

MINUTES OF A REGULAR MEETING OF THE CITY  
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,  
HELD AT THE LIBRARY COMMUNITY ROOM

January 16, 2024

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 Library Community Room on January 16, 2024 at 6:00 p.m., there being present upon roll call the following members:

James Hammond, Mayor

Dan Gookin ) Members of Council Present  
Kiki Miller )  
Dan English )  
Woody McEvers )  
Amy Evans )  
Christie Wood )

**CALL TO ORDER:** Mayor Hammond called the meeting to order.

**INVOCATION:** Pastor Kirk E. Anderson with Lutheran Church of the Master provided the invocation.

**PLEDGE OF ALLEGIANCE:** Evan Horan and Kai Owens with Scout Troop #3 led the pledge of allegiance.

**PUBLIC COMMENTS:**

Kevin Jester, Coeur d'Alene, thanked the Council for the work they do in the community. He noted that he has lived in the college campus area and was a Coeur d'Alene business owner for over 20 years. He would like to ensure quality of life for the community by requesting an amendment to the Comprehensive Plan to make the North Idaho College (NIC) campus a "university zoning district" to safeguard it from future development other than a higher education use. Due to the unprecedented status of the accreditation of NIC, this zoning would provide stability to the current property use.

Patty Jester, Coeur d'Alene, noted she was in support of the university zoning district.

Johnathan Burns, Coeur d'Alene, spoke in support of a university district and would like higher education protected.

Ann Melbourn, Coeur d'Alene, spoke in support of the university zoning district.

Kathryn Boss, Coeur d'Alene, stated she was a 34-year property owner in the Fort Grounds area and spoke in support of the university zoning district. She expressed concern about the future of the property.

Bill Elliot, Coeur d'Alene, spoke in support of the university zoning district. As parents of NIC graduates they would like it to remain an educational use for the future.

**COUNCIL ANNOUNCEMENTS:**

Councilmember Wood noted that the City Attorney prepared a white paper on what a university district is and it is something the Council could do. She felt the Council should plan for the worst by having City staff prepare the documents that would provide the City the ability to create a university district. She noted that the college has not responded to requests to speak about the subject.

Councilmember English said he would support exploring a university district.

Councilmember Gookin stated that he concurs with the university district as the property is public and this would provide a method for the property to stay public, for educational purposes.

**MOTION:** Motion by Wood seconded by Gookin to request the Planning and Zoning Department to bring forward a proposal to update the Comprehensive Plan to create the university district by April 2024.

**DISCUSSION:** Councilmember McEvers asked if the College would need to be involved or if this would solely be a Council decision. The Mayor clarified the college could testify at a meeting. Councilmember Gookin asked the City Attorney what the City's authority is, with Mr. Adams responding that the City has the right to rezone any property, being mindful to not create a takings, and the college designated as a university district would not be a taking.

**Motion Carried.**

**OATH OF OFFICE:** City Clerk Renata McLeod administered the oath of office to re-elected Councilmember Christie Wood.

**CONSENT CALENDAR:** Motion by McEvers, second by Evans, to approve the consent calendar.

1. Approval of Council Minutes for the January 2, 2024 Council Meeting.
2. Approval of the General Services/Public Works Committee January 8, 2023, Meeting Minutes.
3. Setting a public hearing for: February 6, 2024 for ZC-1-23; request for a zone change from the R-17 (MO – Midtown Overlay) to the C-17L (MO) zoning district, Location: 707 N. 4th Street; requester: Jay Lange
4. Approval of Bills as Submitted.
5. Approval of Financial Report.

6. Approval of **Resolution No. 24-004-** A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, APPROVING THE FOLLOWING: AGREEMENT TO PERFORM SUBDIVISION WORK AND PROVIDE SECURITY, AND FINAL PLAT FOR HUTTON ADDITION [SS-23-06]; AND A SUB-RECIPIENT AGREEMENT WITH THE IDAHO OFFICE OF EMERGENCY MANAGEMENT FOR A GRANT IN THE AMOUNT OF \$160,508.00, INCLUDING A \$16,050.80 CITY MATCH, FOR A FIRE DEPARTMENT GENERATOR, AND ASSOCIATED ELECTRICAL WORK AND CONSTRUCTION.

**ROLL CALL:** Gookin Aye; Evans Aye; English Aye; Miller Aye; McEvers Aye. **Motion Carried.**

#### **RESOLUTION NO. 24-005**

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, APPROVING A PARKING AGREEMENT BETWEEN PAUL A. WILES (ROPAUL, INC., D/B/A THE BREAKFAST NOOK) AND SURREAL TRUST LLC FOR OFF-SITE PARKING SPACES FOR PROPERTY LOCATED AT 1717 N. 3RD STREET ON PROPERTY LOCATED AT 1719 N. 4TH STREET.

**STAFF REPORT:** Senior Planner Sean Holm explained that in 2008 a building permit was issued, for property located at 1717 N. 3rd Street, by the City to allow the owner to construct a 3,720 sq. ft. two-story office building with substantial internal storage in the rear of the building. At the time, the business installed home electronics which is why so much area was dedicated to storage. Since storage use requires only approximately 1/3 the amount of parking otherwise required, the site as developed required only five (5) stalls. There is no room to add additional parking. The new owner of the building, SurReal Trust LLC, has applied to convert a portion of the storage area into additional office space. However, this will require additional parking. As noted, there is not enough room to meet current parking standards for the proposed use. The Off-Street Parking, Loading and Display Lot Regulations, Municipal Code Chapter 17.44, require one stall per 330 sq. ft. of floor space, which would prevent the new owners from converting the storage to office. The Regulations allow a property to have off-site parking with a parking agreement that guarantees the requisite number of spaces into the future. City records indicate the Breakfast Nook building (1719 N. 4th Street, owned by Paul A. Wiles), which lies across 3rd Street from 1717 N. 3rd Street, measures 2,547 sq. ft above grade. The Parking Regulations require food & beverage establishments (on-site consumption) to provide parking at a ratio of one (1) stall per 200 sq. ft. (1:200) necessitating thirteen (13) stalls for the restaurant. Staff review of existing parking stalls shows a minimum of forty (40) stalls on-site, which is sufficient to allow the neighbor to lease the proposed stalls. The City's only cost is to administer this parking agreement request. Administration involves periodic monitoring of the use of the building and enforcement as needed. In this particular case, reciprocal parking would be the best path forward due to having similar operational hours. The proposed parking agreement notes that four (4) stalls are needed for SurReal Trust LLC. to meet the parking requirement, which would be leased from Paul A. Wiles, the owner of the property at 1719 N. 4th Street, occupied by the business known as The Breakfast Nook, at \$100/month. The agreement requires the City to be notified if the parking agreement is terminated, at which time the City will re-evaluate the



required parking. The off-site parking is located within 400 feet of the property as required by Code and the parking agreement will be recorded in the County Recorder's Office.

**DISCUSSION:** Councilmember McEvers asked if the City has authorized these types of agreements before. Mr. Holm noted it does not happen often as most agreements are for shared use, based on different hours of operations. Councilmember Miller asked how far away the shared parking would be, with Mr. Holm stating it was 80 feet and 400 feet is allowed. Councilmember Gookin noted he is not a fan of these agreements as there is potential that we are running out of parking city-wide, as is the case with at least one downtown building that has no employee parking. Mr. Holm noted that if they can't meet the parking code they would not be able to get a permit. Councilmember Gookin asked if they could use street parking, with Mr. Holm confirming people, including employees can park on the street, but they can't claim it for individual use in order to meet code. Councilmember Gookin expressed concern that the Breakfast Nook has more parking than the code requires, but code doesn't seem to require enough spaces as the lot often is full. Mr. Holm noted that when that occurs customers and employees would have to find a spot as close as they could, and clarified the code doesn't require that the stalls have to be signed as shared with another business. He noted when there is a change of ownership, Council could cancel the agreement. Councilmember Gookin asked if there are any other agreements on this property, with Mr. Holm noting there aren't any known.

Phil Billings, the owner of SurReal Trust LLC. noted that they occupy the building noted that that the new church parking lot was completed within the last month; however, he already had the agreement with the Breakfast Nook prior as they needed an agreement in place before they could get a building permit. He noted that the business operates Monday through Friday, and only has employee's onsite as the business is virtual, and some employees work from home. When the employees are on site they find parking along the side streets, but the code requires agreement in order for the construction to move forward. Councilmember Gookin noted that parking is a premium; however, they can come back in the future and renegotiate with the church if there is a problem with the Breakfast Nook. Councilmember Wood noted that the Breakfast Nook has more spaces than required and she is glad the businesses are working together. Mayor Hammond noted that one of his concerns is storm water runoff, and sometimes the city requires so much parking that drains into the street, which eventually drains to the lake, so if we can avoid making more impervious surfaces we should do so. Councilmember McEvers asked when the parking requirements were last reviewed, with Mr. Holm noting it was around 2009, which resulted in a reduction to the standards. Councilmember Gookin expressed concern that if more of these requests come forward, it would indicate a parking problem. Councilmember Miller noted neighborhoods are often impacted by area commercial uses without enough parking, so the City should be cautious about these requests.

**MOTION:** Motion by Evans, seconded by Miller, to approve **Resolution No. 24-005**, Approval of a Reciprocal Parking Agreement for 1717 N. 3rd Street to allow conversion of existing storage space to Professional Office Use within the structure.

**ROLL CALL:** English Aye; Wood Aye; Evans Aye; Miller Aye; McEvers Aye; Gookin Aye.  
**Motion Carried.**



## RESOLUTION NO. 24-006

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, APPROVING CHANGE ORDER #1 TO THE SOLIDS IMPROVEMENTS CONTRACT WITH APOLLO, INC., IN THE AMOUNT OF \$224,305.92 FOR CONTROL ROOM MODIFICATION, REPLACEMENT OF LEAKING CAUSTIC LINE, HOT WATER LINE REPLACEMENT, AND TEMPORARY START UP OF CENTRIFUGE.

**STAFF REPORT:** Wastewater Capital Programs Manger Mike Becker noted that the Solids Building Improvement project approved in May 2023 for the installation of the new centrifuge to ensure redundancy to the wastewater dewatering operations, needs additional items included in Change Order #1. Additions include Control Room option to include the double door, mini-split and exterior elevated slab, which was not included in the bid as the panel was not fabricated at the time of the bid; Caustic Line replacement and extension, discovered after the bid was awarded; Hot Water Line replacement, which was the last remaining piece that was not replaced years ago, so timing is better with this project; and GEA Second (2nd) Centrifuge start-up. Mr. Becker noted that the budget amount for the project is \$6,450,000.00, with the contract with Apollo Inc. at \$5,441,903.00, there is budget available to cover the \$224,305.92 Change Order.

**DISCUSSION:** Councilmember McEvers asked about age of the building, with Mr. Becker noting that it's an old building that is being remodeled. Councilmember Wood asked for more information about why these amendments are needed now. Mr. Becker noted it is less expensive to do the changes now, while the construction crew is on site, and it avoids the need to go back out to bid at a higher price and timeline delays.

**MOTION:** Motion by McEvers, seconded by Wood, to approve **Resolution No. 24-006**, Approval of Change Order #1 to the Solids Building Improvements Contract with Apollo, Inc., in the amount of \$224,305.92.

**ROLL CALL:** Wood Aye; Evanes Aye; Miller Aye; McEvers Aye; Gookin Aye; English Aye.  
**Motion Carried.**

## RESOLUTION NO. 24-007

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE PLANNING DEPARTMENT AND THE HISTORIC PRESERVATION COMMISSION TO APPLY FOR AND, IF AWARDED, ACCEPT A CERTIFIED LOCAL GOVERNMENT GRANT FOR CONSULTANT ASSISTANCE TO CONDUCT A HISTORIC SURVEY OF DOWNTOWN PROPERTIES, FOR AN AMOUNT BETWEEN \$9,000.00 AND \$15,000.00.

**STAFF REPORT:** Community Planning Director Hilary Patterson requested the Council authorize staff to apply for Certified Local Government (CLG) grant funds for Consultant Assistance to conduct a historic survey of downtown properties in an amount ranging from \$9,000 to \$15,000. She noted the adopted Historic Preservation Plan (HPP) includes an Action Plan for consideration by the City Council, and, if approved, priority items for the Planning

Commission and staff to implement over time. One of the priority items is to survey existing historic resources, including the Downtown. The consultant fee for a survey of the properties in Downtown Coeur d'Alene is estimated to range from \$8,400 for the smaller boundary and up to \$14,800 for an expanded boundary. Staff and the Commission would like to apply for CLG grant funds in the amount ranging from \$9,000 to \$15,000.00 for the effort, depending upon what funds are available. If awarded, there is a 1 to 1 match required, but can be in-kind match. The volunteer rate is \$27.79/hour and City staff time used on commission can also be used as match, at the fully loaded rate. The CLG grant requires a match, which can be in-kind. For this grant request, it is anticipated that the City's match would be in-kind with hours spent by staff and the commission members on the Historic Preservation Commission business and specific volunteer hours assisting with the survey work, with a small cash match of \$500 to cover printing costs. The match would be met with \$500 from the Planning Department's professional services budget, staff time (billed at the fully loaded rate) and volunteer time (billed at the \$27.79/hour rate) for commission members. It is estimated that the staff and commission time would more than meet the requirement with attendance at commission meetings, time spent on historic surveys of the properties, and public outreach. If awarded the CLG grant funds, the project would be anticipated to start September 1, 2024. The final products and reimbursement request would be due by September 1, 2026.

**DISCUSSION:** Councilmember McEvers what is included in the survey requested, with Ms. Patterson noting it would identify the nature of the building, architectural features, age of the building, any historically significant events associated with the building and will include photography. Councilmember McEvers clarified that this would not prohibit anyone from doing anything with their buildings. Councilmember Miller asked if anyone had any data regarding the folks walks or marches, which were tours of town in the past. She said it would be helpful to have any photos or maps used for those tours. Please contact her or the City's Administration Department (208-666-5754) with information.

**MOTION:** Motion by McEvers, seconded by Miller to approve **Resolution No. 24-007**, authorizing staff and the Historic Preservation Commission to apply for, and accept if awarded, a Certified Local Government grant funds for Consultant Assistance to conduct a historic survey of downtown properties in an amount between \$9,000.00 to \$15,000.00.

**ROLL CALL:** Evans Aye; Miler Aye; McEvers Aye; Gookin Aye; English Aye; Wood Aye.  
**Motion carried.**

**LEGISLATIVE HEARING FOR THE ADOPTION OF THE CAPITAL IMPROVEMENT PLANS FOR PARKS, TRANSPORTATION, POLICE AND FIRE IN SUPPORT OF DEVELOPMENT IMPACT FEES AND THE ADOPTION OF IMPACT AND ANNEXATION FEES.**

**STAFF REPORT:** Senior Planner Sean Holm noted that City has collaborated with a consultant team to update both development impact fees in accordance with Title 67, Chapter 82, Idaho Code, and annexation fees in accordance with Title 50, Chapter 2, Idaho Code. Welch Comer Engineers (overall project management, needs assessments, and Capital Improvements Plans), FCS Group (analysis alternatives, fee calculations, study), and Iteris (regional



demand/traffic modeling) have contributed to the project. City Council and Staff have provided direction and oversight. The existing development impact fee study dates back to 2004, and the annexation fee was last amended in 1998. The consultant team worked on Capital Improvements Plans (CIPs) for Parks, Transportation, Police, and Fire, and included needs assessments for Police and Fire. They were vetted with the respective departments, reviewed by the Planning and Zoning Commission acting as the Development Impact Fee Advisory Committee (“DIFAC”), and discussed at workshops which included a joint one with the City Council on September 25, 2023. Mr. Holm noted that they will be presenting all the information for the three actions items requested this evening and introduced Melissa Cleveland, with Welch Comer to present the specific information regarding the capital improvement plans and fees to fund future service needs. Ms. Cleveland provided an overview of the legal requirements of Capital Improvement Plans and noted the various public meetings and workshops held. She explained that the project costs were determined by a review of various master plans, vetting project need, building and transportation costs and staff knowledge. She noted that they have reviewed the Parks CIP and made some amendments which resulted in lowering costs by \$5.2 Million. In reviewing the Transportation CIP, they determined it was appropriate to removed Julia Street overpass. Ms. Cleveland noted that out of the \$88.2 Million in transportation projects costs, \$30.7 Million were eligible for impact fees. She noted that the Fire CIP hadn’t changed since January 2. The Police CIP changed to reflect a difference in the sub-station and to not be specifically denoted as downtown.

Todd Chase with the FCS Group explained that the Impact Fee Study would need to be adopted by Council as the basis for the fees. He explained that the study would update the 2004 previously approved study. Additionally, the annexation fee was last calculated in 1998 and was in need of updating. Impact fees are a proactively allocate funds to address the associated needs of growth. The study sets forth the maximum defensible fee as allowed under Idaho code. He explained that Units of Growth were calculated as follows for Transportation (Peak Hour Vehicle Trips on City Roadways), for Bicycle / Ped Facilities (Person Trips), for Parks (Population, Visitors), and for Fire and Police (Residential and Non-Res Development). He noted that there is an option to charge parks fees for residential and non-residential customers, with the impact to residential growth costs if non-residential customers don’t pay a park fee. Mr. Chase provided specific calculations of a residential dwelling, hotel, restaurant, office space and an apartment building. He clarified that they assumed other funding sources would be utilized to fund projects in addition to impact fees. He noted that there is no good database of number of employees based on all the different types of commercial or industrial, so all non-residential uses were grouped together. He noted that hotels could be categorized into those with fewer than 50 units and those with 50 units or more. He noted that it is fair to charge non-residential fees for parks and it is legally defensible. Annexation fees are based on operational department expenses to accommodate annexation areas and all the service area needs. The prior methodology from 1998 was used again, as it was a good method and has been proven over time, so they updated it with current data. The suggested annexation fee implies that the city is becoming more efficient compared to applying escalation. This suggests that adopting the 1998 methodology for the updated annexation fee results in a lower cost, and the savings would be passed forward. Ms. Cleveland noted that annexation fees were not recommended to be adopted with an escalation as annexation doesn’t apply to the same escalator data.



Ms. Cleveland presented the final portion of the presentation regarding the update of the impact and annexation fee schedule, highlighting that the development impact fees would undergo annual escalation, whereas the annexation fee would not. She noted that there are a few options included in the fee proposal to include whether to charge non-residential parks fees; to charge multifamily by the square foot or dwelling unit; to charge accommodations by the square foot or room; to escalate at the Engineering News Record (ENR) 5-year average of 3.9% per year or to escalate at a lower 1.5% per year. She noted that the development community requested the fees be laid out for five years in order to make it easier for them to plan our future projects. She presented the differences between the options for Council consideration. She noted that the developers expressed concern that some of the fees were high and could potentially render some projects financially unfeasible. Therefore, the development community proposed some amendments, which she presented to the Council. The suggested changes included multi-family fee set by dwelling unit at \$3500 per unit; for non-residential a maximum price per square foot at \$4.25 per s/f.; and for accommodations to phase in the parks fee for hotels from 2024-2025 and by 2026 would be at the full rate. Mr. Holm clarified fees are collected when they pick up permits but determined when they come in with a complete application. She clarified the Council would need to determine which options they would like to go with.

**DISCUSSION REGARDING CIP:** Councilmember Wood noted that several interested parties have asked how items included in the capital improvement plans are not a wish list, with Ms. Cleveland noting that there is an appendix of the report that demonstrates the needs assessment on what is needed to handle growth. For transportation there is a regional demand model from Kootenai Metropolitan Planning Organization (KMPO), which was used to help determine the future traffic demands. Additionally, staff has vetted the necessity of traffic signals etc. at certain intersections over the next 10 years. Councilmember McEvers wondered if the KMPO master plans were looked at for past forecasting and determining how accurate they were. Ms. Cleveland noted that they didn't review backward looking models, but KMPO staff would be looking at that and it is solely a tool. Councilmember Miller asked about the parks plan and didn't see that there was a past Council consensus on the parks land acquisition being cut by 50%. Ms. Cleveland noted that she didn't receive a consensus, but Parks staff reviewed and made the recommendation. Councilmember Miller worried that this might be under planning as land may not be available at that price in the future. Ms. Cleveland noted that the plan can be amended to take advantage of opportunities as they arise. Councilmember Wood asked how pricing was done for traffic projects such as the roundabout at 4<sup>th</sup> and Dalton, when another City would be contributing to the costs. Ms. Cleveland noted that the costs are for the portion within the city limits of Coeur d'Alene, and the City would work with the City of Dalton for their share as it moves forward.

**DISCUSSION REGARDING IMPACT FEE REPORT AND FEES:** Councilmember Wood noted that there are other methods of revenue for parks other than residential customers. Mr. Chase explained that they only estimated 70% of the costs as they estimated other resources would also be used. Councilmember Wood noted that the historical information would be good to have in order to identify other sources of funding used in the past. Councilmember McEvers asked if technology weighed into the fire requirements, such as sprinklers and ambulance work, with Mr. Chase stating that would not be directly as the growth share costs is by buildings per capita. Councilmember Wood wanted to have more discussion regarding the units that are

smaller square footage than a 3 bedroom, so asked why they wouldn't use square foot rather than number of units. Mr. Chase explained that research for Coeur d'Alene notes that smaller units have more people in the unit and have the same or higher impact on services than a single-family dwelling. Councilmember Wood asked about apartments and the justification for a one unit 1 bedroom versus three bedroom paying the same. Mr. Chase clarified that there is an average you could use to assume, and it is easier for staff and developers to calculate and estimate costs based on the dwelling unit. Ms. Cleveland noted that when they met with developers last week, they ran several examples and the multifamily was very similar either way it was calculated. Councilmember Wood noted that she would like it to be based on square footage; additionally, she would prefer hotels be based per unit rather than square foot as some area is storage, etc. Mr. Chase noted fees would be based on rooms not storage or unheated areas. Mr. Holm noted that within large apartment complexes, they have other gathering spaces, and it would limit it if the fee was charged by heated square footage such as hallways and mechanical, so the developers agreed that the cost per unit would make more sense. Mr. Holm also noted that it is very rare that one person builds just small units as the buildings usually have a blend of different type/size of units. Councilmember McEvers asked if someone was going to annex 2 acres and only wanted to put a single-family dwelling on it, do they pay the single fee, with Mr. Holm confirming that if it is one unit it would be one fee and that they would pay the additional fees if and when they subdivide. Councilmember English clarified that the City wants to have growth pay for itself, but found that to be relative as there are additional sources needed to fund the improvements. Mr. Chase noted that if the developers pay for and/or complete the improvements, they would not be assessed the impact fees.

**Public Testimony:** Mayor Hammond opened the public testimony portion of the meeting with the clerk swearing in those that gave testimony.

Bill Reagan, Dalton Gardens, expressed appreciation that the Council gave additional time to meet with the team to discuss the parks fees. He noted that there is an unbelievable team working on this project and it made it more palatable and understandable. He noted that the hotel has been paying property taxes for years, which aided in the development of parks over the years. He said a question has been what is the fee today and what it will be in the plan, so he ran the scenario of the 140 room property and took the most expensive part, which is transportation he calculated it between \$12,000 - \$24,000 today and with the proposed fees, including parks it comes up to approximately \$362,000 and without parks fee it was approximately \$195,000. The cost is going up significantly and understand it's been 20 years, so the costs should go up. Someone from his organization ran the building permit cost and it was estimated to be \$1.2 Million and that is substantial amount of money and that limits the construction of the hotels to be built, including design review items that have to be added to the project. He expressed concern about workforce housing as short-term rentals are impacting it and if more hotels are available less short-term rentals would be needed so more housing becomes available. He stated that hotels are not the killer in this situation, the last hotel was about 4 years ago and only going to be 3-6 hotels to come up with \$600,000 but the total fees do have an impact on the development. He stated that he wants to build and provide jobs and appreciates the Council's consideration and noted that they don't need an escalator as it wasn't needed over past 20 years, but there should be some predictability to it.

**RESOLUTION NO. 24-008**

**A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ADOPTING CAPITAL IMPROVEMENTS PLANS FOR PARKS, TRANSPORTATION, POLICE, AND FIRE.**

**MOTION:** Motion by Gookin, seconded by McEvers to approve **Resolution No. 24-008**; Adoption of the Capital Improvement Plans for Parks, Transportation, Police and Fire in support of Development Impact Fees.

**ROLL CALL:** Miller Aye; McEvers Aye; Gookin Aye; English Aye; Wood Aye; Evans Aye.  
**Motion carried.**

**RESOLUTION NO. 24-009**

**A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ADOPTING THE DEVELOPMENT IMPACT FEE AND ANNEXATION FEE REPORT.**

**MOTION:** Motion by Gookin, seconded by English to approve **Resolution No. 24-009**; Adoption of the Development Impact Fee and Annexation Report.

**DISCUSSION:** Councilmember McEvers asked if this was about the annexation fee, with Mr. Holm noting it is the report that provides justification for the fees. Councilmember Gookin noted that he asked staff to provide what the escalation of our fees over the past 20 years using 3.3% escalation which demonstrated that most of the new defendable fee are higher than what it would have been if an escalator was used, except restaurants. He clarified that revenue has been lost over the years and hopeful they will fix that going forward.

**ROLL CALL:** McEvers Aye; Gookin Aye; English Aye; Wood Aye; Evans Aye; Miller Aye.  
**Motion carried.**

**RECESS:** The Mayor called for a Recess at 8:11 p.m. and called the meeting back to order at 8:18 p.m.

**RESOLUTION NO. 24-010**

**A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, APPROVING THE ADOPTION OF DEVELOPMENT IMPACT FEES AND ANNEXATION FEE.**

**DISCUSSION:** Mr. Holm reiterated the decisions that need to be included in the adoption of fees including maximum defendable fees or developer proposed fees; whether or not staff determines fees by square footage or by dwelling; whether nonresidential parks fees are included. It is the recommendation of the consultant to charge park fees to all use types. Councilmember Miller, English, and Evans agreed that parks fees should be charged to all, with



Councilmember Gookin in disagreement. Councilmember Wood expressed concern about how defensible charging the fee to all would be. She noted that we know visitors use downtown parks but doesn't know if it is defensible to charge for parks to a hotel in the northern part of town. Councilmember Miller noted that there has been discussion on this and that the fees are reasonable to hotels and churches use parks often and they are valuable amenities and it marketed as such, the new parks benefit citizens displaced by such use. Councilmember Gookin noted that parks will be made whole as the residential fees will go up if nonresidential uses don't pay the fee. New parks are for the newly built residential areas and he doesn't see commercial impact on parks. Councilmember English believes the nonresidential uses affect the parks, including those from the outside area so we will need to add more equipment as they wear out quicker. Councilmember Gookin reiterated that this is about growth and didn't believe it can be justified that if there is a new hotel that you need a new park. Mr. Holm noted that it doesn't need to be a new park, as new equipment is an allowed cost to be used in an existing park but it is a very small amount of the fees collected. Councilmeber Wood expressed concern that it would be legally defensible to charge nonresidential uses a parks fee and believes they would be challenged and would like Council to look at other ways to fund the park than to put it on commercial facilities. Councilmember Evans asked that the City Attorney weigh in on legal challenge. Mr. Adams noted the Idaho Statue only states it must be a fair and reasonable methodology and he feels it is defensible as recommended by the consultant.

**Substitute Motion** by Wood seconded by Gookin to not charge non-residential park fees, charged multi-family by square foot and hotels by unit, with an escalation to start at 1.5% per year for the next two years, to be revisited in two years.

**DISCUSSION:** Councilmember Gookin agreed to adopting the max fees and felt the escalator should be higher. Councilmember English said he would not vote for the motion as is, and would rather see a 2% escalation going forward.

**ROLL CALL:** Gookin Aye; English Nay; Wood Aye; Evans Nay; Miller Nay; McEvers Nay.  
**Motion failed.**

**Motion** by Evans second by McEvers to approve **Resolution 24-010** with the following options charge non-residential parks fees, multifamily by dwelling unit, accommodations by room and escalate at the ENR 5-year average at 3.9% per year and adopt the maximum defensible fees.

**DISCUSSION:** Councilmember Miller noted she would like to amend motion to remove the phasing options and make all fees effective immediately, except single and multifamily dwellings. Mr. Adams noted that we should have an effective date. Councilmember Gookin would disagree with non-residential park fee and that the escalator of 3.9% is high and should include a cap and agrees with adopting the maximum fee. Councilmember Wood felt the escalator was too high and would not support the motion. Councilmember McEvers said that the City went 26 years without amending the fee and he believes that the City grew in part due to our parks. This is the the cost of doing business and has not been addressed for 26 years and he does not believe the escalation percentage will slow development down. Councilmember Miller noted that the proposed fee isn't a huge jump from the past estimate that used an escalator to estimate. Councilmember Miller noted that the consultants have created fair and reasonable fees and

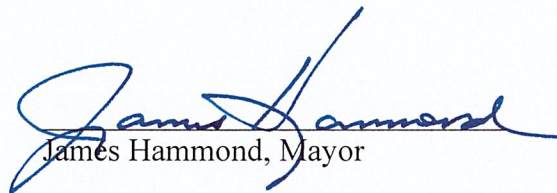
believes that the Building Contractors Association aren't opposing the fees as they feel it was a long time coming.

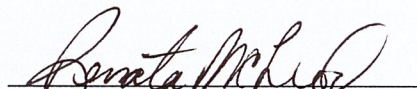
**ROLL CALL:** Gookin Nay; English Aye; Wood Nay; Evans Aye; Miller Aye; McEvers Aye.  
**Motion carried.**

**RECESS: Motion** by Gookin, seconded by Evans to recess to January 22, 2024, at 12:00 Noon in the Library Community Room, located at 702 E. Front Avenue for a Joint City Council, Planning Commission and ignite cda for a workshop regarding Atlas Riverfront Development.  
**Motion carried.**

The meeting recessed at 8:45 p.m.

ATTEST:

  
James Hammond, Mayor

  
Renata McLeod, idCMC-ad  
City Clerk