

**MINUTES OF A REGULAR MEETING OF THE CITY  
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,  
HELD AT COEUR D'ALENE CITY HALL  
SEPTEMBER 4, 2007**

The Mayor and Council of the City of Coeur d'Alene met in a regular session of said Council at the Coeur d'Alene City Hall September 4, 2007 at 6:00 p.m., there being present upon roll call the following members:

Sandi Bloem, Mayor

Mike Kennedy	)	Members of Council Present
Woody McEvers	)	
A. J. Al Hassell, III	)	
Dixie Reid	)	
Loren Ron Edinger	)	
Deanna Goodlander	)	

**CALL TO ORDER:** The meeting was called to order by Mayor Bloem.

**INVOCATION** was led by Pastor Phil Muthersbaugh, Life Source Community Church.

**PLEDGE OF ALLEGIANCE:** The pledge of allegiance was led by Councilman Reid.

**PUBLIC COMMENTS:**

**JEWETT HOUSE:** Joan Orr, 838 N. 7th, noted that former Mayor Don Johnston provided that a senior retired couple was to be the maintenance residence of the Jewett House; however, today there are other arrangements made for care of the Jewett House. She commented that the Deed of Trust dedicates the Jewett House to be for the sole use of seniors. She also believes that weddings should not be permitted at the Jewett House. Councilman Reid responded that the amendments to the Trust allow the City have up to 10 weddings per year to help offset the cost of maintaining the facility. She also noted that this is a house that is provided for the use by senior citizens which is different than a Senior Center facility.

**SANDERS BEACH PROPERTY PROPOSAL:** Jerry Frank, 1415 E. Lakeshore, recalled that he had made an offer to open the beach in front of his house for public use, and he now asks for a time limit on his offer as he needs to make a decision on the landscaping. He needs to replace the sidewalk by the end of September so he needs to have an answer to determine if he needs to replace the sidewalk or not. City Administrator Wendy Gabriel commented that she believes that staff will have some possible solutions on the sidewalk by the end of September.

Harold Hocker, 1413 E. Spokane Avenue, believes that people are twisting things around to suite their needs and it is about time that we get some attorneys to tell the City what they should be doing.

**CONSENT CALENDAR:** Motion by Reid, seconded by Edinger to approve the Consent Calendar as presented.

1. Approval of minutes for August 21, 2007.
2. Setting the Public Works Committee and General Services Committee meetings for September 10, 2007 at 4:00 p.m.
3. RESOLUTION 07-055: A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING THE BELOW MENTIONED CONTRACTS AND OTHER ACTIONS OF THE CITY OF COEUR D'ALENE INCLUDING DECLARING CERTAIN COMPUTER HARDWARE AS SURPLUS PROPERTY; APPROVAL OF A CONTRACT WITH KOOTENAI COUNTY FOR ELECTION SERVICES; RENEWAL OF DOCK LEASES FOR (A) LAKE COEUR D' ALENE CRUISES, (B) BROOKS SEAPLANE AND (C) COEUR D' ALENE PARASAIL & WATER SPORTS; RENEWAL OF LEASE AGREEMENT WITH GORDON AND DAWNA ANDREA FOR FUNTASTIC FOOD CONCESSIONS; RENEWAL OF USE AGREEMENT WITH COEUR D' ALENE SOCCER ASSOCIATION; APPROVAL OF A CONSULTING SERVICES AGREEMENT WITH AMERICAN APPRAISAL FOR THE CITY'S CAPITAL ASSET VALUATION; APPROVAL OF CHANGE ORDER NO. 10 WITH CONTRACTOR'S NORTHWEST FOR POLYMER EQUIPMENT REPLACEMENT; APPROVAL OF A RAILROAD CROSSING AGREEMENT WITH BURLINGTON NORTHERN SANTA FE; APPROVAL OF SS-15-04 ACCEPTANCE OF IMPROVEMENTS WITH MAINTENANCE/WARRANTY AGREEMENT FOR STAGECOACH COMMERCIAL PARK; APPROVAL OF THE LANDINGS AND HAWK'S NEST ANNEXATION AGREEMENT AMENDMENTS; APPROVAL OF S-3-07 FINAL PLAT APPROVAL AND SUBDIVISION IMPROVEMENT AGREEMENT FOR SORBONNE ADDITION AND APPROVAL OF A PROVISION FOR FACILITY UTILIZATION AGREEMENT WITH KOOTENAI MEDICAL CENTER, DEPARTMENT OF REHABILITATION SERVICES.
4. RESOLUTION 07-056: A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ESTABLISHING A NO PARKING ZONE ON FRONT STREET ADJACENT TO MCEUEN TERRACE.
5. Setting of public hearing for V-07-2 - Vacation of portion of right-of-way on Seltice Way adjacent to Coeur d'Alene Honda for October 2, 2007.
6. Authorizing a group of Volunteer Eagle and Boy Scouts to mark out, flag and clear the brush for a hiking trail on Canfield Mountain.
7. Setting of public hearings: ZC-2-49 - Allowing ingress/egress onto Foster Avenue at 702 N. 4th Street for October 16, 2007; ZC-11-07 - Zone Change at 304 & 306 W. Haycraft for October 2, 2007; ZC-12-07 - Zone Change at 1036 N. 15th for October 2, 2007; ZC-13-07 - Zone Change at 1003 N. 15th for October 2, 2007.
8. Approval of Beer/Wine license transfer for the Office Tavern.
9. SS-4-07 - Final Plat Approval for Stovall Condominiums
10. SS-5-07 - Final Plat Approval for Pam and Steve Condominiums.

ROLL CALL: Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye. Motion carried.

**COUNCIL ANNOUNCEMENTS:**

COUNCILMAN GOODLANDER : In reference to the recent allegations made regarding LCDC's operations including financial reporting not being in compliance with Idaho Code, she responded that the School District 271 is not impacted by LCDC as taxpayers make up the difference, which the cities are going to ask the State Legislature to correct. She also responded to other allegations from this small group of citizens, here is an Impact Statement for the City's Urban Plan which is available for public review. Although there are just a few citizens that are trying to get the rest of the citizens upset with the Urban Renewal District, Lake City Development Corporation has done a tremendous amount of good. She reiterated that the Urban Renewal District does follow the Idaho Law, that it does have an Impact Statement and the School District has stated that they are in support of the Urban Renewal District.

She also noted that the Lake City Senior Center, which was not in existence in 1978, serves the senior community well and that the Jewett House is available for seniors although it does not work as an activity center for seniors due to lack of space. She also noted that a member of the Jewett family routinely visits the home and has expressed her pleasure in how well the city is operating the home.

MAYOR BLOEM: Mayor Bloem announced that at 2:00 p.m. on Sunday, September 9<sup>th</sup> we will be dedicating the new Library.

**APPOINTMENT - DESIGN REVIEW COMMITTEE**: Motion by Reid, seconded by Goodlander to appoint Rick McKernan to the Design Review Committee. Motion carried.

**ADMINISTRATOR'S REPORT**: City Administrator Wendy Gabriel announced that the public is invited to the official Library dedication of our new Library on the 9<sup>th</sup> of September at 2:00 p.m. The Library will then be officially open for business beginning Monday, September 10, 2007. The public is also invited to join the City at an upcoming Community-Wide Meeting to give input into the future plans for the Coeur d'Alene Police Department and meet incoming Police Chief Wayne Longo, on Wednesday, September 12, 2007, 6:30 to 8:30 p.m., Coeur d'Alene City Hall - Council Chambers. Mrs. Gabriel went on to announce the various job opportunities available with the City and announced that the Street crews have started their fall striping program. Because of cooler temperatures and usually a rain shower or two, City staff anticipate completion of the street striping process by the 3<sup>rd</sup> week in Sept. On October 11<sup>th</sup>, the CDA TV Committee will be conducting a Candidates Debate to be aired live on CDA TV Channel 19. Citizens are encouraged to provide questions for this debate by submitting their questions on the City's web site at [www.cdavid.org](http://www.cdavid.org). She also announced that the City

does have a water conservation rebate program. She pointed out that there is an Eagles and Boy Scout group that will be marking trails on Canfield Mountain as their project.

**ICE SKATING RINK AT COEUR D'ALENE RESORT:** Jon Ingalls brought forward the item from the General Services Committee explaining the proposed ice skating rink to be located at the Coeur d'Alene Resort. Bill Reagan, 2491 E. Hanley, representing the Coeur d'Alene Resort noted that the rink will encroach onto the 12' sidewalk about 5'. Motion by Goodlander, seconded by Edinger to approve the request to allow the Coeur 'Alene Resort to utilize the public/city owned grass area to test market ice-skating this winter. Motion carried.

ORDINANCE NO. 3309  
COUNCIL BILL NO. 07-1031

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING CITY CODE SECTIONS 5.28.030, 5.28.050, 5.28.060, 5.32.030, 5.48.030, 5.48.060, 5.52.020, 5.60.020, 5.64.045, 5.64.120, 5.68.040, 5.68.050; PROVIDING CLARIFICATION OF BUSINESS LICENSE APPLICATION PROCESS AND TO MAKE TECHNICAL CORRECTIONS; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDE FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Goodlander, seconded by Edinger to pass the first reading of Council Bill No. 07-1031.

ROLL CALL: Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Reid, Aye. Motion carried.

Motion by Edinger, seconded by Hassell to suspend the rules and to adopt Council Bill No. 07-1031 by its having had one reading by title only.

ROLL CALL: Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Reid, Aye. Motion carried.

ORDINANCE NO. 3310  
COUNCIL BILL NO. 07-1032

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING SECTIONS 2.82.010 TO DELETE REFERENCE TO STAGGERING TERMS FOR THE PEDESTRIAN AND BICYCLE ADVISORY COMMITTEE MEMBERSHIP AS IT WAS ESTABLISHED IN 2004; SECTION 8.12.030 TO CLARIFY FIREWORKS STAND PERMITTED OPERATION DATES AND TIMES; SECTION 8.12.040 TO REPEAL SECTION "C";

SECTION 8.24.060 TO AMEND MOORING TIMES AND AREAS; SECTION 15.24.220 TO CORRECT A CLERICAL ERROR BY CHANGING R-38 TO R-34 AND ADDING NEIGHBORHOOD COMMERCIAL AND COMMUNITY COMMERCIAL ZONING DISTRICTS; SECTION 15.24.320 TO CLARIFY THE REMOVAL OF DANGEROUS SIGNS WITHOUT NOTICE; SECTION 15.24.480 TO DELETE THE WORD 'PROHIBITED' FROM THE TITLE; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDE FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Goodlander, seconded by Hassell to pass the first reading of Council Bill No. 07-1032.

ROLL CALL: Hassell, Aye; Goodlander, Aye; Kennedy, Aye; McEvers, Aye, Reid, Aye; Edinger, Aye. Motion carried.

Motion by Edinger, seconded by Hassell to suspend the rules and to adopt Council Bill No. 07-1032 by its having had one reading by title only.

ROLL CALL: Hassell, Aye; Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Reid, Aye; Edinger, Aye. Motion carried.

ORDINANCE NO. 3311  
COUNCIL BILL NO. 07-1033

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING SECTION 8.24.050 TO PROHIBIT SWIMMING & WADING IN THE POND AT RIVERSTONE PARK AND SECTION 10.40.030 TO PROHIBIT TOY VEHICLES AT CHERRY HILL PARK; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDE FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Goodlander, seconded by Hassell to pass the first reading of Council Bill No. 07-1033.

ROLL CALL: Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye. Motion carried.

Motion by Edinger, seconded by Goodlander to suspend the rules and to adopt Council Bill No. 07-1033 by its having had one reading by title only.

ROLL CALL: Goodlander, Aye; Kennedy, aye; McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye. Motion carried.

**WATER SERVICE OUTSIDE CITY LIMITS:** Mayor Bloem recused herself from this issue due to a conflict of interest. Councilman Reid noted that the City's current policy does not allow service outside the city limits. She explained that the City had conducted a 201 Water Study which determined the capacity of which the city can draw from the aquifer and to ensure our citizens have an adequate supply of clean water, the City developed the policy not to provide water service outside the city limits. Kent Phelps, 1894 N. Johnson Road, owner of the subject property, would like to subdivide his county lot and construct another home on his parcel and requested the city extend their water service to the new home. He doesn't believe he is asking for additional water because he believes he could just extend the water from his home to the new residence. Councilman Hassell noted that one of the problems is if we do it for one or two or three residents outside the city limits, there would be no reason for people on the outskirts of the city to annex into the City. Additionally, if there is a problem in the overall system, the City residents would be responsible for making those repairs and those who are on the system, but not in the city, would not share in this cost. Councilman Edinger also noted that it has been the policy that if a residence meets the criteria for extending service outside the City limits it is for one home and not for the property owners to subdivide their lots and construct more homes. Motion by Reid, seconded by Goodlander to uphold the current policy for extending water service outside the City limits and to deny Mr. Phelps' request based on the policy that service is for water to existing homes and not for issues created by the current owner such as subdividing lots and building additional homes in the County. Motion carried.

RESOLUTION 07-057

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING AN ANNEXATION AGREEMENT WITH SMS INVESTMENTS, LLC.

Motion by Reid, seconded by McEvers to adopt Resolution 07-057.

ROLL CALL: McEvers, Aye; Edinger, Aye; Hassell, Aye; Reid, Aye; Kennedy, Aye; Goodlander, Aye. Motion carried.

ORDINANCE NO. 3312  
COUNCIL BILL NO. 07-1036

AN ORDINANCE ANNEXING TO AND DECLARING TO BE A PART OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, SPECIFICALLY DESCRIBED PORTIONS OF SECTION 27, TOWNSHIP 51, NORTH, RANGE 4W, BOISE MERIDIAN; ZONING SUCH SPECIFICALLY DESCRIBED PROPERTY HEREBY ANNEXED; CHANGING THE ZONING MAPS OF THE CITY OF COEUR D'ALENE; AMENDING SECTION 1.16.050, COEUR D'ALENE MUNICIPAL CODE, BY DECLARING SUCH PROPERTY TO BE A PART OF PRECINCT #38; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT

HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Reid, seconded by McEvers to pass the first reading of Council Bill No. 07-1036.

ROLL CALL: Kennedy, Aye; McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye. Motion carried.

Motion by Reid, seconded by McEvers to suspend the rules and to adopt Council Bill No. 07-1036 by its having had one reading by title only.

ROLL CALL: Kennedy, Aye; McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye. Motion carried.

ORDINANCE NO. 3313  
COUNCIL BILL NO. 07-1035

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, REPEALING MUNICIPAL CODE SECTION 8.04.070(B); ADOPTING A NEW CHAPTER 8.06 ENTITLED BURNING AND SMOKING ON PUBLIC PROPERTY; ADOPTING NEW SECTIONS 8.06.010, 8.06.020 AND 8.06.030 TO PROHIBIT BURNING OR OPEN FIRES ON CITY OWNED PROPERTY, TO PROHIBIT SMOKING AND OTHER ACTIVITIES CAPABLE OF GENERATING AN OPEN FLAME DURING STAGE I OR HIGHER FIRE RESTRICTIONS AS DECLARED BY THE IDAHO DEPARTMENT OF LANDS AND DECLARING ANY VIOLATION OF CHAPTER 8.06 TO BE A MISDEMEANOR PUNISHABLE BY A FINE NOT TO EXCEED \$1,000 OR BY IMPRISONMENT BY UP TO 180 DAYS OR BOTH; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDE FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Reid, seconded by Kennedy to pass the first reading of Council Bill No. 07-1035.

ROLL CALL: McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye. Motion carried.

Motion by Edinger, seconded by McEvers to suspend the rules and to adopt Council Bill No. 07-1035 by its having had one reading by title only.

ROLL CALL: McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye. Motion carried.

RESOLUTION 07-058

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING A CONTRACT FOR EMPLOYEE CONSULTING SERVICES WITH RICHARD F. SUCHOCKI AND GEORGIA A. SUCHOCKI, HUSBAND AND WIFE.

Motion by Hassell, seconded by Kennedy to adopt Resolution 07-058.

ROLL CALL: Hassell, Aye; Kennedy, Aye; McEvers, Aye; Goodlander, Aye; Reid, Aye; Edinger, Aye. Motion carried.

**PUBLIC HEARING - V-07-1 - VACATION OF EXCESS RIGHT-OF-WAY ON 8TH STREET, KELLER'S ADDITION:** Mayor Bloem read the rules of order for this public hearing. City Engineer Gordon Dobler gave the staff report.

Mr. Dobler gave the applicant's names as Matthew and Amie Anderson and the request as a vacation of ten feet (10') of excess right-of-way along their property frontage located in Lot 1, Block 2, Keller's Addition on 8th Street.

Mr. Dobler explained that the Keller's Addition was platted in 1906 which included an 80' right-of-way for 8th Street. A number of the plats that were approved in that period of the early 1900's all had rights-of-way for 8th Street at 80'; however, all the streets were built to a thirty-four foot (34') standards, thus leaving considerable excess right-of-way. In the 1940's the City vacated a portion of excess right-of-way of 8th Street to the north of the subject property.

Mr. Dobler reported that a total of 73 mailings were sent with 6 responses 1 in favor, 1 opposed and 4 neutral. Written responses were distributed for Council review.

**PUBLIC COMMENTS:** Amie Anderson, 802 E. Elm, applicant, does not intend to remove the trees although the trees will remain in the right-of-way even with the vacation. Carol Goetzmen, 1032 N. 8<sup>th</sup>, noted that her only concern was the trees and since she learned that they will remain, she would like to remove her opposition. She also presented the City Council with a check for \$100.00 as a donation towards the planting of a street tree.

**MOTION:** Motion by Edinger, seconded by Reid to approve the requested vacation of excess right-of-way on 8th Street in Keller's Addition. **ROLL CALL:** Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Reid, Aye; Edinger, Aye; Hassell, Aye; Motion carried.

**PUBLIC HEARING - 2007-2008 CITY BUDGET:** Mayor Bloem read the rules of order for this public hearing. Finance Director Troy Tymesen gave the staff report.

Mr. Tymesen presented the proposed budget for 2007-2008 beginning October 1, 2007. This budget is an estimate for this coming year's expenses of \$66,679,040. He reviewed



the Council's top ten priorities that are included in this proposed budget. He noted that the levy rate will be at \$4.20/\$1,000 net assessed property valuation compared to a 1997 levy rate of \$5.41/\$1,000 net assessed property valuation. He explained that the 3% budget increase limit is based on the largest amount of general fund previously budgeted. He noted that the city's new growth is estimated at \$200,000,000 which is how the City can continue to provide additional staff to keep up with growth. He further explained how the changes in a home's valuation affect how much property taxes are paid to the City. He stressed that the City's budget is a forecast and estimate as is the City's Fund balance. He explained that the City self-funds its liability with a current fund balance just short of \$2,000,000 which allows the City to save on paying insurance premiums. He concluded that this budget has been on the City's web site for about 5 weeks and this is the 3<sup>rd</sup> presentation he has provided on the proposed budget at the City Council meetings.

Councilman Kennedy noted that there might be some confusion about last year's budget and asked Mr. Tymesen to explain. Mr. Tymesen responded that at the next City Council meeting, the amended budget will be brought forward. He did note that annually budgets are amended because of unforeseen additional revenues received and expenses incurred. In response to Councilman Reid's request, Mr. Tymesen explained that about 50% of the General Fund Budget comes from property taxes and the remaining 50% comes from revenues such as sales tax, liquor tax, gas tax, Interfund Transfers from the Enterprises Funds (fees for service funds – water, wastewater, street lights, stormwater), permits/license fees, and grant funds. Councilman Reid noted that one of the reasons the City needs to annually amend the budget is because the revenues from these other sources change from what was estimated at the beginning of the fiscal year.

**PUBLIC COMMENTS:** Mark Fowler, 116 Borah Avenue East, does not believe he received the services for the amount of property taxes he paid. Harold Hocker, 1413 E. Spokane Ave. asked, that with the interest-only loans, what the City would do when these loans come due for the homeowner. He believes that the outlook is not good for the City.

ORDINANCE NO. 3314  
COUNCIL BILL NO. 07-1034

AN ORDINANCE ENTITLED "THE ANNUAL APPROPRIATION ORDINANCE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2007" APPROPRIATING THE SUM OF \$66,679,040 TO DEFRAY THE EXPENSES AND LIABILITIES OF THE CITY OF COEUR D'ALENE FOR SAID YEAR; LEVYING A SUFFICIENT TAX UPON THE TAXABLE PROPERTY WITHIN SAID CITY FOR GENERAL REVENUE PURPOSES FOR WHICH SUCH APPROPRIATION IS MADE; LEVYING SPECIAL TAXES UPON THE TAXABLE PROPERTY WITH SAID CITY FOR SPECIAL REVENUE PURPOSES WITHIN THE LIMITS OF SAID CITY OF COEUR D'ALENE, IDAHO; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE HEREOF.

Motion by Reid, seconded by Goodlander to pass the first reading of Council Bill No. 07-1034.

ROLL CALL: Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye; McEvers, Aye. Motion carried.

Motion by Reid, seconded by Goodlander to suspend the rules and to adopt Council Bill No. 07-1034 by its having had one reading by title only.

ROLL CALL: Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye; McEvers, Aye. Motion carried.

**RECESS:** Mayor Bloem called for a recess at 8:05 p.m. The meeting returned to regular session at 8:18 p.m.

**PUBLIC HEARING - PUD-4-07/S-7-07:** Mayor Bloem and Councilman Edinger declared a conflict of interest and recused themselves from the hearing. No ex parte communication was declared by the remaining Council. Mayor Pro Tem Reid read the rules of order for this public hearing. John Stamsos, Senior Planner, gave the staff report.

Mr. Stamsos gave the applicant's name as Fernan Lake Preservation LLC, the location as a 22.2 acre 8-lot subdivision on a private street in the R-3 zoning District and the request is for a "Fernan Heights PUD" on a 7.03 acre portion of the subdivision with the R-3 zoning district.

Mr. Stamsos presented a photo review of the subject property and described the various slopes of this property including the proposed lot lines and locations of the houses. He noted that an erosion control plan and a site disturbance plan have been prepared as required by the City's Hillside Overlay regulations.

He reported that a total of 15 notices for tonight's public hearing were mailed on August 17<sup>th</sup> with a total of 2 responses being received both neutral to the issue. Written comments were distributed for Council review. Mr. Stamsos read a letter from the Fernan Lake Conservation and Recreation Association which expressed their support of the proposed PUD plan. Roland Craft, a member of the Coeur d'Alene Audubon Society, also expressed his support of the proposed plan. A letter from the Idaho Fish and Game Department commented that the proposed undeveloped portion of the proposed PUD/Subdivision does have a Heron Rookery and is also the location of Osprey and Bald Eagle nesting sites.

Mr. Stamsos went on to give the staff analyses for Comprehensive Plan, land use, utilities, street trees and traffic/streets.

Mr. Stamsos reported that on July 10, 2007 the Planning Commission approved the requested PUD and plat and on July 24, 2007 an appeal was received on the Planning Commission's decision. On July 31, 2007 the City Council set tonight's public hearing.

PUBLIC COMMENTS: Phil Boyd, 1626 Lincoln Way, spoke as the primary proponent, presented a PowerPoint presentation explaining the project including the conceptual lot layout, water system extension plan, sewer service plan, and a stormwater management plan.

Kent Butler, 101 Theis Drive, Fernan Lake Village, spoke as the primary opponent, voiced his concerns of the fragile nature of the hillside geography and its impact on Fernan Lake. He explained he appealed this request as he believes it is in conflict with the Fernan Lake Watershed Plan. He also believes that the Hillside Infill requirements would not allow this development. He believes that a high standard should be set for developing this hillside and that science dictates the Council's decision. Finally, he questioned the financial viability of the PUD for sustaining the infrastructure.

Councilman Kennedy asked Deputy City Attorney Warren Wilson to clarify the 35% slope requirements. Mr. Wilson noted that the 35% slope could be amended through a PUD.

Ron Douglas, 214 Lakeview Drive, Fernan Village, spoke in support of the PUD and noted that the majority of the property will remain undeveloped which will benefit the public overall for future generations. He also noted that if the Council did approve the PUD this would set a precedent for the rest of the lake. Mary Ann Tierney, 201 Bruce Dr., Fernan Village, encouraged the Council to approve this proposal. Eugene Marano, 324 W. Garden Avenue, spoke in support of this development.

Pat Acuff, 112 Hazelwood Drive, Fernan Village, reported that he has been working on this project for about 10 years and the goal was always to preserve the hillside and the PUD was their means of recouping their costs in purchasing the property. He noted that it is their plan to donate the remaining property as a natural parkland for the City. In response to Mr. Butler's concerns, Mr. Acuff believes that this project will help to maintain the integrity of Fernan Lake and the hillside. Councilman Kennedy noted that according to the applicant, that during the nesting season there would be minimal construction. Mr. Acuff noted that the nesting season occurs in February and they do not anticipate much construction during that time, at least they do not anticipate any adverse effects to the Rookery from construction.

Rann Haight, PO Box 1752, Coeur d'Alene, project architect, spoke in rebuttal to the primary opponent. He noted that in order to offset the cost of purchasing this land to preserve its natural state, it was determined that 7 homes would need to be constructed. The goal was to construct homes to a standard that met City requirements as well as preserved the natural state of the hillside.

In response, Kent Butler noted that in regard to Councilman Kennedy's comments about the sewer system, he commented that his concern lies with the homeowners association that if a pump failed the association could be burdened with a \$10,000 bill.

**COUNCIL DISCUSSION:** Councilman Goodlander recalled the concerns of the viability of Fernan Lake and believes that this proposed development would have the least possible impact on the lake. She also expressed her appreciation for the developer looking at the topography first and then determining where the homes would best fit.


**MOTION:** Motion by Goodlander, seconded by McEvers to approve the PUD-4-07 and the subdivision plat for Lake Fernan Heights and to adopt the Findings and Order of the Planning Commission.

**DISCUSSION:** Councilman Hassell commented that he sees a lot more planning and thought for preservation of the natural areas on this hillside and believes that staff will assure the run-offs will be maintained. Additionally, since the developer is willing to go up the hill and extend the water line, he sees no problem with this proposal. Councilman Kennedy expressed his appreciation of Mr. Butler's comments and believes that the best growth is managed growth and with this area being developed to preserve the hillside it is worthwhile. Councilman McEvers commented that the bottom line is to protect Fernan Lake and believes that this is the intention of this development.

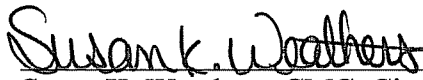
**ROLL CALL:** Goodlander, Aye; Hassell, Aye; Kennedy, Aye; McEvers, Aye; Reid, Aye. Motion carried.

**ADJOURNMENT:** Motion by Hassell, seconded by Kennedy that, there being no further business, this meeting is adjourned. Motion carried

The meeting recessed at 9:55 p.m.

  
Sandi Bloem, Mayor

ATTEST:

  
Susan K. Weathers, CMC, City Clerk