Valley County Planning and Zoning Commission

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Katlin Caldwell, Chairman Ken Roberts, Vice-Chairman



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Sasha Childs, Commissioner Scott Freeman, Commissioner Gary Swain, Commissioner

MINUTES

Valley County Planning and Zoning Commission
July 18, 2023
Valley County Court House - Cascade, Idaho
PUBLIC HEARING - 5:00 p.m.

A. OPEN: Meeting called to order at 6:00 p.m. by Chairman Caldwell. A quorum exists.

PZ Director – Cynda Herrick: Present
PZ Commissioner – Katlin Caldwell
PZ Commissioner – Sasha Childs: Present
PZ Commissioner – Scott Freeman: Absent

PZ Commissioner – Ken Roberts: Present via Teams

PZ Commissioner – Gary Swain: Present
PZ Assistant Planner – Lori Hunter: Present

C. OLD BUSINESS:

1. **P.U.D. 23-01 Garnet Valley and C.U.P. 23-10 Preliminary Plat**: Roseberry Park LLC is requesting approval of 306 multi-family units, 10 single-family residential lots, community amenities, and open space. Community amenities would include a clubhouse, sidewalks, pickleball courts, and a half basketball court within approximately 20 acres of open space. The multi-family units are clustered on the west side of the development. The net density of the multi-family component is 13.4 units an acre; the single-family net density is 4.9 units per acre. The overall proposed density is 8.1 units per acre. Therefore, a variance for density is part of the application.

Construction would occur in two phases. The site has designated snow-storage areas and preliminary stormwater management plan.

Access would be from W. Roseberry Road (public). In addition, Moore Road (private) and Price Street (private) would be extended to provide access to the multi-family units. The single-family residences would be accessed from Timberline Drive (private). Right-of-way for W. Roseberry Road would be dedicated to Valley County. Underground power and telecommunications would be included.

Occupancy of the homes is expected for Fall 2025.

Contained within the application is a combination of permits, as follows:

- Concept Approval and Planned Unit Development in accordance with Title 9 Land Use and Development.
- C.U.P. 23-10 Garnet Valley PUD Preliminary Plat in accordance with Title 10 Subdivision Regulations.

The 39-acre site contains part of parcels RP16N03E170945, RP16N03E170965, and RP16N03E171485, and is in the NE ¼ Section 17, T.16N, R.3E, Boise Meridian, Valley County, Idaho.

This item was tabled on June 8, 2023, to obtain additional information and for further consideration.

Chairman Caldwell introduced the item and opened the public hearing.

Commission Childs moved to remove P.U.D. 23-01 from the table. Chairman Caldwell seconded the motion. Commissioner Childs, Commissioner Roberts, and Chairman Caldwell voted in favor. Motion passed. Commissioner Swain was opposed.

Chairman Caldwell asked if there was any exparte contact or conflict of interest; there was none. Chairman Caldwell responded to the request that she recuse herself due to a possible conflict of interest. After consulting with legal counsel, she will not be recusing herself from this application. The following is a synopsis of her statement:

In response to the request that I recuse myself from this public hearing because of my connection to Granite Excavation, I would like to clarify several items. First, I have zero financial interest in Granite Excavation and have never had any financial interest in the company. Granite Excavation operates in over 10 counties in Idaho and Oregon, and has other headquarter locations than just Cascade, Idaho.

In addition, the bid provided as evidence that my participation in this hearing is a conflict of interest was a bid for another project, not Garnet Valley. Submitting a bid for a possible project in Valley County is very different than being under contract for said project. I am an objective Commissioner who does my due diligence to ensure I am not putting myself, the various companies or Granite Excavation in a situation where a conflict of interest could arise. When Granite Excavation is under contract for a project, I have repeatedly recused myself and will continue to do so. Therefore, I will not be recusing myself from this hearing.

Director Herrick presented the staff report and summarized the following exhibits:

- **Exhibit 1** Applicant's slide presentation for July 18, 2023.
- Exhibit 2 Draft Lease.
- **Exhibit 3** Revised Traffic Analysis from applicant.
- Exhibit 4 Valley County Traffic information from Valley County Road Department, 2022.
- **Exhibit 5** Tamarack Resort information requested by PZ Commission.
- <u>Exhibit 6</u> Julia Thrower, Mountain Top Law, on behalf of Stay Valley Strong, requested Chairman Caldwell recuse herself. (July 14, 2023)
- Exhibit 7 Dennis and Patricia Scroggins' letter in opposition (July 17, 2023).
- Exhibit 8 W. David Duff's response in opposition (July 18, 2023).
- Exhibit 9 Drenda Coski Duff's response in opposition (July 18, 2023).
- Exhibit 10 Pamela McChrystal submitted information on rental listings on Zillow.com in Valley County (July 12, 2023)

Chairman Caldwell asked for the applicant's presentation. The following were present and spoke on behalf of the application:

- Dean Warhaft, Roseberry Park LLC, applicant,
- Stephanie Hopkins, KM Engineering, land planning manager,
- Joe Pachner, KM Engineering, engineer, and
- Hethe Clark, attorney.

Ms. Hopkin stated the layout is the same revision as presented on June 8, 2023. The presentation tonight (**Exhibit 1**) primarily covers the information requested at the previous hearing:

- Workforce housing information, including income limits and rent limits for Valley County,
- Additional roadway and traffic information,
- Water and sewer system improvements,
- Sample lease for multi-family units, and
- Draft development agreement.

The Granite Excavation bid submitted was for improvements on Norwood Road, north of Roseberry, for another subdivision. This quote was used to estimate cost of off-site roadway improvements. Granite Excavation has not bid on the Garnet Valley project.

Hethe Clark discussed the proposed development agreement. This includes compliance with approved plans, maximum 306 multi-family units and 10 single-family units, and workforce housing requirements. Initially 47 units would be rent-restricted to individuals making no more than 80% of average median income (AMI) for Valley County, Idaho. There would be no physical differentiation between the workforce units and the market rate units. No exterior perimeter fencing would be permitted. No rentals less than 180 days., with exceptions for employer housing. Single-family residents would be required to be stick-built and new construction; no manufactured homes would be allowed. Clubhouse would only be used by residents and their guests. Traffic mitigation fee would be paid. There would be open space, trails, pathways, and other amenities. Infrastructure, including sewer and water, access, trash, parking, stormwater management and drainage, and public transit and bus stop location, were discussed. The proposed phasing plan is included in the development agreement.

Ms. Hopkins showed a rendering of the clubhouse and multi-family units. A pathway was added on the south part of the development as the area is currently used as a winter pathway. This development supports many of the Valley County Comprehensive Plan goals and objectives. Existing services would be improved.

The applicant and representatives responded to questions from the Commissioners.

There is a 10-year window. Mr. Warhaft is willing to be responsible for building the LIHTC building prior to sell of the property. The opportunity zone program is time-restricted.

Commissioner Childs stated that if allowed density is increased by 82 units, she wants to ensure that the needed affordable housing is actually built. Mr. Clark stated that land use approval and restrictions run with the ground, regardless of owner.

The proposal includes a total of 82 units of workforce housing, including the following:

- 80% AMI units (guaranteed for 10 years)
- LIHTC units (60% AMI), and the
- one 1 fire district unit.

The specific number and size of 80% AMI units and LIHTC units is able to be distributed within the total of 82 units. The application process for LIHTC was discussed. Mr. Warhaft has done two workforce projects. He has not been involved in a LIHTC project; therefore, he reached out to Atlantic Pacific Communities LLC which has been successful with the LIHTC program.

Traffic analysis numbers were clarified (**Exhibit 3**). The use of the private roads within

Meadows at West Mountain was clarified. There is not litigation at this time. The owner of the roads is still Timberline Development LLC which has given permission to use the roads. The Meadows at West Mountain Homeowner Association is not in favor of the road use at this time.

Would there be charges in addition to rent? Rent would include water and sewer, not electrical use. The use of garages/carport would be extra rental fee while surface parking would be included in rent. Leases would be minimum of six months; typically, a one-year lease would be expected. For example, a hospital might lease a unit for a year although the contract hospital employees living there might change.

Commissioner Swain is concerned that six-month leases would allow seasonal rentals, e.g., ski season rentals, not local workers. Mr. Warhaft stated Section 3e of the draft development agreement specifies a requirement for people living and/or working in Valley County. This requirement would help prevent rental of the 82 workforce housing units by visitors.

A short break was held until 6:35 p.m.

Chairman Caldwell asked for proponents. There were none. Chairman Caldwell asked for undecided. There were none. Chairman Caldwell asked for opponents.

Brandon Roberts, 13144 Hawks Bay Road, submitted Idaho Housing and Finance Association data (**Exhibit 11**). The actual current 80% AMI for Valley County is \$68,000+ for a household of four. He is an approved lender with Idaho Housing and has dealt with affordable housing for past 20 years. He does not believe these would be affordable based on actual income in the area. Ninety percent of the applicant's presentation focused on the 82 units and not the remaining 235 market rental units. There would only be 82 affordable units, and these would not be available for years. The 2022 household median income of \$62,000+ for a household of four in Valley County. However, this is not really workforce people who are making between \$16 - \$20 per hour. Mr. Roberts responded to Commissioner Swain's questions. Calculations assume 30% of income is spent on housing. To rent a studio apartment at \$1200 monthly would require \$54,000 to \$55,000 in annual income. One would be required to have \$4500 in monthly gross income to afford a \$1500 payment.

April Roberts, 13144 Hawks Bay Road, stated that an income of \$41,600 annually or \$3466.66 per month would be required to rent a 566 sqft apartment. A unit costing \$1500 per month rent would require an income of \$4500 per month to meet the (3 x rent cost) calculation. The proposed cost of studio units are unaffordable, especially if one is making less than \$20 per hour. The studio units are not affordable for a single person. Proposed rental rates greater than McCall rental rates. Single-family homes must be stick-built, not older mobile homes. Full-time maintenance of the property should be provided. Residents' concerns were not addressed by applicant. The applicant has not provided proof of working with the Donnelly Fire Department for the apartment. The rural nature of the community should be maintained.

Jeffrey Jacobs, 13042 Hillhouse Loop, expects the PZ Commission to have a vision of what the areas should look like in 15 years. This proposal is too dense for this area. High density should be within city centers. Affordable housing is needed but this proposal should be put on hold.

David Gallipoli, McCall, referred to the legal questions in Julia Thrower's letter (**Exhibit 6**). The public is owed a legal opinion from the Prosecutor Office or the Idaho Attorney General. This application should be denied. There is a local housing crisis. This application is not affordable and will set a precedent for other developers to pitch "affordable" housing. The <u>McCall Housing Strategy Report</u> disputes the applicant's statistics on affordable rents. The U.S. Department of

Housing and Urban Development (HUD) suggests no more than 30% of a household income be spent on housing, including utilities. Adding cost of vehicles and transportation increases the cost for locals. Based on the McCall report, affordable housing rents should be 700-1200 per month. It would be irresponsible for the PZ Commission to approve; the units will not be affordable for local workers.

Linda Eddy, 13041 Hillhouse Loop, stated that there are only 174 sewer hookups for the entire 69-acre property. This applicant requires more hookups for only 39 acres of the 69-acre property. This proposal belongs in a city or city impact area. It is in conflict with the Valley County Comprehensive Plan. It would affect personal property values of the area and quality of life. It is in violation of state code. West Roseberry Road cannot handle proposed traffic.

Chris Renfro, 44 Buckskin Drive, is proud to be a NIMBY (Not In My Backyard). He fears that officials will capitulate to a plan the neighbors oppose. Crime, drugs, etc. would increase in the area. High density is unhealthy and there would be no pride of ownership. He read a letter from Drenda Duff, 19 Buckskin Lane, who was unable to attend. The development would be eventually sold and resold to investors to the detriment of renters. Instead, smaller low-income developments distributed throughout the county should be encouraged.

Therese Gibboney, Donnelly, quoted Board of County Commissioner Elt Hasbrouck from the meeting on June 12, 2023: "There are a value to open space and our vistas; and we are going to lose that if we allow density developments out on the County floor." High density should be in the city limits. This proposal would take away from the rural aspect of Valley County and vastly reduce the value of the existing homes. This proposal conflicts with Idaho Code 67-6508. She is opposed to the proposed use of the private roads within The Meadows of West Mountain. No to use of The Meadows' water. No to the impact of Timberline Drive. Why not make two entrances from this development? There is no way they can make the construction deadline using stick-built homes.

Ginger Hughes, 162 Platt Place, is opposed to the added traffic in this area. Developers should pay for impact. However, they have stated they will only pay for half of the needed improvements. She is concerned that the LIHTC units would not be constructed. How does the County make a future owner keep the LIHTC and/or affordable housing units? Is there an agreement with Tamarack Resort already? Will there be room for snow storage?

Greg Gibboney, 33 Moore Drive, stated the requested density and associated variance is far beyond any existing in the County's jurisdiction. There would be 1000+ residents and 1000+ vehicles. A project of this scale belongs in the city limits. Outdoor parking and high rents do not make sense for Valley County. What will these properties look like in 10-20 years with no pride in ownership? A reasonable proposal consistent with existing housing and rural characteristics is needed.

Joey Petri, 225 Valley Springs Road, lives in affordable housing in McCall where there are 72 units on five and a half acres (13 units/acre). He sees plenty of oil in spring on the hardscape. Water pollution is a concern. The more we add blacktop and concrete, the more we add to global warming. Developers should be more sensitive to the cost to nature and survival of the planet. Our effect on the planet needs to be addressed. Planned Unit Developments should have composting, recycling, and community gardens. These things create community. Stoplights will be needed at the intersections of Highway 55 with Scheline Lane and Roseberry Road.

Lenard Long, representing Friends of Lake Cascade, concurs with previous comments. Water quality is big concern. All the drainage from this site is going into wetlands and then into an

impaired waterway. The application used old data for treating water. Valley County Code 9-5A-1E states the plans should be reviewed by the Valley County Engineer and the Soil Conservation District.

Jerry Kelly, 13079 Highway 55, stated traffic is already an issue. He can walk from his place; however, people in this proposed development would all use vehicles. He used to rent an apartment for his construction people and had a high turnover of renters.

Chairman Caldwell asked for rebuttal from the applicant.

Mr. Clark understands the strong opinions people have. No manufactured homes allowed as stated in the draft development agreement. They have made the offer to the Donnelly Fire Department (DFD). The DFD does not take an opinion on a pending application other than site plan and review; therefore, it is premature for the DFD to respond to the apartment offer. The workforce unit commitment as listed in development agreement is a contract binding to this owner and all future owners. In 16 years of development, he has never seen a voluntary 80% AMI commitment for up to 82 of 306 units. He has never seen a commitment limiting rentals to local county residents and/or workers. Proposed rents are based on data from the Idaho Housing Authority.

Mr. Warhaft added that the partner for the LIHTC program is Atlantic Pacific Communities. They use Novogradac, the main accounting firm for workforce housing. They are agreeing to be locked into Idaho housing authority numbers; this is the standard.

Mr. Pachner referred to concerns regarding snow storage. The proposal has 52% open space, thus plenty of room for on-site snow storage and stormwater drainage practices. He has reached out to the U.S. Corps of Engineers (USACE) who determined that there are not jurisdictional wetlands at the site. They will still be able to mitigate impacts to the site as wetlands are very beneficial. They will be able to enhance the drainage area to feed and may be able to provide enough drainage so that the wet areas last into the summer months, not just early spring. Preliminary plans will be submitted to USACE for a courtesy review.

Mr. Clark added that Valley County Code 9-5A-1E requires preliminary grading plans be submitted. Both the County Engineer and the Soil Conservation District have commented. Referring to comments that development should pay for impact, the applicant has agreed to pay the voluntary amount per unit requested by the County which totals \$1.29 million. Workforce housing is an issue that needs to be addressed. Valley County needs a variety of housing types. We should not discriminate against people who need to rent. Never going to solve the workforce housing issue with quarter-acre lots. This proposal is a thoughtful approach with critical mass to allow the 80% AMI housing units.

Mr. Warhaft clarified that there would be an onsite property manager. A clause prohibiting subletting in the submitted sample lease would be enforced. He does not want a rotating dormitory situation. There would be the ability to do long-term contracts with employers such as the hospital. The owner of the buildings would not want to have property destroyed. In response to Commission Childs, Mr. Warhaft stated he would be agreeable to limits on rentals by employers. Most efficient would be to create parameters for specific rules for employers who rent units and then allow the PZ Administrator to police/review these requirements.

Market rates change based on demand and supply. If supply increases, rental rates decrease. Commissioner Childs expressed a concern that rental rates could quickly increase; would the developer be willing to consider a cap on the yearly increase? Mr. Warhaft expressed concern

that a situation would exist where this is the sole-rental control in the area. Workforce housing would be rent controlled. Having a customer (renter) that you already have is cheaper than getting a new customer (renter). He would need to be able to discuss this further with his partners and have a better answer at the Board of County Commissioner public hearing.

In response to a question from Commissioner Roberts, Mr. Warhaft stated that property tax abatements are used in other states, including Florida and Texas, for workforce housing. These are not allowed in the state of Idaho. Mr. Clark stated that Valley County has some language speaking to multiple housing units which is used in the development agreement. Idaho does not have the typical property tax abatements for workforce housing.

In response to a question from Chairman Caldwell, they are willing to add language to require stick-built construction. The phasing plan was discussed. Workforce housing will be added as each building is constructed. There are approximately six workforce housing units per building. The proposed development agreement refers to the phasing plan.

Chairman Caldwell closed the public hearing.

Short break to 7:40 p.m.

The Commission deliberated.

Commissioner Roberts has reviewed the information application, staff reports, additional materials, public testimony, and resubmittal materials. He repeatedly listened to the meeting held on June 8, 2023. He appreciates the opportunity to phone in to tonight's meeting. Each application must be considered with a fresh view and stand on its own merits.

Valley County is dealing with various pressures of rapid growth. There is need for affordable workforce housing. However, the main question to the PZ Commission is if the proposed land use is compatible to the community in general, starting first and foremost with adjacent landowners. The proposal does meet portions of the Valley County Comprehensive Plan; however, the proposal is in conflict with other portions. All of the land use ordinance must be considered, not just portions. The proposal is in conflict with the following that was copied from his previously created email (word document):

Idaho Code

• 67-6502 (d), (f), (g), (h), and (j)

Valley County Comprehensive Plan

- Chapter 1 (will and desire of the citizens)
- Chapter 2 Goal II
- Chapter 3 Goal I (of the existing citizens)
- Chapter 4 Goal I & III
- Chapter 8 Goal IV
- Chapter 13 Goal I

Valley County Land Use and Development Ordinance

- 9-9-3(e) Chapter 10 Density
- 9-9-6(g) Flooding (potential issues and evidence from Spring 2023)
- 9-9-7(a) Density

Commission Roberts stated the proposal is not compatible in this location and community in general. Private property rights must be protected. Cascade Reservoir has a severe problem and needs addressed. The urban density is in direct conflict. An apartment complex in the

middle of single-family residence is not appropriate and the community's overwhelming opposition should be considered. The proposed density is significantly higher than surrounding area. High density and apartments are needed but should be located in cities where people are, where people work, and result in less travel. The Commission is tasked with considering the use of land; not to consider workforce housing and overlook the use of the land. The Commission cannot do it at the cost of protecting private property rights and ordinance to maintain rural characteristics. The bottom line is the density of this proposal is not compatible within the neighborhood.

Commission Childs stated this is an involved and significant application. She spoke to the compatibility of surrounding land uses. Tamarack Resort is not within a city limits; it would not meet Commissioner Roberts current requirements. Staff prepared a document on Tamarack Resort where over 2000 dwelling units were approved: at the end of 2025 they will have approximately 800 constructed. The increase in traffic along West Roseberry Road would be negligible compared to the traffic to and from Tamarack Resort. Residential housing is all around this proposed site except for one side. Infrastructure exists, including water, sewer, power; therefore, applications will keep coming for this area. There is a lot of residential development in the area. The current Meadows at West Mountain multi-family units actually has a higher density than this proposal. Applicant has done a good job to protect and shield existing neighborhoods. Commissioner Childs referred to Valley County Code and the Comprehensive Plan. We want open space and we want a variety of housing types. We have a crisis in housing and we are here to address this. Environmental concerns are reviewed by agencies, including DEQ, IDFG, and the US Corps of Engineers; these agencies have responded in a positive way to this application. The applicant will be required to have approvals along the way from the various entities. This proposal does meet the PUD Ordinance.

Commissioner Swain thanked the people who came here. He does like to hear from the people. He also thanked the applicant's representatives who did a good presentation and answered questions. There are reasons why he does not think this application should be approved.

- Units could easily be rented by vacationers or seasonal renters.
- The units that would be marketed as workforce units are not affordable. In order for renters to afford the least expensive unit, income must be \$20 per hour or 54000 per year based on 30% of income spent on housing.
- This development only provides 81 workforce housing units.
- The developer has followed all the rules; however, these units would not be affordable for our local workers.
- Infrastructure Issues
 - West Roseberry Road and the S-Bridge are already overstretched to accommodate the traffic volume; cannot add more traffic to the area.
 - Location This density should be within urban and urban-type development within existing cities.
- The Comprehensive Plan Chapter 8 Housing, Goal IV states: To encourage new development in or near the existing cities and communities in Valley County.
- Per the Comprehensive Plan, multi-family residences are to be located in cities and impact areas.

He would champion this development if it was located just north of Donnelly. Planned unit developments such as Tamarack Resort which include golf courses and ski slopes require a specific location outside of the urban areas. High density developments should be within city or impact area limits. This application and location would require hundreds of more vehicle trips; it is not near any urban development where walking and biking would be used for commuting. The proposal is too dense and is the wrong location.

Chairman Caldwell thanked the public for their comments which helped bring up items of concern. The applicant and representatives spent time putting together a good draft development agreement. There are many contradictions within the Comprehensive Plan. Purpose of comp plan to protect private property rights while making accommodations for other necessary types of development, such as low-cost housing and mobile homes parks. The Comprehensive Plan can be used to both deny and approve this application. Commissioner Roberts stated reasons from the Comprehensive Plan to deny the project; however, there are also reasons in favor.

- The Comprehensive Plan includes goals to accommodate growth and provide affordable and quality housing types (Chapter 2 Population Goal 1).
- Chapter 8 Housing and Community Design Goal 1 states: Encourage an adequate supply and variety of affordable and quality housing types for the local residents, including current and future, working and retired. Objectives listed include:
 - o Encourage local employers to provide worker housing.
 - o Affordable housing should be in a wide range of locations.

Chairman Caldwell added that this site is near an existing city. Sewer and water systems exist in the area and the site should not be discounted as too rural. Where in existing cities would this proposal be built? This is no longer productive agricultural ground. The nearby buildings at Mangum Circle are similar to proposed density. This proposal would improve the infrastructure for existing residents. There would be a total of 82 units for low-income and/or workforce housing for those living and employed by someone in Valley County. The 10 single-family homes will be stick built. The proposal includes the required open space as well as amenities. The Meadows at West Mountain was always planned to be further developed. The applicant has agreed to contribute \$1.2 million to improve Valley County roads; this amount would be significantly less if only single-family homes built at the site. Chairman Caldwell is in favor of this application.

Commissioner Swain moved to recommend denial of 23-01 Garnet Valley and C.U.P. 23-10 Preliminary Plat. Commissioner Roberts seconded the motion.

Commissioner Swain is opposed to the proposal due to infrastructure and location; these issues cannot be mitigated. A voice vote was held:

Commissioner Roberts – aye Commissioner Childs – no Commissioner Swain – aye Chairman Caldwell – no

A tie vote exits; thus, the motion is denied. Discussion ensued concerning the meaning of the denial ranging from no more action will be taken to a disapproval of the application.

Staff will look at the bylaws and confer with legal counsel on how to proceed with the recommendation to Board of County Commissioners.

There will be another round of public noticing for the future public hearing with the Board of County Commissioners.

Chairman Caldwell adjourned the meeting at 8:20 p.m.