



REGULAR KETCHUM CITY COUNCIL MEETING
Monday, February 3, 2014 at 5:30 p.m.
Ketchum City Hall, Ketchum, Idaho

Present: Mayor Nina Jonas
Council President Michael David (by phone)
Councilor Anne Corrock
Councilor Baird Gourlay
Councilor Jim Slanetz

Also Present: Ketchum City Administrator Gary Marks
Ketchum City Attorney Stephanie Bonney
Ketchum Community and Economic Development Director Lisa Horowitz
Ketchum Police Chief Steve Harkins
Recording Secretary Sunny Grant

1. The meeting was called to order by Mayor Nina Jonas at 5:47pm.

2. **Communications from Mayor and Councilors**

- Mayor Nina Jonas said Ketchum City Administrator Gary Marks has officially resigned to accept a city administrator position in Oregon to be closer to his family. Mayor Jonas thanked Marks for his five-plus years of service.
- 5:51:11 PM Councilor Baird Gourlay said Marks did some amazing things for Ketchum. Marks came to Ketchum when the country was going into a full Recession, and helped Ketchum maintain a balanced budget the whole time. Gourlay said he envied the town Marks was going to. Marks expressed his gratitude to the Ketchum Councils he had worked with and for professional and talented staff.
- Councilor Jim Slanetz asked if LOT collection had been switched to the State Tax Commission, and how permanent that contract is. Marks said the parties can exit at any time with six months notice.
- Councilor Anne Corrock said there would be a presentation on live screening Council meetings at the next Council meeting.
- Councilor Corrock attended Idaho Association of Cities Day at the Capitol.
- CED Director Lisa Horowitz said an Idaho Senator introduced legislation that would make it illegal for cities to conduct Design Review on the exterior of industrial and commercial buildings. This legislation could be detrimental to Ketchum's economy. The cities of Hailey and Sun Valley are also going to send letters opposing the legislation. Councilor Corrock said no one at AIC seemed to support the legislation, and the Senate chambers were full of people in opposition when it was introduced.
- Mayor Jonas thanked the organizers of the Nordic Festival. The Street Department hauled in 12 "buckets" of snow from Baker Creek.

3. 5:51:11 PM **Resolution 14-003, Appointment of Members to the Planning and Zoning Commission**

Mayor Nina Jonas said she had learned that bylaws for P&Z state that no P&Z Commissioner can serve more than two consecutive terms.

City Attorney Stephanie Bonney said Ketchum Municipal Code had a 1999 provision that a P&Z Commissioner could only serve two terms. State Code subsequently changed, so Ketchum passed a resolution in 2001 to change their bylaws to allow more than two terms for P&Z Commissioners with a two-thirds vote of Council. Ketchum's Code should have been changed by the resolution, but the repeal was never sent to Sterling Codifiers, and never codified into the Code. The Code needs to be corrected to bring it up-to-date with the bylaws.

Planning staff advertised for a P&Z Commissioner, and has six candidates. Mayor Jonas talked or emailed with all candidates. Mayor Jonas suggested Ketchum stay with the current P&Z Commission, which is working on Code updates and the Comprehensive Plan. The P&Z terms can be staggered by extending Jeff Lamoureux's three-year appointment for an additional year; 6:03:46 PM and reappoint Steve Cook, who finished Sam Williams' term and has completed one additional term. Councilors agreed that continuity was important.

Mayor Jonas said she would like to stick to the spirit of the bylaws in the future by appointing P&Z Commissioners to only serve two consecutive terms.

6:05:30 PM Councilor Baird Gourlay moved to approve Resolution 14-003 appointing Jeff Lamoureux to a four-year term beginning February 3 and Steve Cook to a three-year term beginning February 3. Councilor Jim Slanetz seconded the motion. In discussion, Councilor Corrock noted that Commissioner Cook had been on for two terms and his appointment would require a two-thirds vote. Motion carried unanimously.

4. 6:06:34 PM Communications from the Public

- Mickey Garcia said the departing City Administrator was an extremely good bean counter. Garcia cautioned Council to be very careful about their replacement choice.

5. 6:11:41 PM Blaine County Housing Authority Annual Report

Blaine County Housing Authority Executive Administrative David Patrie distributed the BCHA Annual Report. Ketchum's representative to the BCHA Board is Carter Ramsay, who could not be at tonight's meeting.

The BCHA's purpose is stewardship and people. ARCH Community Housing's purpose is development. If someone donates a house to ARCH, BCHA will check its database to see if it should be a rental or for sale, who can take advantage of the house, how much the price or rent should be, etc. If it's worth it, ARCH will move the house, renovate it and prepare it for community housing use. When the house has a Certificate of Occupancy, BCHA will be sure someone is ready to move in.

6:14:47 PM The community understands the social benefits of BCHA programs, but may not appreciate the economic benefits. The BCHA works countywide to have full time residents in the community. Full-time residents contribute to the community and are vital to economic development. Entrepreneurs who live close to work can invest in the community, and provide economic diversity. Local cities and counties save money on housing allowances if their employees are in local community housing.

6:19:35 PM Twelve BCHA homes have been resold in the past year, eight of which were in Ketchum. All together, these sold homes represent more than \$1 million invested in the community. The homeowners live in homes commensurate with their pay, so they have disposable money to frequent local restaurants and shop locally.

BCHA removed 58 applicants from its database in 2013: 43% moved into some sort of affordable housing and 14% found market-rate housing. BCHA was not able to contact the remaining 34%, so it's likely they moved from Blaine County. This is a large number, but about half the number in the last couple years.

BCHA moved to Ketchum to attract more walk-in traffic. More people come by and talk, and there are more walk-ins overall.

6:24:44 PM BCHA has worked with Ketchum Planning staff on potential tax credit applications, the Comprehensive Plan, and potential Code amendments. Most affordable housing in the past was provided by developers during the housing boom, but that is not likely in the future. The community and BCHA have to look at new ways and will work with local jurisdictions to make an impact.

6:25:56 PM Of the 12 homes sold in the last year, four homeowners moved away, looking for new job opportunities; four moved into open-market ownership; three into open-market rentals and one into an affordable rental.

This is a resort economy with a lot of low-wage jobs, and people are always going to need affordable housing.

6:28:08 PM BCHA affordable rental units are all full. Four Cold Springs Crossing affordable units were rented immediately, and Cold Springs Crossing market rate units were filled within 30 days. Northwood Place is almost always 100% occupied, but a FOR LEASE sign is usually out because there is turnover. BCHA is working to get accreditation as a rental manager from IHFA, which would provide another revenue source. In the future, BCHA would like to pursue a relationship with the Ketchum Community Development Corporation.

- Councilor Corrock said Council became aware of some complaints last fall that some FOR SALE units were not selling. She was under the impression that there was a waiting list of buyers for available units. Patrie said the BCHA was working with the specific circumstances of this particular owner, and was close to a mutually acceptable solution. **6:38:11 PM** The BCHA is working on a balance of ownership and rental units; and staff works carefully to be sure appropriate owners are put into appropriate units. **6:36:02 PM** Councilor David added that community housing units are subject to the housing market just like market-rate units.

6. 6:39:22 PM Recommendation to approve a Water Bank Lease and Rental Agreement

Ketchum Public Works Director Robyn Mattison said this is a contract through IDWR to lease an existing Ketchum water right to the City of Ketchum for use during irrigation season. The water bank allows Ketchum to use water in locations where it is needed. Ketchum has had this agreement, which expired in December, since 2011. This Agreement will extend the terms of lease and the rental for another five years.

6:42:01 PM Councilor Baird Gourlay moved to approve the Idaho Department of Water Resources Water Supply Bank Lease Contract and Rental Agreement, seconded by Councilor Jim Slanetz. Motion carried unanimously.

7. 6:42:58 PM Connorriley Townhomes, Townhouse Subdivision Preliminary Plat at 203 Sabala Street located in the General Residential-Low Density (GR-L) Zoning District

Ketchum Associate Planner Rebecca Bundy said this is preliminary plat for a three-unit townhome development, substantially constructed at this point. The applicant is going through the formalities of separating the one lot into two lots so they can be sold separately in the future. P&Z approved Design Review in April, 2013; and recommended approval of this preliminary plat, subject to Conditions of Approval 1 through 7, on January 13, 2014. All conditions are required to be inspected by Planning Staff prior to issuance of Certificate of Occupancy. The two-unit townhome meets all evaluation standards.

6:44:48 PM The Street Department was concerned about drainage and a swale at the edge of the road, so a condition of approval was added that the applicant needs to install the swale either before CofO and signature of Final Plat or, if the ground is frozen, the applicant needs to bond for the swale. Staff recommends that preliminary plat be approved by Council as recommended by P&Z.

• Councilor Corrock asked about CC&Rs.

Staff said CC&Rs are a civil matter and are not enforced by the City. In this application, one lot's utilities cross the other lot, so staff reviewed the CC&Rs to make sure there are reciprocating utility easements on the two lots.

6:49:17 PM These are townhouses. Each person will own their unit and subplot under it. Condominium owners own the interior of their units; the exterior and the land are owned in common by an owners association.

Mayor Jonas noted these units were built to National Green Building Standard Gold.

6:50:08 PM Councilor Anne Corrock moved to approve the Connorriley Townhouse Subdivision Preliminary Plat, finding that the application meets with applicable review standards with Conditions 1-7, as noted in the Staff Report. Motion seconded by Councilor Baird Gourlay, and passed unanimously.

8. 6:51:59 PM Consideration of an administrative correction to the Bald Mountain Lodge Development Agreement

Also Present: James D. Garrison, Bald Mountain Lodge Project Manager

CED Director Lisa Horowitz said she and City Attorney Stephanie Bonney believe Council's intention was to grant a one-year extension to the applicant. 6:53:10 PM The original Development Agreement was adopted in September, 2010. Council wanted to stimulate hotel development, and proposed different timelines with incentives. Timeline A required the applicant apply for a building permit in 2013 and begin construction by June 2014, which would waive the workforce housing requirement for the applicant.

Since the original application, there were two extensions to the Development Agreement. 6:54:04 PM On November 5, 2012, Council approved the second extension of the Bald Mountain Lodge Development Agreement and directed staff to prepare a modification to the Bald Mountain Lodge Development Agreement, with a total of 119 hotel rooms. 6:54:56 PM In the Bald Mountain Lodge second request, the developer also proposed a change from condo rooms to hotel rooms, which triggered an amendment to the PUD, which went to P&Z. The amendment came back to Council in May, 2013, six months after approval of the Development Agreement. The dates were inadvertently not moved forward six months, so the deadline to pull a building permit was December and start construction deadline was June. Staff believes the intent was to give the applicant one year approval from the date that Council approved the Development Agreement in May, 2013.

6:56:12 PM Applicant Jim Garrison said they wanted the extension and just missed the dates.

PUBLIC COMMENT:

Mickey Garcia said he believed it was an overlook.

6:57:02 PM Councilors agreed that they were granting an extension for a year.

6:58:01 PM Councilor Jim Slanetz moved to grant a one-year extension to Bald Mountain Lodge, effective from May 6, 2013 and to amend the Development Agreement to so reflect those dates. Motion seconded by Councilor Baird Gourlay, and passed with three in favor and Councilor Anne Corrock abstained since she was not a Councilor at the time.

9. 6:58:57 PM Discussion on Ketchum Urban Renewal Board Composition and Bylaws

Council agreed at its last meeting to revise the composition of the Ketchum Urban Renewal Agency seven-member Board to be three elected officials and four non-elected individuals. One of the non-elected Board members must be a registered Ketchum voter and the others must be residents of Blaine County. Special City Attorney Cheresse McLain drafted the language for the new bylaws.

7:00:05 PM City Attorney Stephanie Bonney said if this is Council's intent, they need to appoint five new members to the URA Board. The elected officials' terms are the same as their terms of office, to expire January 4, 2016. The

two sitting URA Board members expire in November, 2014 and November, 2016. The two new non-elected seats would normally expire January 2, 2018.

7:02:26 PM Council can legally adjust initial terms to accomplish staggered terms. The non-elected officials should not expire in 2016, when the three elected officials expire. The maximum term is five years, by State law.

7:04:39 PM Councilor Corrock suggested the language read "a Board of seven, with the majority residents of Ketchum", which would allow the elected officials at the time to choose how many elected officials they wanted on the Board. She wanted bylaws that were sustainable and didn't keep changing.

7:07:09 PM The Mayor has full power to make all Board appointments, with Council's consent. By State Law, the URA Board appoints Board members to replace members who resign for the remainder of their term.

7:14:35 PM Councilors Slanetz, David and Gourlay preferred three elected officials and four at-large members, one of which must be a Ketchum voter.

7:22:05 PM The Mayor can appoint anyone s/he wants. Staff will work out the staggered terms for the bylaws and the Mayor will make appointments by March 6. Staff will advertise for the at-large seats.

URA Purchase and Sale Agreement

7:24:14 PM CED Director Lisa Horowitz said the date in the Purchase and Sale Agreement for the land exchange expires February 28. The URA must meet before then to discuss extending the date.

10. Communications from the Press

- 7:25:44 PM Brennan Rego asked if all seven URA Board seats would be appointed.

City Attorney Bonney said five members would be appointed, and the terms of the two existing at-large Board members would be staggered.

- Rego asked if Council had taken any action following the 4:30 Executive Session Special Meeting. They did not.

- Rego asked if Ketchum Council had any plans to work with the City of Sun Valley on the new fire truck. Mayor Jonas said Ketchum was at the very beginning of scheduling their budget process. The fire truck and other Fire Department issues are being discussed.

- Rego asked if the hotel projects should be reevaluated considering the time lapse. Mayor Jonas said that would be a case-by-case basis.

- 7:29:00 PM *Mountain Express* reporter Eric Avissar asked if there was any update on the fire on Bald Mountain. Ketchum City Administrator Gary Marks said it is an ongoing investigation.

- Avissar asked if Ketchum expected to have a new city administrator by March 8 when Gary Marks leaves. Mayor Jonas said that was highly unlikely.

11. Consent Calendar

- a. Approval of minutes from the December 6, 2013 and January 21, 2014 Council meeting
- b. Recommendation to approve current bills and payroll summary
- c. Findings of Fact, Conclusions of Law and Decision regarding Connorriley Townhomes preliminary plat

7:29:52 PM Mayor Jonas questioned bills for a Fire Department poster and annual rent to Sun Valley Company.

7:31:08 PM Councilor Baird Gourlay moved to approve the February 3, 2014 Consent Calendar, seconded by Council President Michael David. Motion passed unanimously, except Councilor Anne Corrock recused herself from the December 6 minutes since she was not a Councilor at the time.


12. Amend Agenda

7:32:05 PM City Attorney Bonney said State Law changed some time ago to require a motion to amend a meeting agenda during the meeting, even if it was informally amended in the 48 hours prior to the meeting. Council recently inadvertently amended the January 21, 2014 agenda within 48 hours before the meeting.

Councilor Anne Corrock moved to confirm that the January 21, 2014 agenda was amended during the meeting to include an Executive Session, pursuant to IC. 67-2345 1(f), having just received a decision on a lawsuit. Motion seconded by Councilor Baird Gourlay, and passed unanimously.


12. Adjournment

7:34:37 PM Councilor Baird Gourlay moved to adjourn at 7:35pm. Council President Michael David seconded the motion, and it passed unanimously.



Nina Jonas
Mayor

ATTEST:


Sandra E. Cady, CMC
City Clerk