

BLAINE COUNTY PLANNING & ZONING COMMISSION
REGULAR MEETING

Thursday, Jan. 24, 2019, at 6:30 pm

*Main Meeting Room in the Old County Courthouse
206 First Avenue South, Hailey, Idaho*

MEMBERS PRESENT

Rachel Martin
William Ranill
Mike O'Farrell
Mark Pynn
Pat Murphy
Susan Giannettino

MEMBERS ABSENT

Open Seat

STAFF

Kathy Grotto

On Thursday, Jan. 24, 2019, Blaine County Planning & Zoning Commission Chairman Rachel Martin called the meeting to order at 6:30 pm.

ACTION ITEM: Zoning Regulations – Text Amendment: Public hearing and consideration of an application by Sun Valley Economic Development to amend Blaine County Code, Title 9, Zoning Regulations, by adding a new chapter 10A, Small Unit Residential District (SUR). This proposed chapter was previously known as "Dual Density." The text of the proposed chapter has been changed to eliminate the "dual" nature of the zoning district. Other changes include but are not limited to additional criteria for location and applicability, additional design standards, and a provision for residency requirements.

Rachel – Disclosures

Kathy for Notice:

Notice of the January 24, 2019, hearing was provided as follows:

- A. Published in the Idaho Mountain Express on January 9, 2019;
- B. public service announcement request to area media sent January 7, 2019;
- C. sent to all Blaine County political subdivisions on January 7, 2019;
- D. posted in at least five (5) public places on January 7, 2019, as evidenced by affidavit in file;
- E. sent to incorporated cities in County pursuant to Area of City Impact Agreements on December 24, 2018; and,
- F. The draft of the proposed amendments was made available on the county web site on January 10, 2019.

► **Motion:** Upon motion by Commissioner Pynn, second by Commissioner Murphy, and by a vote of 6 to 0, the Commission finds notice to be in compliance with applicable regulations in I.C. §67-6509.

Kathy – I have given you a public comment from John Campbell, received today, and 3 sheets

of maps showing potential areas of SUR and underlying zoning districts in these areas. These are the new materials all others are in your packets. SVED will now do their presentation.

Harry –We have made several adjustments to this version. These were 5 concerns raised about this proposal:

Accessibility to middle income earners –

Focus is on middle oncome earners. Defined as \$55,000/one person per year to \$131,000 for 6-person household per year. Our average household is 3 people/\$100,000. That is the point where the shortage is the worst. The months of supply continue to get worse. We need more incentives to close this gap. We tried to create objective standards to avoid problems caused by subjective standards. We have taken the 45 subjective standards down to 18 objective standards that are measurable. They will give opportunity for public comments in the process.

Ensure high quality with design controls –

There are sufficient controls to build the types of units compatible with the county's objectives. We have a chance to provide input to conform to the code. We can apply the code to rezone applications, and public input during the subdivision process.

Checks and balances in approval process-

How to keep unintended consequences from happening –

Ownership uses and keeping workforce housing here –

Last spring at the workshop, we presented the dual density approach. The first hearing had several questions we've tried to clarify. We've made adjustments to the text amendments and added an average unit size of 1300 SF for various house sizes. We've put in a minimum of 6 units to create more units and tightened up some of the standards. There are limitations to accommodate the Urban influence boundary, setbacks from highways and light industrial areas. We put in requirements for residency status.

The bulk of these parcels are zoned R-1, which is higher density already. Housing diversity is possible here. You can have the full variety of market types, single family, multifamily, multi-unit types are possible with this. We still consider the residency requirement component to be valuable and have brought that forward. We believe we can provide a meaningful amount of inventory. The contractual approach was chosen because the market has proven that lenders can't lend on deed restricted properties. The price is impacted by that. this residency requirement provides proof of residency sooner than deed restricted rentals/purchases. The possibility of the purchase to turn and sell for a profit is always there but the residency restriction will still have benefits.

In summary, we believe this proposal meets the comp plan requirements, and other criteria that this will be assessed against.

Rachel – Questions from the Commission?

Mark – on the 2nd slide, I am confused about design controls. I don't see many. The reduction of the 45 subjective standards to 18 objective is a noble attempt, but I don't think design is objective. I have concerns about design and landscape issues. Why eliminate those standards? These are high profile gateway properties and maintaining some quality is essential and we need safeguards to protect that.

Harry – in moving to objective standards, we tried to have things that are measurable and moved away from softer issues. We believe that units to be sold at market, they need to be better quality. \$33K to \$400k is the middle range.

Linda – SVED – the location of the application of this district is up to the County. The parameters we have in the text allows this corridor, but anybody who wants to apply for this needs to come to you for a rezone application.

Susan – this is a large and long corridor. There are other land constraints, but once we as a commission, say that this is applicable, we will have already said this is ok to do this, unless for there is some reason not to. What is your perspective on this?

Linda - you would have to take each one seriously. Is it appropriate for the location? The county doesn't have to rezone any property for any reason if the commission feels it is not the right place or even the right time. Rezones are not by right. The criteria need to be met and followed regardless.

Rachel – this proposal identifies specific areas, by adopting this language, we are saying this is appropriate for rezone applications.

Linda - there is the wording of “may be applied to” not “shall be applied to”.

Mike – so you are saying these areas meet the criteria/restrictions for that.

Rachel – Harry, you said R-1 and R-4 are not applicable, but any 1-acre lot could be?

Harry – after excluding the developed land, the majority of the land left to develop is zoned R-1. The bulk is already high density. The decision to not develop here is the commission decision.

Kathy – to clarify the discussion on the County review of rezone applications-there are a host of criteria to meet, but if there is an area shown on the map and the language says the zoning district could be applied to it, it could be perceived that the county has preconceived ideas to approve. the county has discretion to look at the comp plan and other standards, but I think the area could be tightened up as well.

Rachel – can we get input from Tim on that?

Kathy – ok

Linda – maybe a provision statement in that area that says no MOD or avalanche areas. A good portion of the R-5 and A-10 are in the MOD. That will lose a lot of that area.

Susan – I see it as a property owner could seek a rezone to build 6 to 13 units or put 1 house per acre. I see this as letting the applicant follow 2 paths, like the dual density. You could end up with no size restriction unless in the MOD or another overlay, why are you complicating it?

Harry – to preserve the right of 1-acre zoning.

Kathy – if this is applied to what is currently zoned R-5, then it is a rezone to SUR or 1 unit per acre zoning. The staff report has identified that problem.

Harry - the intent was to let the landowner retain the flexibility to keep 1 unit per acre or go with higher density. If that is a problem, we can change it.

Pat - on the accessibility question – would you go through the areas I have underlined and give

me your take on it. So many charts have been added since last time, and they all are difficult to understand. #1 is if there really are any middle-income people in Blaine County? #2 if they are all over the age of 65, and looking at affordability and average wages of professionals, health care nothing I see so far addresses that. Will you go through those pages and help to understand what I am missing? Page 7 of the staff report for example, that chart shows the 25 to 30-year age group has gone down from 37% of the population to 14% at the same time the 65-age group has gone up from 7% to 19%. All the age groups we trying to get into housing is a steady downward trend. Nothing shows that is coming up. I'm wondering if the proposal isn't aimed at just the 65 and older group? This tells me that the younger people are leaving and the older are moving in.

Then C2 – projections for growth. They show a 71.4% growth in the County, but 7.7% in Bellevue, 20 % in Carey, 12.8% in Hailey, 148% in Ketchum, and 269% in Sun Valley. Neither of those last 2 projecting gigantic growth are going to be able to provide middle income housing. I see these projections and wonder who are we aiming at? The affordability index on C3, the average wages are \$39,000 in 2016. That is 12,000 a year for a house. On a professional income of \$58,000 that is \$17, 000 for a house, or \$1460 month. It just goes down from there. The median of teachers is \$73,000, they could make \$1835 monthly payments. If the affordability index is 30% of earnings, these charts don't make me comfortable with changes we make to the zoning to provide housing for a range of people without going into higher ranges. I don't see how this addresses concerns we see in the statistics.

Mike – I see the demographics of the 65-age group growing. Some of them will have a house and might look to downsize. Even if they get a good sale price on the home, they may leave the county for better priced homes elsewhere.

David Patrie – I'll start with the demographics. Yes, there are middle income people. Yes, there are people under 65. One reason for the trends projected here is larger trends. Baby boomers are aging, the next generation didn't have as many kids, some of it is national. That demographic can't afford to live here, that's why you don't see it on the chart. The reason for the expense is low supply. This text amendment is about increasing the supply to bring the costs down. If teachers retire and want to stay in their homes as long as possible, we more homes for the new teachers to live in.

Pat – I understand that. I don't understand how this proposal addresses the homes or the numbers we see can be affordable. If the average nurse makes \$70k a year, and the home proposed is \$300K to \$400K, according to the math, is not affordable.

David – let me challenge that. there is a rule of thumb out there that says you can afford up to 3 times what you earn. If there is another person in the house making \$30K, that totals \$100K and they can afford a \$300K house. This is the range we are talking about.

William – what about the down payment these people need to qualify? This isn't realistic in any sense. The rule today is as applicable as it was 28 years ago. People couldn't come into this valley and make enough to buy a house. People who move here without a lot of savings can't buy a house. We as a commission have adjusted the CHOD to be able to build affordable units that working people can have a place to live. It seems to me you are taking that away from them. The first time you were here the range was \$300K to \$500K. interesting how it went down to \$400K. This is unrealistic for what we have planned for that area. You are enlarging the area and bringing in developers that will go after the money. You talked about an elaborate septic system that accommodates more units, but without control over the developers, they will put in the least expensive system to make the most money they can.

Rachel – I feel the CHOD is not functioning. It is too “regulation heavy” I would like to have Harry and David talk to that.

David – it is getting harder to move here with no money. This isn't a replacement for the CHOD. It is another tool that we want to add. I did a study of available units in Hailey and only 1 out of 450 was vacant. That is a .02% vacancy rate in Hailey. The CHOD was adopted in 2004. Now 15 years later, there have been 15 units developed, 3 which are deed restricted. That is not going to solve the housing crisis. That district needs to be amended or replaced. This is not replacing it. It could be an alternative to it. According to John Campbell, 60% of the Old Cutter's development is occupied by full time owners. If we do this right, it won't be just million dollar second homes.

Harry – in 6 months we talked to 100 businesses. The single biggest problem is people. They can't get mid-level professionals to help run the businesses. They're just getting along. We are talking about a 2-income household here. This is more to a variety of structures, not just ownership. The market now demands rentals. This is part of the solution. This is a tool that can develop different needs at different times.

Mike – how affordable is this when even with 2 incomes, the pay is eaten up by expenses?

Harry- my assessment is most people enter through the rental market then try to buy.

Mike – so shouldn't this be geared more toward rentals?

David – it is written to be either. The market can decide where to go.

Linda – this can be a tool in response to the market.

Susan – the Commission did some huge work on the CHOD, but the timing seemed to trip it up. So, you are saying this proposal doesn't replace the CHOD but overlays it. You also say this is an alternative to that. I'm confused with this.

David – if this is adopted, a landowner still needs to request a map zone amendment if they want to develop it. This would replace the underlying zoning. It would not change the whole corridor zoning. That is done by landowner request. It is at least a 2-step process.

Rachel – if large plat sub and Subdivision process is not required, we still have the issue of not much oversight once the property is rezoned. Because of the dual nature of the zoning, it is difficult to determine intent by a rezone. So, for rentals that don't need a subdivision, can we include a CUP?

Linda – we have seen the objective criteria handle those issues at the building permit stage under the development standards. We envision this becoming more user friendly. The 1 mile off highway and the light industrial areas were intended to follow the logic that the middle-income housing would be near employment centers, access to transportation. That is what drew the map for this.

Susan – did you look at the ACI as a more refined way of being closer to an employment area?

Linda – north of Hailey is ACI. Ketchum and Sun Valley ACI is not in this area.

William – the reason there has not been any projects in the CHOD to date is no water and no sewer. The Meadows plant can't handle that. it amounts to waiting for technology to catch up and land to be more affordable.

Rachel – would you like to talk about the septic issues?

Mike – talking about the CHOD and not having much done in 15 years. What are your plans to make this proposal successful?

Harry – we have been trying to find a way to encourage available units for middle income earners. There are other organizations that are making progress one or two houses at a time but is slow and painful. By opening up housing prices above the lower income bracket, we try to create a stairway for people to step up to. This way, people in low income housing get the opportunity to move up. The number of units available keep going down. We are trying to create a zoning code that will enable up to 13 units per acre, not just 1 or 2. Over time, 50 units a year to be built is an important part of the plan to enable more mixed units and more rentals as well as purchases.

Mike – have you talked with banks and credit unions to see what they could do to help you meet these goals?

David – the reason we have high confidence is we have goal to provide middle income housing. we have engaged landowners, developers and talked to them about this. We asked them for feedback and when there were concerns, we tried to address them. We talked with 4 banks about their ability to lend both commercial and residential, and on deed restrictions. Some said yes and some said no. we try to make these as marketable as possible.

Harry – we are looking for a way forward. We are looking at the big picture. We have gaps in terms of economy, attracting talent, trying to get companies to move here. We are seeing some positives in young professionals wanting to live here to escape big cities, looking for work here. We need to structure components of our economy to encourage those to move here. We want to work with you and staff to craft something that will work. We need to be creative and look for ways to address concerns and make some progress.

Susan – I like the idea of working residency requirements, and the idea of 10% which seems minimal to me. I would like to know your thoughts on this.

Harry – we are thinking of what would NOT negatively impact the sale of a home. If I have 13 units on an acre and 11 units sold at market value and 2 units have residency requirements, how do you increase the value of those 2 units? We don't want to see a discount on these units. I can't guarantee anything.

Mike – would those 11 units be adversely affected by the 2 residency units? Why would a residency requirement be bad for the other units?

Harry – I would like to hear from a realtor in the audience in response to that.

Pat – I really appreciate your work. I am heavily influenced by the statistics. I'm looking at the Blaine County workforce trend from Jan 2018 it says the workforce increased from 21082 in 2006 to 21791 in 2016. That is 709 people. It is tough to read this and see what we might

accomplish with this new proposal. It says that the affluent are attracted and can afford it here. Then it says that most jobs are in the lower paying hospitality sector and can't afford it here. It's hard to see the proposal of a new zoning area to be lot easier to go 1 unit per acre rather than 13. It's not profitable to build 13 units right now. If you remove this area, it won't be available if it is ever affordable.

Rachel – opens public comment. Please address the standards and not the locations.

Joe Scott - 102 River Rock Ct - To answer Susan's question about the 1-acre minimum zoning – the SCHD requires at least 1 acre for a septic system. I applaud what these people are trying to do, but eventually it will be built out and nothing will be affordable. The zoning David proposes, initially they build affordable homes, but market forces, a home could sell for \$300K and 2 years later it sells for \$500K. we've seen it happen all over the country. We have no control over market forces. After the 2-year, 10% minimum, it could be owned by investors or second homeowners who rent it VRBO.

Wally Huffman – 51-year resident of Blaine County – the idea of higher density smaller units might contribute to the solution to our housing issues has some merit. I worry about the definition of affordability, low cost, and now middle income. If you build a 1300 SF home and it costs \$200 per SF, it comes to \$260K, without land. If the land is \$30K, you're at \$290K. that is without water, sewer, power – add another \$50K. The cheapest 1300 SF home is between \$350 and \$400K. Does that qualify as middle income? If you want to make 20% on that \$400k home, you're now \$480K. Nowhere in any of this info is there any control over the pricing. As William says, the developer will build as cheaply to get the most profit. That is the starting point. If 10% of the people have to be a resident for 2 years, that sunset is way too short and the percentage is too low. This will become a market rate development. How do you protect yourself from the market forces? CHPUD has been a discussion for some time. The only reason it has no legs, is there is no infrastructure. If the landowners get together to solve it, they will find they can't afford it. I also believe that down the road the tech will be better for water and sewer. I also struggle with how we came up with the number of 13 units per acre as a maximum. As the density goes up, the standards go down. The amount of county control goes down. It seems to me that as the density goes up the standards should stay or go up as well. It creates water and pollution problems. It also creates circulation and fire problems. I would urge you to NOT compromise on the standards to facilitate the high densities. Keep those standards in check. I think this concept is worth discussing, but I have these concerns. Thank you.

Bob Crosby – SVBR – one concern to me is the demographic discussion. They can put into perspective with real life numbers in regard to who can afford this type of house. In 2018 there were 319 transactions for homes under \$450K. Of those, 158 were under \$275K. the median price of all these transactions is \$348K. Pretty close to the numbers this proposal cites. My point is there are a lot of people homes in this price range. Now I'll go through what's available today

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Bellevue – 1 home under \$275K; Hailey – 23 homes between \$275K and \$450K, 6 of these are under contract; 15 under \$275K; of those 15, 7 are under contract., so 8 are available. There is something around 20 homes available under \$450K, I don't think you have the time to wait for the tech to catch up. We need more tools for people to work with and run with it and make it happen. You guys get the last decision anyway. What's to lose by putting another tool in the toolbox?

Julie Cord – I want to speak to the 1-acre infrastructure issue. Because it's not an overlay, the 1

acre wouldn't still apply if you adopted this on your property. Having it in the code would give you the choice to do 1 or 13 units per acre. It gives the landowner a choice. The Meadows can carry this area, but it needs upgrading, but it's very expensive. Other possibilities are not easy or inexpensive. It's nice to have an option.

Nathan Harville - BCHA- I appreciate what SVED is doing. This proposal is a new and novel idea. After years of a lack of affordable housing, something has to change. This is a good beginning point for those discussions. We think the residency requirement is an effective tool. When you require the owner to live and work here, you are essentially scaling the price to the money that is generated within Blaine County. The BCHA thinks this is a good feature. This middle-income idea is a step above where we are currently working in lower income target of housing. We all want an affordable house regardless of we make. When our clients move up the income ladder, we want them to have the step up available to them. This proposal will do that. this is not a magic solution to the housing issue, but it is another tool and I am excited to see this discussion happen.

Pat – I have a question for Nathan. The timing and streamlining of the process of public engagement as well as a determined finality to the process will add to the ordinance's overall predictability. What does that mean to our decision making?

Nathan – our organization is attempting to construct affordable housing in Blaine County. We are currently in litigation and those fees are in excess of \$25K, which is an added cost and undermines the goal of affordable housing. My point is when a decision is rendered by this board the developer knows what to expect. The adjacent neighbors also know what to expect. The process moves along in an expeditious manner and people can move on.

Susan – Bob, Harry deferred to a realtor when we talked about a restriction on units for working residents and the effect on the values of those units? Does it affect the value of the other market rate units? Being a new tool, I don't expect facts.

Bob – yes, it has an impact. To put meat on it, lets go to the extreme. If all units are residentially restricted, regardless if it impacts the unit or not, a developer won't do it. It's too risky. Even if a developer went with it, banks won't. That's where art, not science, comes in, how much can be residentially restricted and still work? I would like to see you comfortable with a percentage that will achieve the goal to the degree it can while not putting this tool in an area that would never be used.

Susan – but if the goal is workforce housing, how could it be a problem unless the developer was hoping to market to people from Boise who are willing to pay a premium for a second home in Sun Valley?

Bob – there is no way to know that. The ideal is to have developments full of residents. The question is will it ever be built? In my opinion if this builds 100 units, then if 50 of those units are residents, that is a tremendous win. In Jackson Hole, they got rid of restrictions and after a time, they found that the building was full of full-time residents. It occurred because of the combinations of style and types of units.

Rachel – If I had to choose from 2 houses that were the same and one had the residency requirement and the other didn't, I would choose the one that didn't because life changes.

Susan – we all agree that 10% may be low. We want as many residents to occupy these as

possible. I personally don't believe that saturating the market to bring the price down will work in this location and the economy we are in. Using pricing to get to residency presumes that no one else is coming in and fill in the gap from elsewhere.

William – Nathan placed emphasis on residents in these units. Just 2 out of 13 units, 10%.

Rachel – that doesn't mean that is how it will fill out though.

Pat – throw in the fact of a 42% vacancy rate in the county. These are second homes that are not occupied. What's to say that these new market rate homes won't increase that vacancy rate?

Rachel - as Bob was saying if 100 units are built and 58 are occupied by residents with a 3 person family, that is housing for 150 people.

Mike – my understanding of this proposal is to provide affordable housing for people coming here with jobs. Now we're talking about residents who may be here only part of the year, but they're not here because of a job.

Susan – you have made strides but there is still a way to go to meet this criteria. Twin Falls and Boise are growing and those people would love to have an affordable second home in this area. When we build something that is low maintenance, relatively small, close to the urban center, second homeowners will buy and take this away from people working here. If the school system and St Luke's can attract working people here, we need to figure out how to get them into these places.

Rachel – I am confused about the process. Kathy, how do you see the process actually happening and what regulatory authority we actually have? We adopt this code and a landowner comes and applies for a rezone. What does that application look like? There are design standards in the chapter. Do they have to submit their final design at the rezone hearing?

Kathy – no - not at rezone. The proposed zoning has dimensional standards and administrative design standards that need to be met when a proposal for a small unit residential development comes in.

Rachel – if someone is not subdividing their property, they go to building permit then staff will administratively review?

Kathy- correct. At building permit, staff reviews every permit for compliance with the standards in the zoning district where it is located. First would be the rezone. Does it comply with the comp plan, can the new district be served by police and fire? Will the new district put stress on the highways depending how big and how many units in it? A traffic study is required. There would be various studies required for it to first be rezoned. Then any development would go through subdivision process or review of the administrative standards.

Rachel- they would have to apply to SCHED and DEQ for water and sewer and staff would have no review of that?

Kathy – they need approval from SCHED or DEQ depending on the system being proposed before submitting to us for a building permit.

Linda – I can add to that to help. The code allows you to require a development agreement if you find it necessary in the rezone. If the parcel was of a magnitude or the location or there was something about the property you would want to know what would happen before the rezone, you could require it. It does add another layer of negotiation and possible litigation, but it is a public process. You might get down to every detail or look at a concept, it could be specific or general, it's up to you.

Mike – what's the detriment if we do this if we had oversight over every proposal that comes in? There could be regulatory hurdles for someone wanting a rezone. Not as much as CHPUD. You don't think of it as excessive?

Linda – that's hard to say what excessive might mean. We are trying to avoid that but sometimes is unavoidable.

Mike – it is down to individual applications in zoning. Is there still enough control to deal with the questions we brought up?

Kathy – yes the County still has plenty of control over a rezone application. Opportunity to require studies and the county can have as much control as it wants including requiring a development agreement. By adopting this chapter we're not boxing ourselves into any one kind of development nor any specific location yet. One thing I do appreciate about this proposal is it does allow for a mix of different types of housing in terms of rental or ownership, detached or multi family. It allows for flexibility in development itself. The 1 area that is a lesser level of review would be for a purely rental project.

If someone came in with just a rezone and no project in mind, they rezoned 10 acres to this district, and not knowing if it is ownership or rental, that's why the standards were added for circulation and other requirements. Are we missing any important standards?

Harry - if this goes forward in a modified state, there are enough of a variety of potential sites where some of the rezone applications would be straightforward. Some will be more problematic. The development agreement allows you to deal with the more problematic ones. There are other standards and controls in place. That opens the door for more opportunity and interest.

Rachel- I like the small unit portion of this. I'm a little confused by the 1 acre and small unit. Can I get feedback from the commission to see how everyone feels about the combination of the 1 acre and small unit portion?

Susan – I didn't like that. It was confusing.

Mike, Mark, William all agree with that.

Pat – I agree but I want to know about the objectives. Under #6 it says, it incentivizes reduction of higher density housing in proximity to employment. If you could elaborate on that and #2 to require a maximum average size within a development to assure a mix of housing. under general standards A2, said dwelling shall not be subject to dimensional standards. That seems a contradiction.

Linda – that is if it is developed as 1 acre.

Pat – what does that have to do with objective #2?

Rachel – I feel there is a bit of a hole. Are there no setbacks on purpose?

Linda – if the 1 acre is deleted, will make sense?

Pat – and also under dimensional standards – “there shall be no minimum front, side and rear yard setbacks”. What I’d like is if you give drawings of what that looks like.

Linda – you could own a townhouse with 0 setbacks. The rest of it is owned by someone else. The same with a duplex.

Pat – I’m thinking of 13 units on one acre with no setbacks might be worthwhile seeing what that looks like.

Linda – it could be 13 units in one building.

Rachel – I like the required greenspace of 15% of area.

Kathy – there are required setbacks in the fire and building code too.

Pat – I’d like to know of #1 ex A3 under goals, talks about the unfilled need of moderate to lower priced housing. we’ve been talking about middle pricing of homes.

Harry – it is the concept of the middle earners.

Pat – you better scratch that sentence then.

Linda – lower means the deed restricted, lower income range.

Pat – I’m just reading what it says.

Harry- we can clean it up.

Mike – this is good starting point. Are we missing something that could be critical?

Susan – I agree that higher density should be in the urban centers. Another concern I have is I don’t love the map showing a mile on either side of the highway. Is there a way to refine that space?

Harry - can I suggest we work with county staff and GIS to identify the MOD and the SHO, setbacks and some other stuff? We can tune the mile to something that is simple to see.

Linda – what’s eligible and what’s not.

Pat – would you consider removing the gateway? So much effort has been put into preserving that area that if we look at other changes, I would feel better about it. I think the gateway satisfies most of the criteria. The gateway being the area between the highway and Broadway Run.

Susan – we spent a lot of time trying to figure out the power line run so I see the point of dealing

with how housing would fit in that open space between communities.

Kathy – we can talk about that when we meet with staff.

Rachel - Can we ask the commission how you feel about the 10% rule?

Mike – it needs to be higher

Susan – higher

Pat – higher

Mark – higher

William – higher

Rachel – what about the time frame? Is 2 years too short?

Susan – I think 2 years is short. I'm also for not setting in concrete. It may not fit 5 or 10 years from now.

William – I agree

Mike – I agree

Mark – I'm confused on these charts regarding meaningful review. Under this proposal, is there any public or P & Z commission review of proposals?

Linda – at rezone.

Harry – and creation of the ordinance.

Rachel – they are also saying the in the rezone process if the property has sensitive issues, we can require development agreements.

Mark - in a rezone, do we see a proposal?

Rachel -no, not unless there is a development agreement.

Linda – you can. Look at the development agreement and rezone criteria.

Mike – as it stands now, can we require a proposal to request a rezone?

Linda – one of the statements in the development agreement allows you to do that if you find that it's necessary.

David – see section 9-26-8 for additional requirements. That's where all those criteria are. Under rezone criteria you can require development agreement, under that is pretty wide open.

Harry – I'm curious to know if the Commission is more concerned about short term rentals or second homeownership. Short term rentals can be dealt with HOA. There are other

mechanisms to restrict uses.

Pat – remember that the County has no overview of CC&Rs. Did we get all answers on the time frame from the commission? We have 5 for higher percentage but not all on the time frame.

Harry – the view is every year BCHA or who the county designates, would go to the owner and confirm the residency requirement.

Kathy - to contrast the deed restrictions on units designated for affordable housing and managed by the housing authority, most deed restrictions are in perpetuity. Their resale price is limited. That's why the staff report says 2 years is very short. Maybe 20 years is too long. Yes things can change but we're still going to need housing units available for residents.

Harry – there are unintended consequences if the time is too long. You buy a residency required home and your mom in California gets sick and you need to go take of her for 9 or 12 months, you just unqualified yourself as a resident.

Nathan – to Kathy's point – most of our deed restrictions are in perpetuity. That is something we are looking to update our community housing guidelines for our 5 year plan. We are trying to find that sweet spot so we can be flexible with those types of scenarios so you won't be in a position to lose your house. We are trying to build flexibility to be responsive to the needs of our residents.

Wally – I think there should be a time period. If you build 26 units and you stop and 3 are subject to this residency clause, there is a time period that those units have to be occupied by residents. The county comes in to check and they're not. What do you do? The developer is gone, there's no one to penalize. Where's the enforcement?

Harry – there is a contractual agreement as part of the purchase/rental agreement between the purchaser/renter and the BCHA.

Wally – ok. So they don't have proof of residency, what are the penalties?

David – the deed restrictions have enforcement mechanisms in them. Contracts can be written using those as an example.

Mike - The BCHA is different than what is proposed here. Will the contracts come under authority of BCHA?

Rachel – there would be a contract for the residency requirement between the owner and BCHA who would have enforcement authority over that contract.

Nathan – we do have that feature built into the deed covenants and could be built into a contract, if there is a violation a sale could be on that property. Ideally that wouldn't be the case because we don't want that relationship with somebody. This is not a common occurrence, but it is enforceable.

Mike – what is a good period of time to require residency to prevent someone from buying one of these house and 2 years flipping it. Is it 5 years? I think 2 years is too short but I don't know what that number would be to discourage that activity.

Joe Scott – I just want to thank all the commissioners for doing this.

Rachel – thank you. How about the 2 years?

William – I say 5 years. I don't think this is a good fit.

Rachel - we need something to encourage development. If what we have was working, it would be developing.

Pat – as far as the timing, I would hope the BCHA would give us a history of various things. 2 years is too short but I wouldn't like the perpetuity. I would like feedback from other sources.

Mark – I agree with that

Bob - the issue I have seen is it is not quantitative. The residency thing is not that big a deal. A resident can sell to a resident. When it gets to be a big deal is preventing it in the first place, and if it is so long, no one will buy it in the first place.

When people who owned deed restricted homes couldn't sell when the market crashed. The reason they bought those homes was the guarantee they would never go down. The point is they were allowed 4% per year increase. Even when the market went up 20%, they gave that incremental gain on their home away because they felt it would never be less than that. However, when it came time to sell it in the depressed market, they couldn't. That's when these kind of things become problematic, when people are forced into making a decision to buy a home with some kind of restriction on it. If you push it too far, people will say I'm not doing it, I'm not buying a restriction. It's relatively less attractive if you set the restriction too high.

Pat – Aspen had some deed restricted homes that were for employees and it seems to be successful. We could look at those places to see how it works. A lot of people can't afford to get in. That's the whole reason for the BCHA having deed restrictions or whatever. What is that magic number if we want people in these houses?

Rachel – Harry, any other feedback you would like?

Harry – no. There are some adjustments we can make in response to what everyone has said.

Susan – I think you should come back.

Rachel – I like the proposal but I don't like the 1 acre zoning portion of it.

Mark – I'm concerned about the way you go about public review in this project. I might be more comfortable with a mandated development agreement in all cases, but there could be some that get approval to move forward. The architectural standards are pretty lax and objective. It's very hard to write objective standards. Design by nature is subjective. Quality is also subjective. The ordinance doesn't guarantee quality. There's no real quality in any of this. It's too objective.

Rachel – but more review cost more money and in order to keep it affordable...there is the 15% common space and what it can be used for. What would make you more comfortable?

Mark – the current process does a better job. You can see the quality of design from Bellevue to Sun Valley. It takes a little regulation to ensure quality.

Susan – would it be useful to go through the CHPUD design standards? Is there any way of seeing if something got lost?

Mark – at the last meeting I requested a comparative analysis between the current CHPUD standards and this proposal. I don't see it.

Pat – for me the hurdle is the area that goes to Broadway Run. I don't see any protection to what we considered to be affordable housing in that area. I think the proposal would get that. I would like some sort of guarantee that area will stay intact.

Mark – for another tool in the box for middleclass housing should have some decent standards. I appreciate the challenges you face trying to crack this nut. It's not easy. I think we need to see what we're getting with more review standards.

Mike – we have a complex on Hospital Way that the quality is above standard. Do we have other projects that the standards comply to the zoning as far as design?

Rachel – we would like an analysis of the CHPUD area specifically the design standards. I will look over the rezone and development agreement standards.

Kathy – we need some time. We need to find a later date and re-notice. Feb 14 date is full, then comp plan. Feb 28 is possible but more than 30 days out. Otherwise it's the first meeting in March. We won't re-notice till we have the new materials ready.

Rachel – would anyone like to make a motion to continue to a date uncertain?

Pat – I move to continue this to a date established by staff.

William - I second

All in favor – 6-0

Tom- we do have a resolution for the Board on Tuesday for your compensation increase. I will send you all a copy of that.

Rachel – I also saw there is an appointment of a new member.

Tom – actually it is interviews. There are 6 applicants, which is the most we've had that I can recall. There should be appointed soon. Only 1 applicant is from the south end, the others are from the Hailey area.

Mark – I can't make the 14th of March.

Rachel – and the 28th is spring break from school. I can't make that one.

Kathy – can we think of an alternate date in March?

Susan – I would like it sooner.

Kathy – I will see about the availability of March 21 as a special meeting. A week earlier than spring break.

Tom – a week earlier is preferred for projects to get started and on the ground.
Any other scheduling issues?

Mark – what's happening with Idaho Power?

Rachel – any appeals yet?

Tom – not yet. They have until the 5th of Feb. and the BCC has not scheduled anything. There's been internal discussion about coordinating the funding challenges about the appeal.

Susan- would the appeal be on the website?

Tom – the appeal would be only on the record. No expanded opportunity for public comment or supplemental materials. We will stay in touch about this with you. That is true also of any funding discussion. There is a renewable energy demonstration project un related to the appeal that will be on the agenda for the 12th of Feb.

Reports & Business

A. Findings to discuss: Verizon Wireless CUP- Picabo Mtn

Rachel – we have a set of findings for the WCF CUP of Verizon Wireless. Any comments?

Pat moves to approve the Findings for the Verizon CUP

Mark – I Second

All in favor- 6-0

B. Next meeting dates: Feb 14; Feb 28; Mar 14

C. Determination of notice:

D. Updates:

E. Discussion:

Adjourn

William – I move to adjourn.

Pat – I second the motion.

All in favor- 6-0

The meeting adjourned at 9:25 p.m.

Respectfully submitted by:



Tina Lewis
Recording Secretary