

**MINUTES OF THE SPECIAL MEETING OF THE
HAILEY CITY COUNCIL
HELD THURSDAY, JANUARY 6, 2005
IN THE HAILEY TOWN CENTER MEETING ROOM**

The special meeting of the Hailey City Council was called to order at 4:00 p.m. by Mayor Susan McBryant. Present were Council members Rick Davis, Don Keirn, Carol Brown and Martha Burke.

OPENING REMARKS

Mayor McBryant briefly outlined the agenda, saying that a brief executive session would be followed by a one-half hour workshop discussion on the extension of sewer services beyond the city limits, then the council would hold a public hearing on the Growth Management section of the Hailey Comprehensive Plan. At 6:00 p.m. the council will hold a joint workshop with the Hailey Planning and Zoning Commission to identify key issues and set goals for 2005.

EXECUTIVE SESSION

Keirn moved, and Brown seconded that the council go into executive session to discuss pending litigation, personnel issues, and land acquisition. The council went into executive session at 4:05 p.m. Following a motion, second, and roll call vote to go out of executive session, the council went out of executive session at 4:15 p.m.

WS 456 EXTENSION OF SEWER SERVICES OUTSIDE CITY LIMITS

Mayor McBryant recused herself from the workshop, after which Council President Rick Davis chaired the workshop.

Public Works Director Ray Hyde introduced a report done by Carollo Engineers, which analyzed the stand-alone sewer needs of the Peregrine project. Hyde said his memorandum is a summary of a larger report in which Carollo Engineers had been asked to look at a 380 home development and the costs such a development would incur without coming into Hailey. He summarized the assumptions; that there would be 3.5 persons per home, and 100 gallons of sewage per day per home. The engineer had added on a peak factor and then discussed a system capacity of 200,000 gallons per day. The next step was to determine what type of facility could be used. There is a large variation in the types of systems that could be used. DEQ would highly likely not allow another discharge point into the Big Wood River. Either rapid infiltration basins, (leach fields) or land applications would be required. The engineer had then done a detailed report into each of those options in terms of costs, and had determined that a sequency batch reactor would be the type of facility needed. Estimated construction costs for such a facility would be \$2.4 million. Additionally, a winter storage pond would be needed, for a total facility cost of approximately \$3.5 million. These estimates do not take into consideration any land acquisition costs. Acreage will be needed for the footprint of the plant as well as a 50 acre site for the irrigation site. An additional 12 acres would be needed for a storage pump, and about ½ acre for the facility itself. The developer could

find off-site options for the irrigation site. BLM and Forest Service lands have been used for such sites.

Keirn asked about the impacts on wellhead protection. Hyde said no adverse impacts on wellheads would occur; a rapid infiltration system was not considered because it would affect wellheads. Hailey was required to discontinue use of its leach field when Bellevue developed Chantrell Subdivision. Hyde said even septic systems are safe if properly operated and maintained. Davis asked about a report regarding the aquifer and types of soils. Hyde said there is 20% failure in all septic systems. Blaine County presently has no requirement for a standard septic system to be inspected. The State has maintenance requirements, but no staff to insure that those maintenance requirements are enforced. He said if operated and maintained correctly, septic systems aren't a danger; but the lack of inspections causes him concern. If septic systems entail pumping into a mound, then the system falls into the State's five-year ordinance.

Burke said this addresses start-up costs. She asked about the cost to operate such a facility. Hyde said one full time employee could operate the facility; the operating costs above that would be substantial. After development occurs, a homeowners' association or sewer district would be formed, and homeowners would pay for that operation and maintenance. If Hailey allows services from this project to our facility, Hailey will look closely at the increased cost to operate our facility.

Rod Kegley asked why the city would go through the exercise of studying a 380 unit development proposal in the county, when the property is not zoned for such. The developer would have to go through county processes. Septic tanks work perfectly in some land conditions if maintained properly. His property and the Valley Club passed tests. He wants to see evidence that the Peregrine Ranch can't pass that test. Why should the rest of the community suffer for an upzone of that property? Why is Hailey hiring an engineer to provide consulting for a county subdivision?

John Drake of Silver Sage Subdivision agreed with Kegley, the owners are unanimously against that development. It is feasible, if they stick with the original zoning, to go to a septic system. There is an example in Hulen Meadows, where houses are close together, of success with septic systems.

Barry Luboviski, representing several adjoining landowners, said his concern with this proposal is the way it has been presented to the city. Wellhead protection is valid, but this developer is saying unless you give us sewer for 380 units, we'll contaminate your wellheads. That's not good. Instead, the developer should have proposed 100 units, and as the county did with Bob Dreyer's project, send the developer from the county to the city. Do we have to endorse an upzone with attendant negative benefits? This has been presented such that there is no way to say no in either direction. Have them come back with a proposal that meets the zoning. Buttercup Road doesn't need the extra traffic. This project doesn't have to be tied so that the developer can make an extra 50 million bucks.

Brown said the issues of density and zoning will be up to the county commissioners. If she had thought protecting our wellheads would result in increased density that would be a tough decision, and she would be willing to look at extending services at county density. Keirn said none of us considered that we wouldn't be looking at county densities. Burke said the very fact that the memo speaks to the 380 units makes that assumption. If we want to continue a dialogue, we might wait until the county has had a chance to pursue its dialogue. She doesn't want 380 units on our boundary. It is so simple; we can't handle it. Brown said inside the city, we could handle it. Davis said our wellhead can be protected by other means than extension of city services. Brown said if we extend our services, we can't tax our own citizens for the impacts of that development. Brown said a joint session and conversation with the county should be held regarding this.

Brown summarized that generally speaking we're not opposed to looking at extending sewer services at county densities, that protecting wellheads would be the goal, and we would do so only in such a way that Hailey taxpayers would not be burdened.

OPEN SESSION

Chris Simms said he disagreed with the process used to bring the Peregrine Ranch development to the table, outside the Local Land Use Planning Act. Marty Flannes said that development of such higher density would be under EPA standards, higher standards than those described in the presentation.

APPOINTMENTS

Three appointments to be made to the parks and land board were deferred to a later meeting.

Mayor McBryant said that Eddy Svidgal has asked to step down from the Hailey Planning and Zoning Commission. She appointed Stephanie Marvel to fill the balance of that term for one year. Burke moved, and Brown seconded that the appointment of Stephanie Marvel to Planning and Zoning Commission be confirmed by the Council. The motion carried unanimously.

HAILEY COMPREHENSIVE PLAN GROWTH MANAGEMENT SECTION

Kathy Grotto, Hailey Planning Director, said the Hailey Planning and Zoning Commission reviewed the Growth Management section of the Comprehensive Plan seven times. Along with growth we have amenities, but concerns accompany rapid growth. The overall goals seek to guide and manage growth. Nine separate policies have been drafted under the Goal, including:

- Growth not out-pacing our infrastructure and ability to provide services. Implications are on understanding our levels of services, and keeping updated capital improvement

plans. The final three implementations items talk about water as a resource, a recurring theme from the public.

- Defining the community core, and allowing for increased average density within the city core, by looking for high quality projects.
- Expansion of city boundaries will be required at some point. Infrastructure and city services could feasibly be provided, and the plan calls for supporting regional planning efforts.
- Directing growth in such a way that it will maintain green spaces and preserve sites of importance. Conservation methods, a TDR program, exploring options for incentives, overlay districts for historic sites, design review guidelines to protect historic areas, and the continued requirement of park dedications are tools.
- Growth should pay for itself, including insuring we get adequate annexation fees, with site specific exactions from those annexations. Obtaining adequate application fees to cover review, insuring new development covers fees of infrastructure, provide amenities in already existing neighborhoods.
- Continue having a balanced mix of housing as we grow, with new and creative development standards for housing, develop a cottage house ordinance, accessory dwelling unit ordinance, community housing, support a standard that would require all annexations to contribute toward community housing.
- Non-residential growth should infill the existing central business district first, avoid expansion of business along the highway, give height density bonuses, and development of neighborhood service centers that would provide small areas of services.
- Develop alternative modes of transportation
- policies regarding the airport site includes strong language (the commission wasn't unanimous) to limit further physical expansion of the airport, especially if the airport expansion requires land acquisition. The document supports airport relocation, and developing mixed uses on the current airport site.

Grotto said that language regarding conflicts within the comprehensive plan should be removed from this section, and inserted instead in the introduction, so that language would govern the entire plan.

Mayor McBryant opened the matter for public comment. John Gaeddert of Quigley Gulch Road said there is a definition for green space which the commission has amended, and handed out some language to be inserted there. This same type of definition is in the land use draft. The city has also pursued a master infrastructure management of growth, referring to Tischler's study, but he said he doesn't know how the city is using that study; there may be additional findings from the study or other studies used.

Gaeddert said he thought the commission had a different language regarding compact city; a slight language change should occur there. Requiring a balanced mix of housing is a departure from how we have traditionally done zoning in a lot of fine neighborhoods. The purpose of LR zoning is stable, low density, neighborhoods with only limited number of other uses compatible with neighborhood allowed. Euclidian zoning is based

on uniformity, not doing what this policy is talking about. Very successful parts of town are not doing this, and only one area does not do this, Woodside, where we may have messed up. He recommended deleting that language.

Kiki Tidwell of Sagebrush Arena Subdivision asked if the city has a policy to annex without the subdivision's consent. McBryant said that is not in our comprehensive plan.

Marty Flannes commended staff on fine work done here. Two things are lacking: under the local land use planning act, the plan should include desirable goals and objectives; and as we are talking about growth, how much growth should be discussed. That is a sensitive political issue, and that's avoided in here. Is it the policy of the city to expand the area of impact? That is a glaring omission from an otherwise admirable revision. Lacking too is a definition of growth, population increases, increase in physical size, development of existing land, zoning, and density. The title of the chapter says Growth management, not Growth Control. Expansive growth and expansion of the city occurs through PUD's and zone changes, and it is discretionary for the city to have broader powers over that. He would like the city to adopt a policy to control that type of growth, and to make a distinction between different types of growth, and expansive growth which create annexations or increases in density. He urged the council to take the initiative to implement these goals.

Chris Simms complimented the city and its citizens on participation in this well created document. He suggested a legislative agenda be set in these policies. Now is not the time to peddle, unless it is forward. He recommended stronger language regarding types of legislation, regional planning and a potential council of government.

Bill Hughes of 241 Eureka commended the staff in its unhasty creation of this draft. He recommend a regional wastewater treatment facility. Rapid growth tends to be malignant, attacking all the parts of the organism, including transportation, schools, and resources. If sewer were provided, it might serve better than simply to provide an enclaves of expensive homes. People who have those resources can access the private sector for snow removal. Regional planning is important.

Al Lindley of 505 East Croy said the city should complete its adoption of city impact area, extended to ridgelines, and suggested adding county "state, and BLM" because most of that land belongs to other agencies. Policy 6 should ensure that a balanced mix of housing is provided in the city. An economic study needs to be done of the airport, looking at positive long term development of that property (or non-development of that property).

Aaron Dominy referred to Euclidian zoning, saying Woodside is a bad example. He said the goal of this section is to integrate housing types and sizes. It attempts to curtail the separation of community housing, avoid separate districts of lower income housing. He suggested the city move cautiously in referencing the Tischler study, with its short-sighted analyses. Some things are worth looking at, such as a population analyses.

Terry Hogue of 419 South Main offered specific language regarding defining “compact community.” Policy 6 may not need to be fully eliminated. In the realm of annexations, city has complete control, can accept whatever it wants, so why tie that to one kind of subdivision. He suggested language to insure that community and neighborhood character is provided in future development through innovative design, and that the city consider development standards to ensure compatibility. That language would give broad control over annexations.

Allison Kennedy suggested adding a 10th policy just to emphasize regional planning, with steps to achieve those goals, saying that is the most important point of this chapter.

There being no further public comment, Mayor McBryant closed the public hearing.

Brown concurred that changing the green space definition is okay. She liked the term “compact,” it’s the opposite of sprawl. She asked if the issue of the PUD ordinance in terms of density bonuses came up during public meetings. Grotto didn’t recall anything specific. Brown said the area of impact surrounds the city, and those specific boundaries should be left to the negotiating process. Brown wanted to pull in some of Hogue’s suggested language into Page 6, policy 6.

Brown liked the accessory dwelling units language elements. Keirn had a problem about all single family lots containing accessory dwelling units.

Brown said page 7, item d does not address a situation such as when Hailey annexed a single property that was already developed. We would have never required such an annexation to do deed restricted lots, so she was looking for a little flexibility in that language. In Policy 9, she recommended changing one word, “when” to “if” regarding airport relocation, and reference the Airport Authority decision.

Burke liked the definition of 2 different kinds of growth, infill versus expansion growth. That is what we are struggling with. That again works with that regional planning concept. Well-defined could be a well defined sprawl; she liked the word compact. She recommended leaving language in regarding the ridgelines; protecting the ridgelines is our goal. She too wanted to incorporate Hogue’s suggested language. Whether it be downtown core or in established residential areas, there may not be room to put any accessory uses in without changing bulk requirement. Grotto said we may need to add additional bulk requirements. Burke wanted to explore what that would mean if we allowed it on all lots, but she didn’t want to hold up adoption of this plan for that exploration.

Keirn said this council hasn’t addressed Transfer Development Rights; do we want to put language regarding TDR’s in this document. Comprehensive plans are utilized to people’s own devious devices. Hailey should debate the TDR after we see where the county goes with it. The policy needs to recognize that the airport is going to close one day. He suggested eliminating B, and going right to C. He supported future transit stations and park-and-ride lots, and commended Item 7.f in reducing traffic.

Davis asked how do you define “reasonable” economic development. Burke said reasonable is not heavy industry, it’s compatible with what is in the community, clean, non polluting, non-noisy. Davis wanted the ridgeline language kept in there, even if we must negotiate with BLM. He liked Hogue’s definition under policy 6. Policy 9 boils down to supporting the airport authority’s master plan. The study will encompass the economic and social impact of moving the airport. He supported adding a section 10 to state a regional planning goal. Burke said this is Hailey’s comprehensive plan, and assumes our own guidelines. Regional planning is important, but this document is about our city. We don’t want it to tie us to any process with other agencies. We’ve been talking about area of impact for 12 years. Davis said we don’t have any say on what happens within our area of impact, and it would be good to insure we don’t have large densities on our borders. That should be a goal. Brown was comfortable that the ACI process will address that.

Keirn suggested adoption of requirements for parks for future industrial and commercial requirements, but not on current commercial development. We could look at in-lieu fees. Burke said the word “consider” is used, which is good, and softer. Keirn disagreed.

McBryant said this is a narrative, historical background, but if interpreted specifically, the Tischler report is becoming more antique. She asked the attorney to address including federal agencies in negotiating to establish area of city impact line. Williamson said the county and city negotiate, per state law. McBryant said item E. talks about exploring regional planning efforts. The purpose of this document is how we’re going to deal with the growth to our city. Regional planning as an entirely separate assignment. The council can become engaged elsewhere, but its primary assignment is health safety welfare of the city. Infrastructure issues can be handled a little differently. The city can be involved in regional planning efforts as they effect the City of Hailey. Continuing to cooperate with TDR efforts is not appropriate, and putting TDR’s into the comp plan almost makes it a fait accompli. TDR’s are the county’s opportunity to continue sprawl and the expense of the city. She was uncomfortable calling out a particular undeveloped piece of land in the comprehensive plan. Naming the airport property is like calling out Dumke’s property for master planning. Davis added that the airport is not the city’s land, it reverts back to the original owners. McBryant said this obligates the owner of this parcel to develop differently than other owners. “Consider” creation of a master plan may be better language. It is not inappropriate to have a definition with growth. The 2 definitions given by Flannes were really good. Development of existing land is infill. It might be worth while to define two types of growth. Not comfortable setting as policy an agenda to implement the growth management section. Don’t want to encumber future councils that may have run for office on platforms that negate these. Keirn said the language is a guide.

Brown said she would like to return to this when these edits are in; the council can come up with consensus then. Burke said this document is the guideline that says we want to plan carefully how and where growth occurs. Policy 9, it is a looming possibility, we would fail to do our job if we didn’t say the airport could relocate within 10 years. It is fair to say we want a master plan brought forward for that piece of property. Davis said

who are we going to ask to bring that master plan forward. Grotto said that parcel is unique in that it is adjacent to all different types of zoning. Burke said the airport has the road that is designed to go back to the highway. Brown said the mayor's word "consider" would work there.

Grotto was unclear on regional planning. The council consensus was the language was good where it is, but Grotto should add a bit of language.

Davis moved to continue this matter to the January 24 meeting. Brown seconded; the motion carried unanimously.

JOINT WORKSHOP WITH PLANNING AND ZONING COMMISSIONERS

Mayor McBryant introduced the new commission appointees, and said Kristin Anderson has been selected as the new chair, and Trent Jones as the new vice-chair.

The mayor said the purpose of this workshop is for an honest dialogue about what is working and what is not. Pat Cooley urged the commission to consider that what works elsewhere may not be applicable to Hailey. He said commissioners should know and learn the history of Hailey, and how we got to where we're at. The commissioners will hear a lot of "quality of life" phrases and need to figure out what that means to people.

Cooley said agendas are so overwhelming, it is not fair to the applicants. Starting meetings earlier didn't seem to work. Eddy Svidgal agreed, saying the meetings are long. He suggested the city consider paying a greater stipend. It is important for the commission to know there is backing from the council. John Seiller said the commission treated applicants fairly and politely. This is a volunteer job. We can't reduce the number of applications, but we can limit the meeting time. What's happened is based on sheer volume, not as much planning, too much dealing with applications. Incomplete applications are a problem, and we should require better standards for submittals. Applicants changes at the 11th hour without going through administrators shouldn't be allowed. Those applications should be continued. That would make those applicants very well prepared.

Trent Jones said he would like to see consistent design criteria. It is incumbent upon commissioners to hold firm with continuity of meetings. Hearings Examiner has been evaluated, he supported that. Taking another look at subdivision ordinance so we can improve on plats besides just in the technical aspect. We need to be able tie the subdivision ordinance to the comprehensive plan more effectively. He said he is also a citizen of Blaine County as well as Hailey, and has an internal conflict when he can't evaluate an application in the broader context. We're a unique community, and to be sustainable, we can't look at every issue in a vacuum.

Kristin Anderson said the support of the council is important. At the last meeting, when going over comprehensive plan issues, she appreciates the respect we have had for each other. We have become effective at disagreeing. It is hard to anticipate on those agendas

how long some items will take. We can't add to the number of meetings. She supported the idea of a Hearings Examiner. Lots of issues are a slam-dunk and could be handled by a Hearings Examiner. The overlay district needs more tweaking.

Seiller said he was in favor of clamping down on the types of applications the hearings examiner conducts. He cautioned against putting decisions that are impacting Hailey in a big way on one person. Community input is important in many issues. Davis asked if separate planning and separate zoning commission would be useful. Cooley said that had been discussed; they are very intertwined. Anderson said a separate design review committee may be useful. Keirn said exactitude in application requirements had a big effect in Boise. If incomplete plans came in, they got bumped to the back of the line. That had impact when the word got out.

McBryant said we should talk about goals, potential annexations, large rapid paced infill of existing city boundary, and traffic impacts. What would the commission like to achieve in the next year. One of the council's goals was to identify what would make an annexation desirable.

Elizabeth Zellers said her biggest goal is broad. Hailey is a blank slate with potential. This community has an amazing opportunity to develop the right way. Nancy Linscott said keeping in mind what would be good to see as the town develops, separating that from a preconceived notion of how the town should be, and learning that will go on to shape that vision. She would like to see the city get its arms around traffic pattern design, enhance the pedestrian friendly atmosphere, keep people safe on the streets when they're on foot, preserve open space serving multi-purpose uses on valley floor in addition to what we see in our view shed.

Stephanie Marvel said she doesn't suddenly have a vision now, having been involved for many years in keeping the library downtown, and keeping it vibrant. The townsite overlay, with its new infill houses, needs integration with Hailey. All the new, especially annexations, need to be integrated with Hailey, new houses shouldn't be built out to the street and not put in a sidewalk.

Jones said discussion with density issues is key. Developing tools to increase density within the community core helps us reach our goals. His primary goal was to revisit the subdivision ordinance.

Anderson said putting annexation applications on hold made her feel for those applicants. She would like to see those applications resolved.

Svidgal suggested a more streamlined process for applicants. Cooley concurred. One short meeting of the commission to identify what are workable goals. Anderson said one annexation took so long in getting to the commission, that there was already a lot of history. Seiller felt putting off those annexation applications was pretty tough. He encouraged the city to move forward on application reviews with the tools we have at the time. Human scale is important; he enjoys being able to walk through the community.

A way to take control of that is to have more density, more design criteria. We found a good model in Telluride, but customizing them for Hailey is a challenge.

Lindley said he would like to see an ordinance cited, rather than subjective criteria which taints the next application. He said the city should review its ordinances, and make sure there's not later language that says something different.

Flannes supported comments on regional planning. Nothing happens in the valley that doesn't affect Hailey. Brown said we don't understand what is meant by regional planning. Burke said since 1971 a lot of consolidated services have been discussed; at one time 5 people were trying to buy right of way to run a steam train up and down the valley. It is discouraging when we talk about community housing; Hailey is the only community that has participated. She supported operating for the good of Hailey without leaving out the community at large, but there is resistance from that community at large.

Dave Kier, the director of Blaine County Recreation District, said he appreciates regional planning; he sees Blaine County as his community. The lines do blur, but he urged Hailey to commit to working for some regional issues. Would like to see standards developed for bike paths and sidewalks. When put in writing we have less maintenance. One particular annexation project could provide a lot of benefit to the community. McBryant said an application for that annexation was never received.

Grotto said we are not clear on how a fiscal impact analyses will be accomplished. Will we have one study, a pool, or allow the applicants to choose their own.

Davis asked if the commission is interested in pursuing historical preservation; they were.

There being no further business, Mayor McBryant adjourned the meeting at 7:15 p.m.

Susan McBryant, Mayor

Heather Dawson, City Clerk