



# North Ada County Foothills Association

One voice. One goal. One plan.

September 9, 2007

Eagle Mayor and City Council  
310 East State Street  
Eagle, Idaho 83616

**Re: CPA-5-06/ZOA-3-06/A-14-06/RZ-19-06-M3 Eagle - M3 Eagle**

**Dear Mayor Merrill and Councilmen Bandy, Bastion, Guerber, & Nordstrom:**

As you know, Eagle Planning and Zoning Commissioners recommended approval, with conditions, of the Pre-Annexation and Development section of the referenced application at their special meeting August 27, 2007. This third recommendation, combined with two previous recommendations by the Commission on other elements of the application, creates a confusing situation that we would like to clarify.

To review actions to date by the Commission:

- April 9, 2007: recommendation to approve the text amendment (5640-8160 unit entitlement at densities up to 20 units/acre);
- June 25, 2007: recommendation to deny the map amendment, due to concerns about high total unit entitlement and density (simultaneous to recommendation to approve Foothills comp plan amendment (second draft) directing removal of all references to total units and density due to the same concerns); and
- August 27, 2007: recommendation to approve the Pre-annexation and Development Agreement (DA) entitling the applicant to 5640-8160 units at densities up to 20 units/acre, subject to four conditions:
  - revision of unit entitlements and density to conform to the Foothills Comp Plan Amendment, when adopted;
  - continuing discussion with the Meridian School District on the applicant's contributions;
  - evaluation of the applicant's water study; and
  - peer review of the applicant's economic analysis.

With respect to the first condition imposed on August 27, 2007, please confirm our understanding that no further action will be taken on the DA (i.e., Council will not open hearings on the DA) until after the comp plan process is complete.

With respect to the third condition, please advise who will function as the technical evaluator of the water study and when that evaluation is expected to be available to the public.

With respect to the fourth condition, we request that the City's peer reviewer evaluate the applicant's submittal not just for technical proficiency and validity but for adequacy on the following aspects:

- cost of fire protection in a wildland/urban interface zone, accounting for additional manning and equipment which may be necessary until onsite fire station facilities are built;
- cost of police protection for the entire site, accounting for additional manning and equipment which may be necessary until onsite police facilities are built;
- inclusion of all capital/infrastructure costs, including appropriate share of county roads and state highway improvements, costed to the year shown in the applicant's August 27, 2007 phasing plan and current transportation plan;
- on the cost side of the county road maintenance, adequate accounting for the 30-40% cost growth over the past 12-18 months in basic building materials (concrete, asphalt, etc.);
- on the revenue side of the county road maintenance, adequate accounting for a slow housing market and reduced collection of impact fees;
- inclusion of costs for each school, fire and/or police station--constructed, equipped and staffed--costed to the year the applicant anticipates those facilities will be required (offset by the financial contributions to fire and police facilities and donation of land for schools by the applicant as provided in the DA);
- inclusion of costs for a public library--constructed, equipped and staffed--costed to the year the applicant anticipates that facility will be required (offset by the applicant's donation of land for the library site as provided in the DA);
- inclusion of any costs the City would incur for improvements to and operation and maintenance of the 800-acre regional park, presuming the applicant's proposed exchange of land with the US Bureau of Land Management ultimately is approved;

- inclusion of all costs and revenues associated with the potential of as many as 1600 more housing units to which the DA entitles the applicant, by amendment, should the BLM land exchange be successful (added in the Mixed Use area for a possible new total entitlement of 9760); and
- inclusion and the effect of the tax credits, at fair market value, to be granted if the applicant's proposed BLM exchange is not successful and the applicant donates the 800 acres to the City; and costs for improvement to and operation and maintenance of the donated land.

We further request that, in each of the short- to mid-term years when the development may not generate revenue sufficient to cover costs, the City's economist estimate the additional cost of the development to taxpayers within the relevant district, as follows:

- transportation: state, county;
- schools: Meridian School District;
- fire: Eagle Fire Protection District;
- police, water, sewer, library, application processing (staffing, consultants and overhead): City of Eagle.

Please confirm that you will include all of these elements in the economic analysis review or, if not, identify what elements you believe are unnecessary or inappropriate, explaining any misperception on our part that would make any of them irrelevant.

We presume that, due to the magnitude of the possible financial implications—potentially statewide—of the application, the Council will delay consideration of the DA at least until the peer review of the applicant's economic analysis is complete. However, we request you confirm that presumption, as well as advise as to when the results of that peer review are expected to be available to the public.

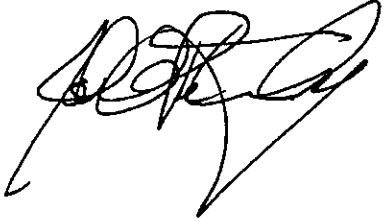
We request a written response to each question and suggestion raised above as soon as possible but not later than September 17, 2007. If our presumption is incorrect—and Council will open consideration of the application before these issues are addressed—please advise of the basis for the City's decision to proceed before the P & Z-recommended conditions are satisfied.

I apologize for the formality with which I transmit these issues; however, the circumstances dictated to us on this particular application leave us little choice except to proceed in this manner.

We look forward to continued participation in all actions the City undertakes regarding foothills development and remain committed to collaboration with Eagle to achieve a balanced plan for the foothills that accommodates current residents while acknowledging developer intentions and economic imperatives.

As always, our thanks for your consideration and attention.

Yours truly,

A handwritten signature in black ink, appearing to read 'John Petrovsky', written in a cursive style.

John Petrovsky, Chair  
North Ada County Foothills Association

**Copy:**

- Idaho Transportation Board (Chairman Darrell Manning)
- Idaho Department of Water Resources (Director Dave Tuthill)
- Ada County Board of Commissioners (Chairman Fred Tilman)
- Ada County Highway District (Chairman John Franden)
- Ada County Sheriff (Lt. Dana Borquist)
- Meridian School District (Dr. Linda Clarke)
- Eagle Fire Protection District (Chief Dan Friend)
- Idaho Smart Growth (Executive Director Rachel Winer)

**Westra, John**

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**From:** David Head [head@firstsourceidaho.com]  
**Sent:** Monday, September 10, 2007 10:37 AM  
**To:** Tuthill, Dave  
**Cc:** Westra, John  
**Subject:** Re: FW: NACFA Concerns on City of Eagle & M3

Thank you Dave!

In our public meeting in Eagle in late August, you mentioned you that you were going to be in meetings with the Governor's staff on your upcoming budget - and that you may have indications from those meetings on how and when a water study for north Ada County might be funded. Are there any developments on that front that you could share with me?

Thanks!  
David

>>> "Tuthill, Dave" <Dave.Tuthill@idwr.idaho.gov> 09/10/07 09:42AM >>>  
David,

Thank you for your submittal. I am herewith forwarding this information to John Westra of our Western Regional Office, for inclusion in the water right application file for M3. I have not read the attachment -- this will be part of the record that could come before me if the application reaches my desk for decision.

To the extent that you have technical concerns regarding water availability, we welcome your participation on the technical team formed by Dennis Owsley. We do not intend to approve additional diversions from the aquifer unless they are supported by a technical determination of likelihood of availability.

Regards,

Dave Tuthill

-----Original Message-----

**From:** David Head [mailto:head@firstsourceidaho.com]  
**Sent:** Monday, September 10, 2007 9:33 AM  
**To:** Tuthill, Dave  
**Subject:** NACFA Concerns on City of Eagle & M3

Dear Director Tuthill,

Please find attached a letter to the Mayor and City of Council of Eagle. In this correspondence we are enumerating a number of serious concerns about their approving a very large and complex development agreement with the M3 corporation prior to the completion of a comprehensive development plan from the city that takes into consideration a number of key factors.....water, schools and roads being the most important. M3 is an Arizona corporation that intends to build up to 8,000+ homes in the Eagle foothills. We have copied each of the various agency heads that we felt needed to be aware of this serious and somewhat confusing situation that has arisen in Eagle. Just an FYI...The area that M3 plans to build it's development is currently in the jurisdiction of Ada County and not in the current city limits or area of impact of the City of Eagle...To date, no one has been able to explain to the public how or why this can occur - other than the developer has chosen to apply to the City and not at the County - and the City of Eagle accepted the application and began processing as if the subject area were actually in their AOI....?

Best regards,

David Head