

# CITY OF DONNELLY

## STAFF REPORT

### ANNEXATION, REZONE, DEVELOPMENT AGREEMENT AND A CONDITIONAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT INCLUDING SINGLE FAMILY ATTACHED DWELLING UNITS, MULTI-FAMILY DWELLING UNITS AND A RECREATIONAL CABIN PARK

**FILE NUMBERS:**

2026-AN-2, 2026-RZ-2 & 2026-CUP-2

**PROPERTY SIZE AND LOCATION:**

APPROXIMATELY 22.83 ACRES LOCATED ABUTTING ELD LANE ABOUT 370 FEET WEST OF THE INTERSECTION OF ELD LANE AND HIGHWAY 55.

**OWNER:**

REUBEN ORTEGA, AN INDIVIDUAL, AND FREEDOM MANAGEMENT GROUP, LLC, WITH MANAGING MEMBER JOE CRITCHFIELD

**REPRESENTED BY:**

MIKE WILLIAMS, SOUTH BECK AND BAIRD  
2002 S. VISTA AVENUE  
BOISE, ID 83705  
PHONE: 208-342-2999  
EMAIL: [MIKEWILLIAMS@SBBGO.COM](mailto:MIKEWILLIAMS@SBBGO.COM)

NOTE: MR. WILLIAMS IS REPRESENTING THIS PROJECT ON BEHALF OF THE DEVELOPER. MR. WILLIAMS IS THE CONTRACT FLOODPLAIN ADMINISTRATOR FOR THE CITY OF DONNELLY AND THEREFORE WILL NOT BE PARTICIPATING IN ANY CITY REVIEW OF THIS APPLICATION.

**PROJECT SUMMARY:**

BOULDER CREEK - AN ANNEXATION, REZONE FROM R-4 (RESIDENTIAL) AND MU (MULTIPLE USE - VALLEY COUNTY DESIGNATION) TO R-8-DA (RESIDENTIAL WITH A DEVELOPMENT AGREEMENT) AND PU/OS (PUBLIC USE AND OPEN SPACE) AND A CONDITIONAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT TO CONSTRUCT 68 SINGLE FAMILY ATTACHED DWELLING UNITS (TOWNHOMES), TWENTY MULTI-FAMILY DWELLING UNITS (APARTMENTS) AND CONSTRUCTING A RECREATIONAL CABIN PARK CONSISTING OF FOURTEEN CABINS/CASITAS.

**CITY COUNCIL PUBLIC HEARING DATE:** June 15, 2026

**OWNER'S COVER LETTERS:** See Owners' attached cover letters/narratives dated May 1, 2026.

**STAFF RECOMMENDATION:**

Based upon the information provided to staff to date, and subject to the upcoming Public Hearing with Council having final authority on the applications, staff recommends that Council consider approval of the submitted applications with the conditions provided within this staff report (go to page 28).

NOTE: All application documents for file numbers 2026-AN-2, 2026-RZ-2 & 2026-CUP-2 which have been received to date are incorporated into this report by reference.

## STAFF FINDINGS OF FACT:

### A. APPLICATION SUBMITTAL:

A pre application submittal meeting was held for the proposed development on the subject property on March 26, 2026. After a discussion with the city attorney on whether the previous applications for the subject property, applications 2026-AN-1, 2026-RZ-1 & 2026-CUP-1, should be processed through the city as modified applications or if new applications should be required it was determined that all new applications would be required because every one of the applications is now substantially different than the previously applications.

The new applications were then received by the City of Donnelly on May 1, 2026, and were accepted as complete, in accordance with Donnelly City Code Section 18.05.050 on May 2, 2026, conditioned on payment of application fees which were paid on May 4, 2026.

### B. NOTICE OF PUBLIC HEARING:

In accordance with Title 67, Chapter 65, Idaho Code, and Donnelly City Code, requests for agencies' reviews were transmitted on May 18, 2026, the notice of this public hearing was mailed to property owners within three hundred (300) feet of the subject property on May 18, 2026, and the notice was published in the area newspaper on May 28, 2026, and June 11, 2026; In accordance with Donnelly City Code, the Owner held a neighborhood meeting on April 29, 2026, and posted the site on June 5, 2026.

### C. HISTORY OF RELEVANT PREVIOUS ACTIONS:

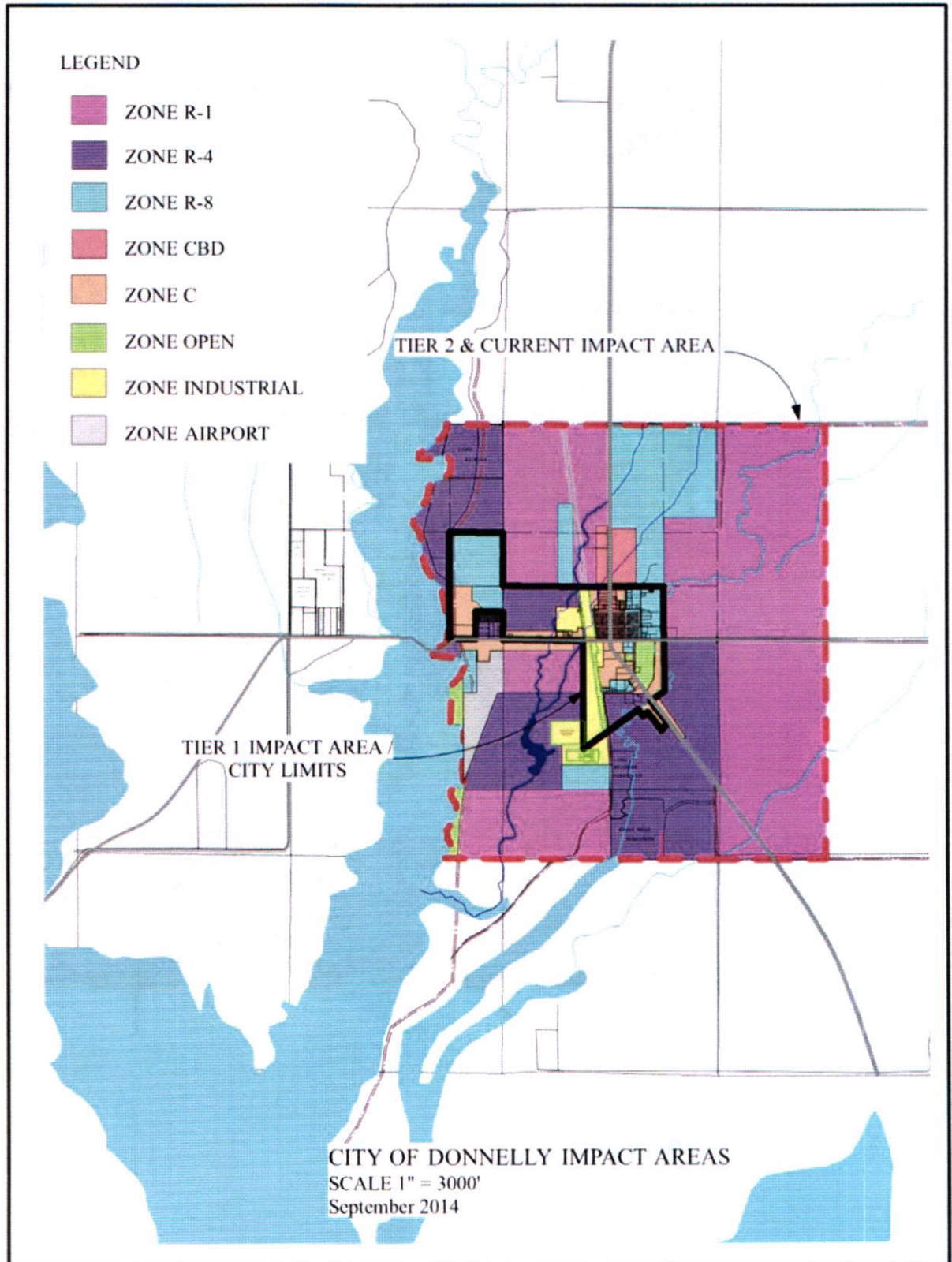
- The north portion of the property was annexed into the city many years ago.
- 2014 Comprehensive Plan Land Use Map showed the subject property and Mayor Susan Dorris's property as R-4
- May 15, 2023, The City contracted with me to develop a new Comprehensive Plan and on May 23, 2023, I started working on the new Comprehensive Plan.
- October 19, 2023 - I Met with Mayor Susan Dorris and City Clerk Lori Clemens to review the draft plan and Land Use Map that I had developed – I had the north parcel (about 11 acres) of the subject property and the Mayor's property shown as Neighborhood Residential (4 dwelling units per acre maximum). I did not know part of that area was the Mayor's property. The Mayor said to change her property to commercial and the rest of the area (north 11 acres of the subject property) to allow for Compact Residential (up to 8 dwelling units per acre) to allow for workforce housing/apartments. She said that land was a great location for workforce housing near the treatment facility.

Mayor Dorris and her husband, George Dorris, previous Mayor, then both reviewed the entire draft plan and I then incorporated their comments into the plan. I asked Mayor Dorris, in the meeting with her and Lori, if she wanted me to conduct public outreach and public workshops and she said, no, just follow the state statute requirements for processing the plan, which I did.

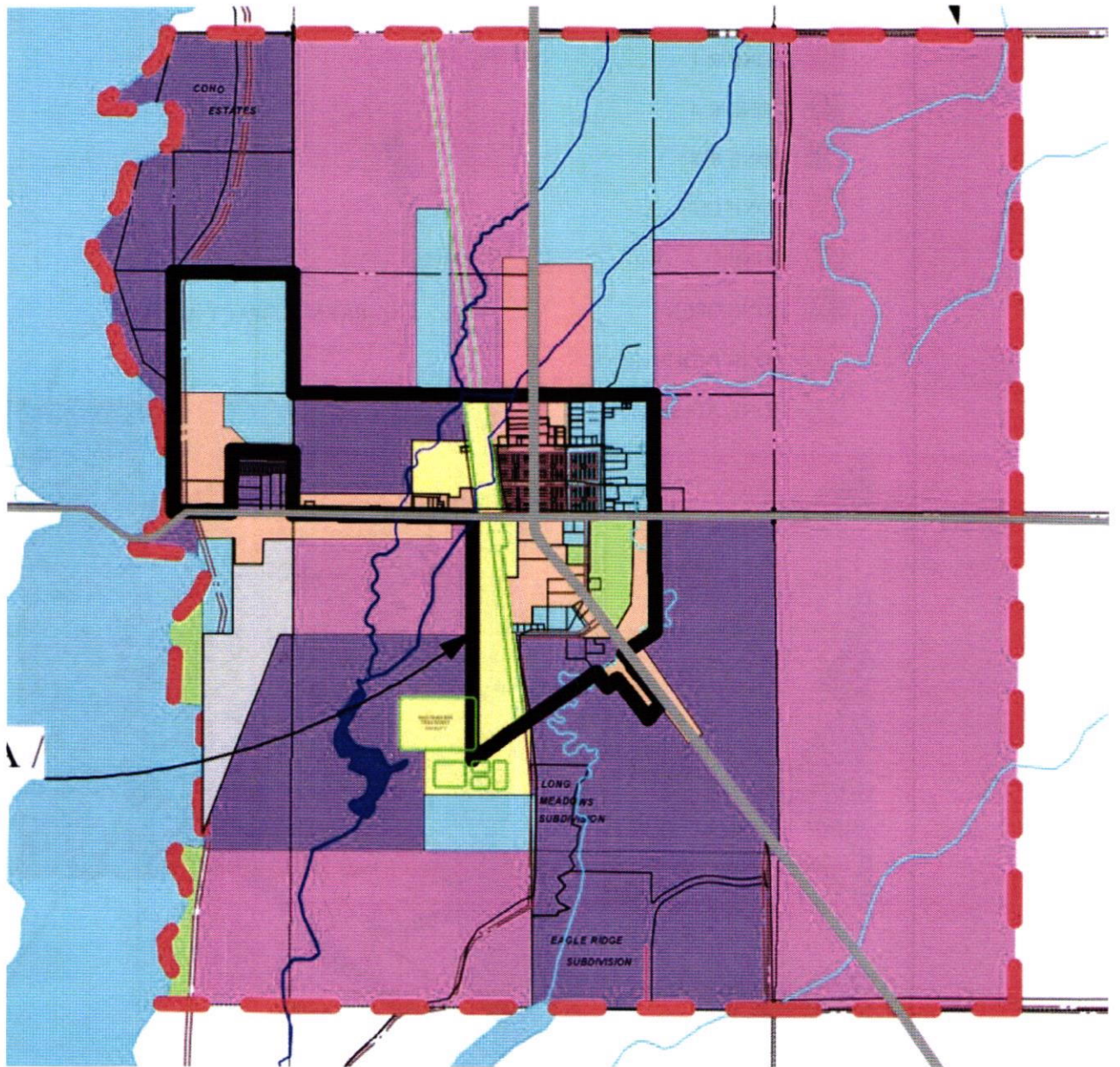
- November 20, 2023, I presented the final Comprehensive Plan with Land Use Map with the subject areas changed to Compact Residential to allow for up to 8 dwelling units per acre, workforce housing/apartments and Mayor's property changed to Commercial per direction from Mayor Dorris and that is the plan the City Council adopted on November 20, 2023.
- January 22, 2025 – I met Joe Chritchfield, who I had never met before, to discuss the planning process and his concepts for the subject property. I told him South Beck and Baird did the computer work for the comp plan maps, so he used them for his applications. No one at South Beck and Baird had ever met Joe Chritchfield or Reuben Ortega before that.
- February 19, 2025 - The subject property was purchased by the applicants
- The first set of applications, 2026-AN-1, 2026-RZ-1 & 2026-CUP-1 were submitted to the city on December 26, 2025, and obtained conditional approval from the city council. A reconsideration request was submitted to the city regarding those applications and that request for reconsideration was denied by the City Council on May 4, 2026.

SEE REFERENCED LAND USE MAP EXHIBITS ON THE FOLLOWING FOUR PAGES:

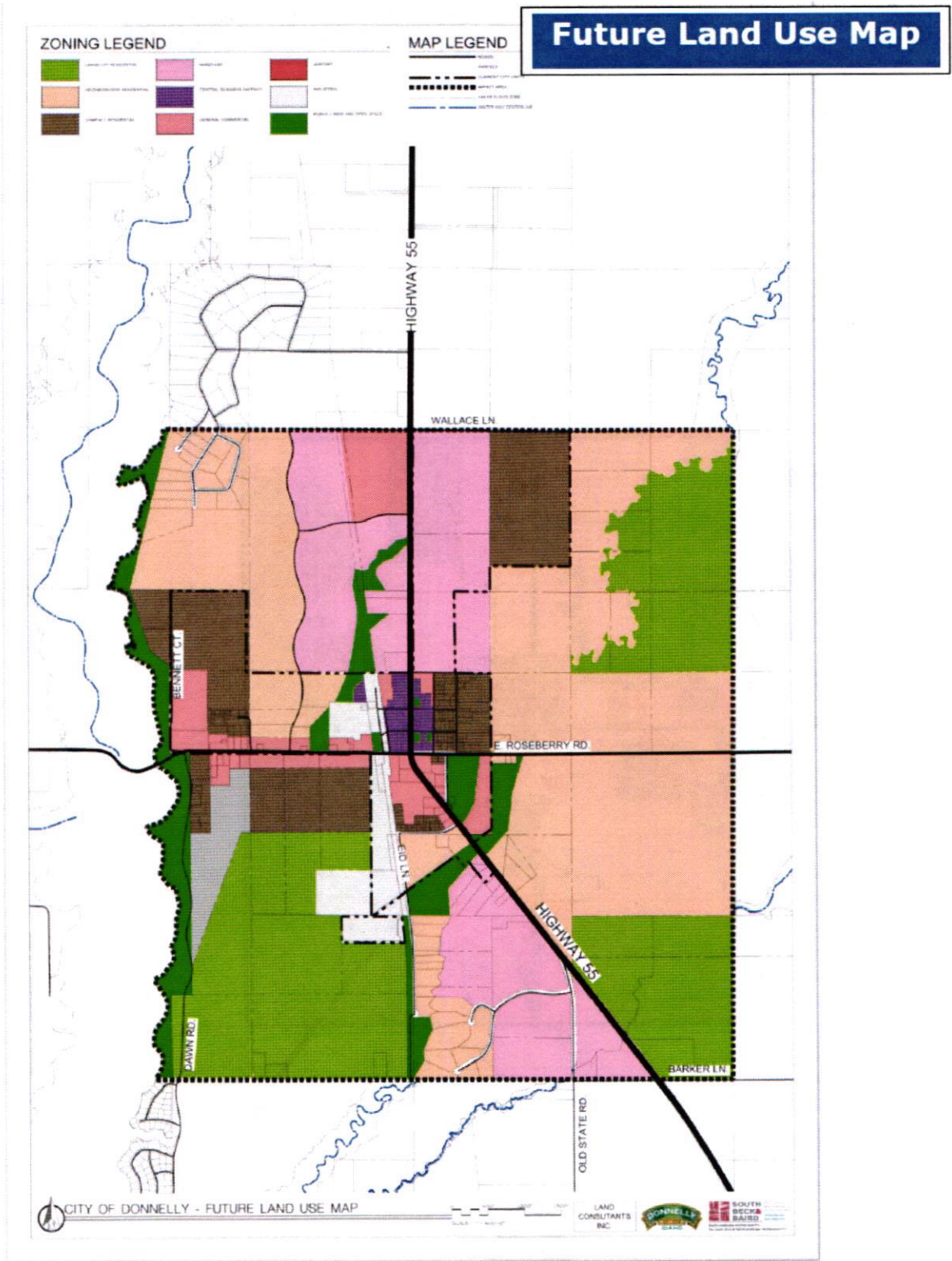
2014 Comprehensive plan Land Use Map



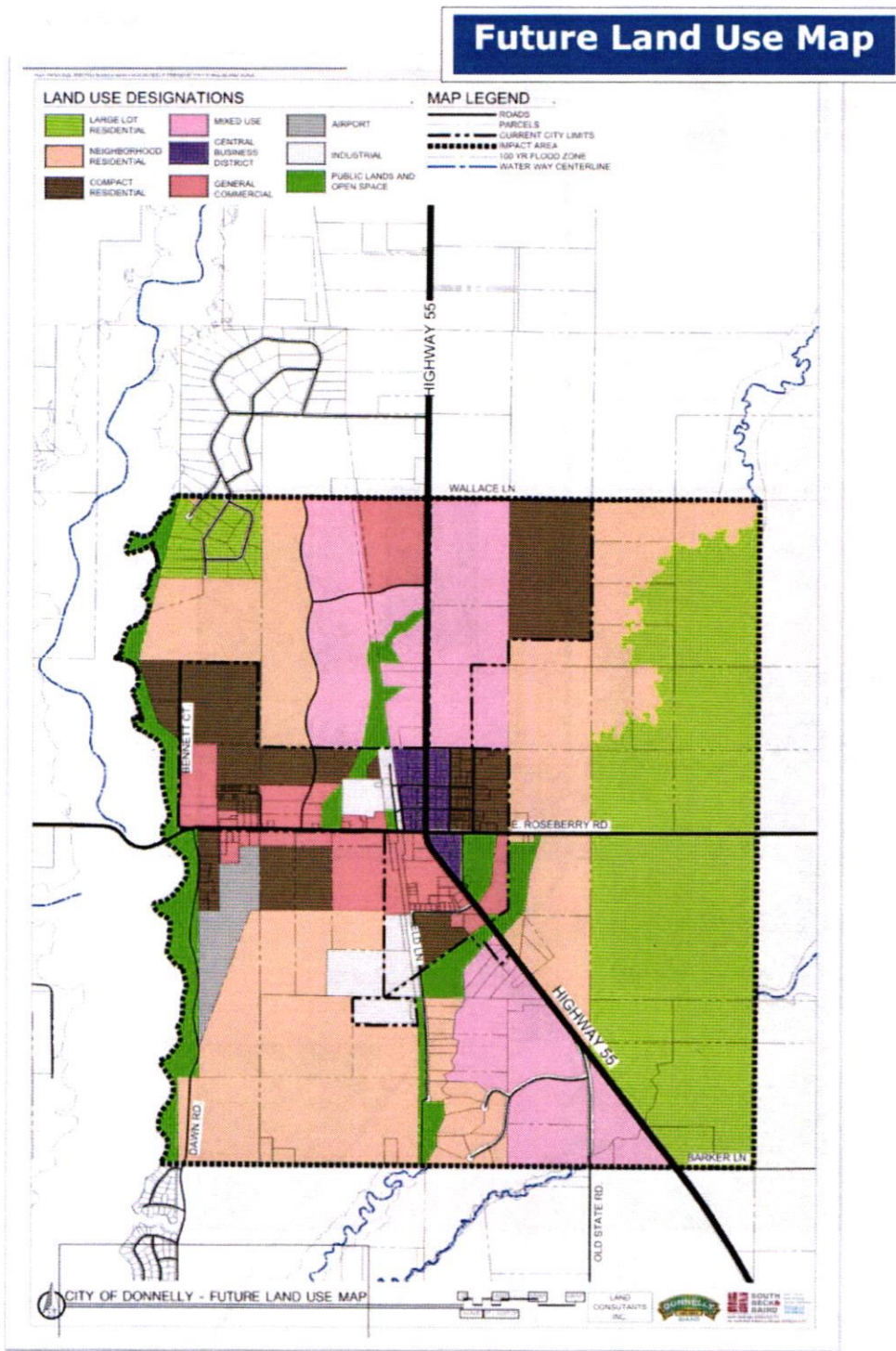
Zoomed in view of 2024 Land Use Map:



October 19, 2023, Draft Land Use Map done by me prior to the above referenced changes made under the direction of Mayor Susan Dorris:



November 20, 2023, final Council approved Land Use Map with the changes referenced above made under the direction of Mayor Susan Dorris:



D. COMPANION APPLICATIONS:

All applications are inclusive herein, except for a Lot Split and/or Lot line Adjustment Application which may be approved administratively.

E. EXISTING SITE:

The subject site consists of two (2) parcels which total approximately 22.83 acres and are identified as Valley County parcel numbers RPD00000151350 and RP16N03E151340. The northern parcel is located within Donnelly city limits. The southern parcel is not.

The northern parcel consists of approximately 10.71-acres and contains a small area within the Area of Special Flood Hazard and includes wetlands associated with Boulder Creek. The parcel is bordered on the north and west by Eld Lane. The parcel contains an existing dwelling and accessory structures located adjacent to Eld Lane which are all planned to be removed. The remaining portion of the parcel contains portions of Boulder Creek, mature trees and natural vegetation.

The southern parcel consists of approximately 12.12-acres and is mostly all within an Area of Special Flood Hazard and includes wetlands associated with Boulder Creek.

There are mature trees and natural vegetation located throughout the site.

NOTE: Staff and the Owners have worked together to obtain a site layout with no residential dwelling units proposed within the Special Flood Hazard Area, even though allowed outside of the floodway per Donnelly City Code, and to propose a zoning boundary that places the entire Special Flood Hazard Area within the PU/OS (Public Use - Open Space) zoning designation.

F. ANNEXATION/REZONE/DEVELOPMENT AGREEMENT REQUEST:

The Owner is requesting an annexation of the southern parcel, which is contiguous with City of Donnelly's municipal city limits.

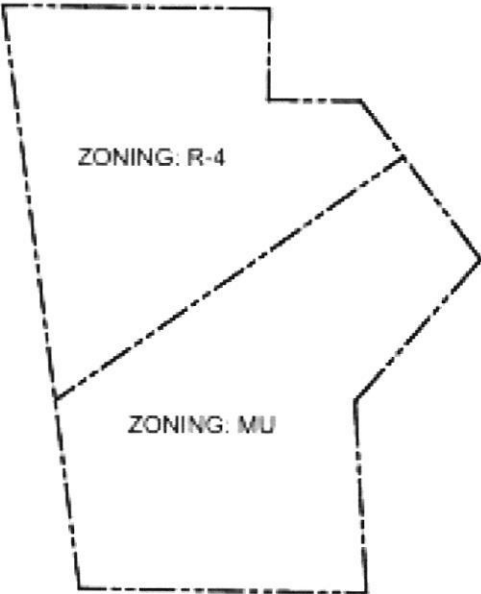
The Owner is also requesting to rezone the properties from R-4 (Residential) and MU (Multiple Use – Valley County designation) consisting of 11.00 acres to R-8-DA (Residential with a development agreement) zoning designation and 11.81-acres of the property proposed to be rezoned to PU/OS (Public Use – Open Space) zoning designation which will place the entire Special Flood Hazard Area within the PU/OS (Public Use - Open Space) zoning designation.

The existing zoning boundary line is consistent with the Comprehensive Plan Future Land Use Map boundary, however the proposed zoning boundary line is consistent with the special flood hazard area line which brings into compliance the intent of the Comprehensive Plan to provide for the special flood hazard area to remain as a public, semi-public, open space area and to preserve the natural features related to Boulder Creek. The new line results in a shift with only a 0.3 +/- acre difference in areas.

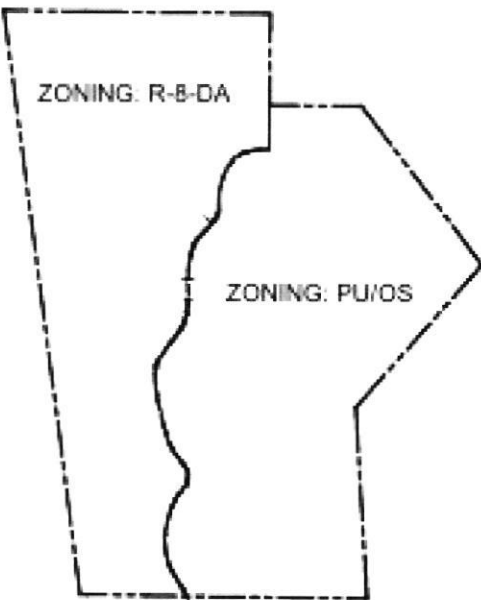
The Owner has agreed to a development agreement to define, limit and regulate the residential use and residential density of the site.

The graphic below shows the existing and proposed zoning boundaries.

EXISTING ZONING



PROPOSED ZONING



The graphic below shows the proposed zoning boundaries in relationship to the planned development and shows how the PU/OS boundary line has been strategically placed upon the special flood hazard area boundary to preserve the Boulder Creek Area of Special Flood Hazard and natural vegetative area and has been extended up to the existing homesite abutting the east property line to preserve the views of that property owner.

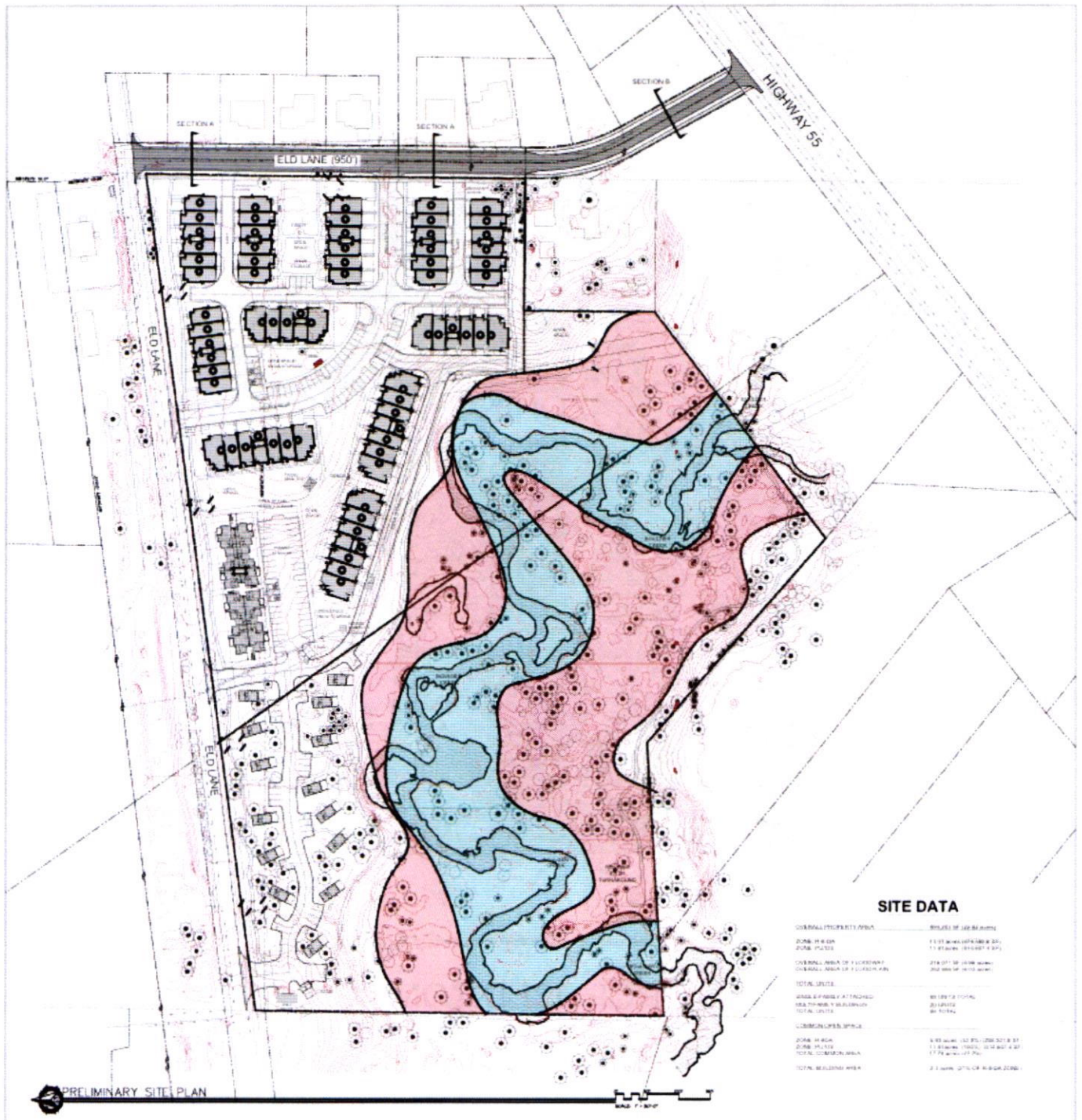


### PROPOSED ZONING

G. PLANNED UNIT DEVELOPMENT CONDITIONAL USE PERMIT REQUEST:

The Owner is requesting conditional use permit approval for a planned unit development, based upon the proposed uses of 68 single-family attached dwelling units, 20 multi-family dwelling units and a recreational cabin park planned for 14 cabins/casitas. The overall gross density is 3.86 dwelling units per acre, (88 dwelling units on 22.82 acres) and the residential density for the R-8 planned property is less than 8 dwelling units per acre, (88 units on 11.00 acres). Note that the number of units permitted for the Recreational Cabin Park per city code, "shall be as determined by the city council as a part of the conditional use permit and the units shall not be considered dwelling units for density calculations".

See concept plan below, and expanded view of the site data table on the next page.



# SITE DATA

<b>OVERALL PROPERTY AREA:</b>	<b>994,203 SF (22.82 acres)</b>
<b>ZONE: R-8-DA</b>	<b>11.01 acres (479,595.6 SF)</b>
<b>ZONE: PU/OS</b>	<b>11.81 acres (514,607.4 SF)</b>
<b>OVERALL AREA OF FLOODWAY</b>	<b>216,071 SF (4.96 acres)</b>
<b>OVERALL AREA OF FLOODPLAIN</b>	<b>262,686 SF (6.03 acres)</b>
<b>TOTAL UNITS:</b>	
<b>SINGLE-FAMILY ATTACHED</b>	<b>68 UNITS TOTAL</b>
<b>MULTIFAMILY BUILDINGS</b>	<b>20 UNITS</b>
<b>TOTAL UNITS</b>	<b>88 TOTAL</b>
<b>COMMON OPEN SPACE:</b>	
<b>ZONE: R-8DA</b>	<b>5.93 acres (53.9%) (258,301.6 SF)</b>
<b>ZONE: PU/OS</b>	<b>11.81 acres (100%) (514,607.4 SF)</b>
<b>TOTAL COMMON AREA</b>	<b>17.74 acres (77.7%)</b>
<b>TOTAL BUILDING AREA:</b>	<b>2.3 acres (21% OF R-8-DA ZONE)</b>

**H. TRAFFIC IMPACT STUDY AND ACCESS:**

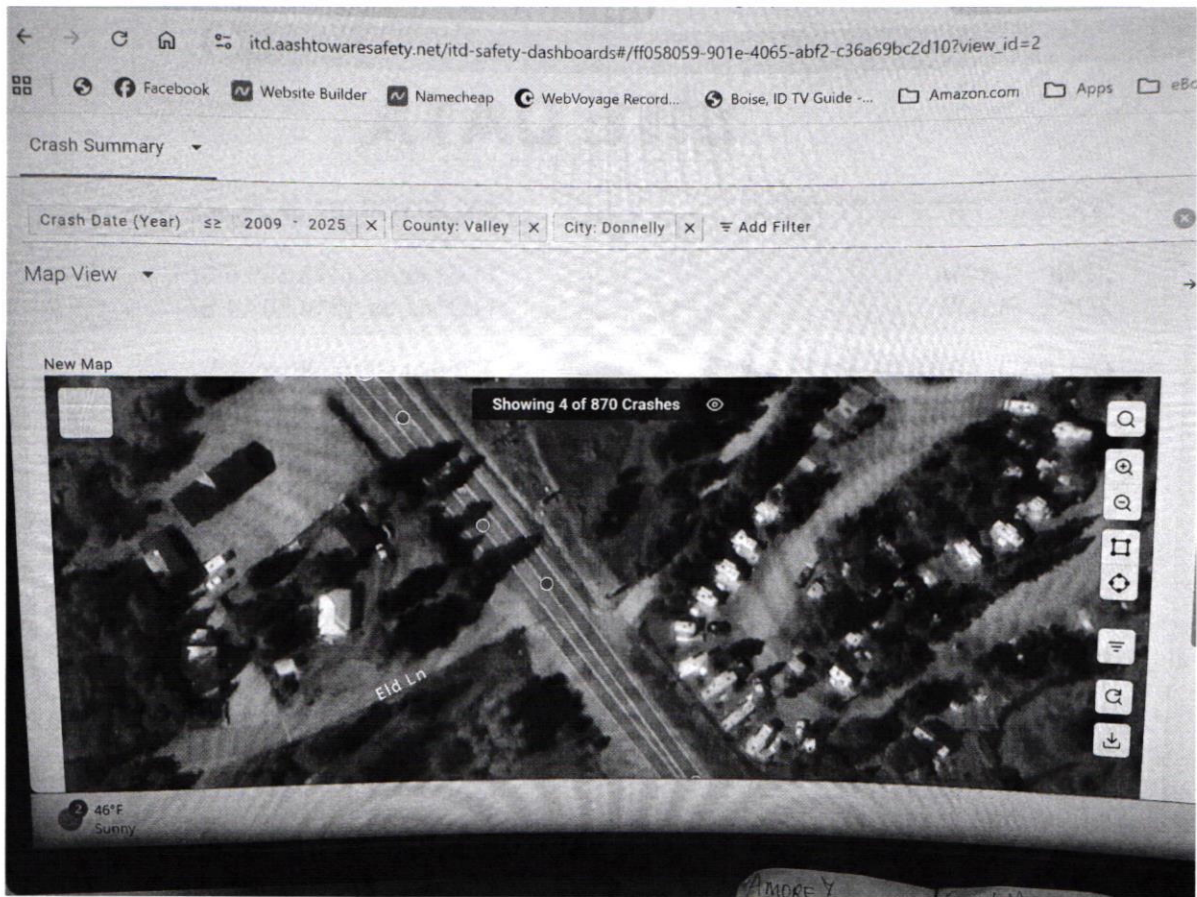
A Traffic Impact Study for the Boulder Creek Planned Development stamped on June 2, 2026, by Antonio Conte, PE of Ackerman-Estvold Engineering has been provided as a part of these applications and is incorporated herein by reference.

The study concludes as follows:

*“All evaluated movements are projected to operate at acceptable levels of service under both existing and future conditions. Based on the analysis, no additional intersection control, capacity enhancements, or geometric improvements are warranted at this time. The sole exception is the reconstruction and regrading of the Eld Lane approach at State Highway 55 to address the existing grade differences between Eld Lane and the State Highway in order to provide a smoother transition for vehicles entering and exiting the intersection. The proposed access configuration and roadway improvements along Eld Lane are consistent with local standards and provide efficient access to the site.”*

The study indicated that crash data was requested from ITD but none was provided. Typically, that means that the subject intersection is not crash prone. This is in fact the case as verified by a review of the Idaho State Police website for crash date. The website shows that there has only been one accident on Highway 55 at Eld lane as far back as their website records goes to 2009 – 17 years.

See ISP screen shot on next page.



The development will be served by four accesses connecting to Eld Lane, (a city planned collector). Eld lane is planned to be improved with a 37-foot back-to-back asphalted street section with concrete curb, gutter and sidewalk on both sides of the east/west portion of Eld Lane abutting the site and a 24-foot-wide minimum asphalt street section from the east side of the site to Highway 55, with a minimum 5-foot-wide asphalt sidewalk on both sides. Parking and travel lane design shall be subject to city council review. The grade of the intersection of Eld Lane and Highway 55 will be upgraded to ensure safety and will therefore be conditioned within the development agreement.

See plan view of the proposed Eld Lane roadway improvements along with the proposed cross section details shown on the next page.



I. COMPREHENSIVE PLAN LAND USE MAP AND ZONING MAP DESIGNATIONS:

	<b>COMP PLAN DESIGNATION</b>	<b>ZONING DESIGNATION</b>	<b>LAND USE</b>
<b>Existing</b>	Compact Residential and Public Lands/ Open Space	R-4 – North parcel  MU – South parcel (County)	Existing dwelling and vacant land
<b>Proposed</b>	No change	R-8-DA and PU/OS	Planned Unit Development to construct 68 single family attached dwelling units (townhomes), twenty multi-family dwelling units (apartments) and constructing a recreational cabin park consisting of fourteen cabins/casitas
<b>North of site</b>	Commercial	R-8	Single-family dwellings
<b>South of site</b>	Neighborhood Residential	MU (County)	Single-family dwelling and a vacant land
<b>East of site</b>	Commercial and Public Lands/Open Space	R-4 and C – Commercial	Single Family dwelling and vacant land
<b>West of site</b>	Industrial	LI - Light Industrial	Wastewater Treatment Plant

J. AREA OF CITY IMPACT DATA: The property planned for annexation is within the area of city impact.

K. DESIGN FEATURES:

Other than the design features detailed herein, and conditioned within the conditions of approval, the site and elevation design features will be required to be reviewed in detail with the submittal of design review applications for the project.

L. UTILITIES AND SERVICES EXISTING OR EXPECTED TO BE PROVIDED:

The Owner acknowledges that there is insufficient municipal water capacity for any building permits to be issued at this time and has executed a “Hold Harmless Agreement”, with the city regarding the current lack of capacity. However, on October 8, 2025, the City of Donnelly entered into a Memorandum of Understanding with a private developer to build a municipal water tank to remedy the deficiency, and since that time the city and the developer have been working together on engineering design and site placement and it is currently planned for that capacity to be available for the development by fall of 2027.

Also, The Owner is extending all central services to the site. Development of sewer, water, drainage, streets and other services will be provided at the developer’s expense. The Owner is providing pedestrian improvements for school children, and the Owner has also worked with the Donnelly Rural Fire Protection District and, according to the district, will meet the district’s requirements for access and fire flows.

The project will connect with the North Lake Recreational Sewer and Water District infrastructure to provide wastewater facilities.

The Owner will provide a public easement and pathway along the east side of the Boulder Creek.

M SPECIAL ON-SITE FEATURES:

Areas of Critical Environmental:

Evidence of Erosion: *No, other than the Boulder Creek water flow*

Fish Habitat: *Yes – Boulder Creek*

Mature Trees: *Yes*

Riparian Vegetation: *Yes – Located adjacent to Boulder Creek*

Steep Slopes: *Yes - Located adjacent to Boulder Creek*

Stream/Creek: *Yes – Boulder Creek*

Unique Animal Life: *Unknown*

Unique Plant Life: *Yes – Riparian vegetation located adjacent to Boulder Creek*

Unstable Soils: *Unknown – development subject to engineering analysis prior to construction.*

Wildlife Habitat: *Yes –adjacent to Boulder Creek*

Floodplain: *Yes*

*Located adjacent to Boulder Creek – FIRM Panel #16085C1302C and includes a floodway area.*

N. AGENCY RESPONSES RECEIVED PRIOR TO THE PUBLIC HEARING:

The following agencies have responded and their correspondence is attached:

- June 8, 2026, letter from Jerry Holenbeck, Fire Marshall, Donnelly Rural Fire Protection District, approving the applications.
- June 10, 2026, letter from David Pickard, Principal, Donnelly Elementary School, in part, stating a need for safe and accessible sidewalks.

O. PUBLIC CORRESPONDENCE RECEIVED PRIOR TO THE PUBLIC HEARING:

The following have submitted correspondence which is attached:

- June 2, 2026, letter from Julia Thrower, Attorney for Evelyn Adams, Danny and Melva Bade, Anthony and Victoria Casetta, George and Susan Dorris, Larry Eld, Rex Fraizer, Jefferey Higgins, Dan and Lynne Margolis, William Pilcher, Dan Steiner, and Denyce Verti Requesting that city council postpone the June 15, 2026 hearing on the Boulder Creek applications—annexation, rezone, and conditional use permit for planned unit development.
- June 9, 2026, letter from Victoria Casetta, (no address provided) in opposition to the proposed development.
- Undated letter received by the city on June 9, 2026, from Anthony Casetta, (no address provided) in opposition to the proposed development
- June 9, 2026, email from Bill Pilcher and Denyce Verti, 301 Eagle Lane, in opposition to the proposed development.
- Undated letter provided to the city on June 9, 2026, by Mayor Susan Dorris, 163 Eld Lane, in opposition to the proposed development.
- June 9, 2026, letter from Carol Amburgy, in opposition to the proposed development.
- June 10, 2026, letter from Julia Thrower, Attorney for Evelyn Adams, Danny and Melva Bade, Anthony and Victoria Casetta, George and Susan Dorris, Larry Eld, Rex Fraizer, Jefferey Higgins, Dan and Lynne Margolis, William Pilcher, Dan Steiner, and Denyce Verti, in opposition to the proposed development.
- June 10, 2026, letter from Lynne Margolis, owner of 192 Eld Lane, in opposition to the proposed development.
- June 10, 2026, letter from Rex Frazier and Evelyn Adams, and email from Evelyn Adams, 204 Eld Lane, in opposition to the proposed development
- June 10, 2026, email from Dan Margolis, in opposition to the proposed development.
- June 10, 2026, letter from Larry Eld II, Property Owner Eld Lane, in opposition to the proposed development.
- June 10, 2026, letter from Sherry Maupin, McCall Idaho, in support of the proposed development.
- June 10, 2026, letter from Dylan Martin, Board President, West Central Mountains Economic Development Council, in alignment with the proposed development.

**STAFF ANALYSIS:**

**A. COMPREHENSIVE PLAN PROVISIONS OF SPECIAL INTEREST REGARDING THIS PROPOSAL:**

The proposed zoning designations reflect the goals of, and takes into account those factors in, the comprehensive plan in light of the present factual circumstances surrounding the request because the proposal is in alignment with the following provisions of the Comprehensive Plan with the conditions required by the city to assure approval in accord with these guidelines:

**CHAPTER 3 PROPERTY RIGHTS, III POLICIES:**

- a. Land use development regulations are to be designed to protect the health, safety, and welfare of the community, and to avoid any unnecessary conditions, delays, and costs.
- b. The protection and preservation of private property rights are to be a strong consideration in the development of land use policies and implementation standards and regulations and as required by law.

**CHAPTER 4 - POPULATION AND COMMUNITY PROFILE, III POLICIES:**

- c. Provide a variety of housing opportunities for differing population needs ranging from single family residential to multi-family uses.

**CHAPTER 5 - LAND USE:**

The Donnelly Comprehensive Plan Future Land Use Map designates the north parcel as **Compact Residential:**

COMPACT RESIDENTIAL: This designation is intended to provide a diverse mix of housing types with a maximum residential density of eight (8) dwelling units per acre to encourage compact development. Cottage or home-based businesses are encouraged in Compact Residential Districts provided there are no nuisance characteristics.

The Donnelly Comprehensive Plan Future Land Use Map designates the south parcel as **Public Lands and Open Space:**

**PUBLIC USE, PARKS, OPEN SPACE:** Suitable primarily for the development of such uses as golf courses, parks, recreation facilities, greenways, schools, cemeteries, and public service facilities such as government offices. All development within this land use is encouraged to be designed to accommodate the different needs, interests, and age levels of residents and visitors in matters concerning both recreation and civil activities.

Open space should be designed to capitalize on and expand the open space areas around natural features and environmentally sensitive areas. Priorities for preservation include: the most sensitive resources – floodways and floodplains (including riparian and wetland areas), locally significant features, and scenic viewpoints. Fragmentation of open space areas should be minimized so that resource areas are able to be managed and viewed as an integrated network. Open space areas along the Boulder Creek should be designed to function as part of a larger area open space network.

LAND USE, II OBJECTIVE(S):

- b. Implement the Future Land Use Map and land use policies as the official guide for development.
- c. Encourage land uses that are in harmony with existing resources, scenic areas, natural resources and wildlife areas, and surrounding land uses.

LAND USE, III POLICIES:

- b. Development that places an excessive burden on the City's infrastructure, and/or intensifies traffic congestion to a level of service that is not acceptable by the City will justify rejection unless mitigation measures are provided that are acceptable by the City Council, or City Council and Valley County Commission for Area of City Impact developments processed through the County.
- e. Housing projects proposing multiple units are to vary in size and price point to offer a variety of housing options for residents of the city.
- h. Upon re-zoning, potentially negative impacts are to be adequately mitigated, as to be determined by the City Council.
- l. Where feasible, open space is to be provided to protect the rural character of the area and preserve environmentally sensitive areas.

CHAPTER 7 – HOUSING:

- I. HOUSING GOAL(S):
  - a. Provide an inventory of housing that meets the needs and lifestyle of current and future residents of the city.
- II. HOUSING OBJECTIVE(S):
  - a. Maintain a viable inventory of housing that is affordable to all City residents.
- III. HOUSING POLICIES:
  - a. Encourage affordable and workforce housing within close proximity to shopping and services.
  - d. Encourage Multi-Residential and Multi-Use projects to include housing units at various price points, as well as opportunities for both ownership and rental.
  - e. Identify priority areas for affordable and workforce housing that are co-located with city services or within walking distance to city services.

CHAPTER 8 – TRANSPORTATION, III POLICIES:

- d. Prioritize resurfacing of gravel streets to pavement to reduce maintenance and environmental degradation caused by poor drainage and dust.
- p. Seek funding and implement the Donnelly Pathways Plan.
- s. Implement applicable sections of the Street Classification Map as development occurs, (Eld Lane is shown as a collector).

CHAPTER 9 - NATURAL RESOURCES, III POLICIES:

- a. Priority wetlands and stream banks should be identified and restored to reduce run-off and sedimentation.
- c. Secondary and access roads in the city should be paved to reduce erosion.

- k. All new development and redevelopment projects should provide open space and architectural features that break up building surface and allow for scenic viewsheds.

CHAPTER 11 - PUBLIC SERVICES, UTILITIES, AND SCHOOLS, III POLICIES:

- a. The city should consider the impact of additional development on all current and projected public services, facilities and utilities when reviewing project applications.

CHAPTER 12 - PARKS AND RECREATION, III POLICIES:

- a. Enhance the City's quality of life by expanding social, recreational, educational and cultural programs.
- b. The city should support recreational business and development by supporting parks and recreational facilities, as well as maintaining public information.
- c. New and planned bike and pedestrian paths should link to parks and recreational facilities.

CHAPTER 14 - HAZARDOUS AREAS,

III POLICIES:

- a. The city should discourage development in the 100-year floodplain.
- g. Where possible, protect and restore wetland functionality and stabilize stream and riverbanks.
- m. Continue to participate in FEMA's National Flood Insurance Program and maintain accurate flood plain mapping for the city.

B. ZONING CODE PROVISIONS OF SPECIAL INTEREST REGARDING THIS PROPOSAL:

ZONING DISTRICTS: Donnelly City Code, Section 18.10.010: Districts, established, purposes and restrictions:

R RESIDENTIAL DISTRICT: To provide regulations and districts for various residential neighborhoods. Gross density in an R district shall be determined according to the numeral following the R. The numeral designates the maximum number of dwelling units per acre. Multifamily, attached single family and two-family units/developments are prohibited in R-1, R-2, R-3 and R-4 zoning districts. Centralized water and sewer facilities are required for all development applications submitted after the effective date hereof in all districts except for the RR zone.

PU/OS PUBLIC USE AND OPEN SPACE DISTRICT: To provide for public/semipublic development such as golf courses, parks, recreation facilities, greenways, schools, and public service facilities such as government offices.

**NOTE: The Owner is proposing a zoning boundary that places the entire Special Flood Hazard Area within the PU/OS (Public Use - Open Space) zoning designation.**

USE DEFINITIONS: Donnelly City Code, Section 18.05.130: Definitions define the proposed uses as follows:

PLANNED UNIT DEVELOPMENT

A project controlled by one owner, partnership, or corporation, and characterized by a unified site design which may include multiple uses, involving varying the normal zoning requirements and restrictions so that the maximum long-range benefit can be gained and the unique features of the site preserved and enhanced.

#### DWELLING, MULTIFAMILY

A dwelling consisting of three or more dwelling units with varying arrangements of entrances and party walls, commonly referred to as apartments. Multifamily housing may include public housing.

#### DWELLING, SINGLE-FAMILY ATTACHED

A dwelling consisting of two or more dwelling units attached to one another by common walls with each dwelling unit being on a separate lot, commonly referred to as townhouses and/or townhomes.

#### RECREATIONAL CABIN PARK

A recreational cabin park is a tract of land that includes cabins, casitas, and/or other temporary living quarters, ranging from 400 square feet to 1,000 square feet, not to exceed 1,000 square feet, designed and operated for leisure, vacation, or temporary recreational purposes. Use as permanent living quarters is prohibited. These parks are to offer facilities for a variety of non-permanent guests, providing cabins, casitas or similar recreational structures as temporary living quarters instead of recreational vehicles. The number of units permitted shall be as determined by the city council as a part of the conditional use permit and the units shall not be considered dwelling units for density calculations.

**REZONE FINDINGS REQUIRED BY COUNCIL:** Donnelly City Code, Section 18.55.010.F, For approval of zoning districts, the city council must find the following: (*Staff comments in italics*):

1. The proposed zoning districts are in compliance with the comprehensive plan:

*While the Comprehensive Plan is a "guiding document" rather than a strict regulatory one, the city finds that the proposed development is "in accordance with" the policies set forth in the plan per I.C. § 67-6511. The city finds that the rezoning decision is supported by adequate findings of fact to support the conclusion that the zoning proposed is in accordance with the plan.*

*Idaho courts give local governments flexibility in applying the Comprehensive Plan. Additionally, herein the city makes numerous factual findings showing that the requested zoning amendment reflects the goals of, and takes into account those factors in, the comprehensive plan in light of the present factual circumstances surrounding the request.*

*The rezone of the properties from R-4 (Residential) and MU (Multiple Use – Valley County designation) consisting of 11.00 acres of the property proposed to be zoned R-8-DA (Residential with a development agreement) and 11.81-acres of the property proposed to be rezoned to PU/OS (Public Use and Open Space.) is consistent with the Comprehensive Plan because:*

*The southern parcel is contiguous with City of Donnelly's municipal city limits and therefore can be annexed.*

*The existing zoning boundary line between the planned residential land use and the planned public use/ open space land use is consistent with the Comprehensive Plan Future Land Use Map boundary, however the proposed zoning boundary line is consistent with the special flood hazard area line which brings into compliance the intent of the Comprehensive Plan to have a zoning designation over the entire special flood hazard area for it to remain as a public use/open space area and to preserve the natural features related to Boulder Creek.*

*The proposed zoning designation of R-8-DA (Residential with a development agreement) is consistent with the comprehensive plan provisions referenced herein and the land use designation of Compact Residential land use designation encompassing the majority of the property.*

*The proposed zoning designation of PU/OS (Public Use/Open Space) is consistent with the comprehensive plan provisions referenced herein and future land use map designation of Public Lands and Open Space encompassing the majority of the property and the proposed use, along with permitted private use of the property, will provide for a public pathway, public and semipublic use, and preservation of the Special Flood Hazard Area and wetland areas, in alignment with the comprehensive plan and Donnelly City Code.*

*The City Council has determined that the layout, with about 77 percent of open space, where city code requires 15 percent and with NO residential dwelling development within the special flood hazard area, even though Donnelly city code allows development within the flood fringe within the special flood hazard area, clearly avoids undue concentration of population and overcrowding of land without the outright taking of private property for public use.*

*The City finds that the proposed development, with the conditions placed thereon, assures that an excessive burden will not be placed on the City's infrastructure, and will not intensify traffic congestion per the submitted Traffic Impact Study retaining a Level of Service "B" which is acceptable by the City. Furthermore, the Traffic Impact Study, stamped on June 2, 2026, by Antonio Conte, PE of Ackerman-Estvold Engineering concludes as follows:*

*"All evaluated movements are projected to operate at acceptable levels of service under both existing and future conditions. Based on the analysis, no additional intersection control, capacity enhancements, or geometric improvements are warranted at this time. The sole exception is the reconstruction and regrading of the Eld Lane approach at State Highway 55 to address the existing grade differences between Eld Lane and the State Highway in order to provide a smoother transition for vehicles entering and exiting the intersection. The proposed access configuration and roadway improvements along Eld Lane are consistent with local standards and provide efficient access to the site."*

*As the Idaho State Police website crash data identifies only one accident on Highway 55 at Eld lane in the last 17 years.*

*Therefore, the City finds that the impacts from the increase in car traffic on existing traffic and the safety of pedestrians and cyclists on Eld Lane is clearly and unequivocally mitigated as conditioned herein.*

*There is thus sufficient evidence for the City to make such findings. Additionally, the Comprehensive Plan's policy regarding compatible transitions between residential and potential future commercial use north of Eld Lane is provided because the development is required to provide a significant landscape buffer along the frontage of Eld Lane and therefor provides a "compatible transition" . . . between a higher intensity future potential commercial use north and the lower intensity use of residential on the subject property. The Future Land Use Map shows the adjacent properties located on the south side of Eld Lane as Commercial; therefore may be developed with commercial uses in the future.*

*Additionally see "STAFF ANALYSIS ITEM A: COMPREHENSIVE PLAN PROVISIONS OF SPECIAL INTEREST REGARDING THIS PROPOSAL" above.*

2. Adequate public facilities exist, **or are expected to be provided**, to serve any and all uses allowed on this property under the proposed zoning districts:

*The Owner acknowledges that there is insufficient municipal water capacity for any building permits for the single family attached dwelling units or for the apartments to be issued at this time, and has executed a "Hold Harmless Agreement", with the City of Donnelly regarding the current lack of capacity and acknowledges that, on October 8, 2025, the City of Donnelly entered into a Memorandum of Understanding with a private developer to build a municipal water tank to remedy the deficiency, and since that time the city and the private developer have been working together on engineering design and*

site placement and it is currently planned for that capacity to be available for the subject development by fall of 2027.

The Owner is extending all central services to the site as regulated by the conditions of approval. Development of sewer, water, drainage, streets and other services will be provided at the developer's expense. The Owner has been working with the Donnelly Rural Fire Protection District regarding the district's requirements for access and fire flows and the Fire District has approved the development as being in conformance with the applicable 2018 International Fire Code. The June 8, 2026, approval letter from Jerry, Holenbeck, Fire Marshall for the Donnelly Rural Fire Protection District states,

*"After reviewing the application materials and documents provided for the upcoming June 15, 2026, public hearing, the Donnelly Rural Fire Protection District continues to approve the Boulder Creek Development concept.*

*The proposed development meets all applicable Donnelly Fire Department, Idaho State Fire Marshal Office, 2018 International Fire Code (IFC) and NFPA standards and requirements.*

*We previously provided formal approval of the concept on January 21, 2026. Our position remains unchanged following review of the current submittal".*

Furthermore, the Owner will be required to make substantial improvements to Eld Lane and its intersection with Highway 55 as conditioned herein. The impacts from the increase in car traffic on existing traffic and the safety of pedestrians and cyclists on Eld Lane have been addressed with the submitted Traffic Impact Study and with the conditions of approval.

The code requires a finding that adequate public facilities exist **or are expected to be provided**. The City's findings here provide for clear substantial evidence of the adequacy of those public facilities. The term adequacy means, "Doing something in a way that is sufficient or satisfactory to meet a specific need". The temporary use of the well, as conditioned by the city for the Recreational Cabin Park, is adequate as it is temporary pending the installation of municipal water service. The City's findings here are substantial evidence for a finding of adequacy and is not purely speculative, as has been stated herein, the city entered into a public private partnership to provide water service.

3. The proposed zoning districts are compatible with the existing or planned uses in the surrounding area:

*The site is designed to be harmonious and appropriate in appearance with the existing and intended character of the area as regulated by the conditions of approval. A majority of the site is bordered by vacant parcels. The existing residential homes located north of the proposed development are located within an area which is shown as Commercial on the Donnelly Comprehensive Plan Future Land Use Map and have an R-8 zoning designation, the same as being requested by the Owner in this location, except with no development agreement limiting uses and layout.*

*The layout, with about 77 percent of open space, where city code requires 15 percent and with NO development within the Special Flood Hazard Area, even though Donnelly city code allows development within the flood fringe with the special flood hazard area, clearly avoids undue concentration of population and overcrowding of land and placing the entire Special Flood Hazard Area within the PU/OS (Public Use/Open Space) zoning designation will assure compliance with the PU/OS (Public Use/Open Space) zoning designation.*

*Implementing conditions for the proposed zoning district will assure the development is compatible with the existing or planned uses in the surrounding area as already stated.*

*The City considered how an anticipated additional 700+ daily car trips from the proposed development will impact the neighborhood and is therefore requiring the east/west section of Eld Lane to be substantially improved, beyond city code, as conditioned herein, compatible with and appropriate for the character of the area.*

*There is thus sufficient evidence for the City to make such findings. Additionally, the Comprehensive Plan's policy regarding compatible transitions between residential and potential future commercial use north of Eld Lane is provided because the development is required to provide a significant landscape buffer along the frontage of Eld Lane and therefore provides a "compatible transition" . . . between a higher intensity future potential commercial use north and the lower intensity use of residential on the subject property.*

4. No nonconforming uses will be created with the zoning districts proposed:

*No nonconforming use will be created with the zoning districts proposed.*

PLANNED UNIT DEVELOPMENT FINDINGS REQUIRED BY COUNCIL: Donnelly City Code, Section 18.40.010.C: Objective. To guide land development and construction to achieve the following, (*Staff comments in italics*):

1. A maximum choice of living environments by allowing a variety of housing and building types, lot dimensions, yards, building setbacks and area requirements:

*The proposed development will provide single-family attached dwellings, multifamily dwellings and cabins/casitas to provide a variety of housing, including workforce housing, as identified within the Donnelly Comprehensive Plan as regulated by the conditions of approval. The site is designed in conformance with the density, dimensional standards and setbacks required as regulated by the conditions of approval.*

*The City acknowledges that the cabins/casitas may be used for work force housing until the apartments are built, and the Council concludes that said use is consistent with obtaining a variety of housing and consistent with Donnelly's Unified Development Code definition of Recreational Cabin Park because the workforce housing use will be temporary until the apartments are built.*

2. A more useful pattern of open space and recreation areas and, if permitted as part of the project, more convenience in the location of accessory commercial uses, office uses and services;

*The site will contain substantial open space located within and adjacent to the Special Flood Hazard Area. The site is proposed with pathways and open space within the natural environment as regulated by the conditions of approval.*

*The layout, with about 77 percent of open space, where city code requires 15 percent and with NO residential dwelling development within the Special Flood Hazard Area, even though Donnelly city code allows development within the flood fringe with the Special Flood Hazard Area, clearly avoids undue concentration of population and overcrowding of land.*

3. A development pattern which preserves and utilizes natural topography and geologic features, scenic vistas, trees and other vegetation, and prevents the disruption of natural drainage patterns;

*The site is designed to preserve natural topography and natural drainage areas as regulated by the conditions of approval. Approximately 17.74-acres (77.7%) inclusive of a mix of natural vegetation and landscaped areas are proposed for the site which far exceeds the 15 percent minimum required per code. The Owner is also aware they will be required to mitigate for any proposed changes to the natural environment.*

4. A more efficient use of land than is generally achieved through conventional development resulting in substantial savings through shorter utilities and streets; and

*The site is designed to take advantage of the areas which are conducive to the construction of dwellings and cabins. The natural areas will be designed to accommodate limited permitted*

*private and public/semipublic uses while preserving the Special Flood Hazard Area and the wetlands as regulated by the conditions of approval.*

*The City Council has determined that the layout, with about 77 percent of open space, where city code requires 15 percent and with NO residential dwelling development within the special flood hazard area, even though Donnelly city code allows development within the flood fringe with the special flood hazard area, clearly avoids undue concentration of population and overcrowding of land.*

5. A development pattern in harmony with the objective for land use density, transportation and community facilities as presented in the comprehensive plan.

*The development has been designed to be in conformance with the Donnelly Comprehensive Plan, with Eld Lane being designed as a collector road abutting the site, as conditioned herein, in regard to density, transportation and the extension of community infrastructure as strictly regulated by the conditions of approval.*

6. A development pattern that provides for the integrated and harmonious design of buildings, and for adequate and properly arranged facilities for internal traffic circulation, landscaping and such other features and facilities as may be necessary to make the project attractive and efficient from the standpoint of the adjoining and surrounding noncommercial areas.

*The site is designed to allow for internal traffic circulation and parking as strictly regulated by the conditions of approval required herein by the City. The building design, orientation of buildings, and landscaping will be subject to design review approval. Although there are surrounding noncommercial uses located to the north and east, the Future Land Use Map designates those properties as commercial which will allow those properties to be developed with commercial uses in the future.*

**CONDITIONAL USE PERMIT FINDINGS REQUIRED BY COUNCIL: Donnelly City Code, Section 18.40.030: Standards for conditional uses, (Staff comments in italics):**

- A. Will, in fact, constitute a conditional use as established within Donnelly City Code for the zoning district involved:

*A planned unit development, multifamily dwellings, and recreational cabin park requires approval of a conditional use permit within the R-8 (Residential) zoning district.*

- B. Will be harmonious with and in accordance with the general objectives or with any specific objective of the Comprehensive Plan and/or Donnelly City Code:

*The site is designed to be in conformance with the goals and policies of the comprehensive plan relative to the density as stated above in "REZONE FINDINGS REQUIRED BY COUNCIL", providing a variety of housing options, located adjacent to a future collector (Eld Lane), protection of floodplain areas, and natural resources (wetlands), as regulated by the conditions of approval.*

*The site is designed in conformance with Donnelly City Code relative to density, setbacks, and conditional permitted uses as regulated by the conditions of approval.*

*The City Council has determined that the layout, with about 77 percent of open space, where city code requires 15 percent and with NO residential dwelling development within the Special Flood Hazard Area, even though Donnelly city code allows development within the flood fringe within the Special Flood Hazard Area, clearly avoids undue concentration of population and overcrowding of land.*

*As discussed above, the City has made the required findings that the rezone, to begin with, is in accordance with the Comprehensive Plan and the City accounts for traffic impacts and thus makes the requisite findings for approval.*

*Also see "REZONE FINDINGS REQUIRED BY COUNCIL Item 1 above.*

- C. Will be designed, constructed, operated and maintained to be harmonious and appropriate in appearance with the existing or intended character of the general vicinity and that such use will not change the essential character of the same area:

*The site is designed to be harmonious and appropriate in appearance with the existing and intended character of the area as regulated by the conditions of approval. A majority of the site is bordered by vacant parcels. The existing residential homes located north of the proposed development are located within an area which is shown as Commercial on the Donnelly Comprehensive Plan Future Land Use Map and have an R-8 zoning designation, the same as being requested by the Owner in this location, except with no development agreement limiting uses and layout. The home to the east of the subject property is zoned R-4 (Residential) and has a Comprehensive Plan Future Land Use Plan destination of commercial, with the commercial land use designation extending to Highway 55.*

- D. Will not be hazardous or disturbing to existing or planned future neighborhood uses:

*The area where the attached single family attached dwellings are proposed is bordered to the north by Eld Lane and residential uses with a commercial comprehensive plan land use designation and an R-8 zone and industrial uses to the west. The area where the PU/OS designated area is planned is bordered by the proposed development, vacant parcels, and one (1) parcel with a residential dwelling. Also, the areas bordering the PU/OS (Public Use/Open Space) area are planned are shown to be, Public Lands and Open Space (northeast), Mixed Use (east), Neighborhood Residential (south) and Industrial (west) on the Donnelly Comprehensive Plan Future Land Use Map.*

- E. Will be served adequately by essential public facilities such as highways, streets, police and fire protection, drainage structures, refuse disposal, water and sewer and schools; or that the persons or agencies responsible for the establishment of the proposed use shall be able to provide adequately any such services:

*The Owner acknowledged, by entering into a Hold Harmless Agreement with the City, that there is insufficient municipal water capacity for any building permits to be issued and that it is planned that sufficient capacity will be available by fall of 2027, serving the use adequately because the City has entered into a public private partnership with another developer to have a 600,000-gallon water tank constructed.*

*The Owner is extending all central services to the site as regulated by the conditions of approval. Development of sewer, water, drainage, streets and other services will be provided at the developer's expense. The Owner has been working with the Donnelly Rural Fire Protection District regarding the district's requirements for access and fire flows and the Fire District has approved the development in accordance with the applicable 2018 International Fire Code. The developer will also be required to make substantial improvements to Eld Lane and its intersection with Highway 55 with the conditions herein.*

*The June 8, 2026, approval letter from Jerry, Holenbeck, Fire Marshall for the Donnelly Rural Fire Protection District states,*

*"After reviewing the application materials and documents provided for the upcoming June 15, 2026, public hearing, the Donnelly Rural Fire Protection District continues to approve the Boulder Creek Development concept.*

*The proposed development meets all applicable Donnelly Fire Department, Idaho State Fire Marshal Office, 2018 International Fire Code (IFC) and NFPA standards and requirements.*

*We previously provided formal approval of the concept on January 21, 2026. Our position remains unchanged following review of the current submittal”.*

*The City finds that, since only 14 small cabins (Per code to be between 400 square feet to 1,000 square feet, not to exceed 1,000 square feet) in the Recreational Cabin Park will be served temporarily by the privately controlled non-municipal water source, the development is adequately (meaning services provided in a way that is sufficient or satisfactory to meet the specific needs) served by essential public facilities and services “including water.” Additionally, the temporary well connection is expressly conditioned on third-party approvals and if the approvals are not obtained the conditions require that the Recreational Cabin Park be constructed with other portions of the development when municipal water service is available.*

*The code does not require that the development be served upon approval of a rezone or conditional use permit. It requires that, “Adequate public facilities exist, **or are expected to be provided**, to serve any and all uses allowed on this property under the proposed zoning districts.” Furthermore, most land use development applications do not have utilities and services at the site upon a preliminary approval. Water is required to be available when a will serve letter is to be provided for a final plat or building permit for instance, not upon a land use approval. To require otherwise would be proceeding out of sequence.*

*The City finds that, conditioning building permits or certificates of occupancy on later water availability creates no practical or legal risks based on the Hold Harmless Agreement, executed between the City of Donnelly and the Owner.*

*Finally, the city finds that there is sufficient evidence that the proposed development will be adequately served by police and fire protection, and schools.*

*Regarding police and fire services, the development does not produce an undue burden upon the City because police and fire will be supplemented by tens of thousands of additional dollars of Valley County and City of Donnelly property tax revenues yearly, providing for additional funds for police and fire service. These funds will support the duty of Valley County to provide the Idaho State Statute Title 18 “Crimes and Punishments”, required police protection and the City has the ability to hire a code enforcement officer if it chooses to do so.*

*Idaho Code Title 18, which the Valley County Sheriff’s Department is required to follow for the entire county included within the city limits of Donnelly, defines nearly all state crimes, establishes the classification of offenses (infractions, misdemeanors, and felonies), and sets the corresponding penalties and punishments.*

*The code is divided into dozens of specific chapters that cover a massive spectrum of offenses. The following is an overview of its core subjects:*

*1. Crimes Against Persons*

- Assault and Battery: Defines unwanted touching, threatening behavior, domestic violence, and attempted strangulation.*
- Kidnapping and False Imprisonment: Covers unlawful restraint and child custody interference.*
- Sex Crimes: Includes rape, video voyeurism, and severe penalties for child sex offenses.*
- Homicide & Abortion: Outlines murder, manslaughter, abortion regulations, and protections for unborn children.*

*2. Crimes Against Property*

- Theft and Burglary: Covers shoplifting, auto theft, and unlawful entry.*
- Arson: Covers the intentional burning of property.*
- Trespass and Malicious Mischief: Includes destruction of private property and trespassing while hunting.*

*3. Public Order, Safety, and Morals*

- *Weapons and Firearms: Regulates concealed weapon licensing and unlawful possession of firearms.*
  - *Disturbing the Peace & Riots: Deals with unlawful assembly and disruptive, noisy conduct.*
  - *Malicious Harassment: Outlines hate crimes and stalking offenses.*
4. *White-Collar and Specific Crimes*
- *Fraud and Computer Crime: Prohibits identity theft, forgery, and hacking into computer networks.*
  - *Perjury and Bribery: Covers lying under oath and corrupting government officials or witnesses.*
  - *Human Trafficking: Criminalizes the exploitation and trafficking of human beings.*
  - *Alcohol & Traffic Crimes: Contains the laws and penalties for Driving Under the Influence (DUI).*
5. *Punishments and Classifications*
- *Preliminary Provisions: Defines the severity of crimes. Infractions result in fines (no jail time), misdemeanors carry up to 6–12 months in a county jail, and felonies can result in extensive prison time or the death penalty.*
  - *Sentencing: Gives judges guidelines for determining sentences and consecutive prison terms.*

*Regarding the apartments specifically the city has also required a mechanism by which the city can have oversight in its activities by requiring a business license to be renewed yearly and by requiring a “Public Safety and Security Plan”, to be provided to the city.*

*Regarding schools, even if the schools are at capacity, Idaho state statute does not allow municipalities to charge impact fees to help support schools. Instead, Idaho state statutes provide for the issuance of bonds by school districts when needed. Regardless, the schools are required to adequately serve the children within the district and this development will provide additional property taxes that will go to support the schools and therefore the city finds that the development therefore will be served “adequately” by the schools.*

*The June 10, 2026, letter from David Pickard, Principal, Donnelly Elementary School, outlined the need for safe and accessible sidewalks, which are being required as a part of the development agreement, along with Highway 55 crossing beacons and crosswalk at Eld Lane subject to ITD approval.*

- F. Will not create excessive additional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the community:

*The costs of the extension of all public facilities and services will be borne by the developer and must be approved at the time of installation and before acceptance by the City of Donnelly and the Donnelly Rural Fire Protection District as regulated by the conditions of approval, and the tax base will increase with the development proposed.*

- G. Will not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to any persons, property or the general welfare by reason of excessive production of traffic, noise, smoke, fumes, glare or odors:

*It is not anticipated that these uses or activities will be detrimental to the surrounding properties upon completion of the site work as regulated by the conditions of approval. The development will be served by internal drives connected to Eld Lane at four (4) separate points of ingress/egress. Eld Lane extends to State Highway 55.*

- H. Will have vehicular approaches to the property which are designed as not to create an interference with traffic on surrounding public thoroughfares:

*Access to the development will be from Eld Lane (future collector) which has access to State Highway 55. The Owner understands they will be required to widen and improve Eld Lane as conditioned herein to address the additional traffic associated with the proposed uses and to reconstruct Eld Lane at Highway 55 for safety as conditioned by the development agreement. The design and construction of the roadways and entrances will be as regulated by the conditions of approval.*

- I. Will not result in the destruction, loss or damage of a natural, scenic or historic feature of major importance:

*The Owner is working with an environmental engineer and hydraulic engineers to address the Special Flood Hazard Area and the wetland areas located within the site. The Owner will be required to conform with Donnelly City Code associated with any development within the Special Flood Hazard Area. The Owner will also be required to obtain any permits associated with any proposed changes to the wetland areas.*

C. STAFF DISCUSSION FOR ASSURING CONFORMITY WITH THE COMPREHENSIVE PLAN AND COMPLIANCE WITH DONNELLY CITY CODE:

- See staff comments in italics above addressing Rezone with Development Agreement application compliance with Donnelly City Code, Section 18.55.010.F, Approval of Zoning Districts.
- See staff comments in italics above addressing PUD application compliance with Donnelly City Code, Section 18.40.010.C: PUD Objectives.
- See staff comments in italics above addressing CUP application compliance with Donnelly City Code, Section 18.40.030, CUP standards.
- Based upon the findings herein, if the council chooses to approve the subject applications, the following conditions of development recommended by staff should be incorporated into any approval.

**STAFF RECOMMENDATION FOR THE ANNEXATION/REZONE/DEVELOPMENT AGREEMENT:**

Based upon the information provided to staff to date, staff recommends the following conditions to be placed within Article 4 of the development agreement:

ARTICLE IV  
CONDITIONS ON DEVELOPMENT

- 4.1 The Owner acknowledges that there is insufficient municipal water capacity for any building permits for the single family attached dwelling units or for the apartments to be issued at this time, and has executed a "Hold Harmless Agreement", with the City regarding the current lack of capacity and acknowledges that, on October 8, 2025, the City entered into a Memorandum of Understanding with a private developer to build a municipal water tank to remedy the deficiency, and since that time the city and the private developer have been working together on engineering design and site placement and it is currently planned for that capacity to be available for the Property by fall of 2027.
- 4.2 A maximum of 68 Single Family Attached dwelling units, 20 Multi-Family dwelling units and 14 Recreational Cabin Park Cabins are permitted.
- 4.3 The Concept Plan dated May 1, 2026, represents Owner's concept for completion of the project. As the Concept Plan evolves, the city understands and agrees that certain changes in that concept may occur. If the Unified Development Code Administrator determines that any such change(s) requires additional public comment through a public hearing process, due to potential impacts on surrounding property or the

community, a public hearing shall be held on any proposed change(s) in the Concept Plan, with notice provided as may be required by the City.

- 4.4 To mitigate noise between floors and units, for residential buildings comprising more than one dwelling unit, first floors shall be insulated from second floors, second floors shall be insulated from third floors, and so forth, and common walls between units shall be insulated. The insulation method shall be reviewed and approved by the Donnelly Unified Development Code Administrator prior to issuance of building permits.
- 4.5 The Council has determined that circumstances exist to justify the north/south section of Eld Lane, a planned city collector road, to not be required to be paved because it is in the public welfare and interests of the city to have the east/west section of Eld Lane instead improved beyond city code requirements extending to Highway 55 as follows:

The east/west section of Eld Lane abutting the site shall be improved with a 37-foot back-to-back asphalted street section with concrete curb, gutter and sidewalk on both sides with an eight-foot-wide landscape strip along the south property frontage and an addition of eight feet of right-of-way to be dedicated along the east/west frontage abutting the site.

Eld Lane shall also be constructed to include a 24-foot-wide minimum asphalt street section from the east side of the site to Highway 55, with a 5-foot-wide asphalt sidewalk on both sides, allowed to be reduced to a minimum 4-foot wide where existing impediments such as mature trees may be impacted.

Eld Lane at Highway 55 shall include the construction of the road a minimum of 100-feet west of the west edge of Highway 55 approaching the intersection with no more than a two percent slope dependent upon the review and requirements of ITD and the City

- 4.6 The north/south section of Eld Lane abutting the site shall be improved with a 24-foot-wide minimum gravel surface with subbase details to be provided with the engineering construction plans. A 5-foot minimum pathway shall be constructed along the east side of Eld Lane.
- 4.7 Parking and travel lane design for Eld Lane shall be subject to City review.
- 4.8 Highway 55 at Eld Lane shall include the construction of a southbound right turn lane and the potential extension of the northbound center turn, subject to ITD review and approval. Additionally, the north bound sight visibility may need to be mitigated dependent upon the review and requirements of ITD.
- 4.9 Highway 55 at Eld Lane shall include pedestrian improvements (to be reviewed as part of the design review or subdivision application), at the intersection which shall at a minimum include pedestrian activated rectangular rapid flashing beacons, crosswalks and pathway connections, subject to ITD approval.
- 4.10 The Owner shall be required to construct any other required Highway 55/Eld Lane improvements required by ITD prior to the issuance of the first certificate of occupancy of either the multi-family dwellings or the attached single-family dwellings, whichever occurs first.
- 4.11 Along with the submittal of the first design review application or subdivision application, whichever occurs first, the applicant shall provide a supplement to the submitted Traffic Impact Study to identify the traffic impacts to the intersection of W. Roseberry Road with State Highway 55 and, subject to ITD approval, the Owner will then be required to contribute to ITD, a proportionate share of the cost of the future installation of a traffic signal at that intersection prior to City approval of a final plat.
- 4.12 Along with the submittal of the subdivision application, the Owner shall submit public roadway and utility construction plans for review by the city engineer.
- 4.13 Along with the submittal of the subdivision application, the Owner shall provide a public pathway easement, with pathway layout, dimensions, and construction details to be approved by the City Council, east of Boulder Creek extending the full length of the property from northeast to south. The pathway shall be constructed and approved by the City prior to the issuance of the first occupancy permit for the development.
- 4.14 A temporary connection of the planned Residential Cabin Park, consisting of 14 cabins, to the existing onsite well, until the Owner can connect to the municipal water system, is approved subject to Idaho Department of Water Resources (IDWR), Central District Health Department (CDHD), and Donnelly Rural

Fire Protection District (DRFPD) approvals.

Upon central water becoming available to the Property, with sufficient capacity as determined by the city engineer, the Owner shall connect the Residential Cabin Park to the City of Donnelly's municipal water system, at the Owner's sole expense, prior to issuance of any building permits for the apartments or attached single family dwelling units, and the well shall be abandoned or, if approved by IDWR, may be utilized for landscaping purposes.

- 4.15 The planned Recreational Cabin Park, consisting of 14 cabins, may be constructed prior to the improvements of Eld Lane, however, the required Highway 55/Eld Lane intersection grading improvements shall be constructed prior to the issuance of the first certificate of occupancy for the Recreational Cabin Park if it is developed as the first phase.
- 4.16 Along with the submittal of the first design review application or subdivision application, whichever occurs first, the Owner shall submit a wetland study of the property for review and approval by the City.
- 4.17 The Owner acknowledges the requirements within City of Donnelly Ordinance 174 "Water Supply" and will comply with these requirements.
- 4.18 At least one 30-foot-wide ingress/egress easement from Eld Lane shall be required to provide vehicular access to the area zoned PU/OS
- 4.19 This Development Agreement shall vest the right of Owner to develop the Property subject to the conditions and limitations set forth in this Development Agreement. This Development Agreement shall not preclude the application of any law that is specifically mandated and required by changes in state or federal laws or regulations. In the event such law prevents or precludes compliance with one or more provisions of this Development Agreement, Owner and Donnelly shall meet and confer to determine how provisions of this Development Agreement would need to be modified or suspended in order to comply with the law while still allowing the project to proceed substantially in accordance with this Agreement. Owner shall prepare and process the necessary amendment or amendments to this Development Agreement reasonably required in order to complete the development of the Property in accordance with this Agreement.
- 4.20 The Owner shall submit such ancillary applications, as may be required in order to complete development of the Project which may include subdivision, floodplain development permit review, design review, and/or any other conditional use permits and any other applicable applications as may be required by the City of Donnelly Unified Development Code.
- 4.21 Development of the Property, as conditioned by this Development Agreement, shall be completed by December 31, 2033. For any portion of the Property not completed, as conditioned by this Development Agreement, the City shall stop issuing building permits for new construction unless an extension of time is approved by the City as an item under new business.

**STAFF RECOMMENDATION FOR THE CONDITIONAL USE PERMIT:**

Based upon the information provided to staff to date, staff recommends the following conditions to be placed on the Conditional Use Permit:

**SITE SPECIFIC CONDITIONS OF APPROVAL FOR THE CONDITIONAL USE PERMIT:**

1. Comply with the conditions of the Development Agreement.
2. Comply with the City of Donnelly Unified Development Code.
3. Along with the submittal for the design review application for the multifamily apartments, the Owner shall submit a "Public Safety and Security Plan" to be reviewed and approved by the City. At a minimum, the plan shall include the following requirements:

- a. Street addresses shall be clearly visible from the street or internal drive isle (at least 3 inches high and reflective at night).
- b. Buildings shall be designed, and landscaping maintained, so that apartment exterior doors, or apartment entry areas, are visible from the street or internal drive isles.
- c. Outdoor lighting control mechanisms shall be activated by a photocell or seasonally adjusted timer, required to uniformly illuminate parking areas and pedestrian walkways, and those areas shall be kept unobscured. and all inoperable fixtures shall be repaired within 48 hours.
- d. Any clubhouse, pools, playgrounds, picnic areas, and similar public amenity areas, shall be visible from streets or internal drive isles.
- e. Electronic surveillance shall be required in common areas such as, but not limited to, hallways, stairways, trash enclosures, amenity areas and parking areas.
- f. A business license shall be required for the management of the apartments. The business license shall be renewed yearly, and yearly renewal fee paid as determined by the city.
- g. The business license application shall include the contact information for a 24-hour apartment site manager or management company.

**NOTE: In the event a Standard Condition of Approval conflicts with a Site Specific Condition of Approval contained herein the Site Specific Condition of Approval shall control.**

**STANDARD CONDITIONS OF APPROVAL:**

1. The Owner shall comply with all provision of the city of Donnelly Unified Development Code.
2. The Owner shall comply with all requirements of the Idaho Transportation Department including, but not limited to, approval of the drainage system, curbs, gutters, streets, and sidewalks.
3. No ditch, pipe, canal, drain, or other structure for irrigation water or irrigation wastewater owned by an organized irrigation district, canal company, ditch association, drainage district, drainage entity, or other irrigation entity, shall be obstructed, routed, covered or changed in any way unless such obstruction, rerouting, covering or changing has first been approved in writing by the entity. A Registered Engineer shall certify that any ditch rerouting, piping, covering or otherwise changing of the existing irrigation or waste ditch (1) has been made in such a manner that the flow of water will not be impeded or increased beyond carrying capacity of the downstream ditch; (2) will not otherwise injure any person or persons using or interested in such ditch or their property; and (3) has satisfied the Idaho Standards for Public Works Construction. A copy of such written approval and certification shall be filed with the construction drawing and submitted to the City Engineer.
4. Encroachments including, but not limited to, landscaping, fencing, lighting, and/or pathways shall not be located within any easement or right-of-way for any ditch, pipe, canal, drain, or other structure used for irrigation water or irrigation wastewater without the express written approval of the organized irrigation district, canal company, ditch association, drainage district, drainage entity or other irrigation entity associated with such ditch, pipe, drainage, canal or other structure. The Owner shall submit a copy of the written approval from the irrigation entity, drainage district, or drainage entity.
5. An approval letter from the Donnelly Rural Fire Protection District shall be submitted to the City.
6. Conservation and recreation easements (if applicable) shall be approved by the staff and the City Engineer prior to issuance of a building permit or Certificate of Occupancy (whichever occurs first).
7. The Owner shall obtain approval of the development relative to its effects on wetlands or other natural waterways (if applicable) from the Corps of Engineers, Idaho Department of Water Resources and any other agency with jurisdiction.
8. The Americans with Disabilities Act, Uniform Building Code, Donnelly City Code, Donnelly Comprehensive Plan, and all applicable County, State and Federal Codes and Regulations, shall be complied with. All design and construction shall be in accordance with all applicable City of Donnelly Codes unless specifically approved by the City Council.
9. Any changes to the plans and specifications upon which this approval is based, other than those required by the above conditions, will require submittal of an application for modification and approval of said

application prior to commencing any change. Any change by the Owner to the planned use of the property, which is the subject of said application shall require the Owner to comply with all rules, regulations, ordinances, plans, and any other regulatory and legal restrictions in force at the time the Owner (or its successors in interest) submits the application to the City of Donnelly for a change to the planned use of the subject property.

10. The City's actions on the application do not grant the Owner any appropriation of water or interference with existing water rights. The Owner indemnifies and holds the City harmless for any and all water rights claims in any way associated with this application.
11. The Owner shall take care to locate, and protect from damage, existing utilities, pipelines and 4imilar structures. Documentation indicating that "Digline" has performed an inspection of the site shall be submitted prior to the issuance of any building permits for the site.
12. The Owner shall provide a construction site dust control mitigation plan to be reviewed and approved by staff prior to the issuance of a "Notice to Proceed with Construction" letter.
13. If applicable, verification and assurance of compliance with any Federal Aviation Administration requirements shall be provided to the City.

Submitted by:

*Mark L. Butler*

---

Mark L. Butler, Unified Development Code Administrator  
City of Donnelly

June 11, 2026  
Date



OFFICE

614 Thompson Avenue  
McCall, Idaho 83638

DIRECT

(208) 271-6503

CORRESPONDENCE

jthrower@mntnoplw.com

ONLINE

mntnoplw.com

*Counsel grounded in the land we live  
on.*

JUNE 2, 2026

Wendy Davenport  
Leslie Minshall  
Brenna Spade  
Morgan Fuller  
Donnelly City Council  
c/o Lori Clemens, City Clerk  
169 Halferty Street  
Donnelly, ID 83615  
lclemens@cityofdonnelly.org

Chris Yorgason  
Yorgason Law Offices PLLC  
6200 North Meeker Place, Suite 200  
Boise, ID 83713  
chris@yorgasonlaw.com

*Via electronic mail*

**RE:** Request to postpone June 15, 2026 hearing on the Boulder Creek applications—annexation, rezone, and conditional use permit for planned unit development

Dear Members of the City Council:

This firm represents the residents of Eld Lane (collectively, “my clients”) in connection with the above-referenced matter. My clients are “affected persons” within the meaning of Idaho Code § 67-6521(1)(a), as each holds an interest in real property that may be adversely affected by the issuance of the permits at issue. I write to respectfully request that the Council postpone the June 15, 2026 public hearing on the developer’s second application (“Second Application”) for annexation, rezone, and a conditional use permit until pending litigation concerning the first Boulder Creek approval is fully resolved.

The Council recently approved an annexation (2026-AN-1), a rezone with development agreement (2026-RZ-1), and a conditional use permit (2026-CUP-1) for the Boulder Creek project (the “First Approval”). My clients timely sought reconsideration of that decision pursuant to Idaho Code § 67-6535(2)(b). Before the Council ruled on that request, the developer submitted the Second Application on the same or substantially overlapping property. My clients have now filed a Petition for Judicial Review and Stay of the First Approval in Idaho state court: *Adams v. City of Donnelly*, Case No. CV43-26-00184 (Fourth Judicial Dist, Valley Cty.). That petition remains pending.

The Council has broad authority to control its own calendar and the scheduling of land use proceedings, including the authority to decline to set or to vacate a hearing on a pending application. Nothing

in the Local Land Use Planning Act compels the Council to proceed with a hearing on the Second Application on any particular date, and the statutory directive that land use proceedings be conducted with an emphasis on fundamental fairness and the essentials of reasoned decision-making, Idaho Code § 67-6535(2), counsels against convening a hearing that may be rendered moot or unfair by the outcome of the pending litigation. Declining to hold the hearing until the First Approval litigation is resolved falls squarely within the Council's authority.

In reviewing land use decisions, Idaho courts are directed to consider the proceedings as a whole and to evaluate the adequacy of the procedures and resulting decisions in light of practical considerations, with an emphasis on fundamental fairness and the essentials of reasoned decision-making. Idaho Code § 67-6535(2). Proceeding on the Second Application while the First Approval is under active judicial review would undermine those standards. The two applications concern the same property and overlapping entitlements. A ruling by the reviewing court on the validity of the First Approval may directly affect the legal posture, scope, and propriety of the Second Application. If the Council acts before the court rules, the City risks (1) issuing inconsistent or duplicative entitlements over the same land; (2) expending public resources on a proceeding that the court's decision may render moot; and (3) exposing the City to further litigation and a renewed petition for judicial review of any decision on the Second Application. Postponement preserves the status quo, conserves the City's and the parties' resources, and avoids the prospect of conflicting approvals.

My clients recognize the developer's interest in moving its project forward and do not seek an indefinite delay. We request only that the Council postpone its decision on the Second Application for a definite period — until the judicial review of the First Approval is concluded. This request is subject to a single exception: if the developer withdraws and relinquishes the annexation, rezone, and conditional use permit entitlements issued under the First Approval, the concern regarding overlapping and potentially conflicting approvals would be substantially eliminated, and my clients would not object to the Council proceeding to consider the Second Application on its merits.

For the record, the developer held a neighborhood meeting in connection with the Second Application. My clients did not attend, on my advice, because the parties were then actively engaged in the reconsideration process concerning the First Approval. My clients' non-attendance should not be construed as a waiver of any objection, a lack of standing, or a lack of interest in the Second Application. Their concerns are expressly preserved and are the subject of this letter and the pending litigation.

Thank you for your consideration.

With regards,  
  
Julia Thrower

*Attorney for Evelyn Adams, Danny and Melva  
Bade, Anthony and Victoria Casetta, George and  
Susan Dorris, Larry Eld, Rex Fraizer, Jefferey  
Higgins, Dan and Lynne Margolis, William Pilcher,  
Dan Steiner, and Denyce Verti*

June 9, 2026

Dear Donnelly City Council Members,

**I am writing to express concerns with the first and second Boulder Creek Project as proposed to be built on Eld Lane's dead end road.**

I will address concerns that will or may be in direct conflicts with Donnelly's 2023-2045 City of Donnelly Comprehensive Plan 2023 to 2045. I will address the points I am most concerned. Also, I am inquiring about any due diligence that has been conducted by the council to ensure they are following or are compliant with all Donnelly's regulations, ordinances, laws, safety for citizens and visitors in addition to Idaho laws?

First 1.4 Idaho Code Section 67-6502 page 3. It provides for the foundation to ensure that the City of Donnelly complies with the State of Idaho's Local Land Use Planning Act (1972). Accordingly, the Donnelly Comprehensive Plan has been developed in accordance with Idaho Code Section 67-6502 which states: The purpose of this act should be to promote the health, safety and general welfare of the people of the state of Idaho as follows:

B. To ensure that adequate public facilities and services are provided to the people at reasonable cost.

i. Will impact fees be conditional to accepting the proposals?

Who will pay the fees? The developer? The City? Tax payers?

What will the percentage break be if the impact fees are shared between two or more of the groups above?

D. To ensure that the important environmental features of the state and localities are protected.

i. The site is delicate as there are already concerns with Boulder Creek's environmental health. I would like to see an erosion and stormwater mitigation plan in regards to the Boulder Creek Plan.

G. To avoid undue concentration of population and overcrowding of land.

i. The excessive number of residential units is an undue concentration of population for the land in regards to population density and traffic trips on a dead end road.

J. To protect fish, wildlife and recreation resources.

i. Boulder creek is a wildlife corridor and provides habitat for many, fish, fowl, mammals, etc. to navigate the area and seek shelter. I would like to avoid concert venues on the creek.

L. To allow local school districts to participate in the community planning and development process so as to address public school needs and impacts on an ongoing basis.

- i. How has the school addressed or contributed to the planning and development of the project to meet their needs and safety of pupils traveling to and from school twice a day?

Second, Population Projections on page 12. I would like to inquire about the due diligence being conducted in regards to the accuracy of future growth estimates compared to current numbers, assessed values of the project and taxes that Donnelly City will collect to help bolster their funds?

Please review the chart below and address the population of Donnelly City in comparison with projected city limit growth that will use the project's housing? Are the projections still valid? If not, what are the new projected numbers?

Projected Population Analysis			
	Current Average Rate per Year 2010-2020 (6.4%)	Donnelly's September 2020 Master Transportation Plan's Predicted Rate (2.36%) *	Comprehensive Plan Projection (7.7% adjusted) **
2020	249	249	249
2025	340	280	380
2030	463	314	640
2035	631	353	900
2040	861	397	1,200
2045	1,174	446	1,600

Source: US Census Bureau: [data.census.gov](https://data.census.gov) 2020 Decennial Census

\*Note: Figures have been recalculated based on actual population of 249 for 2020 versus the 152 number used in error for 2020 within the Transportation plan.

\*\*Note: See written analysis in paragraph above table for adjustments

Third, 5.6 Directives I on page 26. GOAL(S) a. Create and maintain a vibrant and healthy community growing in a manner that will preserve the history and culture of the original townsite. "it's essential for Donnelly to emphasize commercial development to ensure a robust tax base so its future population is not burdened financially to support municipal services. "

### III. POLICIES

- a. Any deviations from the land use criteria herein must include substantial justification that the deviation is in the best interest of the public, subject to City Council review.
  - i. I am requesting the substantial justification and how the Boulder Creek Project is in the best interest of the public? What did the review look like? Where was the due diligence?
- b. Development that places an excessive burden on the City's infrastructure, and/or intensifies traffic congestion to a level of service that is not acceptable by the City will justify rejection unless mitigation measures are provided that are acceptable by the City Council, or City Council and Valley County Commission for Area of City Impact developments processed through the County.
  - i. What are the results of the Idaho State Highway traffic study? Are there any required mitigation measures regarding traffic, infrastructure? If so, what has been determined and who will pay for the changes?
- c. The city encourages commercial uses to assure a strong future tax base.

i. What is the projected taxes to the city as an R4 versus an R8 development?

e. Housing projects proposing multiple units are to vary in size and price point to offer a variety of housing options for residents of the city.

i. This is a requirement and needs to be met in this project.

How will the above be verified and enforced? Have any plans been provided?

How will the council ensure the plans that are approved are not changed during construction?

What is the breakdown of residences? How many 2 bedroom/3 bedroom/1 bedroom apartments and townhomes?

If the due diligence has not been done and you don't know the breakdown how do you justify approving or denying a project?

h. Upon re-zoning, potentially negative impacts are to be adequately mitigated, as to be determined by the City Council.

i. What are the current plans to mitigate the re-zoning from an R4 to R8?

Traffic, safety, road width, sidewalks, fire, ambulance, police, water, sewer, crime, school population, school bus, walking to school safety, intersection safety and congestion, etc.

i. In-fill development should be encouraged to create a more continuous development pattern and to avoid sprawl.

i. How does Boulder Creek Project meet the in-fill development requirement?

j. Development or redevelopment of existing land uses and/or zoning patterns that are incompatible, are to be buffered from each other by community design elements such as open space, landscaping, greater setbacks and lower building heights.

i. How involved will the council be to ensure the above is met and finished as planned and promised by the developer?

What are the consequences if promises are not honored?

If the plan (as plan #1) has been approved without the council requiring the developer meeting setbacks, landscaping, lower building heights etc. does that mean the developer is not required to meet the City Council's Comprehensive Plan? Where is the due diligence if these issues were neglected?

l. Where feasible, open space is to be provided to protect the rural character of the area and preserve environmentally sensitive areas.

i. What is the plan and accountability to the plan to provide and protect open spaces from Boulder Creek, wetlands, and floodplain for the residents and

surrounding nature? Allowing a Creekside venue is in violation with preserving the environmentally sensitive areas. Where is the due diligence?

Fourth, 9.5 Directives on page 44.

### III. POLICIES

a.. Priority wetlands and stream banks should be identified and restored to reduce run-off and sedimentation.

i. Is there a runoff, erosion plan for the project?

How do you plan to make sure it is followed?

What is the consequence if this is abandoned?

c. Secondary and access roads in the city should be paved to reduce erosion.

i. Are all access points to the project required to be paved? If no, why?

Is this a requirement that must be done prior to any building permits being granted?

If the roads are not paved prior to building will the project be stopped?

d. New commercial and industrial projects should be required to include stormwater management features that connect to stormwater systems when present.

i. Where is the stormwater going to be routed?

Does this meet the requirement that creeks, flood plains and wetlands will be protected?

Will it be routed into Boulder Creek? Do you know the answer?

e. The City should develop a comprehensive stormwater treatment system.

i. Does the city have a comprehensive stormwater treatment system?

Will the development be required to hook in to the system prior to any building permits be granted?

f. Work with County and State transportation departments to prioritize pedestrian and bicycle infrastructure and include pedestrian and bicycle infrastructure in roadway improvement projects. 2023-2045 Donnelly Comprehensive Plan Crossroads to Recreation 44

i. Will the pedestrian and bicycle infrastructure be included in the paved roads in and around the development?

g. New subdivision projects should include pedestrian and bicycle connectivity to reduce dependency on automobiles.

i. Will the connectivity include crosswalks and lanes to downtown and the elementary school? Safety of our children is paramount. Has this been written in as a requirement prior to building permits be granted?

Will the connectivity be required prior to any building permits being granted?

k. All new development and redevelopment projects should provide open space and architectural features that break-up building surface and allow for scenic viewsheds.

i. How will the city require and verify that the project provides open space and architectural features that break-up building surface and allow for scenic viewsheds?

Is it required that the building plans be evaluated and approved by the council?

If not, where is the teeth in this plan?

l. Maintain and upgrade existing stormwater infrastructure to maximize effectiveness.

When will this maintenance and upgrade be required?

Who will pay for the upgrades? Are they impact fees?

m. Identify streets for resurfacing from gravel to pavement.

i. If the streets are not paved, as approved, what is the consequence to the developer?

n. Maintain and update the city code to include requirements to protect scenic viewsheds.

i. Are there any plans by the city to require and protect scenic viewsheds?

If so, what are they and how will they be reviewed and verified?

Fifth, 11.3 Directives on page 56.

### III. POLICIES

a. The city should consider the impact of additional development on all current and projected public services, facilities and utilities when reviewing project applications.

i. Has a review of public services, facilities and utilities been reviewed for this project?

If not, when will it be done? Why wasn't it done before the project was approved? Where is the due diligence?

b. Adhere to the Drinking Water Protection Plan for the City of Donnelly to ensure safe drinking water.

i. Where will the drinking water be coming from?

What is the amount of consumption estimated?

How often will the water be tested?

Does the City have enough water in their well(s)?

- d. The City Public Works Department should monitor and implement best management practices to protect the drinking water well head and surface seal within the well zone.
  - i. Will the City maintain that wells, not city water supply, will only be used for irrigation? Due diligence?  
If yes, how will the city ensure the well dug on the Boulder Creek Project is not routed to the casitas or homes for human consumption?
- m. Work with Valley County to provide adequate levels of police and the Donnelly Rural Fire Protection District provide adequate fire services for maximum efficiency in law enforcement and firefighting services.
  - i. What has the due diligence shown in regards to safety for fire calls in regards to fire hydrant water pressure 24 hours a day, fire lane widths (larger fires may have more than two or three trucks, etc.?)  
If this was not done and verified how was the project able to get approved?

Residents on Eld Lane to maintain quick response times by emergency teams, smooth (paved) roads, and multiple, at least two, evacuation routes. If this project moves forward (as #1 did) then the future land use plan infrastructure needs to be implemented. Two exits for vehicles. Exit route at Eld Lane and highway 55 plus an exit route connecting Eld Lane to E. Roseberry. This would also decrease the response time from the fire department.

It is imperative that the City can protect all of its current citizens prior to adding more projects that put us all in danger. Where is the due diligence.

Sixth, this development is said to be a project that will **fulfill housing needs** for Donnelly City workers and surrounding area workforce. My question is to ask what research has been done to verify a need? What are the workforce wages of the people? Where are the jobs? Are they temporary/seasonal?

As a brief reminder here is the printed definition listed for affordable housing within the City of Donnelly code. **Affordable Housing** - A general rule for determining housing affordability is that the sum total annual rent and other housing payments (including utilities) should not exceed 30% of gross household income. Lending institutions use a slightly different definition to determine whether housing is affordable for a prospective homeowner; that is, the total annual payment (principal, interest, taxes, and insurance) should not exceed 26-28% of the homeowner's gross annual income. Lending institutions also consider the homeowner's total indebtedness, determining that housing costs plus all other indebtedness should not exceed 33-36% of the homeowner's income.

Making 50,000 per year the residence plus utilities should not exceed 1250.00 per month

Making 80,000 per year the residence plus utilities should not exceed 2000.00 per month

What are the prices of the apartments? How many bedrooms? Where does it specifically state that the townhomes be rentals/homes? Where is the due diligence?

**Seventh, What is the plan in regards to impact fees?** Per the impact fee definition Impact Fees - A fee levied by local government on new development, so that the new development pays a proportionate share of the cost of the facilities needed to service that development.

Will the Developer be required to pay for the impact fees? If yes, will the fees be collected prior to building the residences? Who pays the rest? Does Donnelly have the money to install the improvements? Where are the numbers? Where is the due diligence?

What are the fees?

How much will the developer be billed? What is the collection process if the impact fees are not paid?

What will be required of them to install, have inspected and paid for prior to building the structured residences?

What is the plan to evaluate and consider the project meets all of Donnelly's requirements?

How has the City Council worked to ensure the Developer's claims are accurate?

Without numbers, investigations and research the traffic reports will yield inaccurate results. If all the apartments are 3 bedroom or all are 1 bedroom that will change how much traffic will flow in and out of the dead end Eld Lane onto state highway 55 each day. It will change the rent of each housing unit. It will change sewer, water, electrical needs.

I ask that you take time to re-valuate your past decision and carefully move forward when determining whether to approve, adjust, or deny any future developments. If you approve a future plan, it is imperative that you null and void previous approvals for the same location. It is time to put citizens first and uphold The Comprehensive Plan that the City Council voted for and approved.

With Sincerest Regards,

Victoria Casetta

To: City of Donnelly

RE: Public Hearing June 15, 2026

**I would like my letter to be included in the packet to council members before the hearing.**

I live in the Donnelly area of impact. I have to drive into the city on Eld Lane, past the proposed development, to get onto the highway.

I am opposed to the new proposed Boulder Creek development. All development has its pros and cons. This proposal has lots of cons for me. A few are:

1. The traffic count on the highway south of Roseberry in July of 2022 was over 10,000 average daily vehicle trips (per the Donnellys comprehensive plan). Traffic's only getting worse. The summer is when I sometimes see a two or three car backup on the Eld approach to the highway with currently only 23 homes and 1 business contributing traffic. I've read the traffic study that was completed (crash data was not included in the report). With all that additional traffic I foresee an exponential increase in delays and collision risk at that intersection. **I believe the secondary access/egress to Roseberry Road should be completed first or reduce the proposal from R8 back to the zoning density of R4 (like it was when the buyer purchased the land).** Donnelly's Unified Development Code Administrator Mark Butler brought Staff intersection improvement recommendations to your attention in his February 5, 2026 Memo to Council for the first proposal. Their recommendations can help keep Eld Lane residents and highway drivers safer.
2. Fourteen cabins are proposed for the south parcel of the development, currently shown in the comprehensive plan as public use/open space. **How can Council possible justify that cabins with bedrooms (for sale or rent, I presume) is in the best interest of the public who want open space and recreational opportunities?** What happened to the future open space off Dawn Drive just south of the Donnelly boat docks? Residential utility infrastructure has gone in there. It appears ignoring the comprehensive plan and eliminating open space is becoming the norm. These spaces should be cherished for their recreational opportunities, not developed for profit.
3. **I've seen developments in areas that I have lived previously (Emmett for example) promise the moon, but fail to deliver on completing everything beyond the initial phase.** Promises made, promises broken. No pool. No clubhouse. Secondary roads, sidewalks, landscaping, never even started. Public taxes used to mitigate the environmental concerns. **Who holds the developer to account?** What might the city/taxpayer be responsible for should the developer fail to comply with the agreement? Does the development have the financial backing even if the economy goes into recession?
4. **Where's the affordable housing?** I see on the City's webpage (The 25-254 Boulder Creek CUP narrative) that the developer will conform to the objectives, policies, and code of the Donnelly Comprehensive Plan. That plan states the City's objective will be to maintain a viable housing inventory that is affordable to all City's residence. The policy states the city will encourage affordable and workforce housing. Have reputable local Realtors/Real Estate Agents been contacted to estimate what the townhomes would likely sell for? What the apartments would

rent for? Are those estimates affordable for Locals? What substantive steps are Council Members taking to assure residents that the developer will indeed meet the objectives and policies regarding “affordable and workforce housing” that council members adopted in the Comprehensive plan?

5. **I understand the water supply system is currently incapable of providing the development water?** Who pays for that improvement? I hope current Donnelly residents aren't financially responsible.

Anthony Casetta

Eld Lane, Donnelly

## Lori Clemens

---

**From:** Bill Pilcher <pilcherbill@gmail.com>  
**Sent:** Tuesday, June 9, 2026 10:24 AM  
**To:** Lori Clemens  
**Subject:** Re: Public Hearing Boulder Creek Development June 15 hearing.

Please include these comments for the City Council's Review regarding the current Boulder Creek Project before them on June 15th:

We are writing in strong opposition to the proposed Boulder Creek Development (2) slated for the hearing before the Donnelly City Council on June 15th.

The current proposal before the city council should be summarily denied for a number of reasons.

**1. The rezone from R4 density to R8 density is not in compliance with city of Donnelly's Comprehensive Plan.**

The increased density to R8 would place an undue burden on the city of Donnelly due to traffic congestion, inadequate police, fire safety, water supply and utility infrastructure. The city must reject this proposal until these concerns are mitigated. A promise to mitigate these issues in the future is not sufficient.

**2. Inadequate water supply.**

It is known by the developer and the Council that there is currently inadequate City Water Supply for this project. There is no date certain when or if the water supply will become available. The city must not approve this project before an adequate water supply is assured.

**3. Inadequate plan for increased traffic on Eld Lane and intersection with Highway 55.**

The plan fails to address how Eld Lane can handle the increased traffic and safely merge onto Hwy 55. Without making an additional exit through to Roseberry the density of this project makes for an unsafe situation in the event of a fire. The city should not approve this project before these traffic issues are fully addressed.

**4. The plan will create additional public costs that must be borne by the Donnelly community.**

Additional costs to the city for police, fire protection and road maintenance is an unfair burden to the city and community. The project should be denied if the developer does not address and mitigate these issues prior to consideration for approval.

I find it to be absurd that the developer is asking for approval of a second project on the same Boulder Creek parcel without first withdrawing their previously approved Boulder Creek project. The council should not even consider this proposal viable unless or until the first proposal is withdrawn by the developer. Obviously they can not build two different projects on the same property.

As the developer and Council is aware, their first approved proposal is up for judicial review. If their first proposal is found untenable by the judicial review, it is most likely that the similar second proposal would be found wanting as well.

It appears that the developer's strategy is to continue to introduce proposals without regard to community consensus or standards until they wear down our opposition. This may not be an illegal strategy but in my view it is an unethical one.

It is our hope that the Donnelly City Council will sincerely act in the best interest of the current citizens of the Donnelly community in rejecting this proposal.

Sincerely,

William Pilcher  
Denyce Verti  
301 Eagle Lane  
POBox 358  
Donnelly, ID

Larry Eld II  
2688 W Teano Dr, Meridian, ID 83646  
Eld Lane, Donnelly, ID 83615  
quazar68@gmail.com

June 9, 2026

Donnelly City Council  
c/o Lori Clemens, City Clerk  
City of Donnelly  
169 Halferty Street, P.O. Box 725  
Donnelly, ID 83615  
lclemens@cityofdonnelly.org

**RE:** Opposition to Application Nos. 2026-AN-2, 2026-RZ-2 & 2026-CUP-2 — Boulder Creek Development; 203 Eld Lane; Public Hearing June 15, 2026

**I respectfully request that this letter be included in the council packet distributed to members prior to the June 15, 2026 hearing.**

Dear Members of the City Council:

I am a property owner on Eld Lane and I submit these comments in opposition to the Boulder Creek Development applications. I am not opposed to responsible growth in Donnelly. I am opposed to this project, at this density, on this site, served by this road. The applications ask the Council to roughly double the permitted residential density on the property and introduce multifamily, townhome, and short-term rental uses directly adjacent to an established single-family neighborhood — all funneled through a single gravel lane onto State Highway 55. I respectfully ask the Council to deny these applications as submitted, or at minimum continue the hearing until the significant deficiencies described below are fully addressed.

**1. The Density Doubling Conflicts with the Comprehensive Plan and Is Unsupported by the Record**

The rezone from R-4 to R-8 doubles the maximum permitted density. The Comprehensive Plan's Zoning Compatibility Matrix shows that R-8 is a Compact Residential designation, appropriate where higher-density mixed housing types are planned — not where they abut an established single-family neighborhood. Policy III(b) of Chapter 5 explicitly states that development "intensif[y]ing] traffic congestion to a level of service that is not acceptable by the City will justify rejection." Policy III(h) requires that "upon re-zoning, potentially negative impacts are to be adequately mitigated." And Policy III(j) requires that incompatible uses be "buffered from each other by community design elements such as open space, landscaping, greater setbacks and lower building heights." None of these requirements are met here. The actual surrounding land use — as the applicant's own Master Application acknowledges — is single-family dwellings to the north, south, and east. No meaningful buffer is proposed.

The density bonus provisions of the Comprehensive Plan exist to encourage in-fill development, particularly in and near the Central Business District (Comp. Plan §5.6, Policy III(m)). This project is not in-fill. It is 22.8 acres of currently undeveloped land on the fringe of the city. Using an in-fill incentive to justify doubling density on a greenfield site directly contradicts the plan's intent. Policy III(a) requires "substantial justification that the deviation is in the best interest of the public." Convenience to the developer does not satisfy that standard.

The stated R-8 density figure also obscures the true impact on buildable land. The developer's own proposed zoning map divides the 22.8-acre site into approximately 11 acres of R-8-DA (the residential development area) and approximately 11.8 acres of PU/OS — the floodway and wetland corridor along Boulder Creek that cannot be developed. When the 102 proposed units are calculated against the 11 buildable acres rather than the full parcel, the effective density is approximately 9.3 units per acre, exceeding the R-8 maximum on the land that will actually bear the development. That figure does not yet account for internal roads, parking areas, and landscaping within the R-8-DA parcel itself, which would reduce net residential density further still. The Council should not find that this project is compatible with an R-8 standard when the project's own site plan demonstrates it exceeds that standard on buildable land.

## **2. The Traffic Impact Study Is Fundamentally Flawed and Cannot Support Approval**

The traffic counts underlying the developer's study were conducted on January 7, 2026 — a Wednesday in the heart of Donnelly's lightest travel season. The Comprehensive Plan itself recognizes, in §8.6, that "traffic volumes through the City of Donnelly fluctuate seasonally" due to nearby recreational destinations including Cascade Lake, Tamarack Resort, Payette Lake, and Brundage Mountain Resort. Donnelly is a mountain recreation town. Summer and holiday traffic volumes are dramatically higher than mid-January baselines, and those are precisely the conditions under which 741 new average daily trips would be added to Eld Lane. A traffic study built on the single least representative day of the year cannot be used to conclude that no intersection improvements are warranted. It is an analysis of the wrong problem.

Making matters worse, the study contains no crash analysis. The study itself acknowledges that crash data "was requested from [ITD] but was not provided or obtained," and therefore no crash analysis was performed. The intersection of Eld Lane and Highway 55 — the single point of ingress and egress for this entire development — was evaluated without any knowledge of its safety history. This is not a minor omission. The study concludes no improvements are needed, while simultaneously admitting it never examined whether the intersection already has a problem. That is not an adequate basis for approval.

Eld Lane is a dead-end gravel road, 20 feet wide, posted at 15 mph, with a single connection to the highway. Today it serves approximately 23 homes and one business. This proposal would funnel traffic from 88 residential units and 14 rental cabins — 102 units total — down that same lane, generating at least 741 additional daily trips by the developer's own conservative estimate, and likely significantly more during the summer and holiday peak periods that the study never analyzed. Current residents already experience backups at the Eld Lane/Highway 55 intersection during those high-traffic seasons. A secondary access to Roseberry Road should be required before any increase in density is approved, not promised as a future concept.

### **3. Critical Infrastructure Deficiencies Remain Unresolved**

The Council is aware that the city's water supply is currently inadequate to serve this development, and that no date certain exists for when adequate supply will be available. Approving a development contingent on infrastructure that does not yet exist — and may not exist for years — is not consistent with the Comprehensive Plan's requirement that negative impacts be "adequately mitigated" before approval, not after.

Fire access presents an equally serious concern. A development exceeding 100 units triggers the requirement under IFC Appendix D, §D106 for two separate fire apparatus access roads. With sole access over a single lane to a state highway, adequate emergency access has not been demonstrated. Promises to address these issues in a future development agreement are not mitigation — they are deferred risk imposed on the community.

### **4. The Pending Judicial Review Warrants Caution**

The original Boulder Creek approval is currently under petition for judicial review. Approving a materially similar application — on the same parcel, with the same density and access constraints — before that review is resolved is premature and potentially wasteful of city and community resources. If the court finds the first approval defective, the defects are likely to apply equally here. The Council should not allow itself to be used as an instrument of a litigation strategy designed to exhaust community opposition through serial applications. This is precisely the kind of development that Comprehensive Plan Policy III(b) was written to reject: one that imposes an excessive burden on infrastructure without adequate mitigation.

### **Request**

I respectfully request that the Council deny Application Nos. 2026-AN-2, 2026-RZ-2, and 2026-CUP-2 as submitted. If the Council is not prepared to deny the applications outright, I ask that the hearing be continued until: (1) a traffic study is conducted using peak-season counts and includes a crash analysis; (2) adequate water supply is confirmed with a date certain; (3) fire apparatus access is demonstrated to meet IFC Appendix D requirements; and (4) a secondary access to Roseberry Road is secured as a condition precedent — not a future promise. The residents of Eld Lane deserve no less.

Respectfully submitted,

Larry Eld II  
Property Owner, Eld Lane  
Donnelly, ID 83615

Mayor and City Council

Donnelly, ID

June 9, 2026

How can you consider quadrupling the daily traffic on Eld Lane?  
There is already traffic backing up in the summer months. Adding 4 times as much traffic to our street is crazy. We only have one way in and out onto Highway 55. Putting 800 more trips onto our street is unjustifiable.

Presently, kids are running across Highway 55 from Eld Lane. There is a crosswalk 100 yards north that they don't use now. You think they will walk into the south bound traffic lane to that crosswalk?  
Does the school have any comment on this planned sidewalk?

The property currently has multiple people/trailers living on the site. Isn't that against Donnelly rules? Will there be any enforcement now or in the future?

Donnelly deserves better planning than this.

Carol Amburgy



There are two “CUPs” for Boulder Creek. Both seem to share the same Application #072825. First filed on December 26, 2025. Second filed 5/1/2026. The city website posted CUP 2.0 RZ and the Boulder Creek Application File Maps as a PUDs, 6/2/26. Is this project a CUP or PUD? **Which is it?**

There’s been a filing for judicial review on Boulder Cr 1.0. How can Boulder Cr 2.0 proceed before legal resolution on Boulder 1.0?

There are so many deviations from both the Donnelly Comprehensive Plan and the Unified Development Code that it is difficult to get list every single one in a concise manner. Those violations were outlined in previous public letters to Council, please look them up.

Eld Lane is a dead-end street with one access to Hwy 55. The new CUP (2.0) adds the same trips/day onto Eld Lane, (800+) as the original CUP 1.0, for a total trips/day approximately 1000 trips/day. All other streets in Donnelly have multiple accesses to Hwy 55. Eld Lane is dead-end. This project proposes to put more traffic onto Hwy 55 THAN ALL OF THE OTHER CITY STREETS COMBINED. **This was not addressed. Neither Staff nor Council addressed the impact to existing Eld Lane property owners. Violation of UDC 18.040.050BT.** A “traffic study” (vehicles per day) was commissioned and paid for by developer. It was done this day, Jan 7, 2026. An independent unaffiliated study is only valid if done in JULY. When I downloaded this “traffic study” from the City website in May, the cover page said “March”. Currently the cover page says “June”. How does the city website keep changing? At what point is it correct?

New development and redevelopment projects are encouraged to be consistent with the scale of existing development. UDC states there be compatibility with surrounding properties, unless major modifications to the project are required. **This was not addressed. (This development is incompatible with the existing development).**

Eld Lane is designated as a FUTURE collector road, See MASTER TRANSPORTATION PLAN Street Classification Map. It is currently a dead-end road. **Until a precise route for Eld’s Collector status is established, development should wait until that is determined and funding applied for.** The original R-4 zoning designation reflected the infrastructure on Eld Lane (dead end road with one access to Hwy 55). The future Eld Lane Collector (Master Transportation Plan Street Classification Map) would have made Eld Lane a more amenable R-8 zoning designation.

UDC states “will not create an interference with traffic on public thoroughfares.” **1000 trips/day will obviously create interference with traffic and wait times on Eld Lane. This was not addressed.**

City Council seemed overly excited for Donnelly to provide “Worker Housing” for the rest of the county when Boulder Creek 1.0 was approved, regardless the impacts to the neighbors. Now, Boulder Creek 2.0 is proposing “townhouses” instead of apartments. Does Council now hold this 2.0 project in less esteem?

Extra density is only allowed to be considered to allow for density to encourage in-fill projects within the city, especially the Central Business District. **In no way can this be considered an in-fill project.**

Comprehensive Plan POLICIES, Page 26. “Negative impacts should be mitigated” “Development and/or zoning patterns that are incompatible are to be buffered.....” **None of this was required or even mentioned.**

Both the City Comprehensive Plan and Unified Development Code was written by staff and approved by City Council. City Staff ignored the City UDC and the Comprehensive Plan with his recommendations for approval of project 1.0. Staff should refresh their knowledge of these documents. **The glaring violations were not even addressed.**

Developer attorney has indicated they will continue to file for new CUPs for this project until the neighbors run out of money to file for “Request for Reconsiderations”. Each “Request for Reconsideration” requires the neighbors to pay City Staff \$3600. Seems this is quite a money-maker for Staff. **Developer has stated he "has investors" in this project, and that his plan is to wear us down. If we file a motion for reconsideration on Boulder Creek #2, he'll turn back around and file a new development application with the city right away. And we'll go round and round and he figures that we will run out of money before he does. (I'm not making this up.)** The City of Donnelly is making a mockery of their citizens.

Until Boulder Creek 1.0 is legally resolved, there should be no Boulder Creek 2.0 or 3.0 or 4.0, which seems to be the developer plan.

Susan Dorris, 163 Eld Lane, Donnelly

## Lori Clemens

---

**From:** evadams29 <evadams29@aol.com>  
**Sent:** Wednesday, June 10, 2026 9:03 AM  
**To:** Lori Clemens  
**Subject:** Boulder Creek Development 2.0

Dear members of the city council,

First of all, how and why can a developer send a new proposal when the first one was already approved and may be in litigation soon. I'll tell you why. It because, as Ortega stated to our lawyer, it's to wear us down and hopefully we will go away! Well maybe he has more money than we do, but we have the heart and love for our community. Please don't let these outsiders ruin our quaint little town.

This second proposal does not lessen the amount of people that will be traveling on Eld Ln and trying to turn on highway 55. A second entrance is needed for the amount of trips this project will burden the road with. The traffic study that was dated June of 2026, was not done in June it was done mid-week in January. That is not when traffic is heavy. It needs to be done in the summer on a Friday or Sunday to get an accurate idea.

This project, if approved, will have a detrimental impact on Eld Lane with respect to it causing deterioration of the gravel road. It already has an unbelievable amount of pot holes most of the year that makes it difficult to navigate the road. There are approximately 20 homes (40 cars) plus a slew of honey dipper trucks using Eld Lane currently. The road cannot handle what we have now. Also, the intersection of Eld and 55 is unsafe due to the heavy traffic going North and South. It is difficult to pull out because no one obeys the speed limit there. The average speed is 47mph, almost double what is posted! There is also a safety issue for the kids that will have to cross a busy highway to get to school. I don't see a way to solve this problem unless they build a foot bridge or a tunnel. This is a huge safety issue!

This project will more than quadruple the amount of cars just counting the long term rental units. We are talking about 194 more cars not including the recreational cabins and the amphitheater! That could add, potentially, more than 100 additional cars! So, quadruple might be a low estimate! More like a 635% increase!

If this project goes forward (which I cannot see how it would be allowed), the entire road needs to be paved. Not just a portion of the south side of the road as they have agreed to. What does half a road paved even look like? I don't think I've ever seen that before! It seems ridiculous!

Another entrance is needed, but where? Out to Roseberry? That doesn't seem feasible since Roseberry is heavily traveled as well (2000 cars per day) and the exit/entrance would be too close to the intersect of Roseberry and 55.

This project will increase the density of the area way more than the infrastructure can handle and I don't see a way to remedy that. I ask that you deny this project based on insufficient infrastructure! DO NOT annex the county property to the city! DO NOT increase the density from R-4 to R-8.

Thank you in advance,  
Evelyn Adams  
204 Eld Lane

Sent from my Galaxy

June 10, 2026

**Donnelly City Council**  
c/o Lori Clemens, City Clerk  
City of Donnelly  
169 Halferty Street, P.O. Box 725  
Donnelly, Idaho 83615

**Re: Opposition to Application Nos. 2026-AN-2, 2026-RZ-2 & 2026-CUP-2**  
**Boulder reek Development; 203 Eld Ln**  
**Public Hearing June 15, 2026**

Dear of the City of Donnelly Council:

It is my request to you, our City Council members, to deny this application until an updated Traffic Impact Study and the City of Donnelly address the additional 900+ daily trips on Eld Lane. Eld Lane, a dead-end dirt road with egress and ingress to Main St (SH-55) that contributes an average volume of 5,344 passenger cars and commercial vehicles daily, not to mention, one block north of Eld Lane is the intersection of Roseberry and SH-55. Roseberry traffic volume, as stated in the City of Donnelly Transportation study noted a volume of 1955 vehicles merger to and from SH-55. Due to the high volume of cars and trucks on SH-55 (Main St.) the W. Roseberry, in the summer months, it's not unusual for traffic to back up 12+ vehicles. The addition traffic on Eld Ln will potentially create a similar situation with vehicle backups and a potentially hazardous situation. Across the roadway from Eld Lane is the Chalet RV Park which has a high occupancy during the summer months. With motor homes, fifth wheels and travel trailers pulling in and out from the high-volume SH-55 adds to a potential hazardous situation. Furthermore, the average speed traveled going North and South on SH-55 is 47 MPH or greater even though the posted speed limit is 25 MPH. I see this as unsafe hazard for the children to be crossing the highway to get to school or home from school. As noted in the City of Donnelly Comprehensive Plan (Transportation 8.1), "The City of Donnelly must balance the economic benefits of transportation routes with the health and safety of its community."

Secondly, "Avoid undue concentration of population and overcrowding of land. Preserve and enhance the visual appearance and unique character of the City of Donnelly. Natural features and scenic views should be preserved and enhanced. New development and redevelopment projects are encouraged to be consistent with the scale of existing development." Included are several pictures (#1; #2) clearly reflect Victorian, rural and heritage, charm of Donnelly and should not be destroyed or disregarded. The only thing acceptable in the first Boulder Creek Development was the turn of the century farmhouse and out buildings were to remain. The second proposal will eliminate a gem on Eld Ln. The following pictures provided by South Beck and Baird are the proposed Townhouses. Totally inconceivable to disregard to Donnelly Comprehensive Plan which is to preserve Donnelly's heritage, historical and unique character for price point housing not even affordable work force housing!

As noted in the Donnelly Unified Development Code, 18.05.010, The propose of the UDC "is enacted for the purpose of promoting the public health, safety; to conserve and protect property and property values; control the density of population; to minimize traffic congestion." Additionally, the UDC, 18.05.030, notes "Most restrictive standards shall govern."

Thirdly, The City of Donnelly Land and Planning Consultant has a sketchy back ground with the City of Eagle. Mark Butler, Land-Use Planner with the City of Eagle. He convinced the city council to move forward with the Heron's Edge Apartments and mixed-use project, even convincing surrounding neighbors to approve. Bottom Line, the project went sideways and after years of delays and unfulfilled promise, The City and neighbors became frustrated. Side note, Mark Butler was or is a neighbor to the project, and he couldn't control the progress, delays and disputes. The City of Eagle has a building department, Police, Fire department health services, retail service. Donnelly is not equipped to tack Land development disputes. I believe Mr. Butler judgements are flawed and are not protecting the City of Donnelly or it's residents' best interest. City of Eagle residents still talk about Heron's Edge one of Eagle's most visible examples of tension between Growth, Multi-family development near existing neighborhoods and Traffic and the quality -of-life concerns. Boise/dev April 21, 2023 "Walls, noise and delays: Eagle mixed-use project still under construction five years after approval." Margaret Carmel.

In conclusion, there are multiple violation to the City of Donnelly Comprehensive Plan as well as City of Donnelly Unified Development Plan. Now there are two Application with the Same Application number (#072825) filed on different dates. So, what does that indicate? To me it indicates a nefarious activity to gain control of the City of Donnelly and dictate or control/heavy influence what happens in our small township of Donnelly, Idaho. Our representation, Julia Thower, reached out to the Developer's Attorney, Reuben Ortega, to discuss some agreement or compromise and he indicated that he "has investors in this project and his plan is to wear us down." Both the Fifth Amendment of the United States Constitution as well as Article 1-14 of the Idaho Constitution ensure the protection of private property rights. Comprehensive Plan 2023 Policies III. B "The protection and preservation of private rights are to be a strong consideration in the development of land use policies and implementation standards and regulation and as required by law." Bulling and extortion by the Freedom Management Group LLC can not be overlooked and acceptable in a matter that has extreme implications for the small township of the City of Donnelly. Once again, I appeal to the City Council members to deny the Second Boulder Creek Development plan.

Respectfully,

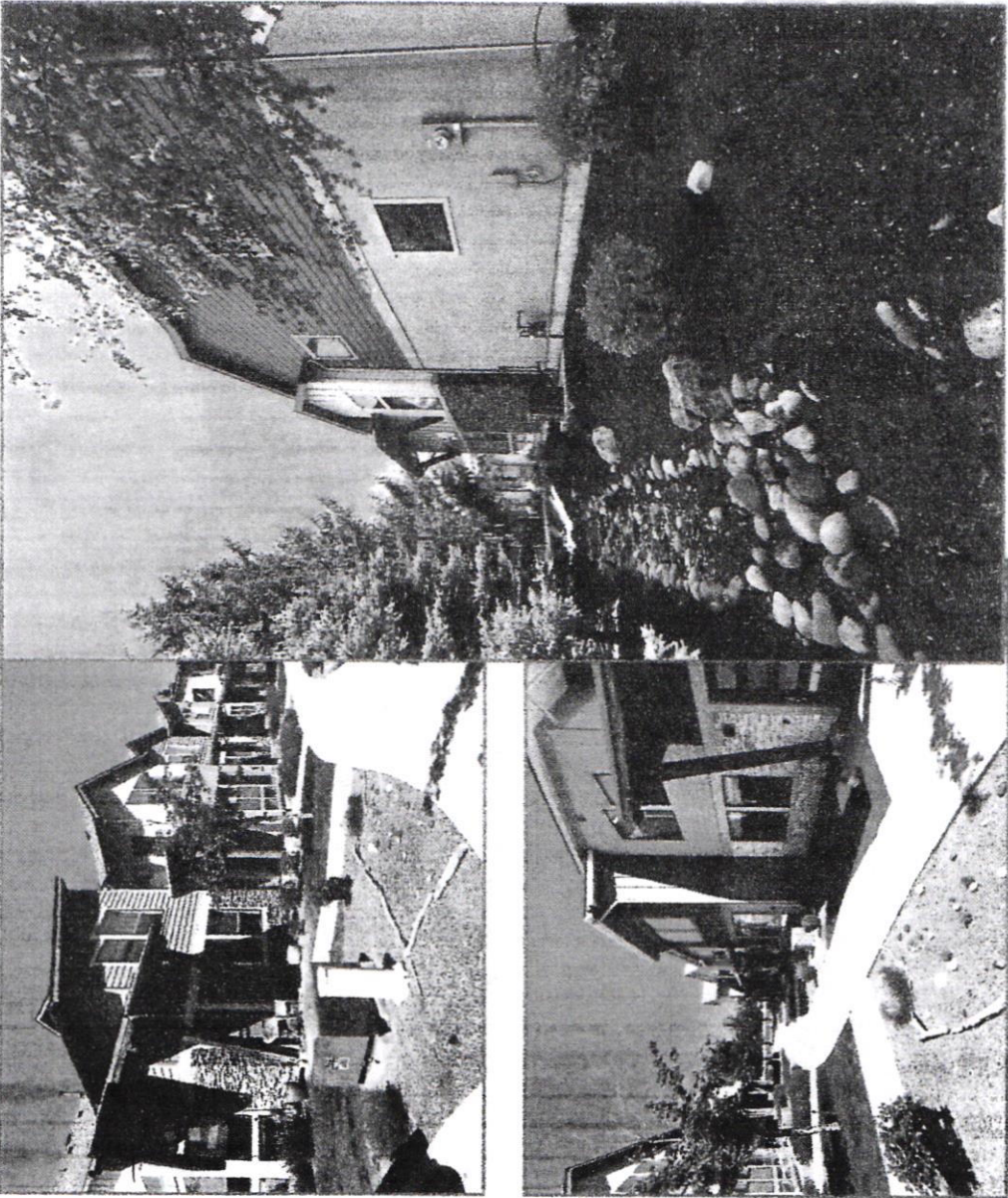
Rex Frazier  
Evelyn Adams  
204 Eld Ln



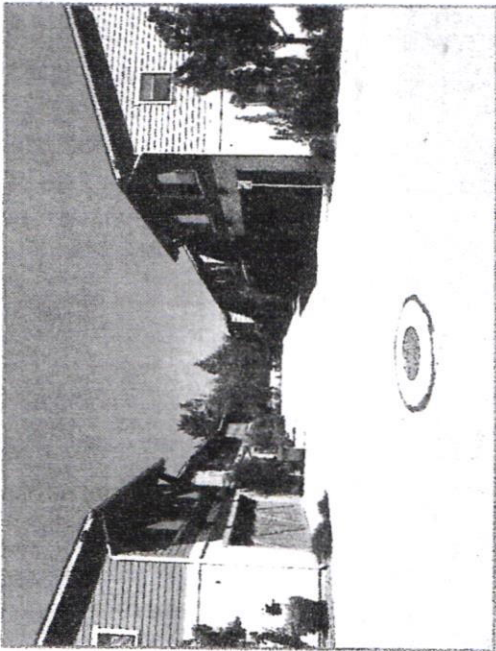
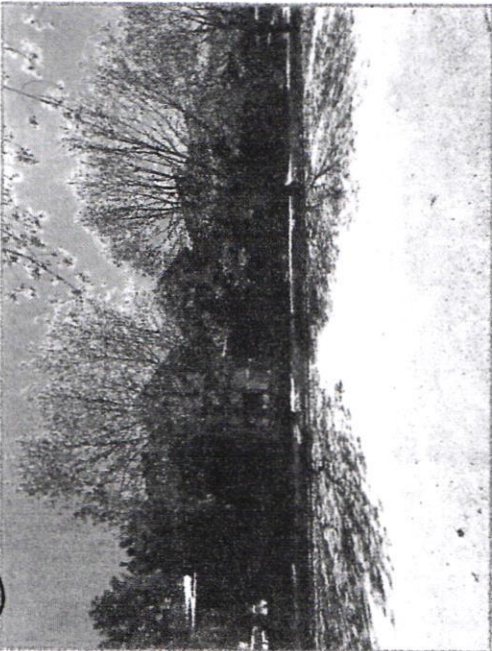
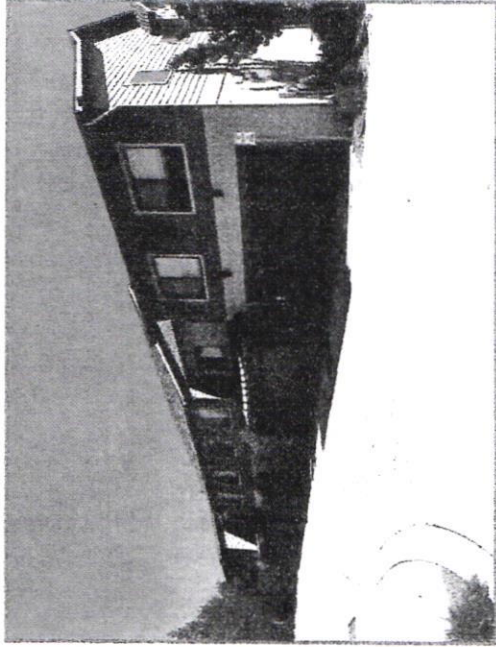
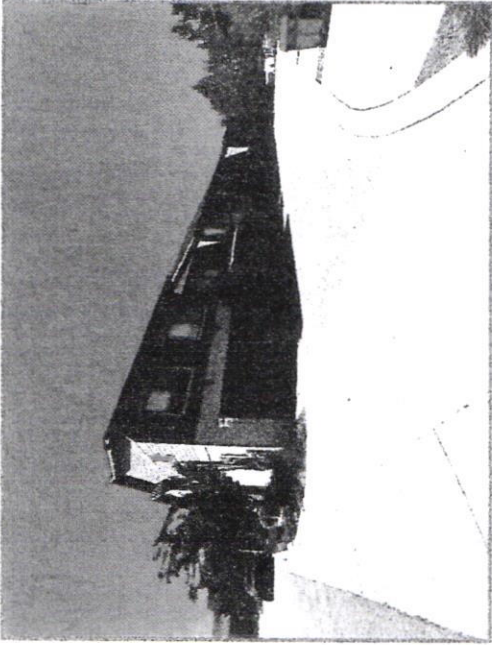
(5)



(2)



3



4

## Lori Clemens

---

**From:** Melva Bade <mjbade3@gmail.com>  
**Sent:** Wednesday, June 10, 2026 11:51 AM  
**To:** Lori Clemens  
**Subject:** Comments to council members

**Wednesday, June 10, 2026**

### **Donnelly City Council**

**Please include these comments in the packet to council members concerning the Boulder Creek development before the hearing on June 15, 2026.**

We have been permanent, full-time residents on Eld Lane for the past 11 years. We are opposed to the latest Boulder Creek Development proposal as well as the first one for all the same reasons that have been pointed out by our neighbors and attorney.

Our biggest concern is our safety in case of an emergency, such as a wildfire. We would be one of the last vehicles to get out, behind about 100 others attempting to get to the Eld Lane and Highway 55 intersection. Besides the current exit at Eld Lane and Highway 55, there needs to be an additional exit on Eld Lane to E. Roseberry, BEFORE construction begins.

Local taxpayers should not have to subsidize this development because the infrastructure is not in place before construction begins.

Another concern is the wildlife that call Boulder Creek their home. We see deer, elk, fox and moose frequently in the Boulder Creek corridor. This development would affect the wildlife adversely, especially when the developer proposes to put 14 cabins in the wetlands.

We're not opposed to development that is within reason if the infrastructure is completed before construction begins. A development of this scale only destroys our community.

Thank you,

Danny & Melva Bade

Eld Lane, Donnelly



Julia Thrower  
614 Thompson Avenue, McCall, ID 83638  
jthrower@mntnoplw.com · (208) 271-6503

Donnelly City Council  
c/o Lori Clemens, City Clerk  
City of Donnelly  
169 Halferty Street, P.O. Box 725  
Donnelly, ID 83615  
lclemens@cityofdonnelly.org

*Via electronic mail only*

June 10, 2026

**RE: Comment Letter for Application Nos. 2026-AN-2, 2026-RZ-2 & 2026-CUP-2 — Boulder Creek Development (Annexation, Rezone to R-8-DA and PU/OS, and Conditional Use Permit for a Planned Unit Development); Valley County Parcel Nos. RPD00000151350 and RP16N03E151340; 203 Eld Lane. Public hearing scheduled June 15, 2026.**

Dear Members of the City Council:

I, Julia Thrower of Mountain Top Law PLLC, submit these comments on behalf of the undersigned residents and property owners on and near Eld Lane in opposition to the Boulder Creek development applications. We are not opposed to thoughtful growth in Donnelly. We are opposed to *this* project, at *this* density, on *this* site, served by *this* road, for the reasons set out below. The applications ask the Council to roughly double the permitted residential density on the property, to introduce multifamily, attached, and short-term rental uses directly adjacent to an established single-family neighborhood, and to do so on a constrained site bounded by Boulder Creek's floodway and wetlands on one side and the City's wastewater treatment plant on the other, with sole access over a dead-end street. We respectfully ask that the Council deny the applications as submitted, or at minimum continue the hearing until the deficiencies described below are cured.

Under Idaho Code § 67-6535 and the Donnelly Unified Development Code (Title 18), each of these approvals is a discretionary act that must be supported by reasoned findings that the applicable standards are met. As shown below, the record before you does not support those findings.

**1. The rezone to R-8 doubles density next to an established single-family neighborhood and is not justified by the record.**

The northern parcel is currently zoned R-4. Under Donnelly City Code § 18.10.010, the numeral following the "R" is the maximum number of dwelling units per acre — so the rezone from R-4 to R-8 doubles the permitted gross density. The Code is also explicit that "[m]ultifamily, attached single family

and two-family units/developments are prohibited in R-1, R-2, R-3 and R-4 zoning districts.” The uses the applicant proposes — multifamily dwellings, single-family attached dwellings (townhomes), and a recreational cabin park — are simply not allowed under the current zoning. The applicant therefore needs the rezone, the development agreement, *and* a conditional use permit before any of it is permissible. That is a significant request, and the burden is on the applicant to justify it.

The applicant’s narrative leans heavily on the assertion that nearby homes are “currently zoned R-8” and shown as “Commercial” on the Future Land Use Map, implying the neighborhood is already higher-intensity. That characterization is misleading. The *actual, existing* land use surrounding the site — as the applicant’s own Master Application states — is single-family dwellings to the north, south, and east. The compatibility test under the Comprehensive Plan and § 18.10.010 is about real-world character and impact, not about the most intense use a neighbor could theoretically build someday. Doubling density and importing apartment, townhome, and transient-rental uses into a street of detached single-family homes is a change in the essential character of the area, not a continuation of it.

Comprehensive Plan Chapter 5, Policy III(a) requires that “[a]ny deviations from the land use criteria herein must include substantial justification that the deviation is in the best interest of the public.” The applications recite the policies but do not supply that substantial justification. Convenience to the developer is not the same as a demonstrated public benefit.

## **2. The Conditional Use Permit does not meet the standards in Donnelly City Code Chapter 18.40.**

A conditional use permit may be granted only if it satisfies the standards for conditional uses in Donnelly City Code § 18.40.030. Several of those standards are not met on this record:

- **Harmony with neighborhood character (§ 18.40.030(C)).** The applicant concedes the area is bordered by single-family homes but argues the project is compatible because much of the perimeter is “vacant parcels or public property” — chiefly the wastewater treatment plant. Being next to a sewage treatment facility is not a virtue that makes higher-density housing appropriate; it is a reason to question whether this is a suitable site for dense residential and short-term lodging at all.
- **Not hazardous or disturbing to neighborhood uses (§ 18.40.030(D)) and no excessive traffic, noise, or odors (§ 18.40.030(G)).** The project places residences and transient cabins between Boulder Creek’s floodway and an active wastewater treatment plant, and funnels all of its traffic onto a 20-foot gravel lane. The traffic, noise, and nuisance concerns are addressed in Sections 3 and 4 below and are not adequately resolved.
- **Adequate public facilities (§ 18.40.030(E)).** The applicant’s own annexation narrative admits that water service is unresolved — it is merely the “owner’s intent to extend central water” and the owners are “currently working with the city regarding the timing.” It further states they are still “working with the new Fire Marshall and outgoing Fire Marshall” on access and fire-flow requirements. In other words, two of the most basic public-safety questions — will there be adequate water, and can the fire district actually serve this density on a gravel lane — remain open. The Code requires that the applicant demonstrate adequacy, not promise to figure it out later.

- **No destruction of natural features (§ 18.40.030(I)).** A majority of the southern parcel is a FEMA Special Flood Hazard Area and jurisdictional wetlands associated with Boulder Creek. The applicant acknowledges it must still obtain U.S. Army Corps of Engineers permits for any wetland impacts and comply with the City’s flood-hazard provisions (Title 18, Chapter 18.35). Those approvals are not in hand. *The Council cannot find this standard satisfied based on a promise of future mitigation.*

Because the applicant bears the burden on each § 18.40.030 standard and has not carried it, the CUP should be denied.

**3. The Planned Unit Development relies on density and dimensional flexibility the applicant has not shown is warranted (Chapter 18.45).**

A PUD under Chapter 18.45 is a tool to vary normal zoning requirements in exchange for superior design and genuine public benefit — typically while preserving, not increasing, the underlying density. Here the PUD is being used in tandem with a rezone that doubles density, and the applicant’s justifications are largely conclusory restatements of the Code’s goals (“the site is designed in conformance with...”) rather than evidence.

Of particular concern: the recreational cabin park. Under Donnelly City Code § 18.05.130, cabins in such a park are expressly “not... considered dwelling units for density calculations.” That means up to fourteen additional short-term lodging units can be added on top of the already-doubled residential density without counting against any density cap — yet they still generate traffic, parking demand, noise, and turnover that fall on Eld Lane and the surrounding neighbors. The Traffic Impact Study confirms these cabins were counted as recreational/transient units (ITE Land Use Code 260) precisely because they behave like a small lodging operation, not like quiet permanent homes. Layering a commercial-style short-term rental use into a single-family neighborhood, exempt from density limits, is exactly the kind of intensity the neighbors object to.

We also note the applications contain internal inconsistencies that make it difficult for the public — and the Council — to know what is actually being approved. For example, the annexation narrative at one point states that *both* the new western (±11 acre) and eastern (±11.8 acre) parcels are “proposed to be rezoned... to R-8-DA,” then in the same paragraph requests PU/OS for the eastern parcel. A development of this consequence should not be approved on a record that cannot consistently state which parcel is getting which zone.

**4. The Traffic Impact Study understates the real-world impact on Eld Lane and the Highway 55 intersection.**

The applicant’s own Traffic Impact Study (Ackerman-Estvold, June 2026) projects approximately **741 average daily trips** generated by the development, all funneling onto Eld Lane and out to the single intersection at State Highway 55. While the study concludes the intersection will operate at “LOS B or better,” several features of that study deserve the Council’s scrutiny:

- **Eld Lane is today a two-lane gravel road.** The Traffic Impact Study itself describes a 20-foot gravel travel way posted at 15 mph. The conclusion that no off-site highway improvements are warranted rests on building this road out to City standards — work that is being asked of the public process now, with cost, timing, and maintenance responsibility not fully nailed down.

- **No crash analysis was performed.** The study states plainly that crash data was requested from the Idaho Transportation Department but “was not provided or obtained,” and that “[a] crash analysis was not conducted.” The Highway 55/Eld Lane intersection — where the posted highway speed is noted as 25 mph but which functions as a principal arterial — is being cleared without any safety/crash-history review. A missing crash analysis is not the same as a finding of no safety problem.
- **Heavy-truck and turning conflicts.** The traffic counts show meaningful heavy-vehicle volumes on Highway 55 (on the order of 20 heavy trucks in a single peak 15-minute count), and the intersection has no dedicated southbound right-turn or a properly dimensioned northbound left-turn lane — the analysis had to treat the northbound movement as a single shared lane because the existing center lane is “not sufficient in length” and is unmarked. Adding hundreds of daily turning movements to a substandard intersection on a 55-corridor warrants more than a “no improvements needed” conclusion.
- **Access spacing close to existing driveways.** The Traffic Impact Study notes the nearest proposed access is roughly 85 feet (centerline to centerline) from an existing driveway. Concentrating four new access points and 700+ daily trips along a short stretch of a former gravel lane raises legitimate conflict and safety questions for the families who already live and back out onto Eld Lane.
- **The “future collector” designation cuts against this project, not for it.** The applications repeatedly lean on the City’s Street Classification Map, which identifies Eld Lane as a future collector. But a *future* collector is not a present one. Today, as the Traffic Impact Study and the City’s adopted Master Transportation Plan both confirm, Eld Lane is a two-lane gravel local street, 20 feet wide with one-foot shoulders, posted at 15 mph. The collector designation is precisely what should give the Council pause: it is the City’s acknowledgment that the corridor is expected to carry collector-level volumes and therefore must be built, funded, and maintained to collector standards before that traffic arrives. The applicant’s own narrative concedes the map shows future collectors “as concept only with precise locations to be established as development is proposed,” and that the minor-versus-major collector classification is “to be determined by future trip generation analysis.” In other words, the very analysis that is supposed to fix Eld Lane’s classification and required cross-section has not been completed and adopted. Approving 68 townhomes, 20 apartments, and 14 cabins — roughly 741 daily trips — onto a gravel lane on the strength of a not-yet-realized collector designation puts the development ahead of the road it depends on. If Eld Lane is to function as a collector, the applicant should be required to design and build it to the City’s collector standard for the full project frontage, with a binding cost, timing, and maintenance commitment, as a condition precedent — not to rely on the label while leaving the construction to a later, undefined date.
- **The paving the applicant offers is partial and falls short of a collector build-out.** The applicant does propose to pave Eld Lane — the Conditional Use Permit narrative states the applicant is “proposing to pave Eld Lane running east to west and provide pedestrian facilities adjacent to both sides of the street,” with design and construction “guided by the City of Donnelly.” But the Traffic Impact Study’s own description shows the work is limited to the development’s own frontage and is not a uniform collector roadway. The Traffic Impact Study states that frontage improvements west of the site are “limited to the proposed driveway

approaches,” and that the paving extends only “from the development’s southernmost access point to the intersection approach at State Highway 55.” It also proposes two different and inconsistent cross-sections: the first roughly 400 feet west of the highway as a 24-foot-wide asphalt roadway with swales and a detached sidewalk, then along the northern development frontage a 37-foot-wide asphalt roadway with curb, gutter, 9.5-foot travel lanes, and 8.5-foot on-street parking lanes. Neither section is presented as a designed collector cross-section, and the applicant commits to no standard — only that the work will be “guided by” the City. The result is that the developer would pave the stretch its own traffic uses, to widths of its choosing, while the question of whether Eld Lane can actually function as the collector the applications rely on — and who pays to bring the rest of the corridor to that standard, and who maintains and accepts it — is left unresolved.

- **The City’s own crash history sits on Highway 55.** The Master Transportation Plan reports that most motor-vehicle crashes in Donnelly over the prior 15 years occurred on Roseberry Road or State Highway 55. That is precisely the corridor onto which this development empties, and it makes the Traffic Impact Study’s admitted omission of any crash analysis at the Highway 55/Eld Lane intersection all the more troubling.
- **The 1.5% growth rate is below the City’s own figure — which itself understates visitor traffic.** To project future volumes, the Traffic Impact Study grows existing traffic forward at only 1.5% per year. But the City’s adopted Master Transportation Plan projects traffic on State Highway 55 at **2.36% per year** — which the Plan describes as “consistent with ITD’s projections in the Idaho 55 Central Corridor Plan.” The applicant’s study thus uses a growth rate well below the one the City itself applies to this very highway. Worse, the City’s 2.36% is only a *resident-population* rate — it was “calculated using a straight-line method” from Donnelly’s 2013–2017 population — yet the Plan acknowledges that on this corridor “most of the traffic contributing to the rise in traffic rates will be generated from tourism and recreation with McCall, Tamarack, and Lake Cascade as popular destination[s].” In other words, even the City’s 2.36% does not separately account for the visitor and recreational traffic that actually drives growth here, so it is a floor, not a ceiling — and the applicant’s 1.5% sits below even that floor. Finally, the Plan expressly states that its “future traffic forecast does not consider impacts of individual large-scale development” and that “[i]n the event that a significant development were to be considered in Donnelly, an updated study would need to be completed.” A development of 68 townhomes, 20 apartments, and 14 rental cabins is exactly such a development, and its study should reflect a corridor growth rate at least equal to the City’s adopted figure, accounting for visitor traffic — not a lower number.

Comprehensive Plan Chapter 8 commits the City to “[a]chieve efficient and safe movement of people, goods and services.” The record does not yet demonstrate that this development, on this road, meets that commitment.

##### **5. The traffic counts were taken in the dead of winter and systematically understate summer conditions in this resort corridor.**

There is a more fundamental problem with the Traffic Impact Study: the field data underlying it were collected in the off-season. Appendix A shows the turning-movement counts at State Highway 55 and Eld Lane were taken on **Wednesday, January 7, 2026** — a single mid-week day in the depth of winter.

Every projection in the study (the 2026 “existing” volumes, the 2028 buildout volumes, and the Level of Service results) is built on top of that one January weekday count, grown forward at 1.5% per year. In a rural resort community in the mountains, that is the lowest-traffic period of the year, and it cannot fairly characterize the conditions the development and its neighbors will actually experience.

This is not a matter of opinion — the City has already documented it. The Donnelly Master Transportation Plan analyzed traffic on State Highway 55 using ITD’s permanent automatic traffic counter (ATC #43), located on SH-55 at milepost 127.72, about 3.6 miles south of Roseberry Road. The Plan’s findings are unambiguous: “*The highest rates of traffic in Donnelly occurs during the summer months,*” driven by “summer activities and tourism available around Donnelly and as people travel through Donnelly to McCall,” while “traffic in the winter months decreases due to winter road conditions.” The Plan states this seasonal pattern “has remained consistent and is expected to continue,” and that traffic on SH-55 is highest specifically in **July and August**. A traffic study that counts in January is measuring the bottom of that curve and presenting it as the basis for a 20-plus-year land use decision.

The magnitude of the seasonal swing is enormous, and it can be measured at Donnelly directly. ITD’s permanent continuous-count recorder on State Highway 55 at Donnelly (counter #043, named “Donnelly”) records monthly average daily traffic every year. In 2024, the most recent complete year, that traffic rose from **about 3,550 vehicles per day in January to roughly 8,240 in July — the July figure is about 2.3 times the January figure**, and well above the annual average of about 5,100. The same pattern repeats year after year at this counter: July traffic has run roughly double January traffic in 2022, 2023, 2024, and 2025. ITD has separately described State Highway 55 as “one of Idaho’s most heavily traveled mountainous highways, especially during summer and holiday weekends,”<sup>1</sup> and has reported “record travel to remote areas of the state, such as the Central Mountains,”<sup>2</sup> on SH-55. The applicant counted in January — the single lowest month of the year — and built the entire study on it. Applying that winter count to this corridor understates exactly the peak periods when the intersection, the new access points, and Eld Lane will be under the most strain: summer weekends, holidays, and the recreational season that the project’s own 14 rental cabins are designed to serve.

This off-season sampling skews the analysis in compounding ways:

- **The peak hour studied is the wrong peak.** Standard practice (and the ITE methodology the study elsewhere invokes) is to evaluate the design peak — here, summer weekend and recreational peaks — not a January weekday commuter peak. The Level of Service letters in Table 4 describe winter operations; summer operations at the Eld Lane/SH-55 stop-controlled approach could be materially worse, particularly for the side-street left turn onto a highway already carrying heavy seasonal through-traffic.
- **The project’s own traffic is summer-weighted.** The development includes 14 recreational rental cabins whose trip generation the study itself ties to short-term, recreational/transient use. That traffic peaks in summer and on weekends — precisely when the background highway traffic also peaks and precisely what a January count cannot capture. The study even shows recreational-housing weekend trips exceeding some weekday figures, yet the capacity analysis rests on winter weekday volumes.

---

<sup>1</sup> <https://itd.idaho.gov/news/new-digital-message-sign-to-improve-communication-on-sh-55-corridor/>.

<sup>2</sup> <https://apps.itd.idaho.gov/Apps/MediaManagerMVC/PressRelease/Preview/9453>.

- **Growth is applied to an artificially low base.** Because the 1.5% annual growth factor is applied to a January starting point, the 2028 “buildout” volumes that drive the no-improvements-needed conclusion are themselves understated for the seasons that matter. A small percentage growth on a winter base does not recover the summer peak the analysis omitted.
- **Winter counts also hide the summer safety picture.** Sight distance, pedestrian and cyclist activity, recreational and trailer/RV traffic, and turning conflicts at the highway are all far higher in summer. Combined with the study’s admitted lack of any crash analysis, a winter-only count leaves the Council without the information needed to judge safety during the very months the corridor is most stressed.

Before the Council relies on this study, the applicant should be required to provide turning-movement counts taken during the peak summer season (July–August), including a weekend peak, at the Eld Lane/State Highway 55 intersection, and to re-run the capacity, Level of Service, turn-lane warrant, and signal-warrant analyses on that peak-season data. A land use decision of this size and permanence should be based on the corridor’s real peak conditions — not on its quietest week of the year.

## **6. The flood hazard, wetlands, and wastewater context make this site especially sensitive.**

The site is uniquely constrained. A majority of the southern parcel lies within a FEMA Special Flood Hazard Area and contains wetlands associated with Boulder Creek; the western edge of the development abuts the City’s wastewater treatment plant; and a sewer lift station sits within the site. The Comprehensive Plan’s Natural Resources chapter (Chapter 9) and Open Space designation prioritize protecting “the most sensitive resources — floodways and floodplains (including riparian and wetland areas).”

We support genuine open-space protection of Boulder Creek. But that protection should not become the justification for cramming a doubled-density, mixed-use development onto the narrow remaining buildable strip between the creek and the treatment plant. Concentrating homes, apartments, and rental cabins in that pinch point — with public pathways invited into the floodway — raises real questions about flood risk to future residents, odor and nuisance from the adjacent treatment plant, and long-term maintenance of the open space the applicant is offering as the project’s public benefit.

## **7. Relief requested.**

For the foregoing reasons, we respectfully request that the Council:

- Deny the rezone to R-8-DA, the Conditional Use Permit, and the Planned Unit Development as submitted; or
- In the alternative, continue the hearing and direct the applicant to (a) provide peak-season (July–August) turning-movement counts, including a weekend peak, at the Eld Lane/State Highway 55 intersection and re-run the capacity, Level of Service, turn-lane warrant, and signal-warrant analyses on that data, using a corridor growth rate at least equal to the City’s adopted 2.36% and accounting for visitor traffic; (b) provide a completed crash analysis for Highway 55/Eld Lane; (c) demonstrate — not merely promise — committed central water service and written Donnelly Rural Fire Protection District sign-off on access and fire flows before any approval; (d) obtain or document the status of required Army Corps wetland and City flood-hazard (Chapter 18.35)

approvals; (e) lower the proposed density and remove or substantially limit the multifamily and recreational cabin components so the project is compatible with the surrounding single-family neighborhood; and (f) commit to designing and building Eld Lane to the City's collector standard with a single consistent cross-section for the full project frontage — not the partial, two-width paving now proposed — under a binding development agreement that resolves cost, timing, maintenance, and City acceptance, reviewed in a public hearing.

- Require that any development agreement under Chapter 18.60 cap residential density at a level compatible with the existing R-4 neighborhood, expressly count any short-term rental/cabin units toward intensity limits, and bind the applicant and its successors.

We appreciate the Council's and Commission's service and your careful attention to these concerns.

With regards,

MOUNTAIN TOP LAW PLLC



Julia S. Thrower

Submitted on behalf of:

Evelyn Adams and Rex Frazier  
204 Eld Lane  
Donnelly, ID 83615

Danny and Melva Bade  
13070 Eld Lane  
Donnelly, ID 83615

Anthony and Victoria Casetta  
13066 Eld Lane  
Donnelly, ID 83615

Larry Eld  
13053 Eld Lane  
Donnelly, ID 83615

George and Susan Dorris  
163 Eld Lane  
Donnelly, ID 83615

Jefferey Higgins  
Eld Lane  
Donnelly, ID 83615

Dan and Lynee Margolis  
192 Eld Lane  
Donnelly, ID 83615

William Pilcher and Denyce Verti  
301 Eagle Lane  
Donnelly, ID 83615

Dan Steiner  
Eld Lane  
Donnelly, ID 83615

06/10/2026

To: Mayor Susan Dorris, Council President Wendy Davenport, Councilmember Leslie Minshall, Councilmember Brenna Spade, Councilmember Morgan Fuller, and City Planner Mark Butler

From: Lynne Margolis, owner of 192 Eld Ln.

I am in opposition to the Conditional Use Permit Application 072825 for development of the Boulder Creek project on parcel #s RPD00000151350 and RP16N03E151340 on 203 Eld Ln. in Donnelly, ID, owned by Reuben Ortega and Freedom Management Group, LLC with Joe Critchfield as Manager. The new application for Boulder Creek offers 68 single-family attached town homes, 20 multi-family dwellings, which are not specified as affordable housing, and 14 recreational cabins. The northern parcel is zoned R4, with a suggested zone change to higher density R8. The Southern Parcel's zone is Public Lands and Open Space on the Future Land Use Map, where the recreational cabins are proposed.

The developers justify changing the zoning of the property from R4 to R8 because it follows the Comprehensive Plan. The Comprehensive Plan was adopted to "guide the City of Donnelly toward attainment of an exceptional **quality of life for all citizens**" and shall "consider previous and existing conditions, trends, and compatibility of land uses." The objectives and policies of the plan's land use development regulations were designed to protect the health, safety, and welfare of the community by avoiding unnecessary conditions; and preserve property rights when considering development of land use policies. The Comprehensive Plan is the foundation to ensure the City of Donnelly complies with the State of Idaho's Local Land Use Planning Act, in accordance with Idaho Code Section 67-6502. The Comprehensive Plan is a "guide," not a law.

The City of Donnelly Unified Development Code (UDC) was enacted for the purpose of promoting public health, safety, and general welfare; to conserve and protect property and property values; to secure the most appropriate use of lands; to control the density of population; to minimize traffic congestion; and to facilitate adequate and economical provisions for public improvements and services; all in accordance with the city of Donnelly's Comprehensive plan for desirable future physical development of the city of Donnelly. The City's development code follows Idaho Code Section 67-6502 which provides the foundational framework that guides city planning.

The purposes of Idaho Code Section 67-6502 are: to protect property rights; ensure adequate public services are provided; ensure environmental features and resources are protected; to avoid undue concentration of population and overcrowding of the land; to

ensure that the development of land is commensurate with the physical characteristics of the land; and to protect landowners from arbitrary and discriminatory actions.

Under the city's Development Code, property rights are protected by ensuring land use policies do not violate property rights and adversely impact property values. Decisions to approve developments must take into consideration that people cannot "do whatever they want with their land," and property rights of neighboring owners must be taken into consideration.

The Boulder Creek CUP violates Idaho Code Section 67-6502 and Donnelly's UDC. The developer's following justifications for the Boulder Creek CUP are speculative and void of substantiated evidence to support their claims.

- A. Will, in fact, constitute a conditional use as established within Donnelly City Code for the zoning district involved:
  - A recreational cabin park is not a designated conditional use within a PS/OS or R8 zone.
  
- B. Will be harmonious with and in accordance with the general objectives or with any specific objective of the Comprehensive Plan and/or Donnelly City Code:
  - The zone change for the development from R4 to R8 is not justified unless the road infrastructure proposed on the Future Land Use Map showing Eld Ln. as a collector with multiple access points, is developed, prior to changing the zone. No plans or guarantees are in place by the City of Donnelly, or Valley County for development of the collector section of Eld Ln. Developments which cause unsafe conditions for residents are not consistent with the goals of the Comprehensive Plan and violate the development code.
  
- C. Will be designed, constructed, operated, and maintained to be harmonious and appropriate in appearance with the existing or intended character of the general vicinity and that such use will not change the essential character of the same area:
  - The development is not harmonious and appropriate in appearance with the existing character of the general vicinity, which is a low-density residential area, consisting of single-family homes which are zoned R4, R8, and RR, on a narrow, dirt 1/10<sup>th</sup> mile country lane. The site plan for Boulder Creek shows rows of townhomes resembling barracks, with minimal buffers between the townhomes and current residences. It appears that multiple, large, mature

trees will be excavated to accommodate the town home units, and the view sheds for the current homes will be significantly impacted. The developer has not provided evidence that any harmony will exist between the Boulder Creek development and the existing character of the neighborhood.

- The developer has repeatedly justified the zone change of his property to R8 based on the proposed change of the residential homes on the north side of Eld Ln. to commercial, on the Future Land Use Map. These homes are residential and are “grandfathered in” as a legal non-conforming use to remain residential and may never be commercial properties. Basing justification for increased density on speculation that these residential homes may become commercial properties someday, and that Eld Ln. may be developed as a collector street someday are speculative claims without supportive evidence. Does the City plan to “take” these residential homes through Eminent Domain to legitimize zone changes to support the Boulder Creek development?

D. Will not be hazardous or disturbing to existing or planned future neighborhood uses:

- The developer failed to provide evidence that the existing residents on Eld Ln. will not be adversely affected by the Boulder Creek development. Traffic will increase to 700-900 average daily trips on a 1/10-mile, narrow, dead-end dirt road, with one ingress and egress onto Highway 55. The current speed limit on Eld Ln is 15 mph due to the nature of the road as a country lane. Approving the increased density for this project from R4 to R8 without first establishing the collector portion of Eld Ln., as proposed as supportive infrastructure on the Future Land Use Map is dangerous, irresponsible and does not foster positive neighborhood outcomes. Where is the developer’s supportive evidence that quality of life on Eld Ln. will be preserved, and no hazards or disturbances will occur?

E. Will be served adequately by essential public facilities such as highways, streets, police and fire protection, drainage structures, refuse disposal, water and sewer and schools; or that the persons or agencies responsible for the establishment of the proposed use shall be able to provide adequately any such services:

- The Boulder Creek development has the potential to **more than double** the entire population of the City of Donnelly, concentrated on a dead-end narrow lane with one ingress and egress onto Hwy 55. Infrastructure to support the zone change of R4 to R8 for this development will be inadequate unless the collector portion of Eld Ln. is constructed prior to changing the zone, as proposed on the Future Land Use Map of the Comprehensive Plan. Partially following the Comprehensive Plan and Future Land Use Map does not ensure positive outcomes for city residents.
- The City declared that water for the Boulder Creek development is not currently available and that they do not know when it will be available.
- No plans have been established to increase police or fire staff to a sufficient level to accommodate the increase in the town's population.
- Future impact on the McCall/Donnelly school district from a significant increase in population from the development has not been determined.

F. Will not create excessive additional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the community:

- The City established there is insufficient municipal water capacity to serve the Boulder Creek development, and this violates Donnelly's development code which mandates that new developments must be "adequately served by essential public facilities," including water in the present, not just in the future. An unknown timeline for water availability is out of compliance with the City's own code. The recreational Cabin Park will be serviced by an unapproved well with a temporary well connection, and approval is speculative based on third party approvals. Even if the well is approved, this does not satisfy adequacy requirements for the entire development. The City and developers have not provided evidence that the public will not endure the financial burden for the additional infrastructure improvements needed to support the significant increase in the town's population.

G. Will not involve uses, activities, processes, materials, equipment, and conditions of operation that will be detrimental to any persons, property, or the general welfare by reason of excessive production of traffic, noise, smoke, fumes, glare, or odors:

- The developers falsely and arbitrarily claim without supportive evidence that their high-density project in a rural residential area with one ingress and egress will not be detrimental to residents on Eld Ln., who are accustomed to living on a quiet, dirt, sparsely populated lane. The development will cause the following detriments to the residents and property of Eld Ln.: excessive unsafe traffic, excessive noise from traffic and a large population of people; glare from excessive lighting which will interfere with the enjoyment of observing the night sky in an area that currently doesn't have street lamps; destruction of view sheds for residents who are accustomed to viewing natural resources of a mountain town, not rows of tall, expansive townhomes which will block their views.
- The negative environmental and social impacts of adding a high-density development to a rural environment, without sufficient pre-development of infrastructure could substantially diminish property values of residential homes, affecting the economic welfare of the property owners on Eld Ln.

H. Will have vehicular approaches to the property which are designed as not to create an interference with traffic on surrounding public thoroughfares:

- This justification is arbitrary and without substantiated evidence that safe conditions will exist. The road infrastructure, without developing the collector section of Eld Ln., is insufficient and dangerous. The developers have not performed traffic impact studies with Idaho Transportation Department input to support claims that traffic flows will not be affected, and that hazardous conditions will not exist for Eld Ln., and at the intersection of Eld Ln. and Hwy 55. Developer Joe Critchfield stated in the Valley Lookout that requiring a second access would've "most likely" made the project economically infeasible. Is the City willing to trade safeguards to protect Donnelly's residents from potential dangers, in favor of this developer's desire to build this high-density profitable development?

I. Will not result in the destruction, loss, or damage of a natural, scenic, or historic feature of major importance:

- An historic farmhouse will be destroyed. Several mature trees will be destroyed. The cabin park lies within a PU/OS zone and within a floodplain which is a non-conforming use in a PU/OS zone, and a cabin park is not a permitted use in a floodplain in Valley County.
- The developer proposes to build high-density housing which will house a large populous adjacent to a delicate creek, wetlands, and floodplain. Mitigations to prevent harm to the ecosystems have never been presented. The potential that hundreds of dogs, owned by the residents of Boulder Creek, will use the area as an outdoor toilet has never been considered. Over-utilization of this land by residents of the Boulder Creek development may directly affect the water quality of Boulder Creek and Cascade Lake, downstream. The developers have not provided proof that protection to the sensitive ecosystems will be provided.

Approval of the Boulder Creek development prior to establishing sufficient infrastructure is irresponsible and violates Donnelly's development code and the Comprehensive Plan, which shows collector routes to support future developments on the Future Land Use Map. The developer and the City Council have been disrespectful of resident's legitimate concerns calling them "meritless" and have disregarded their rights to property protections.

City Councilmembers stated the Boulder Creek development follows "the letter of the law," yet the development violates several City development codes. It is unclear as to which law the Council is referring to since the Council has completely ignored Idaho Code Title 52 – Nuisance Law, which protects citizens from undue harm from arbitrary development decisions. Certainly, Common Sense Law has not been followed which is the fundamental principle behind our justice system and relies on acts of "reasonable conduct." Partially following the City's Comprehensive Plan and approving projects which favor developers over residents are not in alignment with the City's goals and does not protect the property rights of Donnelly City residents by safeguarding positive outcomes.

Impact studies were never performed prior to approval of the first Boulder Creek development proposal, nor have they been presented in support of the second proposal. The due process rights of Donnelly residents have been violated, by preventing residents from accurately scrutinizing the impacts of the project.

The Donnelly City Council heroized the developers for providing the town much needed “affordable housing.” The developer’s initial motivation for developing affordable housing was “passion” for the people who need that type of housing. This passion has wavered due to minimal, unsubstantiated affordable components of the second Boulder Creek proposal.

Council members should reconsider the first Boulder Creek proposal due to multiple infractions of the City’s code which may result in violations of protective property rights, and harmful consequences. The City Council should unanimously deny approval of the second proposal, which also violates the City’s code, is characteristically unfitting, does not provide affordable housing, is inappropriately dense for the area, and designed with greed to maximize the developer’s, and their investor’s profits.

## Lori Clemens

---

**From:** dan margolis <danomargolis@gmail.com>  
**Sent:** Wednesday, June 10, 2026 3:57 PM  
**To:** Lori Clemens  
**Subject:** Boulder creek meeting comments

Reading through the future development plan, I see areas where the council drops the ball.

Council needs to recognize/enforce parts of the code that call out for compatibility with current neighborhoods.

This application fails compatibility that's is called out in the code

Copied from code - (my notes in parentheses)

From the Development Code

### DEVELOPMENT SCALE

New development and redevelopment projects are encouraged to be consistent with the scale of existing development.

(This makes this development incompatible)

### COMPATABILITY

(this project is not consistent/compatible with Eld Lane as is)

Development or redevelopment of existing land uses and/or zoning patterns that are incompatible, are to be buffered from each other by community design elements such as open space, landscaping, greater setbacks and lower building heights

Mixed use areas located between commercial and residential land use designations are to provide a compatible transition, which may include 2023-2045 Donnelly Comprehensive Plan Crossroads to Recreation 27 buffering, between the higher intensity use of commercial and the lower intensity use of Residential.

FLOODWAY-

(You are not allowed to count floodplain acreage in density calculations)

Floodway areas are to remain open space because of the nature of the floodway which can pose significant hazards during a flood 2023-2045 Donnelly Comprehensive Plan Crossroads to Recreation 21event.

Floodway areas are excluded from being used for calculating residential and development densities.

Any portion of the floodway developed as a substantially improved wildlife habitat and/or wetlands areas open to and usable by the public for open space, such as pathways, ball fields, parks, or similar amenities, as may be credited toward the minimum open space required for a development, if approved by the City Council. Portions of the floodway property are private property and are subject to property rights.

Extra Density -

(why is extra density being given - the developer is providing no benefits that merit a density bonus.)

. Development incentives should be considered to allow for density bonuses to encourage in-fill projects within city limits, especially within the Central Business District

Street Classification Map

(if old lane is a future collector, the exact location must be known before development approved. Future trip analysis required. This collector must be completed prior to development)

The Street Classification Map provides a guide for future roadway corridors.

Future collectors are shown as concept only with precise locations to be established as development is proposed. Minor or major collector classifications for future collectors are to be determined by future trip generation analysis. See following page for Street Classification Map

Dan Margolis  
06/10/2026



## **Donnelly Rural Fire Protection District**

P.O. Box 1178 Donnelly, Idaho 83615

208-325-8619 Fax 208-325-5081

June 8<sup>th</sup>, 2026

City of Donnelly  
P.O. Box 725  
Donnelly, Idaho 83615

RE: Boulder Creek Development – Public Hearing (2026-AN-2, 2026-RZ-2 & 2026-CUP-2)

After reviewing the application materials and documents provided for the upcoming June 15, 2026, public hearing, the Donnelly Rural Fire Protection District continues to approve the Boulder Creek Development concept.

The proposed development meets all applicable Donnelly Fire Department, Idaho State Fire Marshal Office, 2018 International Fire Code (IFC) and NFPA standards and requirements.

We previously provided formal approval of the concept on January 21, 2026. Our position remains unchanged following review of the current submittal.

Please feel free to contact me with any questions.

Thank you,

A handwritten signature in black ink, appearing to read "Jerry Holenbeck".

Jerry Holenbeck  
Fire Marshal  
Donnelly Rural Fire Protection District  
Office: (208) 352-8619  
Cell: (208) 849-2438

June 10,2026

Donnelly City Council,

I am writing as a private citizen who is engaged in local housing conversations. During my career as an elected official, this has been the largest topic of conversation in our County. I'm sorry I can't be with you for the meeting so I'm sending along my thoughts.

Locals constantly ask when are we going to get some housing units that local can afford to live in. This is a difficult topic with the costs of construction and land in the region. Affordability is difficult to achieve. I have worked for the last 19 years to try and find paths where developers are willing to work toward some units being affordable.

In 2016 the WCM Economic Development Council started the WCM Housing Trust after this topic was 1 of the 6 pillars identified during the America's Best Communities contest. The Trust is now independent of the EDC and has created 16 units with another on the way. The process to create just 16 units has taken 10 years. The non-profit sector can never meet the needs of the region alone.

The development being considered on Eld lane is a local developer willing to work with the community to obtain some affordable units. They have changed their proposal after listening to concerns in the community.

LUPA laws in Idaho are very specific on land use approvals. Approvals need to mirror the city's comprehensive plans and zoning ordinances to guide approval decisions. I believe this proposed use meets your comprehensive planning goals and meets the requirements of LUPA. Which neighboring concerns can be addressed and mitigated? The comprehensive plan requests different types of housing within the city. This plan meets those goals. If denied, you need to provide a way for this project to be approved.

I know land use decisions are difficult. Those living within the area never like change. However, locals deserve to have housing that is safe and somewhat affordable. The recent Housing Needs assessment for the region identified a shortage of 1200 units. The only way to provide affordability is to build more units. Rental units allow our youth to remain in the region, our seniors to downsize out of their homes and workers to staff our businesses.

I stand in support of local housing whenever we can find projects that make sense and in locations that offer supporting infrastructure. This is one of those projects.

Sherry Maupin  
McCall ID



WEST CENTRAL MOUNTAINS  
ECONOMIC DEVELOPMENT COUNCIL  
Valley County - Cascade - Donnelly - McCall - Meadows Valley

June 10, 2026

City of Donnelly  
PO Box 725  
Donnelly, ID 83615

*RE: Regional Housing Needs*

Dear Donnelly City Council,

The West Central Mountains Economic Development Council (WCMEDC) is a 501(c)(3) regional nonprofit organization serving Valley County and northern Adams County. Our mission is to foster collaboration among local communities, businesses, and organizations to strengthen the regional economy through business development, workforce initiatives, affordable housing, and critical infrastructure investment. As the commissioning entity of the 2024 Regional Housing Needs Assessment, we write to provide context regarding housing needs in Donnelly and the region.

The Housing Needs Assessment found that 46% of City of Donnelly households are housing cost burdened, meaning they spend more than 30% of their income on housing. The majority of these households are renters. Donnelly is also the only community in the region where renter-occupied housing units exceed owner-occupied housing units, suggesting a greater reliance on rental housing and potential barriers to homeownership for local residents and workforce households. Additionally, approximately 56% of housing units within the City are seasonally occupied, while 44% are occupied by year-round residents.

The assessment identified a need for more than 1,200 housing units regionally to meet existing demand. At the same time, housing prices have risen significantly, with the regional median home sale price increasing from approximately \$215,000 in 2014 to more than \$710,000 in 2023.

The Donnelly survey responses showed interest in a variety of housing types rather than exclusively detached single-family homes. The assessment notes survey participation from 65 Donnelly residents and summarizes preferences for single-family homes, apartments, townhomes/condos, and other housing types. The Boulder Creek Development aligns with the needs of local residents and provides more housing opportunities for our local workforce through the promised deed restrictions by the applicant.

As presented, the proposed project appears to align with several goals and directives contained within the City of Donnelly Comprehensive Plan. The Plan recognizes the need for workforce housing, encourages a variety of housing opportunities ranging from single-family to multi-family development, supports compact residential development patterns, and calls for housing

WCMEDC P.O. Box 2365 McCall, ID 83638

[admin@wcmcdc.org](mailto:admin@wcmcdc.org)

[www.wcmcdc.org](http://www.wcmcdc.org)



WEST CENTRAL MOUNTAINS  
ECONOMIC DEVELOPMENT COUNCIL  
Valley County - Cascade - Donnelly - McCall - Meadows Valley

projects that offer a range of unit sizes, price points, ownership opportunities, and rental options.

A diversity of housing types can help serve residents at different stages of the housing continuum while expanding housing opportunities within the community. WCMEDC recognizes that housing decisions are complex and ultimately rest with local elected officials to determine how projects best align with community needs. We appreciate the City's continued efforts to balance community character, growth, infrastructure, and housing needs as Donnelly plans for its future.

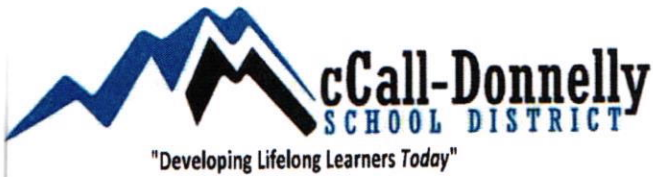
Sincerely,

Dylan Martin, Board President  
West Central Mountains Economic Development Council

WCMEDC P.O. Box 2365 McCall, ID 83638

[admin@wcmcdc.org](mailto:admin@wcmcdc.org)

[www.wcmcdc.org](http://www.wcmcdc.org)



McCall-Donnelly Joint School District No. 421  
120 Idaho Street, McCall, ID 83638  
Phone: (208) 634-2161 Fax: (208) 634-4075

June 10, 2026

Dear Members of the City Council,

I am writing to emphasize the importance of prioritizing student and community safety within the City of Donnelly. Ensuring safe conditions for students and families should remain a central focus as our community continues to grow.

Constructing safe, accessible sidewalks is a critical step toward protecting residents. These improvements would provide students, families, and other community members with reliable pathways to walk safely throughout the area. In addition, I support efforts aimed at making crossing Highway 55 safer for pedestrians.

Investing in these safety enhancements will help protect lives and strengthen the sense of security throughout Donnelly.

Sincerely,

David Pickard  
Principal, Donnelly Elementary School