September 15.
- The proposed golf facility could potentially be positioned to fill a major unserved market niche for quality and affordable 18-hole regulation-length course, and thereby have limited competition from existing golf courses in Blaine County.
- The expansion of the Sun Valley Golf Course and the Valley Club Golf Course, will increase the supply for public golfers willing to pay relatively expensive greens fees (Sun Valley 2008 fee for peak season is $155).
- About 19,000 total annual rounds of play are projected for the first full year of operation and would gradually increase to a stabilized level of about 24,000 total rounds by the sixth full year of operation.
- The site would likely allow the subject golf facility to remain open about seven months per year; about 71 percent of total annual play is projected to occur during the peak season.
- On average, about 46 percent of total play is expected to come from non-residents (concentrated in the peak season), while about 54 percent is projected to come from residents (spread more evenly throughout the golf season).

The report recommends the following:

- Regular non-resident greens fees be set at levels that maximize revenue potential and attract visitors to the “down valley” location. Peterson recommends setting regular non-resident 18-hole greens fees (not including cart rentals or sales tax) at $86 during the peak season and $54 during the two shoulder seasons.
- Resident greens fees should be set at somewhat lower levels and residents should be encouraged to play during non-peak times or on a space-available basis, in order to avoid displacing the higher revenue nonresident play. Peterson Economics recommends setting discounted Resident I.D. Card greens fees at $40 during the peak season and $30 during the two shoulder seasons. Residents would be required to purchase identification cards (for $30 per season) in order to qualify for these discounts and both permanent residents and seasonal residents who own second homes in Blaine County would qualify for resident discounts.

The report projects annual net operating income (or net operating losses) before debt service:

- Losses of about $20,000 to $100,000 per year in the first two years of operation
- Positive net operating income of about $150,000 by the fourth full year of operation
- Stabilized positive net operating income of about $360,000 per year by the eighth full year of operation (or about $270,000 per year expressed in 2008 dollars)

Staff Analysis and Discussion:
According to the applicant, the location of the lots and golf greens are designed to optimize the golf course design and marketing viability, as well as the marketing viability of the residential portion of the development.
The community benefits of the golf course as a recreational amenity and the economic benefit to the City of Hailey as a whole derived from the golf course (e.g. tax revenue, golfers spending money at other Hailey businesses, etc) should be assessed to determine if the benefits outweigh the impacts of the proposed land use efficiency on the growth of the city. A letter from Peterson Economics dated May 13, 2008 is attached as Exhibit 4.

An analysis of the visual impact of driving range and holes 1, 3, 4, 5, and 6 (developed on hillside slopes) has been requested by the city.

### WILDLIFE

<table>
<thead>
<tr>
<th>Protect wildlife habitat and migration corridors</th>
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<tbody>
<tr>
<td>1.1.3</td>
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<td>1.1.4</td>
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<td>1.3</td>
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<tr>
<td>1.4</td>
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</table>

**Staff Analysis and Discussion:**
The proposed development bisects a big game migration corridor used primarily by mule deer for moving from summer/fall habitat at higher elevation to winter habitat at lower elevation. In addition, the south facing slopes on the north side of Quigley Canyon support large numbers of mule deer and elk, especially in severe winter conditions. The Idaho Department of Fish and Game (IDFG) submitted comments dated April 23, 2008 and expressed concerns regarding the impacts of the proposed development on mule deer and elk habitat and movement through the area. IDFG requests the following minimum wildlife impact mitigation measures:

- Prohibiting development in Deadman Gulch
- Significantly reducing the number of lots above Quigley pond and in the mid canyon area by clustering more development near the mouth of the canyon
- Relocating infrastructure (roads, trails, etc) to the south side of the canyon to further buffer winter habitat from development
- Increasing width of the 500 foot mid canyon corridor
- Relocating the road which bisects the corridor
- Incorporating open space for migration in the area above the pond
### WATER

<table>
<thead>
<tr>
<th>Preserve and protect water resources (watercourses, wetlands, groundwater)</th>
</tr>
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<tbody>
<tr>
<td>1.1 Retain, preserve and protect the natural state of watercourses and wetlands in and around Hailey.</td>
</tr>
<tr>
<td>2.8.2 Regulate uses that are known or suspected to diminish water quality. Where regulation is not appropriate, provide education on voluntary steps to maintain water quality.</td>
</tr>
<tr>
<td>5.6.1 Ensure that land development does not exceed water capacity.</td>
</tr>
<tr>
<td>9.2 Upgrades of the municipal water storage and distribution systems should be accomplished according to the adopted Master Plan. Recognize that water is a finite resource in the Wood River Valley.</td>
</tr>
</tbody>
</table>

**Applicant Proposal:**
The Quigley Canyon Ranch water rights would remain appurtenant the property and not sold off. These water rights are proposed to be used to irrigate all the parks and large open spaces, including the golf course.

**Staff Analysis and Discussion:**
Information on the status of water rights associated with the property has been requested and received. Adjudication of the water right is not yet complete and may not be until 2009 or later. The addition of 379 units will be an issue for the City’s water pressure and supply and will require the City and applicant negotiate a solution.

### WASTEWATER

| 9.3 Upgrades of the municipal wastewater treatment systems should be accomplished as needed or according to a revised Master Plan as adopted. |

**Applicant Proposal:**
The treatment system proposed is a stepped wastewater treatment system where the wastewater is individually treated at each home using individual activated sludge treatment systems and clean effluent is conveyed by gravity sewers to a secondary filter and disinfection system.

**Staff Analysis and Discussion:**
The system proposed uses two systems that have not yet been approved by DEQ for use in combination. The City Engineer had questions regarding the wastewater reuse proposed by the applicant and how the system would be maintained and funded. If the development is connected to the City’s wastewater treatment facility there are concerns with the addition of hookups and the resulting load to the system and the implications if new more stringent NPDES discharge permit requirements are imposed. Currently our discharge permit includes mg/L (milligram per Liter) limits with regard to items such as Total Suspended Solids (TSS), Biological Oxygen Demand (BOD), Phosphorus, Nitrogen, etc. Because the Big Wood River has been categorized as a “Significant Resource Waters” the city has been going through a regulatory process where Hailey will be allotted a certain amount in lbs of TSS or phosphorus that we can discharge to the Big Wood. Therefore, the more wastewater Hailey discharges the cleaner our discharge needs to be. If additional customers are added to the system, additional major expenses may be required to provide better processes and cleaner discharge.
### PUBLIC FACILITIES

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>15.11.1</td>
<td>Coordinate and cooperate with the Blaine County School District in the master planning and development for new and expanded school district facilities within the City of Hailey to meet the educational goals established by the community.</td>
</tr>
<tr>
<td>15.11.2</td>
<td>Encourage the shared use of all public facilities in order to minimize potential burden on property tax payers and maximize opportunities for public use.</td>
</tr>
<tr>
<td>9.5</td>
<td>Support Police Department improvements to meet projected Law Enforcement needs.</td>
</tr>
<tr>
<td>9.6</td>
<td>Support Fire Department improvements to meet projected fire protection and emergency incident response needs.</td>
</tr>
</tbody>
</table>

### Staff Analysis and Discussion:
School Site - The Blaine County School District requested 15 acres of land adjacent to the High School for a new elementary school or 20 acres if the land is not adjacent.

Fire Station – The applicant is willing to deed land for a future fire station.

### Summary of Comprehensive Plan Analysis Findings:
Based on the above Comprehensive Plan sections and analysis the Commission finds general and specific compliance with the Comprehensive Plan contingent upon compliance with the conditions recommended.

### ZONING RECOMMENDATION

**Pursuant to Section 14.01.040 consideration of zoning classification shall be consistent with the requirements and standards of Article XIV of the Hailey Zoning Ordinance.**

**Proposed Zoning**
The applicant has requested a zone change to RGB, NB, LR-1, LR-2 and GR. The current uses of the property are related to agriculture and recreation. Uses adjacent to the subject property include residential, open space and recreation.

The purpose and uses of each the requested Zoning Districts is as follows:

**RGB** - The purpose of the Recreational Green Belt District shall be to provide areas for public recreation and/or to create and preserve open and/or green space areas for aesthetic and public use. All uses within the RGB District shall be compatible with the protection of natural and scenic resources for the benefit of present and future generations.

Permitted uses for the RGB District are limited to the following:

a. Parks, including structures and/or buildings integral to the parks.

b. Non-motorized, recreational pathways.

c. Public golf courses

Conditional uses for the RGB District are limited to the following:

a. PWSF’s or WCF’s, attached to street poles or mounted on existing buildings or structures, upon the issuance of a Wireless Permit in accordance with the provisions of Article VIII.A of this Ordinance. (Freestanding and lattice towers are prohibited.)

b. Municipal Uses limited to water storage and well facilities.
c. Temporary Structures

d. Public recreational or cultural uses.

e. Structures and/or buildings integral to a golf course such as club houses, maintenance buildings, and rest rooms.

f. Employee housing for golf courses or recreational facilities.

g. Storage buildings with a gross floor area of greater than 120 square feet.

Accessory uses for the RGB District are limited to the following:

a. Storage buildings with a gross floor area of 120 square feet or less, subject to Design Review by the Hearing Examiner.

NB - The purpose of the Neighborhood Business District is to provide areas for neighborhood service centers, increase convenience to neighborhood residents and promote other forms of multi-modal transportation and circulation. The uses in the NB district shall be limited commercial uses that will be clearly subordinate to, and support the residential nature of the area.

Permitted uses for the NB District are limited to the following:

a. Dwelling Units within Mixed Use Buildings.

b. Day Care Businesses.

c. Personal Service establishments.

d. Home Occupations.

Conditional uses for the NB District are limited to the following:

a. Mercantile (wholesale and retail).

b. Churches.

c. Professional Offices, excluding veterinarians.

d. Semi-Public uses.

e. Restaurants which may or may not include the sale of alcoholic beverages.

f. Catering Services.

g. Laundromats and dry cleaners.

h. Temporary Structures

i. PWSFs or WCFs, attached to street poles or mounted on existing buildings or structures, upon the issuance of a Wireless Permit in accordance with the provisions of Article VIIIA of this Ordinance. (Freestanding and lattice towers are prohibited.)

Accessory uses for the NB District are limited to the following:

a. Garages and Storage buildings.

b. One Accessory Dwelling Unit on lots of 7,000 square feet or larger, accessory to a non-residential Principal Building.

LR-1 and LR-2 - The purpose of the Limited Residential District is to provide areas for stable, low-density, single-family residential development and a limited number of other uses compatible with a residential neighborhood.

Permitted uses for the LR District are limited to the following:

a. Parks.

b. Single Family Dwellings.

c. Churches.
d. Home Occupations.
e. Day Care Homes.
f. Manufactured Homes.

Conditional uses for the LR District are limited to the following:
b. Day Care Facilities.
c. PWSF’s or WCF’s, attached to street poles or mounted on existing buildings or structures, upon the issuance of a Wireless Permit in accordance with the provisions of Article VIIIA of this Ordinance. (Freestanding and lattice towers are prohibited.)
d. Above ground flammable and combustible liquid tanks utilized by a public use.
e. Temporary Structures.
f. Horses. A maximum of two (2) horses per acre on lots of one (1) acre minimum size.

Accessory uses for the LR District are limited to the following:
b. Garages.
c. Storage buildings.
d. Swimming pools.

GR - The purpose of the General Residential District is to provide areas for a variety of residential uses, and a limited number of other uses compatible with this type of residential development. The intent is to preserve the favorable amenities associated with a residential neighborhood.

Permitted uses for the GR District are limited to the following:
a. Parks.
b. Single Family Dwellings.
c. Multi-Family Dwellings.
d. Churches.
e. Schools.
f. Home Occupations.
g. Day Care Homes.
h. Day Care Facilities.
i. Manufactured Homes.

Conditional uses for the GR District are limited to the following:

a. Bed and Breakfast Inns.
b. Boarding and Rooming Houses.
c. Day Care Centers provided no more than eighteen (18) children will be cared for at any one time.
e. Semi-Public Uses.
f. PWSF’s or WCF’s, attached to street poles or mounted on existing buildings or structures, upon the issuance of a Wireless Permit in accordance with the provisions of Article VIIIA of this Ordinance. (Freestanding and lattice towers are prohibited.)
g. Above ground flammable and combustible liquid tanks utilized by a public use.
h. Temporary Structures.
i. Horses. A maximum of two (2) horses per acre on lots of one (1) acre minimum size.
Accessory uses for the GR District are limited to the following:


b. Garages.

c. Storage buildings.

d. Swimming pools.

e. One Accessory Dwelling Unit on lots of 7,000 square feet or larger, accessory to a single family dwelling unit or to a non-residential Principal Building. Primary vehicular access to any accessory dwelling unit shall be from a City street or alley. All Accessory Dwelling Units shall have adequate water and sewer services installed to meet City Standards.

Standards of Evaluation
Section 14.6 of the Hailey Zoning Ordinance sets forth the following standards of evaluation for Zoning Map Amendments:

1. The proposed amendment is in accordance with the Comprehensive Plan;

2. Essential public facilities and services are available to support the full range of proposed uses without creating excessive additional requirements at public cost for the public facilities and services;

3. The proposed uses are compatible with the surrounding area; and

4. The proposed amendment will promote the public health, safety and general welfare.

Analysis and Discussion:
Determination of compliance with the above standards was based upon the Commission’s review of the Comprehensive Plan policies relative to the annexation application and dependent on compliance with the suggested conditions of approval.

Summary of Zoning Analysis Findings:
Based on the above standards and Comprehensive Plan analysis the Commission finds, contingent upon compliance with the conditions recommended, the proposed zoning districts are in conformance with the Comprehensive Plan, essential public facilities and services are available to support the full range of proposed uses without creating excessive additional requirements at public cost for the public facilities and services; the proposed uses are compatible with the surrounding area; and the proposed amendment will promote the public health, safety and general welfare.

CONCLUSIONS OF LAW AND RECOMMENDATION

Based on the entire record and the above Findings of Fact, the Commission makes the following Conclusions of Law and Recommendations:

1. Adequate notice, pursuant to Section 14.01.070 of the Hailey Annexation Ordinance, was given for the public hearing.

2. Upon compliance with the conditions recommended below, the application substantially meets the standards of approval set forth in the Hailey Annexation Ordinance and will be harmonious and in
accordance with specific goals and policies of applicable components of the Hailey Comprehensive Plan and the proposed annexation generally complies with the Hailey Comprehensive Plan.

3. Upon compliance with the conditions recommended below, the proposed zoning of RGB, NB, LR-1, LR-2 and GR is in accordance with the Comprehensive Plan; essential public facilities and services are available to support the full range of proposed uses without creating excessive additional requirements at public cost for the public facilities and services; the proposed uses are compatible with the surrounding area; and the proposed amendment will promote the public health, safety and general welfare.

4. The application for Annexation is recommended by the Hailey Planning and Zoning Commission with the following conditions:

**Landuse**

1. Development in Deadman Gulch shall be prohibited.  
   *All Commissioners were in agreement with this condition. Commissioner Spears suggested an independent 3rd party opinion before a final decision is made.*

2. Development beyond the irrigation pond shall be prohibited.  
   *All Commissioners were in agreement with this condition. Commissioner Spears suggested an independent 3rd party opinion before a final decision is made. The Commission was asked to clarify whether this includes proposed Parcel 7 and Parcel 6 or whether all or a portion of Parcel 6 is acceptable. There was agreement that all of Parcel 7 should be excluded from development. There was not agreement on Parcel 6.*

3. Building in any area designated as a “red zone” is prohibited and a site specific study and engineered building plans of any building permit in any area designated as a “blue zone” is required.  
   *All Commissioners were in agreement with this condition.*

4. Hillside areas, defined as slopes which equal or are greater than 15 percent, shall be dedicated as open space and recreational uses and zoned RGB.  
   *All Commissioners were in agreement with this condition.*
   o Parks and Lands Board project coordinator, Becki Keefer stated it was the Parks and Lands Board’s intent that the hillsides greater than a 15% slope would be publicly owned land and noted that some of the lots in Parcel 6 go up the hillside on slopes that are greater than 15%. She referred to condition 10 stating if lots are limited to 1/2 acre any conflict with portions of the lots being zoned RGB would be resolved.

5. No buildings on slopes which equal or are greater than 15 percent are permitted.  
   *All Commissioners were in agreement with this condition.*

6. The Applicant shall contribute 20% of the residential units within the project, as income deed restricted Community Housing.  
   *All Commissioners were in agreement with this condition.*
7. The Site Master Plan shall comply with city-required firewise/Wildland-urban interface standards and/or guidelines, including designation of enforceable fire resistant landscaping and building materials. The Applicant shall submit a Fire Plan for approval by the City. Upon approval of a Fire Plan by the City, the applicant shall implement said approved plan.

_All Commissioners were in agreement with this condition._

8. Prior to construction, the Applicant shall submit to the Planning Office a weed management plan for the abatement of weeds both during and after construction.

_All Commissioners were in agreement with this condition._

9. Prior to construction, a construction management plan shall be filed with the City that designates travel routes for large vehicles and depicts staging areas and other details specific to the Project.

_All Commissioners were in agreement with this condition._

10. No lot shall be greater than one-half acre.

_Three Commissioners were in favor of this condition and two opposed._

11. Undeveloped areas shall be zoned RGB.

_All Commissioners were in agreement with this condition._

**Transportation**

12. The applicant shall install the mitigation measures on neighborhood streets within the Deerfield subdivision as identified by the neighborhood plan presented on June 24, 2008, except as otherwise provided for in condition 15, in accordance with City Standards.

_All Commissioners were in agreement with this condition._

13. The applicant shall install intersection improvements as identified in the traffic impact study, upon approval of the design by the City Engineer and in accordance with City Standards.

_All Commissioners were in agreement with this condition._

14. The applicant shall install a roundabout at the intersection of Fox Acres Road and Woodside Boulevard, upon approval of the design by the City Engineer and in accordance with City Standards.

_All Commissioners were in agreement with this condition. Commissioner Scanlon was not in favor of the proposed location._

15. The applicant shall install sidewalks on both sides of Quigley Road and on Bullion Street and Croy Street from Eighth Avenue to the Wood River Trail, upon approval of the design by the City Engineer and in accordance with City Standards.

_All Commissioners were in agreement with this condition._

16. The applicant shall construct transit related infrastructure according to the needs and standards identified by the Mountain Rides Transportation Authority, including but not limited to bus stops with pull outs, bus shelters, bike racks at bus stops, signage, and pedestrian linkages to bus stops.

_All Commissioners were in agreement with this condition._
17. The applicant or homeowners association shall contribute to the operations of a transit system within the City of Hailey; the amount shall be determined through the fiscal impact analysis. 
*All Commissioners were in agreement with this condition.*

18. The extension of Fox Acres (from the current City limits to the public land to the east) and the extension of Quigley Roads to the entrance of Large Block Parcel 1 shall be dedicated to City and maintained by the City. 
*All Commissioners were in agreement with this condition.*

19. All roads within Large Block Parcel 1 shall be dedicated to the public and maintained by the city; except the alleyways in Parcel 1 shall be private and maintained by the owners of the lots through the HOA. Each of the non-collector or smaller roads and cul-de-sacs within Large Block Parcels 2-7 shall be private and maintained by the owners of the lots in each Large Block Parcel. 
*Four Commissioners were in agreement with this condition. Commissioner Marvel thought no private streets should be allowed.*

20. All private roads shall be a platted as a separate parcel, platted as public access and provide future connectivity if determined necessary by the City of Hailey. 
*All Commissioners were in agreement with this condition.*

21. Cul-de-sacs within the development shall be connected by shared use pathways as determined necessary by the City of Hailey. 
*All Commissioners were in agreement with this condition.*

22. Antler Drive shall provide pedestrian and bicycle connection to the new development 
*Four Commissioners were in agreement with this condition. Commissioner Marvel thought Antler Drive should provide vehicular connection.*

23. The Applicant shall construct a 10’ wide separated shared use path from the high school to eastern boundary of Large Block Parcel 4, as shown on the Site Master Plan, in accordance with city and AASHTO standards. 
*All Commissioners were in agreement with this condition.*

24. Quigley Road or a secondary public access shall extend to the north side of the proposed parcels. 
*Four Commissioners were in agreement with this condition. Commissioner Pogue did not think that Quigley Road should be extended at all. He said it would significantly change the development characteristics and also noted that emergency access was provided for in the original plan. He thought the secondary access for emergency purposes from Parcel 1 to the pond was adequate.*

Recreation 
25. Proposed park space shall include one or more active playing fields. The type of field shall be based on a community demand assessment reviewed by the Hailey Parks and Lands Board and on recommended space requirements specified in the Facility Development and Space Guidelines of the Hailey Parks, Lands and Trails Master Plan Standards and Guidelines. 
*All Commissioners were in agreement with this condition.*

26. The Applicant shall build the bike paths, trails and designated public parks on the Property consistent with the Site Master Plan and dedicate these improved Parcels to the public. Improvements will be
to City design standards and include turf, irrigation systems, play equipment, signing, etc shall be reviewed through the PUD process with recommendation by the Hailey Parks and Land Board.  

*All Commissioners were in agreement with this condition.*

27. The Applicant shall construct single-track dirt trails on the Property to the BLM boundary, consistent with the IMBA Trail Solutions plan depicted on the Site Master Plan.  

*All Commissioners were in agreement with this condition.*

28. The land occupied by the proposed golf course and Nordic facility shall be deeded to the City of Hailey or the City shall have some controlling interest. The golf course and Nordic facility shall remain for public use in perpetuity. In the case the golf course and Nordic facility cease operations the land shall revert to open space.

*All Commissioners were in agreement with this condition.*

29. The golf course shall be built as an Audubon Sanctuary course. The Audubon Sanctuary golf course standards shall be reviewed and approved as part of the final annexation decision by Council.

*All Commissioners were in agreement with this condition.*

30. All public parks (31.1 acres proposed) and public open spaces (approximately 422.7 acres proposed) shall be dedicated to the City and open to the public, except the Community Garden, which will be dedicated to the HOA.

*All Commissioners were in agreement with this condition.*

31. The applicant or HOA will maintain parks for 2 years; after two years the City of Hailey will take over responsibility of park maintenance.

*All Commissioners were in agreement with this condition.*

32. All parks, open space areas, and pathways shall allow public access.

*All Commissioners were in agreement with this condition.*

**Wildlife**

33. Wildlife migration corridors throughout the project, in the locations specified on the Wildlife Corridor map, shall be a minimum width of 500 feet.

*All Commissioners were in agreement with this condition.* Commissioner Pogue was willing to consider other widths.

34. The recommendations of the Applicant’s wildlife biologists shall be implemented, unless otherwise determined by the City.

*All Commissioners were in agreement with this condition.*

**Water**

35. The developer shall prove possession of water rights sufficient in quality and quantity to supply the amount of development agreed upon by the city.

*All Commissioners were in agreement with this condition.*

36. All water rights shall be conveyed to the City.

*All Commissioners were in agreement with this condition.*
37. The developer shall dedicate a site and pay for the installation of a new municipal well in a location determined by the City in collaboration with the applicant.

*All Commissioners were in agreement with this condition.*

38. The Applicant shall assist the City in preparing and filing the applications necessary for municipal water rights for the well site the Applicant is dedicating to the City.

*All Commissioners were in agreement with this condition.*

**Public Facilities**

39. The Applicant shall pay future applicable water and sewer connection fees, user fees, and other fees as required by the City.

*All Commissioners were in agreement with this condition.*

40. The Applicant shall construct an on-site wastewater treatment plant and related collection system improvements, as approved by the City and DEQ. In the event subject on-site system is not approved by DEQ, the applicant agrees to connect into the City wastewater treatment system and pay for necessary improvements to accommodate the demand generated by the development. A system to bring grey-water from the city wastewater treatment plant to properties along the main truck line, including the subject property should be considered as part of the improvements to the wastewater treatment system.

*Four Commissioners were in agreement with this condition. Commissioner Marvel was opposed to the system proposed and wanted the development to hook to city sewer service.*

41. The Applicant shall contribute to the City for a future fire station with employee housing in an amount determined through the fiscal impact analysis.

*All Commissioners were in agreement with this condition.*

42. The Applicant shall contribute land and/or a dollar amount for a future school facility determined through the fiscal impact analysis.

*All Commissioners were in agreement with this condition.*

43. The Applicant shall contribute to the Hailey Public Library in an amount determined through the fiscal impact analysis.

*All Commissioners were in agreement with this condition.*

**General**

44. The applicant shall make dedications and contributions as determined by the Council to ensure no negative fiscal impact to the City and its existing residents.

*All Commissioners were in agreement with this condition.*

45. The annexation agreement will specify the amenities to be provided by the developer, but does not imply approval of a specific design or approval of any other applicable city requirements.

*All Commissioners were in agreement with this condition.*

46. The applicant shall receive approval of other applicable requirements as a condition of annexation, including but not limited to Planned Unit Development, Subdivision, Design Review, Hillside Alteration and Stream Alteration Permit for the following components:

*All Commissioners were in agreement with this condition.*
47. All applicable city standards shall be met unless the city agrees to waivers through the Planned Unit Development (PUD) process.

All Commissioners were in agreement with this condition.

48. The Site Master Plan shall be developed in phases as set forth in the Phasing Plan Summary unless otherwise agreed by the City to maximize orderly development.

All Commissioners were in agreement with this condition.

49. Phase 1 shall include: the construction of the eighteen (18) hole golf course with attendant features (golf course, clubhouse, driving range, and maintenance facility); stream rehabilitation subject to applicable City and other governmental approvals; construction of Quigley Road and Fox Acres Road from current City limits to the end of the development following the alignment depicted on the Site Master Plan or as otherwise approved by the City; dedication of the hillside open space; and construction of trails and trail heads. Construction of all park areas and their dedication to the City shall occur during the approved phase the park is located within.

All Commissioners were in agreement with this condition.

50. Development of Phases for the Large Residential Parcels 1 through 7 shall occur in accordance with the conditions and requirements of the city, and all subsequent subdivision approval requirements and findings.

All Commissioners were in agreement with this condition.

51. The Applicant shall pay annexation fees for residential and non-residential uses that impact City services to be determined in a fiscal analysis and as negotiated by the City Council.

All Commissioners were in agreement with this condition.

52. Responsibilities of the applicant and the future HOA to improve and maintain paths, parks, roads, and open space areas, and other items specified by the Council shall be established in the CC&Rs and adopted concurrent with PUD approval for the Project.

All Commissioners were in agreement with this condition.

53. The Applicant shall construct the ordinary on-site improvement that relate to all subdivision, PUD and phasing approvals, including, but not limited to, the following:
   a. Water and sewer as specified by the city engineer and approved by the City Council;
   b. Roads, sidewalks, trails and bike paths consistent with the Site Master Plan;
   c. Undergrounding of utilities (cable, gas, electric);
   d. Landscape all parks and ROWs;
   e. Intersection street lights; and
   f. Park improvements consistent with specifications approved by the Council after duly receiving the recommendations of the Parks Board and Commission.

All Commissioners were in agreement with this condition.

54. The Applicant shall, upon annexation, pay to amend various City maps as deemed necessary by the City, including, but not limited to comprehensive plan land use map, annexation legal metes and bounds map to state, and zoning maps.

All Commissioners were in agreement with this condition.
Signed this 17th day of September, 2008.

Stefanie Marvel, Commission Chair, City of Hailey

Attest:

Becky Mead, Deputy Clerk

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 17th day of September, 2008, I served a true and correct filed copy of the within and foregoing document upon the parties named below, in the manner noted:

[✓] U.S. Mail  Quigley Green Owners
[ ] Via Facsimile  50 Water Street South
[ ] Hand Delivered  Norwalk, CT 06854

[✓] U.S. Mail  David Hennessy
[ ] Via Facsimile  P.O. Box 2720
[ ] Hand Delivered  Ketchum, ID 83340

[✓] U.S. Mail  John Gaedert
[ ] Via Facsimile  P.O. Box 2368
[ ] Hand Delivered  Hailey, ID 83333

[✓] U.S. Mail  Terry Hogue
[ ] Via Facsimile  P.O. Box 460
[ ] Hand Delivered  Hailey, ID 83333

[✓] U.S. Mail  John Burke
[ ] Via Facsimile  P.O. Box 4999
[ ] Hand Delivered  Ketchum, ID 83340

CITY OF HAILEY

By  Becky Mead
Becky Mead, Deputy Clerk
Exhibit 1
Exhibit 2
### Quigley Canyon Development Trip Generation Volumes

#### Development Phasing

<table>
<thead>
<tr>
<th>Phase</th>
<th>Year</th>
<th>Traffic Generators (Cumulative)</th>
<th>Weekday Peak Hour Traffic</th>
<th>Average Weekday Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Houses</td>
<td>Town Houses</td>
<td>Golf Course (Holes)</td>
</tr>
<tr>
<td>1</td>
<td>2010</td>
<td>66</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>2</td>
<td>2011</td>
<td>138</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>3</td>
<td>2012</td>
<td>191</td>
<td>19</td>
<td>13</td>
</tr>
<tr>
<td>4</td>
<td>2013</td>
<td>245</td>
<td>19</td>
<td>13</td>
</tr>
<tr>
<td>5</td>
<td>2014</td>
<td>258</td>
<td>19</td>
<td>13</td>
</tr>
</tbody>
</table>

#### Fox Acres Traffic Volumes

<table>
<thead>
<tr>
<th>Phase</th>
<th>Year</th>
<th>Traffic Generators (Cumulative)</th>
<th>Weekday Peak Hour Traffic</th>
<th>Average Weekday Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Houses</td>
<td>Town Houses</td>
<td>Golf Course (75% of Holes)</td>
</tr>
<tr>
<td>1</td>
<td>2010</td>
<td>66</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>2</td>
<td>2011</td>
<td>138</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>3</td>
<td>2012</td>
<td>191</td>
<td>19</td>
<td>13</td>
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<td>4</td>
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<td>245</td>
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</tr>
<tr>
<td>5</td>
<td>2014</td>
<td>258</td>
<td>19</td>
<td>13</td>
</tr>
</tbody>
</table>

#### Quigley Drive Traffic Volumes

<table>
<thead>
<tr>
<th>Phase</th>
<th>Year</th>
<th>Traffic Generators (Cumulative)</th>
<th>Weekday Peak Hour Traffic</th>
<th>Average Weekday Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Houses</td>
<td>Town Houses</td>
<td>Golf Course (25% of Holes)</td>
</tr>
<tr>
<td>1</td>
<td>2010</td>
<td>23</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>2011</td>
<td>48</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>2012</td>
<td>87</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>4</td>
<td>2013</td>
<td>86</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>5</td>
<td>2014</td>
<td>90</td>
<td>8</td>
<td>5</td>
</tr>
</tbody>
</table>

#### Development Summary

<table>
<thead>
<tr>
<th>Traffic Generator</th>
<th>Houses</th>
<th>Town Houses</th>
<th>Golf Course (Holes)</th>
<th>Driving Range/Club House (Acres)</th>
<th>Total Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>348</td>
<td>17</td>
<td>13</td>
<td>3</td>
<td>4836</td>
</tr>
<tr>
<td>AM Peak Hour Traffic</td>
<td>261</td>
<td>13</td>
<td>49</td>
<td>361</td>
<td>3630</td>
</tr>
<tr>
<td>In</td>
<td>55</td>
<td>5</td>
<td>32</td>
<td>5</td>
<td>927</td>
</tr>
<tr>
<td>Out</td>
<td>196</td>
<td>14</td>
<td>5</td>
<td>223</td>
<td></td>
</tr>
<tr>
<td>PM Peak Hour Traffic</td>
<td>351</td>
<td>21</td>
<td>45</td>
<td>453</td>
<td>4530</td>
</tr>
<tr>
<td>In</td>
<td>221</td>
<td>12</td>
<td>22</td>
<td>271</td>
<td></td>
</tr>
<tr>
<td>Out</td>
<td>130</td>
<td>9</td>
<td>28</td>
<td>182</td>
<td></td>
</tr>
<tr>
<td>Average Weekday Traffic</td>
<td>3330</td>
<td>158</td>
<td>643</td>
<td>488</td>
<td>4820</td>
</tr>
</tbody>
</table>

**Development Assumptions:**

* Approximately 75% of development traffic will be to and from the north.
* 129 of 375 (34%) of residential lots will use Quigley Drive if they are traveling to or from the north.
* Traffic calming will discourage Fox Acres Road traffic from cutting through neighborhoods.
* 25% of residential traffic (34% x 75%) will use Quigley Drive, the remaining 74% will use Fox Acres Road.
* 75% of golf course traffic will use Fox Acres Road.
### PM Peak Hour

<table>
<thead>
<tr>
<th>Movement</th>
<th>Existing Traffic</th>
<th>Lane Dist.</th>
<th>Build Traffic Volumes</th>
<th>No-Build Traffic Volumes</th>
</tr>
</thead>
<tbody>
<tr>
<td>NBL</td>
<td>22</td>
<td>32.4%</td>
<td>52</td>
<td>68</td>
</tr>
<tr>
<td>NBT</td>
<td>46</td>
<td>67.6%</td>
<td>108</td>
<td>143</td>
</tr>
<tr>
<td>NBR</td>
<td>0.0%</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SBL</td>
<td>0.0%</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SBT</td>
<td>68</td>
<td>95.8%</td>
<td>90</td>
<td>122</td>
</tr>
<tr>
<td>SBR</td>
<td>3</td>
<td>4.2%</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>EBL</td>
<td>3</td>
<td>4.0%</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>EBT</td>
<td>0.0%</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>EBR</td>
<td>72</td>
<td>95.0%</td>
<td>95</td>
<td>129</td>
</tr>
<tr>
<td>WBL</td>
<td>0</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>WBT</td>
<td>0</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>WBR</td>
<td>0</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Assumptions:**

* Growth Rate (%/Yr.) = 3.5
* NB build traffic was increased by 13% of high school traffic to account for traffic cutting through the development.

School Traffic = 407 511 554

15% School Traffic = 61 77 83
Exhibit 3
Exhibit 4
May 13, 2008

Beth Robrahm, AICP
Planning Director
City of Hailey, Idaho

Re: Quigley Canyon Golf Course Economic Benefits

Dear Beth,

At the request of the Hennessy Company, Peterson Economics has prepared preliminary estimates concerning the subject facility’s anticipated economic benefits to the local economy. These benefits would derive from the construction and operation of the subject facility. Please note that Peterson Economics was not retained to complete a detailed economic benefit study. As such, the estimates listed below merely provide a general indication of the anticipated benefits based on typical industry standards.

Peterson Economics’ preliminary analysis suggests that developing and operating the subject facility would result in a number of major economic benefits for the local community. The analysis below addresses the following items: (1) new jobs created during facility construction; (2) new ongoing jobs created during facility operation; and (3) increased visitor spending in the region that could result from developing the subject facility.

CONSTRUCTION EMPLOYMENT IMPACTS

Construction employment impacts would include both direct jobs – onsite jobs created during golf course and facility construction – and indirect and induced jobs. Indirect employment impacts would occur when, in the process of developing the golf facility, the developer purchases goods or services from local businesses. Induced employment impacts would occur when construction employees spend portions of their wages in the local economy on lodging, food, entertainment, transportation, and other items. Anticipated direct, indirect, and induced construction employment impacts are discussed below:

- **Direct Employment Impacts:** the Client presently anticipates total golf-related development costs of about $10.8 million, including golf course construction, grow-in, golf-related infrastructure, clubhouse, maintenance buildings, and maintenance equipment (but not including any land costs). Based on information from the golf course architect and representatives from Wadsworth Construction – the nation’s largest golf course construction firm – it is estimated that approximately 55 percent of this total expenditure would represent direct payroll expenditures to local area residents. This equates to approximately $5.94 million spent on local payroll over a two-year period – or an average of about $2.97 million per
year. Based on local labor costs and the distribution of jobs generated, it appears reasonable to assume an average labor cost of about $45,000 per full-time-equivalent person per year (including salaries, wages, and benefits). Based on this assumption, a total two-year payroll expenditure of about $3.94 million would equate to creating about 66 full-time-equivalent positions extending over a two-year construction period (or about 132 full-time one-year-equivalent jobs).

- **Indirect and Induced Impacts:** "multipliers" developed to estimate indirect and induced employment impacts from new construction projects in Idaho suggest that a multiplier of about 2.5 would be appropriate (i.e.: 1.5 other jobs would be created in the local economy for every new direct construction job created). However, given the limited size of the local economy and the fact that many supplies and materials would be imported from other areas, in order to remain conservative, Peterson Economics believes it is appropriate to use a multiplier of only 2.3 (or 1.3 new indirect and induced jobs for each new direct job). Based on this more conservative assumed multiplier, it appears that constructing the facility could potentially result in the generation of approximately 86 full-time-equivalent indirect and induced jobs in the local economy extending over a two-year period (or the equivalent of about 172 full-time one-year jobs).

- **Total Local Jobs Created:** based on the analysis above – including direct, indirect, and induced jobs – it appears that construction of the subject facility could result in the creation of a total of about 304 one-year-equivalent full-time jobs. This would equate to creating about 152 new full-time-equivalent positions lasting two full years.

**Ongoing Employment Impacts**

The ongoing operation of the subject facility would also result in significant new job creation in the local community. Notably, although much of the employment would be seasonal, new jobs created by the operation of the facility would be expected to last as long as the facility remains in operation (as opposed to construction-related employment, which would last only two years). Anticipated direct, indirect, and induced jobs created by the facility’s ongoing operation are listed on Table 1 and summarized below:

- **Direct Employment Impacts:** direct ongoing employment impacts are defined to include only ongoing onsite jobs. These include jobs in course maintenance, course operations, and food-and-beverage operations. Peterson Economics compiled detailed employment projections for course maintenance and course operations in the financial analysis. As seen on Table 1, these two categories combined account for a projected total of 20.5 on-going full-time-equivalent positions, with total annual payroll of about $668,000 (expressed in 2008 dollars). In addition, based on projected food-and-beverage costs, Peterson Economics projects that the food-and-beverage operation would generate 3.0 new full-time-equivalent
Table 1

ESTIMATED ONGOING EMPLOYMENT IMPACTS FROM THE QUIGLEY CANYON GOLF COURSE (2008 Dollars)

<table>
<thead>
<tr>
<th>Employment Type &amp; Location</th>
<th>FTE Equivalent Persons</th>
<th>Annual Payroll $</th>
<th>Total Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct On-Site Jobs (Annual Full-Time Equivalents)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Course &amp; Range Maintenance:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superintendent (w/ benefits)</td>
<td>1.0</td>
<td>$82,000</td>
<td>$82,000</td>
</tr>
<tr>
<td>Assistant Superintendent (w/ benefits)</td>
<td>1.0</td>
<td>$42,000</td>
<td>$42,000</td>
</tr>
<tr>
<td>Irrigation Specialist (w/ benefits)</td>
<td>1.0</td>
<td>$40,000</td>
<td>$40,000</td>
</tr>
<tr>
<td>Mechanic (w/ benefits)</td>
<td>1.0</td>
<td>$40,000</td>
<td>$40,000</td>
</tr>
<tr>
<td>Equipment Operators</td>
<td>4.0</td>
<td>$25,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>Gardeners / General</td>
<td>4.5</td>
<td>$22,000</td>
<td>$99,000</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>12.5</td>
<td></td>
<td>$403,000</td>
</tr>
<tr>
<td>Golf, Cart, &amp; Range Operations:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Golf Operations Staff</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head Pro / Director of Golf (w/ benefits)</td>
<td>1.0</td>
<td>$84,000</td>
<td>$84,000</td>
</tr>
<tr>
<td>Assistant Professionals (w/ benefits)</td>
<td>2.0</td>
<td>$33,000</td>
<td>$66,000</td>
</tr>
<tr>
<td>Pro Shop Personnel / Range / General</td>
<td>5.0</td>
<td>$23,000</td>
<td>$115,000</td>
</tr>
<tr>
<td>Paid Rangers</td>
<td>0.0</td>
<td>N/A</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>8.0</td>
<td></td>
<td>$265,000</td>
</tr>
<tr>
<td>Food-and-Beverage Operations</td>
<td>3.0</td>
<td>$25,000</td>
<td>$75,000</td>
</tr>
<tr>
<td><strong>Total Direct On-Site Jobs:</strong></td>
<td>23.5</td>
<td></td>
<td>$743,000</td>
</tr>
<tr>
<td><strong>Indirect and Induced Jobs in Area</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Local Indirect and Induced Jobs ³</td>
<td>20.0</td>
<td>$36,477 ⁴</td>
<td>$729,540</td>
</tr>
<tr>
<td><strong>Total Employment Impact:</strong></td>
<td>43.5</td>
<td></td>
<td>$1,472,540</td>
</tr>
</tbody>
</table>

1/ Expressed in annual full-time equivalents (seasonal employees counted as fractions).
2/ Payroll includes salaries, wages, and benefits.
3/ Based on typical employment multipliers for amusement service industries. Includes both service providers for golf course and multiplier effects.
4/ Assumed level; equal to regional per capita income.

Source: Peterson Economics.
jobs, with a total annual payroll of about $75,000. Thus, in sum, it is projected that the operation of the subject facility would result in the creation of about 23.5 new ongoing full-time-equivalent onsite jobs, with a total annual payroll of about $743,000.

- **Indirect and Induced Impacts**: based on typical “multipliers” developed to estimate ongoing indirect and induced employment impacts from similar facilities, it appears that the operation of the subject facility would also generate an additional 20 new full-time-equivalent indirect and induced jobs in the local economy. For illustrative purposes only, Peterson Economics has assumed that these new jobs would generate average annual payroll equal to the current per capita income in the Wood River Valley region of about $36,477. Based on this assumption, these new indirect and induced jobs would generate total annual payroll (ongoing, expressed in 2008 dollars) of about $730,000.

- **Total Local Jobs Created**: based on the analysis above – including direct, indirect, and induced jobs – it appears that the operation of the subject facility could result in the creation of a total of about 43.5 new full-time-equivalent ongoing jobs in the local area. Based on the analysis above, it appears that total annual payroll (expressed in 2008 dollars) associated with these new jobs could reach nearly $1.5 million per year.

**Increased Visitor Spending**

In addition to the direct, indirect, and induced employment impacts discussed above, it is also important to note that the subject golf facility could lead to a significant increase in visitor spending in the region each summer. This would occur as the result of: (1) new visitors being attracted to the region by the new golf course; and (2) existing visitors increasing their length of stay in the region in order to have time to play the new golf course. To some degree, additional spending would also occur from visitors substituting a round of golf on the new golf course for a lower priced activity, but this could be largely offset by other visitors substituting a round of golf on the course for a more expensive activity, and is hence not considered in this analysis.

In order to project net increases in visitor spending, it is first necessary to review total projected visitor play on the subject course. In the financial analysis, Peterson Economics projected non-resident play at 8,500 total rounds in the first full year of operation, increasing to a stabilized level of 11,000 total annual rounds by the eighth full year of operation. It is anticipated that the overwhelming majority of this play would come from short-term visitors and seasonal residents who do not own property in the region. In addition, Peterson Economics anticipates that seasonal residents who own property in the region would account for a significant share of total resident play, which is projected to increase from 10,500 rounds in the first full year of operation to a stabilized level of 13,000 total annual rounds by the eighth full year of operation. Thus, in sum, based on Peterson Economics’ analysis, it appears likely that by stabilization, visitors – including both short-term visitors and seasonal residents –
could easily account for a total of about 15,600 rounds per year on the subject course (assuming, as current play indicates, that seasonal residents contribute 35 percent of total resident play).

In order to illustrate the potential net increase in visitor spending that could be associated with this play, Peterson Economics has utilized the following conservative assumptions:

- **New Visitors:** 1,600 rounds from visitors who decide to visit the region because of the new course (they would not come otherwise);
- **Extended Stays:** 7,800 rounds from visitors who would have come anyway, but elect to increase their stay in the region (by an average of one full day) in order to play the subject course; and
- **Unaffected Visitors:** 6,200 rounds from visitors who would have come anyway and did not extend their length of stay in order to play the subject course (they merely substituted another activity with this play).

Thus, visitor spending would increase notably from both new visitors attracted to the region by the golf course and other visitors extending their lengths of stay in order to play the golf course. Net seasonal increases from both categories are projected as follows:

- **New Visitors:** assuming the average new visitor party attracted to the region by the subject facility would play a combined total of 1.8 rounds per visit (including play by all party members), the assumed play level would equate to about 890 new visitor parties being attracted to the region each season by stabilization. Assuming total daily expenditures in the region per party per day of $300 (expressed in 2008 dollars) and assuming an average length-of-stay of four full days, this would equate to total net new visitor spending in the region from this source of about $1.07 million per season (expressed in 2008 dollars).
- **Extended Stays:** assuming that the average extended-stay party would include 1.4 golfers (playing one additional round each), the projected number of extended-stay rounds would equate to about 5,600 parties extending their stays to play the subject golf course (by the assumed length of one full day). Based on the assumed average total daily visitor-party expenditure ($300 in 2008 dollars), this equates to net new visitor spending in the region from this source of about $1.68 million per season (expressed in 2008 dollars).

Thus, based on the assumptions listed above, it appears that increased visitor spending from the two primary categories alone could total about $2.75 million per season by stabilization (expressed in 2008 dollars). Peterson Economics estimates that approximately $825,000 of this net new visitor spending would occur at the subject golf facility, while the remaining amount – just over $1.9 million – would be spent at hotels, motels, inns, condominiums, restaurants, shops, gas stations, and other
establishments in the Wood River Valley region. This additional spending would likely support up to about 30 additional net new ongoing full-time-equivalent jobs, plus generate additional tax revenues and create additional benefits to the local economy.

**SUMMARY**

In summary, it is clear that developing the subject golf facility could result in the following benefits:

1. The creation of about 304 full-time-equivalent one-year jobs during facility construction;
2. The creation of about 43.5 full-time-equivalent ongoing jobs through facility operation; and
3. A net increase in visitor spending of approximately $2.75 million per season (expressed in 2008 dollars), which would also create additional jobs and create additional benefits to the local community.

In addition, although much more difficult to quantify, the new golf course could also benefit the Hailey area by increasing this region's exposure and improving its image as a visitor destination and a place to buy a second home or primary home.

Sincerely,

Jon H. Peterson
President