

## STAFF REPORT

**TO:** Hailey City Council  
**FROM:** Beth Robrahn, Community Development Director  
**RE:** Quigley Canyon Ranch Annexation  
**HEARING:** August 29, 2011

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**Applicant:** Quigley Green Owners LLC  
**Property Location:** Quigley Canyon east of Hailey  
**Current Zoning:** Blaine County: R- .40, R-5, R-10, Urban Influence Boundary, Mountain Overlay, Wetlands and 100 Year Floodplain

### Notice

Notice for the public hearings on August 29, 2011 was published in the Idaho Mountain Express on August 10, 2011. The notice was mailed to property owners within 300 feet August 10, 2011 and to public agencies and to area media on August 12, 2011. Notice was posted on the subject property on August 22, 2011.

### Procedural History

The Council held nine public hearings between January 2009 and August 2009. At the last public hearing, Council indicated the need for a more complete fiscal analysis before making findings on Comprehensive Plan compliance and to that end directed staff to negotiate a draft annexation agreement with the applicant to bring back to the Council for review. Thereafter, the City Administrator, Engineer and Attorney had several meetings with the developer. Over the course of discussion of the potential terms of an annexation agreement the applicant drafted a proposed agreement that reflected several changes to the original plan. Given the changes staff thought it was prudent to ask the Council for direction regarding the changes prior to continuing discussion of an agreement with the applicant. Council was introduced to the changes on July 25, 2011 and scheduled a public hearing for August 29, 2011 to gather public input on the changes and decide how to move forward with the application.

The list of off-site impacts that staff was directed to discuss with the applicant included:

- Water Rights. The applicant has obtained a decree from the SRBA Court showing that the primary surface water right (Right No. 37-19736) has a priority date of April 15, 1880, making it one of the earliest water rights in Blaine County. This water right has a diversion rate of 2.36 cfs and is appurtenant to 276.5 acres.

- Drinking Water Well. Engineering studies have shown that the development needs to provide a source of water capable of providing 745 gpm to meet their potable water maximum day demand requirements. The City of Hailey currently has sufficient water rights to handle the 745 gpm. A cost sharing formula should to be considered in any annexation agreement. The method proposed by city staff is to have the City of Hailey pay for the incremental cost of a new well needed to increase the capacity from 745 to 1,500 gpm.

- Recycled Water System. As originally proposed the Quigley Canyon development presented an opportunity for the use of recycled water on the golf course; and simultaneously answered the question from the public concerning whether there is sufficient water from Quigley Creek to cover the irrigation requirements of the development. At a daily average discharge from the wastewater plant of 600,000 gallons per day the volume matches closely to the projected needs for the development and could be supplemented as needed with Quigley Creek water. The elimination of construction of the golf course also eliminates the benefit to Hailey in terms of the opportunity to use recycled water.

- Wastewater Connection. The developer has agreed to connect to the City of Hailey wastewater system which presents a capacity issue with the Woodside Blvd trunk line. To address this issue a proposal has been made to install a new trunk line in the ITD ROW next to Highway 75. This proposal is less expensive than replacing the Woodside Blvd trunk line and provides flexibility for east west future. Without the Quigley annexation the need for this new trunk line is many years in the future. Therefore it has been city staff's position that this cost should be borne by the developer.

- Off-Site Traffic: Off-site traffic impacts are divided between Fox Acres Rd and Quigley Rd/Deerfield neighborhood and are addressed separately. As the impact to Fox Acres Rd will likely be more immediate, it is recommended that the proposals by the developer for reconstruction be a part of the initial project development and that, as proposed by the developer, those costs be borne by the developer fully. The developer met extensively with Deerfield neighborhood citizens and developed a plan for addressing their traffic concerns. Proposals have been made for improvements within Deerfield and along Quigley Rd to address the neighborhood concerns. While the City of Hailey CIP addresses the need for additional pedestrian access along city streets, there are no specific proposals for the Deerfield neighborhood. The discussion section in this staff report elaborates on the changes to the off-site traffic impact.

The Planning and Zoning Commission held hearings on April 7, June 18, June 19, June 24, June 25, June 26, July 7, July 21, August 4, and August 19, 2008. The Planning and Zoning Commission recommended approval of the original proposal with 54 recommended conditions. The City Council received the Commission's Findings of Fact, Conclusions of Law and Recommendations on September 22, 2008.

### **Procedure for Council Review**

The procedure for review of annexation application is cited below in bold. In the case changes are made to an original annexation proposal the process set forth in Title 14 of the Hailey Municipal Code regarding annexations does not procedurally require the proposal be sent back to the Planning and Zoning Commission. An overview of the original submittal and the changes, with analysis of aspects of the changes are provided in this staff report. In addition, a comparison of the conditions last discussed by Council, with reference to the original recommended conditions, is provided in this staff report.

The following is a suggested procedural approach for the August 29, 2011 public hearing:

1. Staff briefly recites history of application and outlines future options.
2. Applicant makes presentation with an emphasis on the revisions to the application.
3. Public comment.
4. Council makes a decision on:
  - a. Whether to remand the specific land use changes to P&Z for analysis.
  - b. If Council decides to remand to P&Z, then decide:
    - i. What, if any, instructions should be provided to P&Z and
    - ii. whether a concurrent review by Council and P&Z would be useful to allow the Council to continue with discussions of fiscal issues while the P&Z reviews the land use changes
  - c. If Council decides not to remand to P&Z, then decide:
    - i. whether to continue to a date certain to evaluate the revised application in light of the three standards;
    - ii. whether to continue to a date certain to obtain more information;
    - iii. whether to deny the application based on the three standards;
    - iv. whether to approve the application based on the three standards; or
    - v. whether to table the application to allow further negotiations of the annexation agreement.

### **14.01.090 COUNCIL REVIEW.**

**A. Conduct and Notice of Council Hearing. Upon receipt of the Commission's findings of fact and conclusions of law, the Council shall schedule a public hearing to review the application for annexation. Notice of the public hearing shall be conducted in the same manner as the notice for a Commission hearing pursuant to Section 14.01.070 of this Chapter. The Council shall have the right to request further information deemed necessary by the Council at any time during the proceedings.**

**B. Fiscal Impact. To assist the Council in the determination whether an annexation will have any negative fiscal impact, the Council may, in its sole and absolute discretion, require the applicant for annexation, at the applicant's sole expense, to submit a fiscal analysis or an updated fiscal analysis by a qualified and**

independent person or firm acceptable by the Council and in a format acceptable by the Council, to determine the proposed annexation's impact and to recommend the base amount of annexation fees. The Council retains the right to require further monetary or non-monetary contributions for any annexation. The applicant has the right to seek the City's approval of such a fiscal impact study at any point in the annexation process.

C. **Findings.** During the public hearing process of the application for annexation, the Council shall make its own findings of fact and conclusions of law to determine:

- 1) whether the proposed application will be harmonious and in accordance with specific goals and policies of applicable components of the Hailey Comprehensive Plan, and
- 2) whether the proposed annexation generally complies with the Hailey Comprehensive Plan, and
- 3) to the extent possible, whether the proposed annexation will have a negative fiscal impact upon the existing citizens of Hailey at the time of an annexation and in the future.

If the Council finds general compliance with the Hailey Comprehensive Plan, the Council shall then consider the application for a zoning classification and consider any and all factors it deems, in its sole and absolute discretion, important to determine whether an application for annexation shall be granted or denied. If the Commission made negative findings related to the Comprehensive Plan under Section 14.01.080 and therefore did not make a recommendation on zoning classification for the property sought to be annexed, but the Council subsequently made favorable findings related to the Comprehensive Plan and wishes to proceed with the annexation, the Council shall remand the proceedings to the Commission for its recommendation on zoning classification.

D. **Decision.** The Council has the sole and absolute discretionary right to approve, approve with conditions or deny an application for annexation. In addition, the Council is authorized to require, as a condition of approval, that the applicant and the City enter into an annexation agreement providing for the terms and conditions of an approved annexation. In the event a subsequent development proposal materially differs from the development shown in approved annexation, the annexation agreement shall provide that the proposed development may be denied, that the applicant shall be responsible for any increased annexation fees and/or that the property may be deannexed. There shall be no right of an appeal by an applicant or by an affected party from an adverse recommendation by the Commission or from an adverse decision of the Council on an annexation application. If the Council elects to approve the application for annexation with or

**without conditions, the Council shall also establish the appropriate zoning district(s) for the annexed property in accordance with the procedures set forth in Article XIV of the Hailey Zoning Ordinance.**

**Attachments**

- Original site plan and phasing (stamped ‘Original’)
- Revised site plan and phasing (stamped ‘Received April 28, 2011’)
- Proposed school site, streets sections, off-site street improvements (3 exhibits), well site, off-site sewer line, trail plan and wildlife corridors and habitat (3 exhibits)
- Memo from City Engineer (content also incorporated into staff report)
- Draft annexation agreement, drafted by applicant, dated June 23, 2011
- Update of Traffic Impact Study, Lochner, August 2011

**Discussion**

The following table shows the various elements of the original proposal (first column) compared to the changes (second column) with analysis when appropriate. On August 31, 2009 the Council was presented a list of conditions based on their discussion to that point; which included the conditions of the SPF report dated December 31, 2008. A separate table showing the conditions, last discussed by the Council is also included to note the applicability of each condition relative to the changes to the proposal.

<b>LAND USE</b>	
<b>Original</b>	<b>Changes</b>
<p>Total acres = 1,109 Residential (including roads) = 226</p> <ul style="list-style-type: none"> <li>• open space/parks/hillsides = 679.5</li> <li>• golf/nordic = 198.2</li> <li>• clubhouse/restaurant = 5.4</li> </ul>	<p>Total acres = 912 Residential = 205.56 acres</p> <ul style="list-style-type: none"> <li>• open space/parks/hillsides = 706.44</li> <li>• hillsides and trail areas = 612.52</li> <li>• open space/park = 93.92</li> </ul>
<p>Buffers the Deerfield neighborhood with a public trailhead, 3 acre entryway park and the 250 yard hole #2</p>	<p>Existing residential buffered from new residential by proposed school site</p>
<p>Included development in Deadman Gulch and beyond the pond at the east end of the canyon</p>	<p>Deadman Gulch was removed from the annexation; one home site is proposed to be developed within the jurisdiction of the County, but subdivision would not be pursued. Development beyond the pond has been removed from the proposal. The applicant has an application with the County for subdivision of the area beyond the pond. The county application would be withdrawn if annexation is successful.</p>
<p>Basic land use efficiency calculations:</p> <ul style="list-style-type: none"> <li>• Units per acre 386 units/1,109 acres = 0.34</li> <li>• Residential units per acre 386/225 = 1.72</li> </ul>	<p>Basic land use efficiency calculations:</p> <ul style="list-style-type: none"> <li>• Units per acre 444 units/912 acres = 0.49</li> <li>• Residential units per acre 444/206 = 2.16</li> </ul>

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

Residential Units per Residential Acre (RU/RA) - the number of households (residential lots, sub-lots or units) divided by the underlying acreage, excluding all land in non-residential use, easements and public right-of-way. The above calculations include residential lots and right-of-way, but excludes parks and open space.

The Comprehensive Plan land use analysis (page 25 of the 2010 Hailey Comprehensive Plan) provides general growth scenarios to accommodate various growth rates projected to 2028. At an average annual growth rate of 2.50%, in 2028 an additional 5,034 people would need to be housed.

- If development continued to occur at an average of 2.0 units per acre, then 481 acres would need to be annexed to accommodate the projected population increase of 5,034 people in 2028 (this average assumes the infill of vacant land within the current city boundaries).

- If the Quigley annexation as proposed accommodates 1,137 people (assuming 2.56 people per household or unit), then 3,897 of the 2028 population increase (at 2.50% growth rate) would still need to be accommodated by either infill at high densities or annexation of additional acres. For example, an additional 761 acres would still need to be annexed to accommodate 3,897 people if development occurred at 2.0 units per acre. If infill of existing vacant land is assumed than that acreage would go down to 241 acres.

<b>LAND USE – HILLSIDES, COMMUNITY HOUSING &amp; MISC.</b>	
<b>Original</b>	<b>Changes</b>
659 acres of unbuildable hillside property to be zoned open space	No change
No development allowed, recreational uses only on slopes > 15% (trails, portions of 3 golf holes / nordic course)	Golf course eliminated, otherwise no change
425 acres of hillside dedicated to the city for non-motorized recreational use only; 234 acres of hillside on the south side of the canyon would remain part of private lots but would be unbuildable.	No change. The Fire Department has concerns about the cost of maintenance of the hillside property dedicated to the city. The Parks and Land Board previously stated it recommends hillsides greater than a 15% slope be publicly owned land (as they are in the Woodside subdivision) and noted that some of the lots in Parcel 6 go up the hillside on slopes that are greater than 15% and suggested if lots are limited to 1/2 acre any conflict with portions of the lots being zoned RGB be resolved regarding maintaining public access
No community housing proposed	The P&Z recommended 20% of the lots be dedicated community housing; the revised proposal states no community housing will be provided.

<b>TRANSPORTATION</b>	
<b>Original</b>	<b>Changes</b>
Includes construction of a number of transit-related infrastructure improvements.	No change
Provides bike/ped connectivity to town and through the site.	No change
Improvement of Fox Acres Road access to 3-lane section from traffic signal to school to mirror existing road improvements through high school campus; directs traffic to the established fox acres road arterial street	<p>The street improvements were previously a part of the developer’s proposal based upon the traffic study conducted with less homes and a golf course. The changes to the plan includes a more direct access from within the development to Quigley Road. An update prepared for the applicant indicates projected volumes are 12% lower with the revised plan (the elimination of the golf course off-set the increase in residential units).</p> <p>The city engineer recommends an independent estimate of these proposed off-site improvements to ensure accuracy. A cost sharing of the roundabout at Fox Acres and Woodside Blvd is also recommended to be included in an agreement as it is unclear on Exhibit “I” if that is the case.</p>
Quigley Road serving as the secondary access to north side of development for only motorized emergency and public non-motorized.	Quigley Road is proposed to be a secondary access, but fully accessible and gravel past the lots at the mouth of the canyon. The developer also proposes the secondary access be gravel with dedication to the city for repair and maintenance. City standards require streets to be paved. If an unpaved street is found by the Council to be appropriate, then accepting maintenance of a sub-standard street is not recommended.

<p>Varying street sections at 45', 48', 58', 65' and 68'</p>	<p>No change. Exhibit "F" shows proposed street sections for the development which do not meet current standards, the standards could be amended to include other options. Sections with less than 50' of ROW could present problems with future maintenance.</p>
<p><b>RECREATION - PARKS, PUBLIC ACCESS &amp; TRAILS</b></p>	
<p><b>Original</b></p>	<p><b>Changes</b></p>
<p>Golf Course - affordable Audubon championship 18-hole public golf course on 198.2 acres owned debt-free by the recreation district</p>	<p>No golf course would be developed. Land for golf course deeded to the City and left as open space; proposed to be used for sustainable agriculture. Land could be developed into a golf course in the future. Golf course to agriculture changes the fuel type for wild land fires from mowed grass to crops which could include tall dry brush that could contribute to faster moving fires.</p>
<p>Permanent Nordic facility on 198 acres owned by the recreation district vs. year-to-year CUP on private lands</p>	<p>No change in the proposal, however the applicant has indicated that the Nordic program will be discontinued if developed within the County (eg. remanded to P&amp;Z or not annexed).</p>
<p>Public clubhouse / Nordic center / restaurant with outdoor seating, decks, fire pit and public spaces on 5.4 acres</p>	<p>Site maintained for future clubhouse; but applicant does not propose to build</p>
<p>Community sledding hill</p>	<p>No change</p>
<p>Stocked fishing pond for benefit of public</p>	<p>No change</p>
<p>Parks - 15 acres of new parks at six dispersed locations - Quigley pond park, trailhead park, overlook park, community garden, town center &amp; main entry park</p>	<p>No change; the Parks and Lands Board and Planning and Zoning Commission recommended consideration of active park space, such as playing fields.</p>

Preserves access to recreation in the canyon with continued multi-use & motorized access to BLM lands east	No change
Expanded into Deadman’s & other locations on the ranch	No change
<b>RECREATION - PARKS, PUBLIC ACCESS &amp; TRAILS</b>	
<b>Original</b>	<b>Changes</b>
3 improved public trailheads dedicated to the city; plus one at the end of the property beyond the pond	No change
4.8 miles of new improved inter-connecting trails and bike paths	No change
Buttercup mountain (“Antennae Hill”) trail to be improved & extended over to Hangman’s Gulch	No change
Creation of a south canyon toe-of-hill trail extension (Woodside through school and east out canyon) dedicated to the public	No change
New walking trail to be 6-7’ wide & non-motorized; safer / more pet friendly; less dust; similar grade; same sun exposure	No change
Newly designed IMBA (International Mountain Bike Association) trails for hiking and biking	No change
<b>WILDLIFE</b>	
<b>Original</b>	<b>Changes</b>
Wildlife corridors protected	The wildlife corridor originally preserved just east of the development in the mouth of the canyon (the area extending from the proposed driving range and through holes 4-9 and 18) is now proposed to be occupied by residential lots. The other corridors originally proposed have not been changed
Winter range protected	No change (northern hillside)

<b>WATER</b>	
<b>Original</b>	<b>Changes</b>
<p>Brings water rights to support recreational green spaces created for Hailey citizens and public</p>	<p>The developer has proposed transferring their water rights to the city upon approval of the first development phase subdivision final plat in lieu of any annexation fees. SPF Water Engineering has reviewed this proposal and has some questions as to the true value of these water rights to the city. The value of the water will be dependent on future use by the City of Hailey. Possible uses include (1) irrigate lawns and landscaping in the development, (2) irrigate open land conveyed to the City by Quigley (even if the open land is returned to natural habitat open space, it will require irrigation during the transition to establish natural grasses, shrubs and trees), (3) irrigated agriculture (Quigley proposes continued agriculture use during development), (4) transfer of groundwater rights to the City’s municipal water right portfolio to provide irrigation within the City’s service area, (5) conversion of the groundwater rights to municipal use, (6) use of the Quigley Creek rights for mitigation, etc. SPF has recommended that an appraisal of these water rights be undertaken before we agree to this request. This also addresses comments regarding the lack of a proposed irrigation system on private lots by the developer. Whether any remaining water right not used for such irrigation could be used for mitigation of conjunctive management requirements is not known at this time. The unknown answers to the water rights issue is the reason why an independent appraisal is recommended.</p>

<p>Dedication of an improved separate pressurized irrigation system and water rights to support the Audubon-designed golf course and city-specified improvements of the 6 parks</p>	<p>The applicant makes no provision for installing a separate irrigation system in the revised proposal.</p>
<p>Integrates a landscape plan that limits water demand while preserving and enhancing the natural environment</p>	<p>The installation of an overall water distribution system would require specific elements such as a pressure reducing station and a booster pump station (including multiple pumps). These are not specifically addressed in the proposed agreement but would be a requirement of final engineering plans. Another consideration is the value of the Quigley water storage tank providing both peak day demand and fire protection capacity. SPF makes the case for recovering this cost from the applicant.</p>
<p>Responsibly uses water: Audubon, water re-use, metering, xeriscaping, limited lot irrigation</p>	
<p>Well site</p>	<p>The applicant proposes a municipal well be developed at the eastern end of the property with a cost sharing arrangement with the city. The development’s estimated average day demand is 400 gallons per minute (gpm) which the applicant proposes using in the cost sharing agreement. SPF’s suggestion is to use their maximum day demand at 745 gpm in calculating the cost share agreement for the well construction costs. The applicant also proposes that the value of the well site be deducted from the costs of the well installation. Given the location of the well site in what appears to be open space the city engineer questions the actual value of this property and recommend this be negotiated with the applicant.</p>

<b>PUBLIC FACILITIES</b>	
<b>Original</b>	<b>Changes</b>
Re-uses Class A water on-site	The applicant is requesting septic systems be allowed on properties greater than 1 acre in size at the far eastern end of the development. This would be allowed by the Health District and DEQ under current regulations but would require a revision of City Ordinance as septic systems are not allowed within city limits. The City Engineer does have some concerns with this and the proposed location of the municipal well which can likely be solved with a relocation of the well site.
Uses state-of-the-art treatment system to handle wastewater	
Installs an advanced wastewater treatment system	
	Following the sale of the 150 <sup>th</sup> lot, the applicant commits to participating in the construction of a new sewer line down the bike path to relieve the Woodside Blvd trunk line with a contribution of \$1,500,000 to the cost. The time frame is acceptable as there is enough capacity in the Woodside Blvd trunk line until the 150 <sup>th</sup> home is constructed. It is recommended on this item as well as all other off-site improvements, that the costs be tied to the Construction Cost Index published by the Engineering News Record magazine.
Dedicate land for an additional fire bay to maintain city fire ratings	No change
No school site proposed	Some contribution to the BCSD was recommended by P&Z; the revised proposal includes a school site provided to the BCSD as an option to purchase (see letter from applicant to BCSD attached)
Not addressed	No change

## **FISCAL IMPACT**

During the previous annexation hearings there was a financial impact study prepared by Richard Caplan & Associates and reviewed by city staff. This study was redone in December, 2010 and reviewed again by city staff.

This restudy changed the parameters considered in the initial study, most notably projecting a 15 year build-out instead of the initial 10 year build-out. The restudy projected an annexation fee of \$3,352,472 although a more thorough review of the financial impact may be determined by the Council to be necessary.

The applicant has stated that the value of the water rights outweighs the annexation fee impact noted in the study and therefore no annexation fee should be required. As stated previously, the City Engineer recommends an appraisal of the water rights value before accepting this conclusion.

**CONDITIONS PREVIOUSLY DISCUSSED BY CITY COUNCIL**

<b>LANDUSE</b>	<b>Applicability of Condition Given Changes to Proposal</b>
1. Lots larger than a half acre shall be limited to a half acre of disturbance, excluding the driveway. Fences are prohibited beyond the disturbed area of each lot. <b>(P&amp;Z Condition 10 modified)</b>	Still applicable
2. Noxious weeds shall be eliminated and controlled. Prior to construction, the Applicant shall submit to the Planning Office a weed management plan for the abatement of weeds both during and after construction. <b>(P&amp;Z Condition 8 modified)</b>	Still applicable
<b>WATER/WASTEWATER</b>	
3. With each phase of development, the developer shall demonstrate adequate water in quality and quantity to supply the amount of development in each respective phase. <b>(P&amp;Z Condition 35 modified)</b>	Still applicable
4. Water rights, both surface and groundwater, shall be conveyed to the City of Hailey at a time agreeable to the parties. <b>(P&amp;Z Condition 36 modified)</b>	<i>Council Discussion</i>
5. The Applicant shall dedicate a site for the installation of a new municipal water system, consisting of a well, well house, pump, motor and back-up generator, in a location mutually agreed upon by the City and in a location at the farthest feasible eastern location. The Applicant shall install a new well with a 1500 gpm capacity. Once the well is deemed operational by DEQ and IDWR, the operation and maintenance of the well will be the responsibility of the City of Hailey. The Applicant and the City shall participate in a cost sharing arrangement with the City to pay for the new well to be determined by an annexation agreement. <b>(P&amp;Z Condition 37 modified)</b>	<i>Council Discussion</i>
6. The Applicant shall assist the City in preparing and filing the applications necessary for municipal water rights for the well site the Applicant is dedicating to the City. <b>(P&amp;Z Condition 38)</b>	<i>Council Discussion</i>

<p>7. The Applicant shall pay future applicable water and sewer connection fees, user fees, and other fees as required by the City. <b>(P&amp;Z Condition 39)</b></p>	<p>Still applicable</p>
<p>8. Most irrigation within the development shall continue to be from on-site surface and ground water diversions under existing water rights. <b>(SPF Condition 1)</b></p>	<p><i>Council Discussion</i></p>
<p>9. The Applicant shall construct:</p> <ul style="list-style-type: none"> <li>a. A new municipal water system consisting of a well, well house, pump, motor and back-up generator.</li> <li>b. A booster pump station with a back-up generator.</li> <li>c. Distribution and transmission mains required for the development.</li> <li>d. Any required pressure-reducing stations.</li> </ul> <p>These improvements shall be warranted for a one (1) year period following the initial use of the systems. <b>(SPF Condition 2). Staff Comment:</b> An operating water system is part of the subdivision ordinance. Therefore, most of these conditions merely reflect the requirements of the subdivision ordinance.</p>	<p><i>Council Discussion</i></p>
<p>10. The Applicant shall pay for the following:</p> <ul style="list-style-type: none"> <li>a. The City’s costs associated with the acquisition of new water right(s) to serve the development’s domestic (and limited residential irrigation) needs. In the alternative, the Applicant could acquire the required permit(s) and transfer the permit(s) to the City.</li> <li>b. The City’s costs to modify the places of use of existing municipal water rights to include the development.</li> <li>c. The City’s engineering review time related to supplying water to the development.</li> <li>d. Operational costs of the booster pump station until there are enough connections in the development to make the operation self-supporting. <b>(SPF Conditions 3 and 4)</b></li> </ul>	<p><i>Council Discussion</i></p>

<p>11. A separate irrigation system to be used for the irrigated portions of the development shall be constructed by the developer, and shall be owned and operated by the City of Hailey. The separate irrigation system shall have a metered charge different from the potable water system, as determined by applicable city ordinance and resolution.</p>	<p><i>Council Discussion</i></p>
<p>12. The development be required to connect to the City of Hailey wastewater system with the following conditions:</p> <ul style="list-style-type: none"> <li>a. 90% of the cost of upgrading the Fox Acres Rd pipeline should be borne by the developer.</li> <li>b. Either a replacement of the existing sewer line in Woodside Blvd or in an alternative location should be at the developer's expense.</li> </ul>	<p><i>Council Discussion</i></p>
<p>13. The Applicant shall construct a reclaimed water system which may be connected to the separate irrigation system within the development. The ponds proposed on the golf course may be used for storage of reclaimed water.</p>	<p><i>Council Discussion</i></p>
<p>14. The reclaimed water line should be constructed in the most beneficial location as determined by the City. Any appurtenances to the main reclaimed water line to properties other than the development should be borne by the City of Hailey. The Applicant may participate in a cost sharing arrangement with the City to pay for the new reclaimed water line to be determined by an annexation agreement.</p>	<p><i>Council Discussion</i></p>
<p>15. The priority of irrigation uses shall be as follows: golf course first, parks second and individual lots third. The annexation agreement shall specify terms and conditions of the priority of irrigation uses.</p>	<p>No longer applicable</p>

TRAFFIC	
<p>16. The Applicant shall install the proposed off-site improvements within the Deerfield subdivision (<i>i.e.</i>, raised intersections and additional stop signs on Buckhorn Dr., speed humps, and striped bike lanes) in accordance with City Standards and upon final design approval by the City Engineer. Pedestrian Activated Lights may also be required but only after further study. <b>(P&amp;Z Condition 12 modified)</b></p>	<p>Still applicable</p>
<p>17. The Applicant shall install intersection improvements as identified in the traffic impact study, in accordance with City Standards and upon final design approval by the City Engineer. <b>(P&amp;Z Condition 13)</b></p>	<p>Still applicable</p>
<p>18. The Applicant shall install the proposed improvements to Fox Acres Rd, in accordance with City Standards and upon final design approval by the City Engineer. If a roundabout is found to be infeasible by the city, then a right turn lane on Woodside Blvd at the intersection with Fox Acres Rd shall be installed. <b>(P&amp;Z Condition 14 modified)</b></p>	<p>Still applicable</p>
<p>19. The Applicant shall install traffic calming, street design, bicycle facilities and sidewalks on Quigley Road and on Bullion Street and Croy Street from Eighth Avenue to the Wood River Trail, as determined by the City and in accordance with City Standards, including forthcoming Complete Streets standards, and upon final design approval by the City Engineer. The Applicant may participate in a cost sharing arrangement with the City to pay for the improvements to Bullion and Croy streets to be determined by an annexation agreement. <b>(P&amp;Z Condition 15 modified)</b></p>	<p>Still applicable</p>
<p>20. The Applicant shall construct transit related infrastructure on-site, in accordance with the needs and standards identified by the Mountain Rides Transportation Authority, including but not limited to bus stops with pull outs, bus shelters, bike racks at bus stops, signage, and pedestrian linkages to bus stops. <b>(P&amp;Z Condition 16 modified)</b></p>	<p>Still applicable</p>

<p>21. The extension of Fox Acres (from the current City limits to the public land to the east) and the extension of Quigley Road to the entrance of Large Block Parcel 1 shall be dedicated to City and maintained by the City. <b>(P&amp;Z Condition 18)</b></p>	<p>Still applicable; parcel numbers should be adjusted</p>
<p>22. All roads within Large Block Parcel 1 shall be dedicated to the public and maintained by the city, except the alleyways in Parcel 1 shall be private. Each of the non-collector or smaller roads and cul-de-sacs within Large Block Parcels 2-6 shall be private. The alleys in Parcel 1 and the non-collector or smaller roads and cul-de-sacs within Large Block Parcels 2-6 shall be platted with easements for utilities and public access and shall be maintained by the owners of the lots through a homeowner’s association <b>(P&amp;Z Condition 19 modified)</b></p>	<p>Still applicable; parcel numbers should be adjusted</p>
<p>23. All private roads shall be a platted as a separate parcel, platted as public access and provide future connectivity if determined necessary by the City of Hailey. <b>(P&amp;Z Condition 20)</b></p>	<p>Still applicable</p>
<p>24. Cul-de-sacs within the development shall be connected by shared use pathways as determined necessary by the City of Hailey and shall be constructed in accordance with City Standards, subject to final approval by the City Engineer. <b>(P&amp;Z Condition 21 modified)</b></p>	<p>Still applicable</p>
<p>25. Antler Drive shall provide pedestrian and bicycle connection to the new development and shall be constructed in accordance with City Standards, subject to final approval by the City Engineer. <b>(P&amp;Z Condition 22 modified)</b></p>	<p>Still applicable</p>
<p>26. The Applicant shall construct a 10’ wide separated shared use path from the high school to eastern boundary of Large Block Parcel 4, as shown on the Site Master Plan, in accordance with City Standards and AASHTO guidelines. <b>(P&amp;Z Condition 23 modified)</b></p>	<p>Still applicable; parcel number should be adjusted to E</p>
<p>27. A secondary emergency access shall extend east of Parcel 1 on the north side through Parcel 6. This secondary emergency access shall be platted with an easement for emergency access, shall be constructed in accordance with applicable standards under the International</p>	<p>Should reflect the road being a secondary access open to the public.</p>

<p>Fire Code and shall be maintained and kept open to allow year round access. <b>(P&amp;Z Condition 24 modified)</b></p>	
<p>28. If a design is determined to be feasible by the city within the existing right-of-way the Applicant shall install a roundabout at Croy St, 8<sup>th</sup> Ave and Eastridge Dr, in accordance with City Standards and upon final design approval by the City Engineer.</p>	<p>Still applicable</p>
<p>29. Access to the development from Quigley Road shall be maintained and the Applicant shall install the recommended design measures within the lower canyon portion of the development and Quigley Road in accordance with City Standards, subject to final design considerations and final approval by the City Engineer.</p>	<p>Still applicable</p>
<p><b>TRAILS, PARKS, OPEN SPACE AND HILLSIDE AREAS</b></p>	
<p>30. The Applicant shall build all trails and designated public parks on the development consistent with the Site Master Plan and in accordance with City Standards. Easements for the trails for public access, construction and maintenance shall be granted to the City. The parks shall be dedicated to the city. All trails shall be constructed during Phase 1 of development. Improvements to the parks shall include but are limited to turf, irrigation systems, play equipment and signing and shall be reviewed through the subdivision or PUD process with recommendation by the Hailey Parks and Land Board. <b>(P&amp;Z Condition 26 modified)</b></p>	<p>Still applicable</p>
<p>31. The Applicant shall construct one or more active playing fields in accordance with Hailey’s Subdivision Ordinance. The type of field(s) shall be based on a community demand assessment reviewed by the Hailey Parks and Lands Board and on recommended space requirements specified in the Facility Development and Space Guidelines of the Hailey Parks, Lands and Trails Master Plan Standards and Guidelines. <b>(P&amp;Z Condition 25)</b></p>	<p>Still applicable</p>

<p>32. All public parks (31.1 acres proposed) and public open spaces above the proposed trail on the north side of the canyon shall be dedicated to the City and open to the public, except the Community Garden, which will be dedicated to the HOA. <b>(P&amp;Z Condition 30 modified)</b></p>	<p>Still applicable. There are conflicting policy considerations for this condition. On one hand, it would be more consistent with past practice to also dedicate the open space on the south side of the canyon to the city. On the other hand, ownership of the open space may create a significant liability to the city. Control over the open space could be achieved through contractual restrictions.</p>
<p>33. The Applicant shall construct single-track dirt trails on the development to the BLM boundary, consistent with the IMBA Trail Solutions plan depicted on the Site Master Plan. <b>(P&amp;Z Condition 27 modified)</b></p>	<p>Still applicable</p>
<p>34. All parks and open space areas dedicated to the city, and pathways shall allow public access. <b>(P&amp;Z Condition 32 modified)</b></p>	<p>Still applicable</p>
<p>35. The Applicant will maintain parks for 2 years following completion and acceptance by the City. After two years the city will take over responsibility of park maintenance. <b>(P&amp;Z Condition 31 modified)</b></p>	<p>Still applicable</p>
<p>36. Snowmobile access on roads within the development shall not be permitted.</p>	<p>Still applicable</p>
<p>37. The golf course clubhouse parking lot shall be signed as public trailhead parking to access the trails on the south facing slopes.</p>	<p>Should be modified to generally address signage for trail heads.</p>
<p>38. Winter use of the trails on "Quigley Hill" (or "Radio Tower Hill") on the northeast side of Quigley Canyon shall be restricted in order to reduce the impact on wintering wildlife. Use of the proposed sledding hill will be allowed.</p>	<p>Still applicable</p>
<p>39. A trailhead for motorized vehicles and trailers shall be provided at the far east end of the development should the trailhead proposed on BLM land not be constructed.</p>	<p>Still applicable</p>

<b>GOLF COURSE AND NORDIC FACILITY</b>	
40. The land occupied by the proposed golf course and Nordic facility shall be deeded to the city. The term and conditions of this condition shall be detailed in the annexation agreement.. <b>(P&amp;Z Condition 28 modified)</b>	Still applicable even though no golf course is proposed to be constructed.
41. The golf course and nordic facility shall remain for public use in perpetuity. In the case the golf course and nordic facility cease operations, or if either facility is not built, the land shall revert to open space. The term and conditions of this condition shall be detailed in the annexation agreement. <b>(P&amp;Z Condition 28 modified)</b>	Still applicable even though no golf course is proposed to be constructed.
42. The golf course shall be built as an Audubon Sanctuary course. The Audubon Sanctuary golf course standards shall be reviewed and approved as part of the final annexation decision by Council. <b>(P&amp;Z Condition 29)</b>	No longer applicable
43. A recreation plan shall be developed and agreed upon by the Blaine County Recreation District, the City of Hailey and the Applicant, including but not limited to, title, lease, and joint fees agreement.	Still applicable even though no golf course is proposed to be constructed.
<b>ANNEXATION AGREEMENT – FEES, PHASING, GUARANTEES</b>	
44. The phasing of the development shall be developed in accordance with the Phasing Plan Summary of the Site Master Plan, unless otherwise agreed by the city to maximize orderly development, and as specified in an annexation agreement. <b>(P&amp;Z Condition 48)</b>	Still applicable
45. Phase 1 shall include: the construction of the eighteen (18) hole golf course with attendant features (golf course, clubhouse, driving range, and maintenance facility); stream rehabilitation subject to applicable city and other governmental approvals; construction of Quigley Road and Fox Acres Road from current city limits to the end of the development following the alignment depicted on the Site Master Plan or as otherwise approved by the City; dedication of the hillside open space; and construction of trails and trail heads. Construction of all park areas and their	Phasing should reflect proposed changes

<p>dedication to the City shall occur during the approved phase the park is located within. <b>(P&amp;Z Condition 49)</b></p>	
<p>46. Development of Phases for the Large Residential Parcels 1 through 6 shall occur in accordance with the conditions and requirements of the city, and all subsequent subdivision approval requirements and findings. <b>(P&amp;Z Condition 50)</b></p>	<p>Still applicable; parcel numbers should be adjusted</p>
<p>47. The Applicant shall pay annexation fees for residential and non-residential uses that impact City services to be determined in a fiscal analysis and as negotiated by the City Council. <b>(P&amp;Z Condition 51)</b></p>	<p><i>Council discussion</i></p>
<p>48. Responsibilities of the Applicant and the future homeowner’s association to improve and maintain paths, parks, roads, and open space areas, and other items specified by the City Council shall be established in covenants, conditions and restrictions, and adopted concurrent with subdivision or PUD approval for the development. <b>(P&amp;Z Condition 52 modified)</b></p>	<p>Still applicable</p>
<p>49. The Applicant shall construct the ordinary on-site improvement that relate to all subdivision, PUD and phasing approvals, including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>a. Water and sewer as specified by the city engineer and approved by the City Council;</li> <li>b. Roads, sidewalks, trails and bike paths consistent with the Site Master Plan;</li> <li>c. Undergrounding of utilities (<i>e.g.</i>, cable, gas, electric);</li> <li>d. Landscaping of all parks and right-of-ways;</li> <li>e. Intersection street lights; and</li> <li>f. Park improvements consistent with specifications approved by the City Council after duly receiving the recommendations of the Parks Board and Commission. <b>(P&amp;Z Condition 53 modified)</b></li> </ul>	<p>Still applicable</p>
<p>50. The Applicant shall post sufficient security and/or record liens to insure the construction of certain on-site and off-site improvements during certain time periods as specified in an annexation agreement.</p>	<p>Still applicable</p>

**P&Z CONDITIONS NOT PREVIOUSLY DISCUSSED BY CITY COUNCIL**

<p>51. The Applicant shall make dedications and contributions as determined by the Council to ensure no negative fiscal impact to the City and its existing residents. The terms and conditions of the dedications and contributions shall be specified in an annexation agreement. <b>(P&amp;Z Condition 44 modified)</b></p>	<p>Still applicable</p>
<p>52. The annexation agreement will specify the amenities to be provided by the developer, but does not imply approval of a specific design or approval of any other applicable city requirements. <b>(P&amp;Z Condition 45)</b></p>	<p>Still applicable</p>
<p>53. The Applicant shall receive approval of other applicable requirements of the city as a condition of annexation, including but not limited to Planned Unit Development, Subdivision, Design Review, Hillside Alteration and Stream Alteration Permit. <b>(P&amp;Z Condition 46 modified)</b></p>	<p>Still applicable</p>
<p>54. All applicable city standards shall be met unless the city agrees to waivers through the Planned Unit Development (PUD) process. <b>(P&amp;Z Condition 47)</b></p>	<p>Still applicable</p>
<p>55. The Applicant shall, upon annexation, pay to amend various City maps as deemed necessary by the City, including, but not limited to comprehensive plan land use map, annexation legal metes and bounds map to state, and zoning maps. <b>(P&amp;Z Condition 54)</b></p>	<p>Still applicable</p>
<p>56. Building in any area designated as a “red zone” in the “Snow and Avalanche Hazard and Mapping Analysis Quigley Canyon Ranch, Blaine County, Idaho”, Arthur Mears, December 2007 is prohibited and a site specific study and engineered building plans of any building permit in any area designated as a “blue zone” in the “Snow and Avalanche Hazard and Mapping Analysis Quigley Canyon Ranch, Blaine County, Idaho”, Arthur Mears, December 2007 is required. <b>(P&amp;Z Condition 3 modified)</b></p>	<p>Still applicable</p>
<p>57. Hillside areas, defined as slopes which equal or are greater than 15 percent, shall be dedicated</p>	<p>Still applicable</p>

as open space and recreational uses and zoned RGB. <b>(P&amp;Z Condition 4)</b>	
58. No buildings on slopes which equal or are greater than 15 percent are permitted. <b>(P&amp;Z Condition 5)</b>	Still applicable
59. The Applicant shall contribute 20% of the residential units within the development, as income deed restricted Community Housing. The terms and conditions of the community housing contribution shall be specified in the annexation agreement. <b>(P&amp;Z Condition 6 modified)</b>	<i>Council discussion</i>
60. The Site Master Plan shall comply with city-required Firewise/Wildland-urban interface standards and/or guidelines, as adopted by the city, including designation of enforceable fire resistant landscaping and building materials. The Applicant shall submit a Fire Plan for approval by the City. Upon approval of a Fire Plan by the City, the Applicant shall implement said approved plan. <b>(P&amp;Z Condition 7 modified)</b>	Still applicable
61. Prior to construction, a construction management plan shall be filed with the City that designates travel routes for large vehicles and depicts staging areas and other details specific to the development. <b>(P&amp;Z Condition 9)</b>	Still applicable
62. Undeveloped areas shall be zoned RGB. <b>(P&amp;Z Condition 11)</b>	Still applicable
63. Wildlife migration corridors throughout the development, in the locations specified on the Wildlife Corridor map, shall be a minimum width of 500 feet. <b>(P&amp;Z Condition 33 modified)</b>	<i>Council discussion; portion of corridor narrowed.</i>
64. The recommendations of the Applicant's wildlife biologists shall be implemented, unless otherwise determined by the City. <b>(P&amp;Z Condition 34)</b>	Still applicable
65. The Applicant shall contribute to the City for a future fire station with employee housing in an amount determined through the fiscal impact analysis, with the terms and conditions specified in an annexation agreement. <b>(P&amp;Z Condition 41 modified)</b>	Still applicable

66. The Applicant shall contribute land and/or a dollar amount for a future school facility determined through the fiscal impact analysis to be determined by an annexation agreement. <b>(P&amp;Z Condition 42 modified)</b>	Still applicable
67. The Applicant shall contribute to the Hailey Public Library in an amount determined through the fiscal impact analysis, with the terms and conditions specified in an annexation agreement. . <b>(P&amp;Z Condition 43 modified)</b>	Still applicable