

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

APRIL 16, 2019

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, April 16, 2019 at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

Woody McEvers)	Members of Council Present
Amy Evans)	
Kiki Miller)	
Loren Ron Edinger)	
Dan English)	
Dan Gookin)	Member of Council Absent

CALL TO ORDER: Mayor Widmyer called the meeting to order.

INVOCATION: Pastor Diego Rodriguez with Crossroads Community Church provided the invocation.

PLEDGE OF ALLEGIANCE: Councilmember McEvers led the Pledge of Allegiance.

FISCAL YEAR 2017-2018 AUDIT PRESENTATION: Toni Hackwith, CPA, with Anderson Bros. CPA, P.A., noted that her firm performed the state-required audit of the City's fiscal year 2017-2018 financial statements. She explained that the purpose of an audit is to issue an opinion on whether the financial statements present fairly, in all material respects, the respective financial position as of a certain date. The audit is also performed to assure that statements conform with GAAP (generally accepted accounting principles) and Governmental GAAP. She noted that three reports are issued at the end of the audit all, of which are an unmodified opinion, which is the best report that that City can get. The reports include the Independent Auditor's Report on Financial Statements; the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, and the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. She noted that they do test internal controls to determine they are in place. She reviewed the City's Statement of Revenues, Expenditures, and Changes in Fund Balances, Budget and Actual, noting that the City received \$1.36 million more revenue than was anticipated. The City also anticipated that it would spend \$1 Million more than it did, which resulted in an overall \$2.36 million positive variance of actual amounts compared with the final budget. She reviewed the fund balance trends over the past five years. Ms. Hackwith noted that fund balance is important to have during those times when a revenue stream is not received on a consistent monthly basis and it can also protect an entity from

unnecessary borrowing. She noted that she is often asked how much an entity should have in their fund balance and said that while there is not a hard and fast rule, the GFOA recommends a minimum of five to fifteen percent (5-15%) of operating revenues, or no less than two months of expenses. They do not set a minimum threshold, as each governmental entity has varying needs. Ms. Hackwith noted that the City's Proprietary Funds have all increased revenues through their charges for services with a \$1.3 Million increase over all funds. She reviewed Water and Wastewater revenues and expenses over the past five years.

Councilmember English asked why the franchise fees had dropped this year. City Administrator Troy Tymesen noted that franchise fees include funds from Avista, so if there is a mild winter the City would receive fewer fees due to lower electric and gas revenues from Avista. Mayor Widmyer thanked City Comptroller Vonnie Jensen and her staff for working with the Auditor and noted that the report shows the City is in sound financial shape. He clarified that the audit was just completed and the City is in the middle of Fiscal Year 2018-2019 and are starting the budget planning for Fiscal Year 2019-2020, which means the financial review is an on-going process.

LHTAC CERTIFICATIONS PRESENTATION OF ROAD MASTER AND ROAD

SCHOLAR: Laila Kral, Deputy Administrator at Local Highway Technical Assistance Council (LHTAC,) explained the Road Scholar program as a program that requires a minimum of 80 hours of instruction with the next level of Road Master receiving another 80 hours of training. She noted that City Heavy Equipment Operator Greg Bauerle has completed the requirements for both the Road Scholar and Road Master programs. Additionally, Field Supervisor Jack Reichert was awarded the Road Scholar Certification. The Mayor and Council congratulated both on their achievements.

Mayor Widmyer noted that there were several members of the City Council who attended the Human Rights Banquet last Friday, and it was a great event and he felt the speaker was fantastic. He also thanked Tony Stewart for his twenty years of planning the annual events.

CONSENT CALENDAR: Motion by McEvers, seconded by Edinger, to approve the Consent Calendar.

1. Approval of Council Minutes for the March 28, 2019 and April 2, 2019 Council Meetings.
2. Approval of Bills as Submitted.
3. Approval of Financial Report.
4. Setting of General Services and Public Works Committees meetings for Monday, April 22, 2019 at 12:00 noon and 4:00 p.m. respectively.
5. Approval of an Outdoor eating facility encroachment permit for 505 Sherman Avenue; Liveforblu Gallery Wine Bar, Cameron Howard-
6. **RESOLUTION NO. 19-011** – A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE BELOW MENTIONED AGREEMENT AND OTHER ACTION OF THE CITY OF COEUR D'ALENE: APPROVAL OF A LOCAL PROFESSIONAL SERVICES AGREEMENT WITH PRECISION ENGINEERING, LLC, FOR SIGNAL IMPROVEMENT; AND DECLARATION AS SURPLUS A MIOX CHLORINE GENERATOR FROM THE

WATER DEPARTMENT AND AUTHORIZATION TO DISPOSE OF THE GENERATOR.

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

RESOLUTION NO. 19-012

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING AN AGREEMENT FOR THE PROVISION OF SCHOOL RESOURCE OFFICERS TO SCHOOL DISTRICT #271 FOR THE DISTRICT'S FISCAL YEARS 2019 -2021.

STAFF REPORT: Captain Dave Hagar explained that the Coeur d'Alene School District has agreed to pay 67% of nine months' salary and benefits of eight (8) School Resource Officers (SRO) to be paid quarterly in equal installments. The average reimbursement for the seven (7) existing officers is \$56,342 per officer. The cost to hire an entry level officer with an average benefit package will be approximately \$96,921.20. The cost to the City to add this additional Officer would be approximately \$40,679.20, which would be a new officer position requested in the next fiscal year Police Department budget. The officer would not need to be hired until August and would only have an impact for the last two months of the current budget year, but the full amount would need to be added to the Police Department's budget for subsequent years. The District has also agreed to pay \$20,000 a year for two years for equipment for the officer. Captain Hagar noted that this partnership with the Coeur d'Alene School District is extremely valuable and demonstrates the City's commitment to keeping our students safe. The added elementary SRO would reduce the workload to four (4) Elementary schools each upon completion of the new Elementary School.

DISCUSSION: Councilmember Miller asked if the Department would be moving an officer from the field to the school, so they would have experience. Captain Hagar clarified this would be an additional position to the Department, and confirmed that they would move an existing officer to the school, to ensure that they have experience with juvenile crimes and have approximately 2-5 years of experience. Mayor Widmyer noted that this is a great partnership and kids' safety is very important.

MOTION: Motion by Edinger, seconded by Evans, to approve **Resolution No. 19-012**, an Agreement with School District 271 for Fiscal Year 2019-2020 School Resource Officer and police vehicle funding.

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

PUBLIC HEARING: A-1-19: A PROPOSED 4.6-ACRE ANNEXATION FROM COUNTY COMMERCIAL TO R-17 ZONING DISTRICT; LOCATION: 7725 N. RAMSEY ROAD; APPLICANT: TED BURNSIDE

STAFF REPORT: Associate Planner Tami Stroud explained that the applicant Ted Burnside is requesting annexation of 4.6 acres zoned from County Commercial to City R-17 (Residential 17 units/acre) zoning on the property located at 7725 Ramsey Road. Ms. Stroud noted that the reasons for the request are to construct a future multi-family dwelling complex between two parcels being discussed tonight. She noted that R-17 is intended as a medium/high density residential district and allows for multi-family dwelling units within the city limits. Ms. Stroud noted that there are four findings required for this annexation as follows: that the request is or is not in conformance with the Comprehensive Plan; that public facilities and utilities are or are not available and adequate for the proposed use; that the physical characteristics of the site do or do not make it an acceptable request at this time; and that the proposal would or would not adversely affect the surrounding neighborhood. She presented the surrounding zoning, land uses, and applicable Comprehensive Plan objectives and provided staff input regarding the finding categories including traffic.

DISCUSSION: Councilmember McEvers questioned the amount of traffic on Ramsey Road and if the City can condition how many access points will be added to Ramsey Road. City Engineer Chris Bosley noted that the developer would provide their proposal to the City for review and that the Fire Department has regulations for multiple access points if there are more than 30 units. Mr. Bosley noted that with less than 50 trips anticipated, he does not see a need for any conditions.

PUBLIC TESTIMONY: The Mayor opened public comment and the City Clerk swore in all those that provided testimony.

APPLICANT: Drew Dittman, Lake City Engineering, Inc., spoke on behalf of the applicant, noting that the annexation is approximately 4.6 acres and is currently zoned County Commercial and they are asking for City R-17. He reviewed the area zoning noting other R-17 and C-17 parcels abutting the subject property. Mr. Dittman noted that this parcel will provide connectivity to a parcel currently being developed, which would give multiple points of access. He said that he believes the project meets all the Findings needed to approve the annexation. He has been in touch with the School District and one of their issues is connectivity and they have asked for pedestrian paths and the developer has agreed to provide that as best they can.

DISCUSSION: Councilmember English asked if trees from the tree farm can be relocated. Mr. Dittman clarified that they would have to be removed if they develop the parcel and is not sure if they can be moved and/or relocated. Councilmember McEvers asked if there is there a plan to provide a buffer to the R-8 zoned neighbors. Mr. Dittman noted that there are landscape buffers required and the developer would agree to build two stories in that area versus the allowable three-story buildings. He noted that the property is currently zoned commercial in the County and they could currently build 45' tall buildings. Councilmember Miller asked if the developer had considered the R-8 zoning. Mr. Dittman explained that they developer wanted to build a

larger project to flow with the other property abutting this parcel that is currently zoned R-17 and believes it is a great location for higher density.

PUBLIC TESTIMONY:

Melissa Jessen, Coeur d'Alene, spoke in opposition of the annexation with the R-17 zoning designation, as the neighborhood is quiet and she felt that with the addition of 16 acres of apartments it will bring too much traffic. She believes apartments bring in transient living and will bring in crime. Additionally, the apartment complex buildings will be taller than existing residential homes. She believes increased traffic will occur on Alps Avenue and that turning north on Ramsey Road from Alps Avenue is already difficult and this increased traffic will make it impossible. Additionally, this development will cause maintenance and snow removal will cost the city. She noted the April 12 School District letter to the City and urged the City to consider the impact to the school and the strain on their budgets. She requested the Council to reconsider the zoning of the two lots being proposed for R-17 tonight.

Rosie Folk, Coeur d'Alene, requested the setback be conditioned to be larger abutting the R-8 residential zone. City Attorney Mike Gridley noted that a setback can be negotiated with the developer. Ms. Stroud noted that the standard side yard setback is 10' and 20' on the rear yard, and noted that the current R-9 residents have an existing 25' rear yard setback. Councilmember Miller asked if the R-8 zone allows for some multifamily. Ms. Stroud explained that the R-17 zone is the only zone that allows for multi-family. Councilmember Miller asked how the buffer zones would work with the setback. Ms. Stroud noted that a 10' foot buffer is not required when it is a residential use abutting a residential use and that the building would have a 10' side yard setback.

REBUTTAL: Mr. Dittman said that he appreciated the comments regarding traffic. He noted that Alps Avenue is a residential street that will eventually tie into the Coeur d'Alene Place development and will have multiple access points. There is a traffic signal planned for Ramsey Road and Wilbur Avenue which will help with the traffic flow. He clarified that he disagrees with the comments regarding safety and crime as there are statistics that are contrary to that belief. He noted that due to the privacy concerns the developer would be willing to limit apartments that adjoin the Providence 20 development to two-stories and it can be a condition to annexation. Councilmember Miller asked if the developer plans to connect traffic through all the parcels. Mr. Dittman confirmed that they would connect the parcels as one project with multiple access points to Ramsey Road and some on Alps Avenue and they would like as many access points as possible. Mr. Gridley noted that the Annexation Agreement would be binding on any subsequent land purchaser. Councilmember Evans asked if the path to the new school needs to be added as a condition. Mr. Dittman noted that would be applicable to the project as a whole, not this one parcel. Mr. Gridley suggested the path be discussed in the annexation agreement negotiations.

The Mayor closed public testimony.

MOTION: Motion by Evans, seconded by McEvers to approve **A-1-19:** A proposed 4.6-acre annexation from County Commercial to R-17 zoning district; Location: 7725 N. Ramsey Road;

Applicant: Ted Burnside, to direct staff to negotiate an annexation agreement to include the conditions of apartments to be no taller than 2-stories on the side of the property abutting the residential neighborhood, as well as a 20' set back on the side that abuts the residential neighborhood and to work with the School District to negotiate a pathway to the school property from the development, and to develop the necessary Findings and Order.

ROLL CALL: English Aye; Edinger No; Evans Aye; Miller Aye; McEvers Aye. **Motion carried.**

PUBLIC HEARING: ZC-1-19: A PROPOSED ZONE CHANGE FROM R-3 TO R-17; LOCATION: 1781 W. ALPS STREET; APPLICANT: TAMMI KERR

STAFF REPORT: Associate Planner Tami Stroud presented the staff report, including a review of surrounding land use and zoning, Comprehensive Plan policies for consideration, physical characteristics, and neighborhood character. She noted that the subject property was annexed into the City in July of 2005 and is approximately 4.9 acres. The applicant has indicated that they would like to complete a multi-family unit project connected to existing parcels. She noted that the following findings will need to be determined: that this proposal (is) (is not) in conformance with the Comprehensive Plan; that public facilities and utilities (are) (are not) available and adequate for the proposed use; that the physical characteristics of the site (do) (do not) make it suitable for the request at this time; that the proposal (would) (would not) adversely affect the surrounding neighborhood with regard to traffic, neighborhood character, (and) (or) existing land uses.

PUBLIC COMMENT: Mayor Widmyer opened public comments and the City Clerk swore them in.

APPLICANT: Drew Dittman with Lake City Engineering represented the owners and developers. He referenced the parcel as abutting Alps Avenue, explaining that it would be the developer's intent to connect their abutting parcels to make one large project. He reiterated that the developer is willing to extend the condition for two story buildings and a 20' set back with a treed buffer abutting the abutting Providence 20 development.

DISCUSSION: Councilmember McEvers noted that there was compromise provided by the developer and that he has lived in apartments and does not think they are bad people. He believes the density is right for the area, and that it took a while to be developed. Councilmember Miller appreciates the compromises and commented that it demonstrates the developer's willingness to work with the neighborhood and wondered if the Council was being short-sited in not placing the conditions on the western property line.

PUBLIC TESTIMONY: The Mayor called for additional public comment, and with none being heard, closed public testimony.

MOTION: Motion by McEvers, seconded by Evans to approve ZC-1-19: A proposed zone change from R-3 to R-17; Location: 1781 W. Alps Street; with the conditions to include the apartments to be no taller than 2-stories on the side of the property abutting the residential

neighborhood, as well as a 20' set back on the side that abuts the residential neighborhood and to work with the School District to negotiate a pathway to the school property from the development, and to make the necessary Findings and Order.

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

PUBLIC HEARING: ZC-2-19: A PROPOSED ZONE CHANGE FROM MH-8 TO R-17; LOCATION: 601 W. NEIDER AVENUE; APPLICANT: HABITAT FOR HUMANITY OF NORTH IDAHO, INC.

STAFF REPORT: Senior Planner Sean Holm presented the staff report, including a review of surrounding land use and zoning, Comprehensive Plan policies for consideration, physical characteristics, and neighborhood character. He noted that subject property is approximately 0.82 acres and is currently vacant land, previously owned by the City's Water Utility. This area is envisioned as a commercial corridor with adjacent multi-family uses and will maintain a mix of the housing types that currently exist. Mr. Holm demonstrated many zone change requests in the area demonstrating the area of transition. Additionally, he demonstrated that the building envelope is unique to this site. He noted that the following findings will need to be determined: that this proposal (is) (is not) in conformance with the Comprehensive Plan; that public facilities and utilities (are) (are not) available and adequate for the proposed use; that the physical characteristics of the site (do) (do not) make it suitable for the request at this time; that the proposal (would) (would not) adversely affect the surrounding neighborhood with regard to traffic, neighborhood character, (and) (or) existing land uses. Mr. Holm commented that the Planning Commission unanimously voted to approve the zone change.

DISCUSSION: Councilmember McEvers asked about the Neider Avenue traffic capacity, and if the development would get egress onto Neider Avenue. Mr. Bosley noted that they could come out to Fruitland Avenue, as well as Neider Avenue and he had no concerns either way.

PUBLIC COMMENT: Mayor Widmyer opened public comments, and the City Clerk swore them in.

APPLICANT: James Casper, Executive Director of Habitat for Humanity of North Idaho, noted that they are a non-profit with the purpose of creating affordable housing. They use volunteer labor, use donated material, and provide deeds to homes. He noted that there are many challenges to affordable housing. The current build at 1625 Hastings is appraised at \$224,000, which means that no matter how you build, the affordability has gone away due to market demands. He noted that only three single family lots would be available to be created. The higher density zoning would provide a more efficient use of space and allow them to make a multi-family development, which provide access and efficiency of design. They are going to propose four single story units and one separate unit for a total five. This development would provide long term affordability, and would include a land trust to retain ownership of land to help with appreciation of land value. They will include a method of shared equity with the unit owner. He reiterated that this will be a one-story development.

DISCUSSION: Councilmember McEvers asked what Habitat would consider affordable. Mr. Casper explained that it is basically a method of providing an affordable monthly payment, usually around \$500 or less per month. These units may be different as it is more of a condo arrangement and they may have a little increase due to forced savings for maintenance.

Bob Shaw, Hayden, noted that he is in favor of the project and his only concern is that he has the mobile home park next door to the driveway area into this proposed development. He is concerned that when they come in on Fruitland Drive it would be noisy to those units and the headlights from cars would shine lights in those homes, and he requested a fence buffer be required.

Mr. Holm noted that it is a residential use abutting a residential use, so there is no requirement for a buffer zone, so it would be an issue between the two private property owners. Councilmember McEvers asked why there is no fence all the way across the property. Mr. Shaw noted that the property was never developed so the mobile home park felt there was no need for a fence.

Lorain Shaw, Hayden, said that she is concerned with lights coming into the bedrooms facing the driveway and that is why the city put in the block fence at the Neider Avenue corner. She noted that her preference is that the development access off of Neider Avenue.

DISCUSSION: Mayor Widmyer noted that on that lot there would be a 25' backyard setback required. Mr. Holm clarified that there are three frontages so there are multiple scenarios that could play out depending on the frontage proposed for the development. Councilmember McEvers noted that he has an issue with the gap in the fence and that the mobile home park has had 30 years, yet the property owner did not fill in the gap. Additionally, there has always been access off of Fruitland Avenue, and it was apparent that it was always going to be an access point. Councilmember McEvers said that he feels that this is a great project and he thinks the gap should be worked out but does not feel it should be a condition of the zone change and will support the motion to approve.

REBUTTAL: Mr. Casper noted that Habitat is agreeable to try to be a good neighbor and they do build standard fences that can be hand constructed, usually in wood. However, they would need to determine at the end of the project if they have funding and would not like to be forced to put a fence there.

MOTION: Motion by Edinger, seconded by McEvers to approve **ZC-2-19:** A proposed zone change from MH-8 to R-17; Location: 601 W. Neider Avenue; Applicant: Habitat for Humanity of North Idaho, Inc., and to make the necessary Findings and Order.

ROLL CALL: Miller Aye; McEvers Aye; Evans Aye; English Aye; Edinger Aye.
Motion carried.

EXECUTIVE SESSION: Motion by Evans, seconded by Miller to enter into Executive Session pursuant to Idaho Code 74-206 (c) To acquire an interest in real property which is not owned by a public agency, and (f) to communicate with legal counsel for the public agency to discuss the

legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated.

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

The City Council entered into Executive Session at 8:03 p.m. Those present were the Mayor, City Council, City Administrator, and City Attorney. Council returned to regular session at 8:22 p.m.

MOTION: Motion by English, seconded by Miller to approve the land purchase agreement with Rodell Investments, LLC for property located at 824 N. 3rd Street. **Motion carried.**

MOTION: Motion by McEvers, seconded by Miller to approve the Settlement Agreement with Virginia L. Tate. **Motion carried.**

ADJOURNMENT: Motion by Edinger, seconded by Evans, that there being no other business this meeting be adjourned. **Motion carried.**

The meeting adjourned at 8:24 p.m.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, CMC, City Clerk