

Meeting Minutes
HAILEY PLANNING & ZONING COMMISSION
Monday, May 3, 2021
Virtual Meeting
5:30 p.m.

From your computer, tablet or smartphone: <https://www.gotomeet.me/CityofHaileyPZ>

Via One-touch dial in by phone: <tel:+15713173122,506287589#>

Dial in by phone: United States: +1 (571) 317-3122 Access Code: 506-287-589

Present

Commission: Janet Fugate, Dustin Stone, Richard Pogue, Owen Scanlon

Staff: Lisa Horowitz, Robyn Davis, Jessica Parker

Absent: Dan Smith,

[5:31:08 PM](#) Chair Fugate called to order.

[5:31:11 PM](#) Public Comment for items not on the agenda. No comment.

[5:31:30 PM](#) **Consent Agenda**

CA 1 Adoption of Findings of Fact, Conclusions of Law and Decision of a Design Review Application by Antony and Sarah Gray for a new 2,609 square foot single-story residence. This project is located at 121 North 3rd Avenue (Lots 1-4, Block 38, Hailey Townsite) within the Limited Residential (LR-1) and Townsite Overlay (TO) Zoning Districts. **ACTION ITEM.**

CA 2 Adoption of Findings of Fact, Conclusions of Law and Decision of a Design Review application by Hailey Airport Inn, LLC, represented by Owen Scanlon, for the addition of two (2) new three-story apartment buildings containing a total of twenty-one (21) units. This project is located at Lot 1A, Block 137, Hailey Townsite (804 South 4th Avenue) within the Limited Business (LB) Zoning District. **ACTION ITEM.**

[5:31:46 PM](#) Pogue motioned to approve CA 1. Scanlon seconded. All in Favor.

[5:32:10 PM](#) Pogue motioned to approve CA 2. Stone seconded. Scanlon abstained. All in Favor.

Public Hearing

PH 1 [5:32:41 PM](#) Consideration of a Conditional Use Permit Application submitted by PA Spirits LLC, represented by Josh Hansen, for approval of an alcohol mixing and packaging space (Hybrid Production Facility), to be located at Lots 1-3, Block 42, Townsite (117 N. River Street), within the Business (B) and Townsite Overlay (TO) Zoning Districts. **ACTION ITEM.**

[5:33:04 PM](#) Davis turned floor over to applicant. [5:33:27 PM](#) Josh Hansen, representing PA Spirits LLC. Hansen explained applying for CUP for a hybrid use to mix vodka and provide a tasting room and outdoor space to enjoy a beverage. Hansen explained no exterior changes, minimal impact to the facility.

[5:34:51 PM](#) Scanlon asked if addressing the conditional use permit or questions about the site. Davis stated can ask questions about both. Scanlon asked if garbage is going to be contained in the northwest corner. Hansen confirmed. Scanlon asked if would consider putting dumpster near the other dumpsters so could leave that corner open for street exposure. Hansen stated they would consider that and continue to work with the city. Hansen explained want to see the flow and how the outdoor seating will work, Hansen noted also considering having local food trucks onsite. Scanlon asked if affiliated with any bar or restaurant in Hailey. Hansen stated there is one that carries their product but no ownerships. Scanlon asked which areas are going to be public spaces based off their floor design. Hansen explained public area, mixing room and conference will not be open to the public. Hansen stated want to focus on the outdoor space. Scanlon asked if attended their business, there would not be a need for him to walk inside. Hansen explained that is correct, there is a door to the left next to the kitchen that would allow them to provide service to the beer garden.

[5:39:15 PM](#) Stone asked what the main goal is. Hansen explained it is for a tasting facility, that they are still a small company. Stone asked where they currently make their product. Hansen stated current location is in Rigby. Stone asked the name of the product. Hansen stated it is called Party Animal Vodka. Stone confirmed main tasting area is going to be the garden area. Hansen confirmed. Stone recommended to take into consideration indoor access due to winter season. Stone noted potential concern with noise from recycling bins.

[5:42:45 PM](#) Pogue asked where would park the food trucks. Hansen explained idea is to park it in the corner near the service area. Pogue asked the range of product offered. Hansen stated currently just a potato vodka, but the space will be able to expand with flavored vodka and ready to drink cocktails. [5:43:52 PM](#) Pogue agrees with Scanlon, hopes they can find a different location for the refuse.

[5:44:17 PM](#) Chair Fugate asked if have a liquor license. Hansen explained will not need a liquor license but a distiller permit. Chair Fugate asked what that permits them to do. Hansen explained it allows them to produce and bottle their product and provide tasting samples. Chair Fugate confirmed could not serve their alcohol. Hansen confirmed, but will be able to serve the ready to go drinks will be covered under the beer and wine license that they have not applied for yet. Chair Fugate asked if there are any odors involved with mixing of the products. Hansen confirmed no odors with exception of possibly when mixing the vodka with fresh produce.

[5:46:40 PM](#) Horowitz clarified that the applicant will not be making vodka onsite, but infusing the vodka with flavors. Chair Fugate asked about parking. [5:47:12 PM](#) Davis summarized redesign of River Street, and explained that staff would like to see a bike path along River Street and that parking be moved within the ROW. Horowitz added that when met with the property owner, that this tenant and future tenants could continue access the paved area from the side street. Horowitz explained that similar design will be taking place across the street at the brewery. Chair Fugate asked if this would allow them access to receive deliveries. Horowitz confirmed will work with applicant on where they would like the curb cut. Chair Fugate and Horowitz discussed location of proposed beer garden.

[5:51:09 PM](#) Chair Fugate confirmed will be serving the premixed cocktails and selling the liquor. Hansen confirmed only serving the premixed cocktails and selling the liquor to the liquor store. Chair Fugate asked if applicant plans on adding seasonal plantings. Hansen confirmed they would be

willing to do that. Chair Fugate confirmed all requirements met for the fire department. Hansen confirmed.

[5:55:02 PM](#) Julie Cord, landlord, thinks the applicant has done a great job. Cord stated the parking is key for this property, and that the curb cut is really important to this property. Cord asked if the commission would be willing to move the recycling center.

[5:57:00 PM](#) Scanlon asked if Christian had anything else to add.

[5:57:36 PM](#) Horowitz confirmed, will work with the consultants and Brian Yeager to confirm the curb matches – that will modify condition e to match. Chair Fugate asked to see curb cut. Horowitz explained staff drawing is not to scale and will need to circle back with Public Works.

[5:58:43 PM](#) Cord explained what was discussed is similar to the urgent car, that could park to the north and south, thinks could do tandems. Horowitz confirmed thinks it would be fine, and that it would be a future design. Cord explained trying to keep some private parking, and wouldn't take away from public parking.

[5:59:55 PM](#) Christian Ervin confirmed the letter spells out what the applicant has to meet to be in that space and do the mixing. Ervin explained while in the process of opening the business will need to do various inspections to ensure those requirements are met prior to opening to the public. Chair Fugate asked about electrical device requirements. Ervin explained there are several types of system could use in this facility, and requirements would have to meet depending on system used.

[6:02:59 PM](#) **Chair Fugate opened public comment.**

[6:03:11 PM](#) Elizabeth Jeffery, so excited to have another place on river that could enjoy outdoors. Excited for River to grow more into a social place. Curious if will have a lot of compost waste.

[6:04:29 PM](#) Kathleen Krekow seconded Elizabeth's excitement about having another place to go off of Main Street. Would also like to encourage council to look at the viability of moving the recycle bins within the park in ride. Seems to her nothing but a street on the south end. Thinks it would be great to everything could to help them support the property owner and would be an interesting thing to do.

[6:05:39 PM](#) Travis Jones, 131 W Pine St, lives about ½ block off River Street and wanted to jump on to voice his support of this project. Thinks this will be really good for the community. He has had the opportunity to work with Josh and Kate and can vouch for their professionalism. He gives his whole hearted support.

[6:06:40 PM](#) Jenn Douglas, 120 W Carbonate St. curious about operating hours, storage and snow storage.

[6:07:41 PM](#) **Chair Fugate closed public comment.**

[6:08:04 PM](#) Hansen stated will be using fresh produce, that there will be compost from that but will not be a large amount as they are a small company. Hansen stated has not finalized the operating

hours, will be within hours permitted. Hansen stated open to relocating the refuse storage, more than happy to work with the city. Hansen stated not aware of where the snow goes to but will ensure they comply with city requirements.

[6:10:22 PM](#) Scanlon thinks the applicant has worked hard with all the appropriate jurisdiction governing bodies to comply with City and State. Scanlon cannot think of anything worse than an empty building. Scanlon thinks this is an appropriate place for this use, and would welcome a new business to our community.

[6:11:48 PM](#) Stone likes idea of moving recycling over; thinks could be disruptive to that side of the business. Stone asked applicant to discuss the animal welfare. Hansen explained that currently dedicate 10% of their proceeds from all of their sales to local wild life conservation groups and local animal shelters. Hansen explained idea behind their brand name – Party Animal Spirits. Hansen explained they do it from their bottle sells, and also promotes and participates in various events.

[6:13:53 PM](#) Pogue approves of the CUP idea and likes suggestion of moving dumpster bins away from the area. Pogue thinks that would be a good idea.

[6:14:44 PM](#) Chair Fugate agrees with comments made by the other commissioners and public.

[6:15:49 PM](#) Davis stated will need to modify condition e to reflect the curb cut discussion. Davis read the proposed change to condition e.

[6:16:38 PM](#) **Stone motioned to approve the Conditional Use Permit Application request by PA Spirits, LLC, represented by Josh Hanson, for approval of an alcohol mixing and packaging space (Hybrid Production Facility), to be located at Lots 1-3, Block 42, Townsite (117 North River Street), within the Business (B) and Townsite Overlay (TO) Zoning Districts, finding that the application meets each of the Criteria for Review, (a) through (h) cited in the Hailey Municipal Code, that the Conditional Use Permit complies with the Comprehensive Plan, and that Conditions (a) through (e), as modified, are met. Pogue seconded. All in Favor.**

PH 2 [6:17:57 PM](#) *Consideration of a Preliminary Plat Application by Quartz Properties, represented by Galena Engineering, where AM Lot 2A, Block 61, Woodside Sub #15 (2740 Winterhaven Dr.) is subdivided into six (6) sublots, ranging in size from 6,001 square feet to 18,279 square feet, with all vehicular access from Winterhaven Dr. Several lots contain shared driveways. A 18,712 square foot open space, Parcel A, is to be dedicated to the City for public access. This project is located within the Limited Business (LB) Zoning District. **ACTION ITEM.***

[6:19:09 PM](#) Davis turned floor to applicant team.

[6:19:21 PM](#) Sam Stahlnecker, Galena Engineering, representing applicant. Stahlnecker explained location of project in Woodside. Stahlnecker explained proposing 6 sublots – 5 fronting Winterhaven and 6th located towards the back. Stahlnecker stated proposing a subdivision below what is permitted per zoning for this property. Stahlnecker stated 4 of the 6 sublots will share driveways. Stahlnecker stated that there are two lots in the Hillside Overlay. Stahlnecker stated there is existing water and sewer mains and they will be installing new services for each lot, and proposing a mild swell along Winterhaven Drive. Stahlnecker confirmed will provide

calculations to address storm water concern. Stahlnecker stated Parcel A is proposed as park space – if needed applicant is willing to have HOA own and maintain the park space. Stahlnecker discussed connection to Toe of the Hill trail. [6:25:18 PM](#) Stahlnecker stated as discussed with staff, there was concern of location of park and the applicant wanted to propose a few other alternative options to the commission: 1) modified park design but will not extend connection to Toe of the Hill; 2) sidewalk along Parcel M that is owned by the City and is adjacent to this project. This alternative would eliminate Parcel A and replace it with a 7th subplot and would create a sidewalk connection. Stahlnecker explained that applicant would like to proceed tonight with commission support with either alternative.

[6:30:37 PM](#) Scanlon confirmed proposing sidewalk or mini park – not both. Stahlnecker confirmed. Scanlon asked if had a chance to discuss with staff as staff report was requesting both. Stahlnecker confirmed has spoken to staff, and provided history of project site. Stahlnecker explained from a financial point, not able to provide both sidewalk and park at this time. Scanlon asked what the difference is between dedicated vs. deeded to the city if decision is to proceed with the park. Stahlnecker does not believe there is a difference between the two, that option with park could be for it to maintained by the city or by the HOA. Scanlon asked if intention is for the HOA to maintain the park. Stahlnecker confirmed, explaining this is not a turf park. Scanlon agrees with Stahlnecker assessment regarding the connection to Toe of the Hill. Scanlon asked about 12' easement along subplot 5 to access 6' – 12' does not meet fire code. Stahlnecker stated she asked the fire department this question but will confirm with them again and could certainly provide 20' especially if create subplot 7. Scanlon confirmed no access of Serenity Lane. Stahlnecker and staff confirmed no access.

[6:37:20 PM](#) Stone asked how subplot 6 is accessed in alternative 1. Stahlnecker explained access and confirmed will submit revised drawing. Stone asked if would be enforcing hillside overlay standards in alternative 2 design. Stahlnecker confirmed, going on to explain how those would be addressed. Stone asked staff for examples of full public access but privately maintained. Horowitz stated city is not interested in taking on, Sweetwater is an example of a park with public access and privately maintained. Stone asked if the city has plans for Parcel M. Horowitz is not aware of any at this time. Stone asked if the sidewalk would be comparable value to the City as the park. Horowitz believes it will be, and if not installed with this would likely never be installed.

[6:41:32 PM](#) Pogue appreciates the proposed alternatives, less density and recommends do think about completing the sidewalk. Pogue thinks would be more productive to have that done than the park. Pogue referenced letter received from Sharon Barons regarding flooding in area, asking if those concerns will be addressed. Stahlnecker confirmed and will be going through calculations to fully understand concerns expressed by Barnes. Stahlnecker is working with the City Engineer and believes a resolution is available. Stahlnecker will be happy to provide the calculations before City Council.

[6:44:09 PM](#) Chair Fugate asked what the slope is on Parcel A in alternative 1. Stahlnecker explained less than 2%. Chair Fugate stated it seems to her that does have a park requirement, and if got the park in lieu fees if those fees could be applied to the sidewalk. Horowitz explained the way she reads the code is that that section reads parks and pathways, further discussing the code. Chair Fugate confirmed length of sidewalk area. Chair Fugate asked about turn around requested by the fire department. Davis confirmed applicant will provide a turn around. Chair Fugate thinks

1st park was impractical and thinks if it did go with a park would like to be sure it is HOA maintained. Chair Fugate would like to ensure complying with Park Ordinance if goes with sidewalk. Horowitz stated there is a memo from the Parks and Land Board that is referring to the 1st design.

6:49:13 PM Chair Fugate opened public comment.

6:50:12 PM Sharon Barnes, lives across the street from the development, purchased it in 2010, she appreciates that the commission read her letter and concerns, appreciates the discussion of open space, likes option one and does not think there is a need to revegetate it. Suggested if Sublot 2 could be considered as part of open space, that would seem more professional. Barnes does not think a sidewalk across the existing city property should count. Barnes explained the intent for open space is, stating this neighborhood has lost a lot of that with developments. Barnes stated would appreciate having something usable and to maintain the open feeling. Even if an additional setback on Sublots 1-5. Barnes stated the flooding is really a concern and glad calculations will be done. Barnes would like to see height restrictions as well.

6:53:38 PM Jake Libaire, applicant, thanked the commission for hearing the application and happy to answer any questions.

6:54:12 PM Elizabeth Jeffery, curious why there is just 7 units when zoned for 38/39. Are these big enough for ADUS and does LB allow for ADUs.

Chair Fugate closed public comment.

6:55:50 PM Davis explained no minimum and ADUs would be allowed. Horowitz suggested it may be good to review code to add a minimum.

6:56:37 PM Scanlon is wandering which is a greater asset – the park or the sidewalk. Scanlon expressed concern of violating ordinance, but if park is not needed sidewalk could be better benefit.

6:57:51 PM Horowitz provided sections of code that believes gives commission permission to choose sidewalk in place of the park. Horowitz discussed section of code referring to pathway. The portion of code reviewing is located on page 23 of the Staff Report. Discussion ensued.

7:01:06 PM Scanlon asked potential of having 7 lots instead of 6. Stahlnecker confirmed. Scanlon stated his opinion is to give 7 lots instead of 6, he would prefer to have the sidewalk and an extra lot.

7:02:06 PM Stone asked applicants reason for 7 lots. Libaire explained as a company does build high density units such as townhouses, that view this site as on the outer layers. Libaire explained envision this project fitting in nicely with existing area. Stone asked about height restrictions. Libaire explained will abide by the height restrictions of the zone. Stone asked if height limit is 28' in Hillside Overlay, Davis confirmed. Davis explained height restriction of 28' only applicable to Hillside Overlay, other lots would be subject to the zoning maximum which is 35'. Stone is ok with sidewalks based off definition in code. Stone understands concept of open space, but due to the limited density and fact it backs up to open space makes him feel ok. Stone suggested possible opportunity to include one townhome or 4-plex. Stone's opinion is that alternative 2 will fit best.

[7:07:45 PM](#) Pogue applauds the developer by meeting the standards set of the area, Pogue recommends goes with 7 lots plus sidewalk. Pogue would ask the developer to install trees in Lot M.

[7:08:45 PM](#) Chair Fugate agrees with what has been said and feels comfortable doing alternative 2. Chair Fugate discussed open space, but with 7 buildable lots it would seem more open than if the lots had 30 residences. Chair Fugate asked considering the flooding issues, if conditions have specifics on what will need to be done regarding the drainage and swell. Chair Fugate confirmed turn around is listed as a condition. Davis confirmed. Chair Fugate noted Serenity Lane is a private road and does not see traffic increasing on that road.

[7:12:20 PM](#) Stone asked commissioners and developers opinion on having one lot for 4-plex. Libaire explained planning to build ADU's on the proposed lots. Stone appreciates that, that concerned about inner mixing of those who can afford in a 4-plex and those that can afford to live on a large single-family lot. Stone stated this intermingling is important to him. [7:14:10 PM](#) Scanlon suggested a 2-plex in place of a 4-plex. Stone asked if could hear Pogue's opinion. [7:14:54 PM](#) Pogue stated will have 14 units, counting ADU on each lot and thinks that meets the character of the neighborhood better than a 4-plex. Pogue would be happier with a 2-plex with no ADU on that site, but does not think need to demand a 4-plex. [7:15:51 PM](#) Chair Fugate agrees it is good not to divide, builds a good community when intermix but for this subdivision, she would be comfortable with a 2-plex but does not know about a 4-plex. Chair Fugate respects and appreciates Stone's opinion. Stone stated if could have one lot with a duplex, would be happy. Libaire explained does not build million-dollar homes, homes they build start around \$350,000. Libaire explained view the potential ADUs as rentals, expressing not trying to address the 1% market. Libaire explained already have preliminary designs for these projects. Stahlnecker noted an ADU may provide a more affordable rental option than a duplex unit due to the maximum square footage standards. [7:19:30 PM](#) Chair Fugate thinks duplex is a good and is comfortable with homes with ADUs. Pogue is comfortable with single family home with ADU. Scanlon is also comfortable with that as well. Horowitz asked if could require ADU on each lot. Libaire stated Lots 1 and 2 may be difficult, concerned about not having enough room. Chair Fugate asked if condition could be ADU on each lot amenable to it. Libaire confirmed, Lots 3-7. Stahlnecker asked if time limit on ADUs or at time of construction of primary residence. Staff confirmed at construction of primary residence. Libaire confirmed ok with time requirement of construction of primary residence.

[7:22:19 PM](#) Davis went through conditions noting changes to 1) little one needs to include subplot 6 and 7., 9) would be condition remove discussion purposes and add applicant shall install, 11, 12 and 13 are removed, condition 14 is new condition 11) and will remain same, condition 15 (new condition 12) little 1 to be removed, new condition 14) sublots 3-7 shall contain single-family residence and accessory dwelling unit. ADU to be concurrent with new single-family residences. Davis confirmed new conditions 1-14 and now have 7 sublots.

[7:26:20 PM](#) Scanlon motioned to approve the Preliminary Plat Application by Quartz Properties, represented by Galena Engineering, where AM Lot 2A, Block 61, Woodside Subdivision #15 (2740 Winterhaven Drive) is subdivided into seven (7) sublots, finding appropriate square footages finding that the application meets all City Standards, and that Conditions (1) through (14) are met. Pogue seconded. Pogue- Yes, Scanlon – Yes, Stone – No, Chair Fugate –Yes.

PH 3 [7:27:35 PM](#) *Consideration of a City-initiated Text Amendment to the Hailey Municipal Code to Title 17: Zoning Regulations, Chapter 17.05, Official Zoning Map and District Use Matrix, Section 17.05.040, District Use Matrix, to amend General Residential Setbacks by adding a new note, Note #23, to the Minimum Side and Rear Setbacks, which establishes new setbacks from property lines abutting private property. **ACTION ITEM.***

[7:28:09 PM](#) Chair Fugate suggested break until 7:35 PM.

[7:33:35 PM](#) Chair Fugate called meeting back to order.

[7:33:48 PM](#) Horowitz explained amendment and history of request for this amendment. Horowitz explained no changes to Old Hailey, only other areas within the GR. Horowitz explained did review standards of Old Hailey as those seem to work well. Horowitz explained concern if add this without reviewing side yard setbacks. Horowitz asked if should start looking at side yard setback which will require the project to be renoticed.

[7:36:01 PM](#) Stone asked what City Councils concern that spurred this. Horowitz explained Council wanted to allow all lots to have ADUs while protecting the open space and light. Horowitz does think the 10' side yard setback is kind of useless space that the Old Town setbacks seem to work very well. Horowitz suggested possibly 8' and as height increases so does setback. Stone does not have an issue with the wedding cake idea. Horowitz suggested another option could keep side yards as 8' and rear as 10'.

[7:38:54 PM](#) Chair Fugate confirmed that makes sense, that there would still be 16' between homes. Horowitz confirmed, referring to Old Hailey which currently only has 12' between homes. Chair Fugate stated 16' seems like plenty. Horowitz noted that at a 10' setback, it defaults to a parking space where as if go with 8' area would not be wide enough for parking. [7:40:54 PM](#) Stone believes this answers the original concern of making some lots unable.

[7:41:44 PM](#) Scanlon asked for clarification of how height of house is determined. Horowitz stated height of house is determined by record grade, lowest point. Horowitz explained the lowest point of the property and the highest point of the house can never exceed the max height permitted. Horowitz explained the wall heights determine the side yard setbacks. Scanlon clarified if design house that is 35' with the outside wall over 20'. Horowitz confirmed would be permitted. Scanlon thinks that is fair.

[7:44:51 PM](#) Pogue agrees, it appears that 8' makes sense.

Horowitz explained this would be renoticed as the 8' was not included in the notice.

[7:45:55 PM](#) **Chair Fugate opened public comment.**

[7:46:29 PM](#) Elizabeth Jefferys, asked if snow storage is being considered.

[7:46:48 PM](#) **Chair Fugate closed public comment.**

[7:46:51 PM](#) Horowitz explained if have a single-family house outside of Old Town does not have to show snow storage unless adding an ADU and would have to show the snow storage on a site plan.

Commission and staff discussed snow storage requirements – outside Old Town single family residences. Horowitz confirmed staff can review standard of 10' of snow storage. Staff confirmed will notice for next available date.

[7:51:54 PM](#) Scanlon motioned to continue this public hearing to a date uncertain, allowing City Staff to renotice it. Pogue second. All in Favor.

Staff Reports and Discussion

SR 1 Discussion of current building activity, upcoming projects, and zoning code changes.

SR 2 Discussion of the next Planning and Zoning meeting: **May 17, 2021**

- PP: Quigley Block 3
- PP: LL Greens
- Rezone: LL Greens

Horowitz summarized upcoming hearing, reminding commission of DIF Hearing on May 13, 2021.

[7:55:33 PM](#) Pogue motioned to adjourn. Scanlon seconded. All in Favor.