

MINUTES OF A CONTINUED MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,
HELD IN THE OLD COUNCIL CHAMBERS, CITY HALL
May 25, 2017

The Mayor and Council of the City of Coeur d'Alene met in a continued session of said Council at the Coeur d'Alene City Library Community Room May 25, 2017 at 12:00 noon, there being present upon roll call the following members:

Steve Widmyer, Mayor

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

MEMBERS OF EXECUTIVE TEAM PRESENT: Jim Hammond, City Administrator; Sam Taylor, Deputy City Administrator; Troy Tymesen, Finance Director; Mike Gridley City Attorney; Bill Greenwood, Parks & Recreation Director; and Hilary Anderson, Community Planning Director.

ignite cda BOARD MEMBERS PRESENT: Scott Hoskins, Chairman, and Board members , Mic Armon, Brad Jordan, James Chapkis, and Alivia Metts, Justin Druffel. Legal Counsel Danielle Quade and Executive Director Tony Berns were also present.

CALL TO ORDER: Mayor Widmyer called the meeting to order. Chairman Hoskins called the ignite cda meeting to order and conducted a silent roll call.

ATLAS MILL SITE ACQUISITION DUE DILIGENCE COMMITTEE – Executive Director Tony Berns reviewed the Committee's Charter Including Focus on Financing, Environmental Issues, Annexation, and Planning. Finance Director Troy Tymesen explained that the City is looking at sale of real property code regarding terms under which it can sell the property to ignite cda through an agreement. Mr. Berns sees it as a positive development and a method to structure the debt. Mayor Widmyer noted that Mr. Tymesen, Mr. Berns, and the City Legal Department have been working on this over the past 10 days, so it is a relatively new development and more study and reporting is expected soon. Councilmember Gookin asked for clarity regarding the Idaho Code, and wondered how the payback would occur. Mr. Berns stated that they would need to look at how the contract purchase process works. Mayor Widmyer noted that repayment could come from increment funds, or after the Seltice Way project is finished if funds are left over, and/or if there are any cash reserves in the district and/or sale of properties. Councilmember Gookin questioned how this is not considered debt. Mr. Gridley explained that the City has the funds and is acting as a bank. Mr. Tymesen explained that he would utilize funds through various departments such as Water and Wastewater. Chairman Hoskins said the due diligence committee met last week and this is a new idea since that time. Councilmember

English said that he felt that interest earned, even though low, should be recouped. The benefit is to the public by the City acquiring the land, so he did not feel there was a need to charge additional interest or additional finance charges. Mr. Tymesen explained that the intent is to pay back the different funds throughout the city, in which funds will be pulled. Mr. Gridley noted that he has met with Department of Environmental Quality (DEQ) and they are supportive of the City's efforts to clean up a brownfield. They also noted that old mill sites are typically not contaminated. When Stimson originally tried to sell the property, they did a Phase 1 and Phase 2 assessment with DEQ, who issued a letter of "no further action." He explained that this means cleanup occurred and the property was good to be sold. DEQ offered to update that letter. Mr. Gridley noted that now the issue is how to geographically balance the site. He does not expect to see environmental issues. DEQ is willing to do some boring to test the big pile on the site, and is willing to conduct a topographical survey. Councilmember Miller asked if DEQ is the only agency the City needs to consult with, or if there are other agencies involved in the waterfront. Mr. Gridley noted that the State Department of Lands (DOL) would be involved regarding the inlet area that was potentially man-made for log movement. Mayor Widmyer asked about pilings that have been removed and if they are going to continue with removal. Mr. Gridley said they would work with Mr. Brady at the DOL.

Community Planning Director Hilary Anderson noted that her department has looked at the potential annexation and expects to hold the Planning Commission hearing on August 8, so it can be sent forward to the City Council for consideration at the October 3, 2017 meeting. She noted that she is working with Welch Comer to create the map needed for the annexation agreement. They are considering requesting C-17 with a PUD for the zoning, which would be consistent with area lands. She noted that there might be EPA funds that could be used toward visioning with the community. Mr. Berns hopes to have any URD district expansions and any URD district creation done by the end of the 2017 calendar year, so he is not concerned with the proposed timeline for annexation. Mr. Gridley clarified that September 15 is the drop-dead date for determination by the City as to whether or not they want to purchase and still get their earnest money back. Councilmember Gookin expressed concern with the C-17 zone as he felt it should be zoned after master planning is complete. Additionally, he suggests the property come in at a lower zone and rezone it when the use is known. Ms. Anderson noted that the C-17 would provide the most flexibility. Mr. Hammond concurred with the C-17 zoning recommendation, as it would also provide incentive to potential developers for future sales. He noted that the City could change the zone prior to a sale. Mayor Widmyer asked if the PUD would control the use. Ms. Anderson confirmed that the PUD would protect the land and give flexibility and that the City could include conditions and/or provide a conditional approval that requires the PUD. Board Member Metts noted that she sees the property as a clean slate and would like to allow the potential for creativity and agrees that it needs a master plan of mixed uses. Board Member Druffel felt that it is important to get the City's needs locked down in the annexation agreement and agrees the C-17 zone is the appropriate way to go forward. Board Member Jordan noted that the City and ignite cda are the developers and will have ultimate control. He has received input from community members that is positive with a hope that the entire waterfront could be public. Councilmember English noted that he is comfortable with a C-17 zone and that it ensures the best value for the public. He noted that there has to be a way to pay for the park/public space. Mayor Widmyer expressed concern about the public seeing a C-17 zone and that there will need to be substantial education as to why we are doing it. Councilmember McEvers noted that the

root cause as to why developers were unable to purchase previously is the city owned abandoned railroad right-of-way dissecting the parcel. The Mayor noted that financing is a big part of this project and a decision needs to be made by September 15, 2017. He noted that there have not been any roadblocks yet. He explained that he had the following goals for the site; to create great public waterfront space; to create taxable value of \$100 Million within the project to be able to pay off the purchase price; create enough money to improve the waterfront space; to create a fund that is similar to the cemetery perpetual care fund for parks; and to have the density lowered as it is surrounded by high density. Councilmember Gookin said he agrees with the Mayor's goal. While he understands there will be houses on the river, he would like a lower density and would like some commercial use along the water. Councilmember English also agreed with those goals and wondered if it would be possible to include another boat launch, as they are needed. Board Member Druffel thinks it is important to dream big and consider job creation opportunities such as a small tech campus or incubator. Board Member Jordan felt the goal for the short term is to get the deal done, and in the long term conduct major visioning, including the possibility of bringing in the Urban Land Institute, and involve the community. Councilmember Miller asked how docks would be looked at, as she would like a tie-up within the area. Councilmember McEvers would like to have a public beach. Chairman Hoskins would like to include the CDA economic development corporation (Jobs Plus) in the conversation.

EXPANSION OF THE RIVER DISTRICT AND CREATION OF A NEW DISTRICT -

Mr. Berns presented a map of the area and the abutting ignite cda districts. He noted that according to the Idaho Code, a district can be expanded only by ten percent of its current geographic size. The River District can be expanded by 30 acres including the "Bad Axe" parcel acquisition. He proposed creation of a new district for the remaining acreage. Councilmember McEvers asked for clarity regarding crossing districts for infrastructure. Mr. Berns clarified that they can bring infrastructure across districts. Board Member Jordan noted that if new increment were created within the expanded area it would provide more than the existing \$6 million in funding. Mr. Berns noted that the Lake District could be expanded but there is not much time remaining to spend any increment, due to its sunset date within 4 years.

MOTION: Motion by McEvers, seconded by Miller to direct the ignite cda Board to move forward with the process of expanding the River District.

DISCUSSION: Councilmember Miller asked if the expansion would have the same sunset date as the existing River District. Mr. Berns confirmed that an expansion would have the same term as the main district. Mayor Widmyer clarified that the expansion area includes waterfront and would give the ability to pay the City back for the acquisition.

Motion carried.

MOTION: Motion by English, seconded by McEvers to direct the ignite cda Board to move forward with the process of creating a new Urban Renewal District.

DISCUSSION: Councilmember Gookin noted that the Lanzce Douglass parcel is already under development and he has not asked for any money from ignite cda, so he questions why a new district should be created. Mr. Berns noted that other Bad Axe parcels might come forward

requesting infrastructure. Councilmember Gookin explained that if the land is not within a district the tax money comes to the City, which he would rather see. Mr. Berns noted that if any greenspace is received by the City, it would need public funds to develop and maintain it, and that the district can help fund development along the water. Mr. Hammond questioned if there is a potential value in including the Lanzce Douglass parcels in the district and to offer to work with Mr. Douglass to upgrade apartments with ignite cda funds. Councilmember Miller said she does not think the Lake District expansion would work, as it is too short of a term. She felt a new district with a shorter term (less than 20 years) could provide some funding to help pay for the acquisition and add value for the public space with a method to pay for it. Danielle Quade, ignite cda Counsel, noted that a City has the ability to deannex property from the district sooner than 20 years. Councilmember McEvers noted that the Council could make it project specific and once a project is done the parcel can be deannexed which would accomplish the same thing. Board Member Metts asked what the downfall is of not including the Lanzce Douglass properties. Mr. Berns explained that they are starting from scratch and trying to figure out the payment schedule back to the City. He noted the importance of marketing the property to developers to help bring in tax increment and that having the Lanzce Douglass properties included would greatly assist in increment creation. Councilmember McEvers asked for clarification regarding the best boundary for the expansion and creation areas. Mr. Hammond noted that ignite cda can form smaller revenue allocation areas within a district. Councilmember Miller questioned the benefit of limiting the life of the newly created district. Board Member Armon recommended the Council utilize the deannexation tool and keep the district term long to ensure a return of increment during the term.

Motion carried with Gookin voting no.

IGNITE CDA LAKE DISTRICT PROJECT UPDATES (DISTRICT SUNSETS IN 2021) – Deputy City Administrator Sam Taylor provided an update from the sub-committee reviewing the parking facility project. He noted that the initial facility has gone through the Design Review Commission. Options for the design include roughing in for a future transit stop, restroom and office space, and the creation of new retail space on 3rd Street. If the location identified for a transit stop were not used for a stop, it would remain as four parking stalls. Additional space located on the main entrance level off Coeur d’Alene Avenue can be used for parking motorcycles, electric vehicles, storing bikes, and/or a small storage area for city equipment. A big issue is whether to include the bike storage, as most people with expensive bikes take them with them. Councilmember McEvers noted that he likes all the rough-in options, but does not see the need for bike storage.

NORTH IDAHO COLLABORATIVE EDUCATION (NICE) FACILITY (HIGHER EDUCATION CAMPUS) – Mr. Berns noted that the facility is under design and construction will start in 2018. Ignite cda provided \$2.5 million in funding toward this project.

FOUR CORNER MASTER PLAN: MEMORIAL PARK / GRANDSTAND – Mr. Berns noted that the ignite cda board approved \$1.55 Million in funding for this element of the master plan. Councilmember Gookin asked if the homes coming in on the ignite cda property will have CCR’s or will they have a size restriction. Mr. Berns said that building envelopes would be

designated for each parcel. Councilmember McEvers thanked the Board for the funding for the skate park.

MIDTOWN – Mr. Berns noted that the ignite cda Board has decided to put in green space on the existing bare lot parcels.

“COEURLLABORATE” (FAIRFIELD INN) MIX USE PROJECT – Mr. Berns noted that the property owner, Mr. Ayers, hopes to start building demolition / site prep in June.

DISPOSITION OF PROPERTY DISCUSSION – Mr. Berns noted that they are working on various acquisition options for the Young Avenue property with the Tubbs Hill Foundation & City of Coeur d’Alene. Ignite cda owns right-of-way along the Prairie Trail and they are looking at possibilities associated with the Bad Axe property acquisition and development.

PLANNING FOR THE SUN SETTING OF THE DISTRICT – Mayor Widmyer noted that although the district closes in December 2021 the last increment would come forward in July 2022. Councilmember Miller noted that there was a meeting on the performing arts center and wondered if the next steps would include a feasibility study.

ANY FUTURE LAKE DISTRICT PROJECTS – Mr. Berns presented a list of potential projects and opportunities over the next four years. Boardmember Armon said that it appears that they are spinning their wheels with the performing arts center. He noted that an Auditorium District would be recommended and wondered how the Council felt about that option. Councilmember Miller thinks using the CDA 2030 group to pull the community together and conducting a feasibility study funded by ignite cda would give the Council a basis to decide on an Auditorium District. Councilmember Gookin agreed that an Auditorium District would be needed to fund the center. Mayor Widmyer asked if it was the direction from Council to set the priority to fund a feasibility study and analyze how an Auditorium District would work. Councilmember McEvers asked how the business side of a theater works. Councilmember Miller noted that it could be a job creator as the theater brings people to town during off seasons and fills hotels. She reiterated her request to do a feasibility study. Councilmember McEvers expressed concern about a government entity running an auditorium but would support a feasibility study. Board Member Metts noted that CDA 2030 could submit for a grant for a feasibility study. Councilmember English noted that if an Auditorium District were like all other districts, he would support it and a feasibility study. Board Member Metts agreed to check with the CDA 2030 to see their interest. Board Member Armon said that he would not want to wait for a grant process, due to the short term of the Lake District, so ignite cda should move forward. Board Member Jordan confirmed that they should go forward with a feasibility study.

RIVER DISTRICT PROJECT UPDATES (DISTRICT SUNSETS IN 2027) – Mr. Berns reviewed the potential projects within the River District including Seltice Way revitalization, KMPO City Link Transit Center, Mill River – Johnson Park expansion and Railroad right-of-way improvements, and a potential project area north of Seltice Way (YJ area). Mr. Taylor reported a bit of a delay in the Seltice Way project due to weather.

ADJOURN: Motion by English, seconded by Miller that there being no further business, this meeting of the City Council is adjourned. **Motion carried.**

The meeting adjourned at 2:04p.m.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, City Clerk