

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

June 18, 2013

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 June 18, 2013 at 6:00 p.m., there being present upon roll call the following members:

Sandi Bloem, Mayor - Absent

Mike Kennedy)	Members of Council Present
Woody McEvers)	
Dan Gookin)	
Steve Adams)	
Deanna Goodlander)	
Loren "Ron" Edinger)	

CALL TO ORDER: Mayor Pro Tem Kennedy called the meeting to order.

INVOCATION: Led by Pastor Mike Slothower, River of Life Friends Church

PLEDGE OF ALLEGIANCE: Councilman Adams led the Pledge of Allegiance.

Councilman Edinger gave a brief memorial of Ray Stone and asked for a moment of silence in his honor.

PUBLIC COMMENTS:

Deer Fencing: Susan Snedaker, Coeur d'Alene, asked the Council what the policy is regarding items brought forward to the Planning Commission. She has specifically brought forward concerns regarding the fence heights being too low to keep deer out of residential gardens and has attended two Planning Commission meetings and asked for the item to move forward. She thinks there should be a policy to move items forward. Mr. Gridley stated that the public comment period is the time for citizens to bring items forward to the Planning Commission to address. Planning Director Dave Yadon stated that the Planning Commission could bring the item forward, but they have not chosen to do that. He clarified that the City Council could ask for the item to be researched by staff. Councilman Goodlander stated that it would be appropriate to move the item forward to General Services. Councilman Edinger stated that several years back there were discussions regarding deer. Ms. Snedaker stated that there are regulations regarding feeding the deer but nothing regarding fencing. Ms. Snedaker stated that the 6' fencing is too low and would need to be taller to keep the deer out. Councilman Adams stated that as he rides through the neighborhoods he sees the 12' high large wire fencing around gardens and wondered if there were complaints about them. Police Chief Longo stated that he gets complaints regarding fences being in disrepair and nothing regarding that type of fence.

Councilman Adams suggested that it would be a specific fencing amendment needed to allow taller garden fences. This item will be presented at the next General Services meeting to be held June 24, 2013.

Vision 2030: Charles Buck, Coeur d'Alene, stated that the 2030 Visioning process is moving ahead and recently conducted a search for a Project Coordinator. He introduced Nicole Kahler as the Project Coordinator and stated that the community will see more of her. Additionally, they are planning a July 1, 2013 kickoff event.

Chamber of Commerce Support: Steve Wilson, Coeur d'Alene, expressed thanks and appreciation of the City's support to the Chamber of Commerce through the lease of city parking lots on the 4th of July. Due to construction, there is a shortage of parking and he wanted to inform the community that there would be free parking at NIC. Councilman Gookin asked if the revenue would go toward fireworks. Mr. Wilson stated that he expects revenue to be a bit lower this year, but it will go toward the fireworks.

Curb Cut at Front Avenue: John Montandan, Coeur d'Alene, stated the recall group used his parking lot about a year ago and he also allowed the anti-recall group to use the same property. He requested the Council to reconsider the curb cut he has had for 40 years. He believes that he is being discriminated again because he allowed the Recall group on his property. He encouraged the Council to give him his curb cut and support business. Mr. Montandan stated that it is a compensatory taking.

Councilman Kennedy stated that the owners along Front Avenue can also ask for an underground easement and he encouraged Mr. Montandan to do the same. Mr. Gridley clarified that it is not a compensatory taking. Mr. Montandan stated that he does not believe that it is a safety issue and thinks it is a vindictive move. Councilman Gookin stated that this came up during a design workshop and that a motion was made, but it failed and at this point he believes it would fail again 4 to 3. Councilman Kennedy stated that it could be readdressed but it cannot be voted on tonight. Councilman Edinger stated that when it was brought up, it was based on what the City Engineer said about safety issues.

Fire Boat: Fire Chief Kenny Gabriel, Coeur d'Alene, stated that he has previously mentioned the fire boat and wanted to inform that Council that it was in the water this month. He provided a brief video and stated that they will be certified to be a quick response vehicle for medical. He thanked Glenn Lauper, Steve Wolfe, Captain Moundan and many others, especially the Council for their support. Councilman Goodlander congratulated the Fire Department and thanked everyone who helped to make it happen as it has been in the works for a while and this will be a help in putting out fires where trucks cannot get. Mr. Gabriel stated that the boat would be housed at the 11th Street Marina.

CONSENT CALENDAR: Motion by Goodlander, seconded by Edinger, to approve the consent calendar as presented.

1. Approval of Council Minutes for June 4 and June 6, 2013.
2. Approval of Bills as Submitted.

3. Setting of General Services and Public Works Committees meetings for July 8, 2013 at 12:00 noon and 4:00 p.m. respectively.
4. **RESOLUTION NO. 13-036** A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING THE BELOW MENTIONED CONTRACTS AND OTHER ACTIONS OF THE CITY OF COEUR D'ALENE INCLUDING APPROVING A LEASE AGREEMENT WITH THE COEUR D'ALENE CHAMBER OF COMMERCE FOR LEASE OF CITY OWNED PARKING LOTS ON THE 4TH OF JULY; APPROVING AN ENCROACHMENT AGREEMENT ALONG PARK AVE. WITH SULLY'S PUB (5735 GOVERNMENT WAY); APPROVING A MEMORANDUM OF AGREEMENT WITH JANHSEN PROPERTIES, LLC FOR PUD-2-07M "COTTAGE GROVE"; AND APPROVING A SUBDIVISION AGREEMENT AND SECURITY APPROVAL FOR LANDINGS AT WATERFORD 10TH ADDITION.
5. SS-1-13, Mill River 4th Addition, Final plat approval.

ROLL CALL: Kennedy Aye; Edinger, Aye; Adams, Aye; McEvers, Aye; Goodlander, Aye; Gookin, Aye. **Motion carried.**

COUNCIL ANNOUNCEMENTS:

Councilman McEvers stated that he had great memories of Ray Stone and one such memory was a time when he was videotaping a show at NIC in which Ray provided details of being one of the first soldiers into a concentration camp during WWII. This was a very impacting memory of Mr. Stone.

Councilman Goodlander stated that Ray Stone actually taught her High School Government class and was a good teacher and will be missed. She stated that the summer arts program has 170 kids currently enrolled and thanked the Kiwanis and Rotary clubs for their donations to make this program happen. The Arts Commission has narrowed the artists down to the final four for the McEuen Arch and the maquettes will be on displayed at the Library. The final utility box art should go up next month. ArtCurrents program has new pieces placed at the street corners on Sherman Avenue.

Councilman Gookin stated that this past couple of weeks the City has been wrapping up a sewer project in Fernan. There were some complaints and he wanted to thank staff that heard and responded to the property owners' concerns. He specifically wanted to thank City Administrator Wendy Gabriel. In reference to the policies of the City, it is his understanding of the state statutes that the Council is the policy setting body for the City and if the Council has not adopted a policy then it does not exist and it should be brought forward to the Council for formal adoption.

Councilman Edinger stated that he has known Ray Stone since 1956 and will miss him, especially for his golf coaching, and he will try to remember all he taught him.

Councilman Kennedy stated that the services for Ray Stone will be held this Friday and sends his condolences to the family.

ADMINISTRATOR'S REPORT: Deputy City Administrator Jon Ingalls presented the Administrator's Report. He expressed condolences to the family of Ray Stone who served as a City Councilmember from 1971 to 1979 and as Coeur d'Alene's Mayor from 1986 to 1994. Ray Stone will be remembered as a strong elected leader of this city, as a decorated Army veteran, longtime college educator, and talented musician. Services will be held this Friday (June 21, 2013) at 2:00 pm at the First Presbyterian Church on Lakeside. This year's Car d'Lane was more challenging than usual with McEuen park construction. He expressed thanks to the McEuen contractor CNI and City Engineer Gordon Dobler for their close coordination of the project. Additionally, he thanked Street Superintendent Tim Martin and Sergeant Eric Turrell for pulling together an effective, albeit improvised, traffic control plan. Additionally, Chief Longo was first on the scene of a citizen suffering a seizure of sorts during the Car d'Lane event and Mr. Ingalls thanked him for rendering first aid until medics arrived. Councilman Dan Gookin joined patrol officers for a "walk-along" during the event. On May 21st the Coeur d'Alene Police Department hosted a volunteer appreciation luncheon, thanking its volunteers for their tireless efforts on the PD's behalf. The enormously popular City Park Concert Series will kick off on June 30th with Stagecoach West providing Classic Rock n' Roll music. The concerts in the City Park are held every Sunday during the summer months, from 1:00 p.m. to 4:00 p.m. at the Rotary Lakeside Bandshell. Citizens are encouraged to bring their lawn chairs and blankets and come out for a great time and great music. On May 30th, the Coeur d'Alene Library received the Edward Zigler Innovation Award presented by our area Head Start. This award reflects the innovation and determination of the person many consider to be the Father of Head Start, Dr. Edward Zigler. This award is to celebrate those local programs who have partnered to create high impact services to children and families. Children's Librarian Susan Thorpe and Outreach Coordinator Barbara Nolan received the award for their work with the First Books Reads program and Head Start. Throughout the past two years, Susan and Barbara read to and distributed free books to over 170 children in the local Head Start program. They visited each class once a month, read the book, sang songs/finger plays, and gave each child a book and a newsletter, "The Bookworm," provided by the Idaho Commission for Libraries. Yesterday was the first day of Lifeguards at City Beach. The Recreation Department will have guards on duty 7 days a week, weather permitting, through August 18th. The guarded hours are from 11:30 a.m. to 6:00 p.m. Mr. Ingalls congratulated Water Utility Worker Gary Nolan on earning honors by the Inland Empire Subsection of the Pacific Northwest Section of American Water Works Association with the "Muddy Boots Award" at their annual IESS/SRC4 Banquet. This award recognizes Gary's outstanding performance as an operator and contributions made to the water industry, particularly in operations and cross connection control. He provided an update regarding McEuen including accommodations for Ironman and 4th of July for the Resort traffic. Basketball hoop standards are being placed and construction continues at the Harbor House location. A free shuttle bus began operating in downtown Coeur d'Alene last Saturday and will run through September 1st. The shuttle will pick up passengers at the south lot at City Hall and at the graded lot on Northwest Boulevard near Memorial, with stops along the way at Lakeside & 2nd, Lakeside & 4th, and Lakeside & 6th Streets. The loop will repeat from 9:30 a.m. until 6:30 p.m. Monday – Saturday, and 11:00 a.m. to 5:00 p.m. on Sunday. Look for the special downtown bus that says "Welcome to Coeur d'Alene!" Mr. Ingalls thanked the fourteen city staff members who gave blood today. The Coeur d'Alene Parks Department is hosting the Iron Kids Fun Run on June 20th at 6:00 p.m. in Coeur d'Alene City Park. This event, traditionally held on the Thursday before the Ironman competition, is a one-mile fun run for kids up to 14

years old. Parents are welcome to run with their small children. The entry fee is \$5 per child and all proceeds go to the Parks Department to help fund trails and bikeways. Each kid will receive an Iron Kids T-Shirt and a medal for participating in the event. Register online at www.cdaidparks.org or at the Parks Department counter in City Hall. Pre-Registration deadline is Wednesday, June 19th at 5:00 p.m. After slightly more than a decade of Ironman races, many of us know what to expect road closures and detours at every turn. This year, beginning Thursday, the barricades and detour signs go up in preparation for this year's big race on Sunday. The City's top priority is to protect the athletes who will be using the roadways, but at the same time, the City wants to help motorists get to where they need to go. Mr. Ingalls reminded drivers to be cautious on the roads, and to all the athletes participating in the big race, he wished them good luck on behalf of the City of Coeur d'Alene.

ORDINANCE NO. 3467
COUNCIL BILL NO. 13-1012

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING SECTIONS 5.28.020, 5.28.040, 5.28.050, 5.28.060, 5.28.070, 5.28.080, 5.28.090 AND REPEALING SECTIONS 5.28.021, 5.28.110 AND 5.28.170 TO REPEAL THE REQUIREMENTS FOR CITY LICENSURE OF MASSAGE THERAPISTS; PROVIDING REPEAL OF CONFLICTING ORDINANCES; PROVIDING SEVERABILITY; PROVIDING THE PUBLICATION OF A SUMMARY AND PROVIDING AN EFFECTIVE DATE.

Councilman Kennedy explained that the General Services Committee has recommended authorization of this Ordinance, as the State of Idaho will begin issuing individual massage licenses on July 1, 2013. This Ordinance will continue the City licensing of massage facilities.

MOTION: Motion by Kennedy, seconded by Edinger to pass the first reading of Council Bill No. **13-1012**.

ROLL CALL: Edinger Aye; Adams Aye; McEvers Aye; Goodlander Aye; Gookin Aye; Kennedy Aye. **Motion Carried.**

MOTION: Motion by Goodlander, seconded by Edinger to suspend the rules and to adopt Council Bill No. **13-1012** by its having had one reading by title only.

ROLL CALL: Edinger Aye; Adams Aye; McEvers Aye; Goodlander Aye; Gookin Aye; Kennedy Aye. **Motion Carried.**

PUBLIC HEARING: (Legislative) **A-1-13; Annexation of 3528 Seltice Way**

Staff Report: Planning Director Dave Yadon stated that this hearing would include a request to set zoning for the property in conjunction with the annexation. The Planning Commission has provided the recommendation of zoning and annexation. The property is a 22-acre piece at the former Atlas Mill site divided by a Burlington Northern Railroad piece of property. The annexation will include a portion of Seltice Way. The requested zoning for the site is R-12

between the railroad and river and C-17 for the northern portion of the property. Mr. Yadon stated that the Shoreline Ordinance would be in effect at this site. He provided an overview of the existing area zoning and clarified that if the Council were to approve the annexation there would be four findings that would need to be reviewed and recommended. Mr. Yadon provided an overview of the existing area zoning and reviewed the four findings that would need to be reviewed and recommended during the hearing. He clarified that there were no recommended conditions for this annexation and stated that the applicant is in attendance and available to answer any questions.

Councilman McEvers stated that he is concerned with the sewer capacity. Mr. Yadon stated that there is a collection system bottleneck and it can be an issue, but we do not know that it is going to be an issue based on density. There is give and take within the system throughout the area and it would need to be discussed as the property develops. Councilman McEvers stated that the annexation is so that the bank can sell the property and asked for clarification as to whether the annexation would grandfather them out of a sewer surcharge. Mr. Yadon clarified that it would not grandfather them out of a future sewer surcharge. Councilman Goodlander asked if the road was in the Post Falls Highway District. Mr. Yadon verified it was and clarified that the City would have to annex the entire road or none of it, and that the City Engineer requested the road be a part of the annexation as the area on the east and west are already in the city limits.

Councilman Edinger asked for clarification regarding a stop light at Atlas and Seltice Way. Councilman Goodlander stated that KMPO voted to use future funding to fix Seltice Way and include the Atlas light, and clarified that this would replace the old highway and should be in line for construction in 2015/2016. Councilman McEvers asked if the developer would be required to fix Seltice Way. Mr. Yadon stated that it is unknown what the future development will be, so we do not know what will be required. Councilman Edinger clarified that if funding is received to fix Seltice it would be in 2016. Councilman Goodlander stated that the first step is getting the project on the list and clarified that it is uncertain as to when funding would be available.

Councilman Edinger asked how long the annexation process would take. Mr. Yadon stated that it depends on how long it takes for negotiation of the annexation agreement, and that it could be a couple months up to a year. Councilman Edinger clarified that he asked because it appears that if the annexation passes and the property is sold, then development could occur prior to funding for the stop light, and he is concerned the road improvements would not be done. Mr. Yadon stated that the development will pay for the mitigation of their development, and they would not have to pay for all the impacts on Seltice Way, only for the impact of their development upon Seltice Way.

Councilman Gookin asked if the size of this annexation is typical. Mr. Yadon stated that it is normal for an old mill site and felt that it provides opportunities to meld them into neighborhoods. Councilman Gookin asked if the city has had an annexation this size that did not have a master plan or a PUD connected to it. Mr. Yadon stated that the Council has utilized a requirement that the applicant come back with a master plan at a designated time, which the developers like because the annexation fee is based on the plan rather than an overall zoning density.

PUBLIC COMMENTS: Councilman Kennedy called for public comments.

Sandy Young stated that she is representing the applicant, Washington Trust, who has no plans to develop the site and is seeking the annexation as the first step in marketing the lot for sale. She provided current pictures of the site and stated that they have not disturbed the shoreline of the river and have had review of the County and EPA during the clean up of the site. Ms. Young stated that the annexation does support the goals of the Comprehensive Plan and will provide public access to the site through the local bike trails. This annexation will support business growth and provide an opportunity for the land to be used at its highest and best use.

Councilman Gookin asked if they have obtained a right-of-way/easement from the railroad to connect the land and wondered if there would be a connection of the two parcels. Ms. Young stated that the City has a crossing agreement and that there will need to be crossing for access in the future as it is developed. Councilman Gookin asked for clarification regarding what the water front access will look like. Ms. Young stated it would be similar to the Mill River access.

Roger Smith, Coeur d'Alene, stated he is a retired engineer and walks that area and thinks there is an opportunity to preserve the natural space for the future. Annexation would allow the city to have more of a say in how the land is developed. He believes there should be many conditions on any land that is annexed. He is concerned about the waterfront area and that this is the last opportunity to preserve riverfront access for public use and have more open space preserved. Mr. Smith also recommended that the R-12 zoning not be allowed or that the residential development be clustered to one area with more open space preservation. He encouraged the Council to take the opportunity to preserve the public access.

Susan Snedaker, Coeur d'Alene, stated that she is concerned about the density and would like to cluster housing and that R-8 zoning should continue. The beach at Mill River is too small and preserving the open space and natural elements would be more important. She would like the Council to consider conditions including a master plan or PUD with a one-year time frame, sewer cap fees should be covered by the developer, and the signalization at Atlas should be included in the annexation. She felt that the participation of LCDC was premature.

Rebuttal was provided by Meryl Van Houten, Coeur d'Alene, who stated that he has talked with the City Wastewater and Engineering Departments and there is a lift station at Mill River. He believes it would be best to require the capitalization fees based upon analysis at the time the development is proposed, as there are no current development plans for the property.

Ms. Young stated they were seeking a balance of the area zonings and felt R-12 was a good balance and a good fit in order for any developer to make the kinds of upgrades to the system that will likely be required. The City Code does have minimum requirements for open space and public access and the City will have an opportunity to put those requirements in at the time of development.

Councilman Gookin clarified that this is a request from Washington Trust so that they can sell the property and since the zoning is the highest density of IC-17 and the riverfront is requested at

R-12 it increases the value of the property. Additionally he is concerned about the annexed property becoming a new urban renewal district.

Public Comment was closed.

Mr. Gridley clarified that the action for Council tonight is to consider if this annexation makes sense to be within the City. Then, the annexation agreement provides an opportunity to negotiate additional items. He reiterated that the main consideration is if the property should be in the city and what is the appropriate zoning. If the annexation is approved, the annexation agreement approval is when the annexation actually goes into effect.

DISCUSSION: Councilman Goodlander asked Mr. Yadon about the zoning of the property to the west being zoned R8. Mr. Yadon stated that it was part of the Mill River PUD and is zoned R8. Councilman Kennedy asked how the applicant could come back with a PUD if they do not plan to develop the property. Mr. Yadon stated that if the Council makes that recommendation then the applicant would have to do a PUD.

Councilman McEvers commented that the property is private and there has been no access since it has been a mill. He said we have applied some rules and wants in regard to annexations, and wondered when annexation agreements came about and when did we become Land Barons and take private property for the good of the public. Mr. Yadon clarified that it was not a taking in that items such as open space and access would likely be negotiated as a trade-off in lieu of annexation fees. Mr. Yadon added that annexation agreements started in the late 1980's to early 1990's.

Councilman McEvers clarified that we do not force annexations, but we have water, sewer, and streets. Councilman Adams asked if infrastructure was what the urban renewal agency was used for in the Riverstone and Mill River developments. Mr. Tymesen stated that they were used in Riverstone and only the sewer was extended in Mill River. Councilman Adams wondered what benefit urban renewal would add to this development.

Councilman Goodlander commented regarding the suggestion that extending the River District would be the way to go. The River District is almost maxed out in the amount of percentage it can have within the city. There's only about 36 acres more that could be taken if we were to open River District and if you look at that entire parcel, which includes the rest of the Atlas site, that's a little over 100 acres and it doesn't make a lot of sense to open the River District to include this area only because of the percentage that we are allowed to take of city property. If in the future there is an opportunity for a new urban renewal district that would just encompass this property and probably the Atlas site as well as potentially the Burlington Northern area, that is something that would be discussed in the future, but it does not have a place in this discussion.

Councilman Kennedy asked Mr. Gridley to clarify that this annexation does not automatically go into the urban renewal district. Mr. Gridley stated that an urban renewal designation/creation would have to come back to the Council.

Councilman Kennedy re-opened public comments.

Ms. Young stated that they had originally contacted LCDC because of the bike trail connectivity and agrees with the Council that it would not make sense to open up the district. She was hopeful that all property owners would want to annex at the same time, but that did not happen so they made the decision to keep moving forward.

Councilman Gookin stated that the letter from LCDC makes the property more attractive and asked if urban renewal was to do its function and go in and prime the pump in regard to infrastructure, what kind of infrastructure would they see it doing in this parcel.

Gary Young, landscape architect for the project, stated that they do not know what the capital improvements would be in the district and it would make more sense to form its own district if the other property owners were included. At that point, there would need to be a plan written, cost estimates done, engineering costs developed and that becomes a subject of review by LCDC and the council. A lot of it depends on what kind of increment is being forecast as a result of the development in terms of what capital improvements could be paid for with that increment. They look at LCDC's role for continuation of the Atlas Trail and Centennial Trail and that would be a big help to the district and the city.

Councilman Goodlander asked if the applicant would object to an R8 zoning on the waterfront. Mr. Young stated that R8 and R12 zoning are similar, but R12 allows pocket housing and R8 does not, and the ability to cluster housing would come with the R12 zone. Councilman Gookin asked if there was a difference in setbacks. Mr. Yadon stated that there is no difference in setbacks, and pocket housing is allowed in R8. The difference between the zones is the density allowed.

Councilman Edinger asked if LCDC formed a new district for this property would it have to come before the council. Mr. Gridley stated that it would have to and that LCDC could not spend money on this property until it is brought into the district, which would require city council approval. Mr. Gridley clarified Council can make a motion to approve the annexation and recommend that staff include items in the annexation agreement, such as a stop light, trail, access, etc., which gives them flexibility to negotiate. You can specify certain items as a condition of annexation, but he thinks that the most flexibility comes through the annexation agreement and not as a condition of the annexation.

Councilman Kennedy closed public testimony.

MAIN MOTION: Motion by Goodlander, seconded by McEvers to approve the requested annexation for the subject property and direct staff to prepare an annexation agreement and develop the Findings and Order and that the annexation agreement include a PUD Master Plan on both parcels and that Wastewater be involved to give clear direction regarding the ERU's.

DISCUSSION: Councilman McEvers asked about sewer consideration. Councilman Goodlander said that the sewer consideration is already in the agreement. Councilman McEvers asked about more open space. Councilman Goodlander believes that open space should be an opportunity for public access but thinks that there are other planning opportunities coming along. Councilman McEvers would like it to be consideration. Councilman Goodlander would not be opposed to

adding that to the motion. Mr. Gridley commented that the PUD application would allow the council to express concerns.

MOTION: Motion by Gookin, seconded by Edinger, to approve the requested annexation and direct staff to prepare an annexation agreement based upon the submission of a master plan or PUD to include a sewer capitalization fee surcharge should the density increase 11.8 ERU per acre and to preserve the setbacks and public access and to rezone the lower parcel to R8.

DISCUSSION: Councilman Edinger stated that he felt the traffic light should be included due to density. Councilman Kennedy stated that he felt the recommendation should come from the city engineer based on research. Councilman Goodlander stated that the PUD could include the traffic study and determination and the traffic light would not be contiguous to this property but, rather, the parcel next to this one. She stated that the sewer would be addressed in the annexation agreement and would not be needed in the motion. The density to do cluster housing has merit, might provide opportunity to negotiate, and is unnecessary to add to the annexation.

Mr. Gridley said that as far as the setbacks go, in a PUD there is an opportunity to negotiate open space. If we tie our hands or tie their hands sticking to the existing setbacks, we may not be doing ourselves a service because sometimes there is a benefit in being able to negotiate.

Councilman Gookin asked Mr. Yadon to clarify if pocket housing was allowed in both residential zones. Mr. Yadon confirmed that pocket housing is allowed in both zones, they just are at a different density.

Councilman Gookin asked when the sewer cap surcharge would come back for discussion. Mr. Gridley stated that it is set out in the sewer master plan for that area and the wastewater department will have to sort it out and there may be other methods to increase the density in that line. Councilman Gookin stated that Mr. Fredrickson said we needed to watch our densities for sewer capacity in this area and that the developer should pay for it, not the entire community. Mr. Gridley stated he has not had that conversation with Mr. Fredrickson, as it is not a plant capacity issue but, rather, a transmission capacity issue.

Councilman Gookin asked if we drop the surcharge language, would it bite us later. Mike stated that the annexation agreement process allows us to work out these details and if we cannot work out the details, then the deal falls apart. Councilman Goodlander said that we make sure our sewer capacity is appropriate as part of any annexation. If it is not, we talk to the developer. She does not believe it would be necessary to make it a part of the conditions, as it does not allow them negotiating opportunities. Mr. Kennedy read the findings from the Planning and Zoning Commission and noted that it is subject to the condition of the wastewater master plan.

Councilman Gookin worried about property just being annexed for sale and not knowing what is going in there and in the absence of not knowing we need to increase our requirements to protect the city. Mr. Gridley stated that the developer steps into the shoes of whoever has reached the annexation agreement with the city, so that would protect the City of Coeur d'Alene.

Councilman Goodlander called for the question.

ROLL CALL: Adams Aye; McEvers No; Goodlander No; Gookin Aye; Kennedy No; Edinger Aye. **Motion failed.**

MAIN MOTION ROLL CALL: Adams Aye; McEvers Aye; Goodlander Aye; Gookin Aye; Kennedy Aye; Edinger Aye. **Motion Carried.**

MOTION: Motion by McEvers, seconded by Edinger that, there being no further business before the Council, this meeting be adjourned. **Motion carried.**

The meeting adjourned at 8:43 p.m.

Sandi Bloem, Mayor

ATTEST:

Renata McLeod, City Clerk