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

July 18, 2017

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, July 18, 2017 at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

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

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

INVOCATION: Pastor Geoffrey Winkler with New Life Church provided the invocation.

PLEDGE OF ALLEGIANCE: Councilmember McEvers led the pledge of allegiance.

AMENDMENT TO AGENDA: **Motion** by McEvers, seconded by Gookin to amend the agenda to add Executive Session, Idaho Code Section 74-206 (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student. This was not included on the original agenda as this item did not come up until after the agenda was completed. **Motion carried.**

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

1. Approval of Council Minutes for the July 5, 2017 Council Meeting.
2. Approval of General Services Meeting Minutes for the meeting held on June 26, 2017.
3. Approval of Bills as submitted and reviewed for accuracy by Finance Department
4. Approval of Financial Report
5. Setting of Public Works and General Services Committee meetings for July 24, 2017 at 12:00 noon and 4:00 p.m. respectively
6. Setting of a Public Hearing on August 1, 2017, to hear public testimony regarding the Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report (CAPER) in review of its Plan Year 2016 and the Annual Action plan for Plan Year 2017.
7. Approval of Grant Deed of Right-of-way for the new Medina intersection

8. **RESOLUTION NO. 17-050-** A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH HDR ENGINEERING FOR "AS NEEDED" WASTEWATER DISCHARGE PERMITTING ASSISTANCE; AND AUTHORIZING APPROVAL OF THE REQUEST TO SURPLUS A 1999 E-ONE PUMPER TO NORTH IDAHO COLLEGE FOR USE IN THE FIREFIGHTER ACADEMY.

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

ANNOUNCEMENTS:

Councilmember English noted that he recently had the pleasure of providing the welcome at the Idaho Good Sam jamboree in June and received a nice thank you note. He noted that he will not be present at the August 1, 2017 Council meeting.

Councilmember McEvers noted that 8 years ago the CDATV Committee had an intern named Kyle Cossairt, who designed the logo for the channel. Mr. Cossairt is back in town and in the studio tonight. He welcomed him back to the area and looks forward to working with him.

Mayor Widmyer requested the appointment of Susan Weathers and Benton Wolfinger to the Personnel Appeals Board.

MOTION: Motion by Edinger, seconded by Evans to approve the appointment of Susan Weathers and Benton Wolfinger to the Personnel Appeals Board. **Motion carried.**

APPROVAL OF THE PURCHASE OF A POLICE DEPARTMENT COLD STORAGE UNIT FROM FISCHER SCIENTIFIC IN THE AMOUNT OF \$13,900.00

STAFF REPORT: Chief White explained that biological evidence is maintained in refrigerators and freezers similar to the types available at local appliance stores. They do not offer temperature monitoring or alert systems that are necessary for the storage of biological evidence and do not have storage capacity for future needs. Under the new law, kits that were previously authorized for destruction after an investigation will now need to be refrigerated for ten (10) years at a minimum and kits that were previously disposed of after five years will now need to be retained for fifty-five (55) years. Kits and extracts that were previously authorized for destruction after the completion of a criminal case will now require the freezing of the extracts for fifty-five (55) years or until the sentence of the defendant is completed. Additional cold storage space will be required to facilitate the additional retention times. With the additional time frame for retention of evidence, it is important that we reduce concerns associated with the destruction of the evidence due to temperature variations. Chief White noted the need for a system that notifies the department if the temperature falls outside of the proper temperatures. He noted that three quotes were obtained from vendors. Fisher Scientific submitted the lowest responsive bid that did not require yearly monitoring subscriptions. The price for this unit and

software for in-house monitoring is \$13,900.00. This is not a budgeted item, but the Police Department has budget capacity in the current year's budget for this expense.

DISCUSSION: Councilmember Gookin noted that he normally would not approve an item that is not within the budget; however, he feels this is an unfunded mandate by the state. Councilmember Miller asked for clarification that this purchase will hold the capacity for 10 years and that the next unit can be budgeted in advance. Chief White confirmed the 10-year capacity and noted that it was originally included in next year's budget, but he does have personnel savings this year based on needs for next year. Councilmember Gookin felt that there should be some method for staff to purchase items that were requested in the budget, but cut before it was approved if they had departmental savings. Mayor Widmyer noted that budgeting is not an exact science; however, there could also be something new that occurs during the year that would require a capital purchase. Mr. Tymesen explained that discussions occur with staff prior to bringing it forward to the Council. He noted that the Council would likely see more of these types of items coming forward, as he cut over One Million Dollars in requests from the General Fund for the upcoming year. Mayor Widmyer felt that the current process works well. Councilmember Miller noted that within this request it is important to note that a subscription was foregone and the purchase is being made with available money.

MOTION: Motion by Edinger, seconded by McEvers to approve the purchase of a Police Department cold storage unit from Fischer Scientific in the amount of \$13,900.00. **Motion carried.**

APPROVAL OF THE RESURFACING OF THE CHERRY HILL TENNIS COURTS WITH \$34,000.00 FROM THE PARKS CAPITAL IMPROVEMENT FUND.

STAFF REPORT: Parks and Recreation Director Bill Greenwood explained that the Cherry Hill Park property was purchased 1999 and in 2000 was annexed into the City of Coeur d Alene for parkland. Beginning in 2005 the park has had ongoing development to provide a variety of activities for the public including six tennis courts. These courts are being well used by the public, the tennis association, local schools, the Pickleball Association and our recreational programming. The cost to resurface all six courts and restripe with the current configuration is \$40,500.00. One of the user groups, Charter Academy, has stepped up to help us with the resurfacing by contributing \$6,500 to the project with the remaining funds coming from the Parks Capital Improvement Fund. The resurfacing of courts usually lasts about ten years. These surfaces have been in place 12 years and have developed some cracks and chips that need to be addressed this year. If funding is approved, the work would take place this September to take advantage of the dry and warm conditions.

DISCUSSION: Councilmember English asked what the timeline for resurfacing would be. Mr. Greenwood explained that it would begin in September after the August Pickleball tournament. Councilmember Gookin asked if this was originally in the budget. Mr. Greenwood noted that it was going to be in next year's budget; however, since the Parks Capital Fund has current funding available he decided to bring it forward now.

MOTION: Motion by Edinger, seconded by McEvers to approve the resurfacing of the Cherry Hill tennis courts with \$34,000.00 from the Parks Capital Improvement Fund. **Motion carried.**

RESOLUTION NO. 17-047

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING AN AMENDED ENCROACHMENT AGREEMENT WITH 418 E. LAKESIDE, LLC, FOR THE PURPOSE OF ENCROACHING ON THE PUBLIC RIGHT OF WAY BY THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF AN ADA ACCESS RAMP LOCATED IN THE 5th STREET RIGHT-OF-WAY AT 418 E. LAKESIDE.

STAFF REPORT: Streets and Engineering Director Tim Martin explained that an encroachment agreement had been granted by the City to 418 East Lakeside, LLC to construct an ADA access ramp within City right-of-way. Within the agreement, the City allowed the use of up to 5 feet of the right-of-way; however, the ramp on the east side of the building was constructed larger than the agreement had indicated. The amendment would allow an additional 9” of encroachment onto the sidewalk. The new ramp does not prohibit ADA access within the right-of-way, leaving more than the minimum clearance distance between the ramp and other sidewalk obstructions. Staff recommends the slight movement forward of the abutting bench and trash receptacle.

DISCUSSION: Councilmember McEvers asked if the ramp was the only access to the building. Mr. Martin noted that it is a secondary access to the building and provides an accessible entrance. Councilmember Gookin noted that they had permission to build outside of their property; however, they went further than the plans indicated. Mr. Martin confirmed that they are reviewing the process internally, and noted some confusion on which department would regulate the encroachment into the sidewalk. However, the Building Department staff did make the contractor aware of the issue. Mr. Martin noted that there was a similar issue with the Parkside Building several years ago, as there was not enough room for stairways. Deputy City Administrator Sam Taylor noted that this is unique, as typically how the plans work is the contractor call for an inspection, then staff reviews the work upon inspection and that is when these items are caught. The contractor is at the point of seeking a certificate of occupancy, so staff tried to find a good balance as the Innovation Den will provide additional public improvements. Councilmember Gookin expressed concern that staff lacked the fortitude to red tag the encroachment and require the contractor to rip it out. Mr. Taylor noted that staff will be reviewing ways to catch these items earlier. Councilmember Evans noted that one of the hot topics this winter was downtown accessibility for people in wheel chairs and asked if moving the bench and the garbage cans will give additional access for snow removal while still providing the width needed for wheelchair access. Councilmember English noted that the ramp location makes sense in order to get the correct ramp grade. He felt that the final product is good and is a great thing to rejuvenate the area. Councilmember Edinger asked if there was a cost estimate for the removal and replacement of the ramp. Mr. Martin said he has heard a cost estimate of \$15,000 for removal and replacement. Councilmember Edinger stated that rules should be followed and does not want a bunch of exceptions to happen. Although he felt that it was a great project, they should follow the rules. Mayor Widmyer clarified that the decision for this amendment is to allow for the additional 9” encroachment of the ramp and 1.1 feet to the front of the deck. In

exchange, the developer will improve the corners by providing the ADA materials to improve the other three corners. Councilmember Evans asked what the value of the material would be. Mr. Martin noted that it is approximately \$700 per cast iron dome, and three are needed. Mayor Widmyer asked if staff would have originally recommended the additional nine inches if the contractor originally asked for it. Mr. Martin explained that staff would have looked at the right-of-way to insure pedestrian flow and ADA compliance on every corner, and then would have recommended approval with the additional nine-inch encroachment. Councilmember Miller noted that she has seen red tags enforced, and understands mistakes were made; however, the owner offered some solutions. She believes that Council would have approved the final design if it had been presented with the additional nine inches in October. Councilmember Gookin noted examples of building code violation within his neighborhood in which exceptions have been made. City Administrator Jim Hammond confirmed that many issues are corrected daily and red tags are issued. In this project there was a mistake made, but in a broader perspective this is a building that was vacant for 20 years with no collection of taxes, and he noted that five years from now what difference would nine inches make. He explained that there is not a lot of value in asking them to tear it out and recommends getting the project moving forward to become a productive part of downtown. Mr. Martin noted that on the first page of the amended encroachment permit it notes that the owner clarified knowledge of the mistake and requests the city to go forward with the amendment. Councilmember Gookin expressed concern that staff did not require a red tag and removal of the violation at the time of footings inspection and felt that if the City is serious about code enforcement all across the city, they should enforce this code. Mr. Hammond noted that the city shares in the fault as it was missed at inspection time. Therefore, there should be equal responsibility between the owner and the City.

MOTION: Councilmember Gookin made a motion that the city direct the owner to reconstruct the ramp according to original drawings and that the City pay for it. **Motion died for lack of a second.**

DISCUSSION CONTINUED: Councilmember Evans felt that since the City shares in the responsibility, and that the sidewalk can still accommodate pedestrian and ADA movement, she will make the motion to approve. Councilmember English felt that the solution was a reasonable compromise. Councilmember Miller asked if the abutting street tree would be impacted. Mr. Martin confirmed the tree would not be affected. Councilmember Gookin noted he will be opposing this motion, as a yes vote will be affirmation that code enforcement does not really matter. Councilmember McEvers felt that at this point it does not matter who is at fault; however, it does open the door to raise the bar on finding mistakes of the design professionals and for staff to inspect things better. He does agree that staff should get more serious, but he will support this amendment.

MOTION: Motion by Evans, seconded by Miller to approve **Resolution No. 17-047**, approval of an Amendment to the Encroachment Agreement with 418 East Lakeside, LLC.

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

FISCAL YEAR 2016-2017 UPDATE: Finance Director Troy Tymesen provided an update regarding the city's finances as of July 2017, the final quarter of the fiscal year. He noted that the city has \$40,019,189 cash on hand and that expenditures are as expected. While capital outlay is only at 39%, the majority of capital will be spent during the last quarter of the year due to the construction season and spending of the general obligation bond money, the City Hall remodel, and acquisition of mill site down payment. Mr. Tymesen reviewed the history of foregone taxes and projected approximately \$4,390,795 in foregone taxes. He noted that the fund balance is at \$8,788,602, which is 20.82% of the Fiscal Year 2016 amended plan. As of today, the Fund Balance is below \$6 Million, as the City is using its cash as the property tax revenue check is expected later this month. This demonstrates that the City can fund its operations with no revenue/cash flow for 80 days. There are funds dedicated for the City Hall remodel, so he does not anticipate growth this year and estimates \$6.2 Million at the end of the year.

DISCUSSION: Mayor Widmyer noted that the City is number two or three in the state of cities with the largest fund balance. Councilmember Edinger asked what the accounting guidelines are for a governmental fund balance. Mr. Tymesen noted that the recommendation is to be able to cover about 60 days' worth of expenses, which is around 11% - 13% minimum. Single digit percentages would be too small of a margin of error for enough cash to operate.

RESOLUTION 17-051

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ESTABLISHING A NOTICE OF TIME AND PLACE OF PUBLIC HEARING FOR THE PROPOSED BUDGET FOR FISCAL YEAR 2017-2018, AND INCLUDING PROPOSED EXPENDITURES BY FUND AND/OR DEPARTMENT, AND STATEMENT OF THE ESTIMATED REVENUE FROM PROPERTY TAXES, AND THE TOTAL AMOUNT FROM SOURCES OTHER THAN PROPERTY TAXES OF THE CITY FOR THE ENSUING FISCAL YEAR, AND LISTING EXPENDITURES AND REVENUES DURING EACH OF THE TWO (2) PREVIOUS FISCAL YEARS, AND PROVIDING FOR PUBLICATION OF THE SAME.

WHEREAS, it is necessary, pursuant to Idaho Code 50-1002, for the City Council of the City of Coeur d'Alene, prior to passing the Annual Appropriation Ordinance, to list expenditures and revenues during each of the two (2) previous fiscal years, prepare a Budget, tentatively approve the same, and enter such Budget at length in the journal of the proceedings and hold a public hearing;

NOW, THEREFORE,

BE IT RESOLVED by the Mayor and City Council of the City of Coeur d'Alene that the following be and the same is hereby adopted as an Estimate of Expenditures and Anticipated Revenue of the City of Coeur d'Alene for the fiscal year beginning October 1, 2017:

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	FY 2017-18 PROPOSED
GENERAL FUND EXPENDITURES:				
Mayor and Council	\$ 233,787	234,867	\$ 242,705	\$ 244,736
Administration	282,453	285,922	379,120	380,413
Finance Department	730,651	778,137	1,165,286	1,205,225
Municipal Services	1,532,812	1,594,369	1,660,299	1,788,550
Human Resources	234,104	232,632	326,657	311,711
Legal Department	1,403,645	1,223,419	1,207,341	1,197,425
Planning Department	501,520	509,286	584,648	717,644
Building Maintenance	461,699	436,999	521,186	515,303
Police Department	11,297,102	12,831,492	13,060,470	13,584,524
Drug Task Force	52,324	10,008	30,710	30,710
ADA Sidewalks	249,852			
Byrne Grant - Police Dept	17,486	131,143		
COPS Grant - Police Dept		138,019	190,189	121,939
Fire Department	7,796,424	11,801,552	9,677,937	9,709,001
General Government	1,125,020	233,888	94,725	105,900
Engineering Services	1,529,433	1,421,091	1,292,561	341,086
Streets/Garage	2,630,857	3,004,280	3,024,113	4,440,952
Parks Department	1,906,337	1,939,542	2,003,987	2,102,365
Recreation Department	774,441	686,950	713,239	756,075
Building Inspection	838,992	934,178	907,093	876,593
TOTAL GENERAL FUND EXPENDITURES:	\$ 33,598,939	\$ 38,427,774	\$ 37,082,266	\$ 38,430,152

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	FY 2017-18 PROPOSED
SPECIAL REVENUE FUND EXPENDITURES:				
Library Fund	\$ 1,368,538	\$ 1,479,052	\$ 1,568,148	\$ 1,618,412
Community Development Block Grant	243,103	527,129	606,873	384,049
Impact Fee Fund	177,385	1,964,605	760,039	745,000
Parks Capital Improvements	426,524	409,928	146,500	146,500
Annexation Fee Fund	117,000		193,000	398,240
Insurance / Risk Management	351,581	362,398		
Cemetery Fund	300,001	313,712	316,735	294,307
Cemetery Perpetual Care Fund	96,935	133,747	157,500	157,000
Jewett House	66,270	24,213	25,855	25,855
Reforestation/Street Trees/Community Canopy	58,790	101,461	103,500	107,000
Arts Commission	6,312	144		
Public Art Funds	117,130	49,987	231,300	443,500
TOTAL SPECIAL FUNDS:	\$ 3,329,569	\$ 5,366,376	\$ 4,109,450	\$ 4,319,863
ENTERPRISE FUND EXPENDITURES:				
Street Lighting Fund	626,324	633,075	\$ 622,000	\$ 639,720
Water Fund	8,014,606	7,639,090	9,553,005	10,027,434
Wastewater Fund	13,910,302	15,569,612	24,489,066	22,784,368
Water Cap Fee Fund	483,467	190,240	1,950,000	866,000
WWTP Cap Fees Fund	1,807,972	1,068,326	2,500,000	2,200,000
Sanitation Fund	3,724,820	3,663,811	3,359,286	3,500,806
City Parking Fund	738,997	547,023	374,546	354,846
Drainage	663,314	1,144,826	1,147,511	1,267,818
TOTAL ENTERPRISE EXPENDITURES:	\$ 29,969,802	\$ 30,456,003	\$ 43,995,414	\$ 41,640,992
FIDUCIARY FUNDS:	2,623,969	2,753,195	\$ 2,888,400	\$ 2,957,754
STREET CAPITAL PROJECTS FUNDS:	2,725,428	1,166,152	6,204,039	1,237,000
DEBT SERVICE FUNDS:	2,924,553	882,882	937,407	882,181
GRAND TOTAL OF ALL EXPENDITURES:	\$ 75,172,260	\$ 79,052,382	\$ 95,216,976	\$ 89,467,942
ESTIMATED REVENUES:				
	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	FY 2017-18 PROPOSED
Property Taxes:				
General Levy	\$ 17,197,814	\$ 17,677,328	\$ 19,193,490	\$ 19,520,180
Library Levy	1,318,394	1,460,931	1,533,398	1,582,257
Policeman's Retirement Fund Levy	157,569	150,972		
Comprehensive Liability Plan Levy	345,152	335,320		
Fireman's Retirement Fund Levy	250,000	250,000	250,000	250,000
2006 and 2008 G.O. Bond Levy	1,185,928	869,321	875,900	879,681
TOTAL REVENUE FROM PROPERTY TAXES:	\$ 20,454,857	\$ 20,743,872	\$ 21,852,788	\$ 22,232,118

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	FY 2017-18 PROPOSED
ESTIMATED OTHER REVENUES:				
Interfund Transfers	\$ 2,681,674	\$ 4,305,648	\$ 7,680,945	\$ 6,593,989
Beginning Balance	38,624,211	40,843,399	21,496,918	18,366,763
Other Revenue:				
General Fund	21,704,762	16,433,686	15,347,597	16,167,273
Library Fund	42,003	34,013	34,750	36,155
Community Development Block Grant	243,103	527,129	606,873	384,049
Parks Capital Improvement Fund	176,234	175,222	138,500	134,500
Insurance/Risk Management	14	86		
Cemetery	153,158	187,318	181,735	178,127
Annexation Fee Fund	31,014	216,107		
Impact Fee Fund	685,775	797,530	756,000	785,000
Cemetery Perpetual Care Fund	42,742	32,747	50,000	30,000
Jewett House	9,033	16,972	21,000	11,000
Reforestation	8,892	11,223	5,000	3,000
Street Trees	83,958	68,255	84,250	84,250
Community Canopy	1,723	903	1,500	2,000
Arts Commission	7,096	7		
Public Art Funds	131,597	134,510	100,000	100,000
Street Lighting Fund	514,970	523,817	520,075	529,000
Water Fund	6,681,219	7,538,786	4,814,000	6,582,120
Wastewater Fund	8,314,105	9,543,575	18,540,500	18,204,730
Water Capitalization Fees	869,845	972,136	1,005,000	866,000
WWTP Capitalization Fees	1,809,901	1,902,578	1,508,000	1,010,000
Sanitation Fund	3,858,014	3,820,140	3,812,228	4,545,200
City Parking Fund	289,250	197,868	390,000	355,546
Drainage	1,022,407	1,025,501	1,024,644	1,029,482
Fiduciary Funds	2,485,566	2,643,966	2,640,350	2,740,550
Capital Projects Fund	2,388,530	203,064	5,234,000	260,000
Debt Service Fund	1,786,079	69,007	12,300	
TOTAL REVENUE OTHER THAN PROPERTY TAXES:	\$ 94,646,875	\$ 92,225,193	\$ 86,006,165	\$ 78,998,734
SUMMARY:				
	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	FY 2017-18 PROPOSED
PROPERTY TAXES	\$ 20,454,857	\$ 20,743,872	\$ 21,852,788	\$ 22,232,118
OTHER THAN PROPERTY TAXES	94,646,875	92,225,193	86,006,165	78,998,734
TOTAL ESTIMATED REVENUES	\$ 115,101,732	\$112,969,065	\$107,858,953	\$101,230,852

STAFF REPORT: Mr. Tymesen noted that the proposed budget numbers include an increase to staffing by 6.27 full time equivalents. Expenses are down from last year by \$5,725,406, with zero increase in health insurance, \$549,432 in cost of living increases within the General Fund and Library; \$358,789 in merit increases also within the General Fund and Library; and \$178,990 in new positions. He noted that new construction impact is expected to be \$538,311. Significant cash flow changes include \$377,539 in new growth, \$323,690 in highway users, sales tax and liquor tax, \$113,503 in franchise fees, and \$205,240 in Annexation fees. He noted that annexation fees do not repeat; they are one time money and are used for capital costs. Mr. Tymesen noted that the high water mark gives an indication to the community what the City's intention is and he is requesting a bit higher than originally planned, as the City cannot spend

more money than what it takes in. Mr. Tymesen noted that there were some modified positions, an increase to Council wages, the Police Department moved vehicles and added a Detective position, the Library added a part-time reference clerk, amendments within the annexation fee fund, the movement of the acquisition of the excavator, as well as the addition of a Public Works Inspector position. He noted that the high water mark is proposed at \$89,467,942 with zero percent property tax collection.

DISCUSSION: Mayor Widmyer asked about new growth and when new development comes on the tax roll. Mr. Tymesen explained that no adjustments are done within the year for new growth revenue that it comes in when the certificate of occupancy is issued and hits the new tax roll at the begging of the year. Councilmember McEvers asked what the total number of employees are currently. Mr. Tymesen noted that there are 396.72 full time equivalents. Councilmember Miller asked for clarification as to why there is a change in the request for the high water mark. Mr. Tymesen explained that he hoped new growth would come in higher than what the estimate was from Kootenai County; however, he anticipates it being approximately \$1,000 less. Councilmember Gookin clarified that the elected official salaries will be discussed separately at a future Council meeting.

MOTION: Motion by English, seconded by Gookin to approve **Resolution No. 17-051**, setting the Preliminary Budget for Fiscal Year 2017-2018 at \$89,467,942 and scheduling a public hearing for September 5, 2017.

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

QUASI- JUDICIAL PUBLIC HEARING: ZC-2-17, A PROPOSED ZONE CHANGE FROM R-12 TO R-17, 721 E. SPOKANE AVENUE.

STAFF REPORT: Planner Tami Stroud explained that the applicant has requested a zone change from R-12 (Residential at 12 units per acre) to R-17 (Residential at 17 units per acre). The property is a parcel located at 721 E. Spokane Avenue and is approximately one acre. She noted that the developer would like to construct multi-family housing on the site if zoning is approved. She provided maps depicting the location of the property, surrounding zoning and land uses. She provided a summary of staff comments regarding utilities being adequate. The findings needed tonight include the following: that this proposal is or is not in conformance with the comprehensive plan policies; that the 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 suitable for the request at this time; and that the proposal would or would not adversely affect the surrounding neighborhood with regard to traffic, neighborhood character and or existing land use. Ms. Stroud reviewed the applicable Comprehensive Plan sections and staff input regarding the finding categories and principle uses within an R-17 zone. She also noted the currently allowed uses within an R-12 zone.

DISCUSSION: Councilmember McEvers asked for clarification regarding the number of single-family dwellings (SFD) versus duplexes that can be placed on the lot. Ms. Stroud noted that if the owner separated the lot into three separate lots, they could have three duplexes or three SFD.

She also noted that the owner could put 12 homes in with the addition of a road. Ms. Stroud clarified that a multi-family building could be 43' tall and if an R-34 density was approved the structure could be 63' feet tall, while duplex and SFD in an R-12 zone can only be 32' in height. Councilmember Miller asked if there was a density bonus available within an R-12 zone. Ms. Stroud noted that a 2-unit density bonus is available. Councilmember Gookin asked for clarification on the use of the armory building to the north of this property. Ms. Stroud clarified that it is a legal non-conforming use within the R-12 zone and is a civic use, currently as storage. If the building went away, it would revert to uses allowable within the R-12 zone.

Councilmember Gookin asked what is the process the owner goes through to get the R-34 density. Ms. Stroud explained that the owner would need to apply for a special use permit that would go before the Planning Commission. Councilmember Gookin expressed concern about the traffic on 7th Street and accidents at the intersection of 7th Street and Harrison Avenue. Councilmember McEvers questioned the compatibility as there is no R-17 zoning surrounding this lot. Ms. Stroud confirmed that there is no R-17 zoning in the area. Councilmember McEvers noted that R-17 usually transitions between zoning districts. Ms. Stroud explained the determination should be if the rezone sets out a piece of property that is consistent with compatible uses. Councilmember Evans noted that within the code it notes that R-17 is appropriate as a transition/buffer, but in this case, it is not acting as a buffer. Mayor Widmyer asked about the PUD to the north. Ms. Stroud explained that the PUD was due to some wastewater limitations years ago, and that it has been there for a long time. Chief White noted that the total numbers of traffic accidents reported within the area in 2015 were two, in 2016 six, and so far this year two accidents have occurred.

Mayor Widmyer called for public comments and the Clerk conducted the oath for each of those testifying.

APPLICANT: Brenny Ross noted he was the owner of the parcel and when he originally purchased the property, his goal was to build cottages under the pocket-housing ordinance. However, with the recent repeal of that code he can only put a SFD or duplex on the lot without going through a major subdivision. He goal was to own all cottages, which would be ground level units. His desire to build a multi-family product on that property pointed toward the R-17 zoning. He believes the R-17 zone transitions from the heavier impact of commercial to residential, which is how he views the armory building. There are containers and semi-trucks that come in to the armory every year with Ironman.

DISCUSSION: Councilmember McEvers said that he understands that Mr. Ross's plans were derailed with the repeal of pocket housing and no replacement code. However, he understands that 12 cottages could be built if Mr. Ross put in a street. Mr. Ross noted that it could be done with a major subdivision that would create public roads and increases property taxes, creates lots with individual sewer and water connects and would be at a far greater expense to him. Mr. Ross would like to get back to original plan of one lot with one ownership and 12 units.

Councilmember Gookin clarified that the cost of sewer water connection would still need to be paid under the pocket housing code, it just would not have required a public road.

Councilmember Gookin asked if Mr. Ross were contacted when the pocket housing code was going to be repealed. Mr. Ross confirmed he was contacted and knew it was coming. He had a

plan ready and had a project review scheduled the day before the repeal. Ms. Stroud clarified that on a one-acre lot the owner could have two single family dwellings or two duplexes or the owner could go through the subdivision process for more units. With a long subdivision and the installation of a road, the owner could have 12 units. Mayor Widmyer noted that the development to the east included a street to create a subdivision.

PUBLIC COMMENTS:

Dave Chamberlin noted that he lives at 7th Street and Harrison Avenue and believes that if an R-17 zone were granted the owner could build up to 42 feet and make the most money he can off the development. He noted that the map demonstrates that this is not a buffered area and felt granting the R-17 zone would start a precedent for more dense development in the area.

Shawn St. Marie noted that he lives on the 1300 block of 7th Street and recently purchased the property under the assumption that it would remain R-12, which could negatively affect his property value. The buffer zones are sufficient for this property, and he believes that it would increase traffic with uncontrolled intersections. He noted that he would be fine with a couple duplexes, but is worried about a potential R-34 zoning. He would like to maintain the original character of the neighborhood.

DISCUSSION: Councilmember Gookin asked Mr. St. Marie what traffic he sees from the armory. Mr. St. Marie noted that he doesn't see much traffic, and that it seems to be used as storage only.

REBUTTAL: Mr. Ross noted that if there is any way possible to get R-17 his goal is still to build ground floor units, not a massive apartment building. The transition is R-12 surrounding the nonconforming use on two sides of his property and he believes it creates a suitable transition. He does have pictures of the Ironman semi-truck traffic at the armory and noted that City Code Enforcement received complaints about dust mitigation of people coming in and out of the building.

Public testimony was closed.

DISCUSSION: Mayor Widmyer asked Mr. Ross since his original plan was dependent upon the pocket housing code, if he could go back and develop under that code, would he? Mr. Ross confirmed that he would. Mayor Widmyer noted that it is the Council's understanding that staff will come back with a new code. Mr. Ross explained that he needs to move forward with the project, and would go back to planning under R-17 to mirror what his original plan was. Mayor Widmyer asked staff how they plan to move forward with pocket housing. Ms. Stroud noted that it was one of the items in the Council approved work plan, so it should be fall or winter. Councilmember Gookin asked when the department decided to repeal the pocket-housing ordinance, what effort was made to contact developers. Ms. Stroud noted that they worked with developers and encouraged them to get pending projects in before the code was repealed. Councilmember English said he felt that this zoning would fit with the neighborhood, but he wants staff to keep on track with pocket housing replacement too.

MOTION: Motion by Gookin, seconded by Edinger to deny ZC-2-17: Proposed Zone Change from R-12 to R-17, 721 E. Spokane Avenue and to make the necessary Findings and Order.

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

LEGISLATIVE PUBLIC HEARING: V-17-5 - REQUEST TO VACATE A PART OF ANNIE AVENUE RIGHT-OF-WAY ADJOINING THE EASTERLY BOUNDARY OF LOT 11 & 12 OF THE BORAH THIRD ADDITION TO THE CITY OF COEUR D'ALENE PLAT

STAFF REPORT: Engineering Project Manager Dennis Grant explained that the applicant, Carolann Curtis, has requested the vacation of a part of Annie Avenue right-of-way that adjoins the easterly boundary of her property on the northeast corner of 8th Street and Annie Avenue (2202 N. 8th Street). The right-of-way was originally dedicated to the City in 1954. There is no financial impact to the City associated with this action. The property is approximately 596 square feet. Mr. Grant mailed 33 requests for comment and two were received with two being in support. He recommends approval of the request.

Mayor Widmyer called for public comments, and with none being received. Public testimony was closed.

DISCUSSION: Councilmember English asked if the property will be split between two owners. Mr. Grant explained that half of the property would go to each abutting landowner; however, the abutting property is I-90 and the state does not want the other half.

COUNCIL BILL NO. 17-1029

AN ORDINANCE OF THE CITY OF COEUR D'ALENE, IDAHO, VACATING A PART OF THE ANNIE AVENUE RIGHT-OF-WAY, ACCORDING TO THE PLAT OF BORAH THIRD ADDITION, RECORDED IN BOOK D OF PLATS AT PAGE 52 IN THE OFFICE OF THE RECORDER OF KOOTENAI COUNTY, IDAHO, GENERALLY DESCRIBED AS THAT PART OF THE ANNIE AVENUE RIGHT-OF-WAY NORTH OF THE CENTERLINE OF ANNIE AVENUE AND EAST OF 8TH STREET BEING SITUATED IN THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 50 NORTH, RANGE 4 WEST, BOISE MERIDIAN, CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

MOTION: Motion by English, seconded by Miller, to dispense with the rule and read **Council Bill No. 17-1029** once by title only.

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

MOTION: Motion by Evans, seconded by Miller, to adopt **Council Bill 17-1029**.

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

EXECUTIVE SESSION: Motion by Gookin, seconded by McEvers to enter into Executive Session pursuant to Idaho Code 74-206A (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 and (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student.

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

The City Council entered into Executive Session at 8:16 p.m. Those present were the Mayor, City Council, City Administrator, Deputy City Administrator, and City Attorney. Council returned to regular session at 8:39 p.m.

MOTION: Motion by Gookin, seconded by English to accept the City Attorney's recommendation of settlement for the Tom Anderl/The Land Company claim. **Motion Carried.**

RECESS: **Motion** by Gookin, seconded by McEvers that there being no other business this meeting be adjourned. **Motion carried.**

The meeting adjourned at 8:40 p.m.

ATTEST:

Steve Widmyer, Mayor

Renata McLeod, CMC, City Clerk