

MINUTES OF A CONTINUED MEETING OF THE
COEUR D'ALENE CITY COUNCIL
HELD IN THE LIBRARY COMMUNITY ROOM
ON MAY 8, 2023, AT 12:00 NOON

The City Council of the City of Coeur d'Alene met in continued session in the Library Community Room held at 12:00 NOON on May 8, 2023, there being present upon roll call a quorum.

James Hammond, Mayor

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

STAFF PRESENT: Troy Tymesen, City Administrator; Randy Adams, City Attorney; Renata McLeod, Municipal Services Director/City Clerk; Vonnie Jensen, Comptroller; Tom Greif, Fire Chief; Melissa Tosi, Human Resource Director; Michael Priest, Library Director; Bill Greenwood, Parks & Recreation Director; Hilary Patterson, Community Planning Director; Lee White, Police Chief; Todd Feusier, Streets & Engineering Director; Mike Anderson, Wastewater Superintendent; Terry Pickel, Water Superintendent; Kelley Setters, Deputy City Clerk; Justin Kimberling, Assistant Streets Superintendent; Jeff Walther, Police Captain; Dave Hagar, Police Captain; Kyle Marine, Assistant Water Superintendent; Stephanie Padilla, City Accountant; Sherrie Badertscher, Executive Assistant.

CALL TO ORDER: Mayor Hammond called the meeting to order and noted that the purpose of the meeting was to provide an update on short-term rentals (STRs), special events, and the General Fund-Fund Balance.

PARADES/SPECIAL EVENTS: Municipal Services Director Renata McLeod presented the history of parades and special events. She noted on July 2022, Council had requested the code sections be combined, the fee schedule reviewed, and contracts considered for high-impact events. She said many City departments had met to discuss the high-impact events and had formulated a contract, which included a traffic safety plan, to be used for events. She said the new contract was first used for the St. Patrick's Day Parade in March as a pilot project, since it was a lower impact event. The group also discussed the Municipal Code sections to combine which included Chapters 4.25 Parks and Public Property Regulations, 4.30 Activities on Public Property, 5.44 Outdoor Assemblies – Private Property, 10.60 Parades, Special Events and Public Assemblies, 5.25 City Streets Loud Speaker permits, and 5.75 Concessions. She noted event permit fees were determined by the number of participants, hours, and length of event.

DISCUSSION: Councilmember English asked why the Pride in the Park event participants had doubled for 2023, with Mr. Greenwood responding the sponsor of each event provided the estimated number of participants. Councilmember Gookin asked why it wasn't considered a high-

impact event, with Mr. Greenwood responding they used a formula to determine the impact which was dependent on the number of attendees, vendors, and number of City staff needed. Chief White said it was difficult for the Police Department to balance needs and could not charge an event organizer for costs associated with counter-protest groups. Councilmember Wood asked if the Ironman organizers were taking over security needs for their 2023 event, with Mr. Tymesen responding the City would have an opportunity to renegotiate the contract once the existing one ended in October 2023, and security needs would be looked at during future negotiations. Councilmember Miller asked if the City could provide training to organizations and was it provided for the St. Patrick's Day Parade event, with Mr. Feusier responding his department didn't have enough time to provide the training for the St. Patrick's Day event yet had planned to provide the training class later this month. Councilmember Miller said it would be a great partnership and great solution to the issue. Councilmember English said he felt the 4th of July event was in a category by itself, as an important community event. Councilmember Wood asked if the City's fees were comparable to other cities, with Mr. Adams responding fees could not exceed the costs to the City to provide the service. Ms. McLeod said she would research current costs at other cities. Councilmember English asked if multi-day events were charged for each day of the event, with Ms. McLeod responding they were charged on a per day basis. Councilmember Gookin stated that the cost of public safety was not included in what the City charged for events. Chief White said it cost his department approximately \$72,000 to staff Car d' Lane, Ironman Race, July 3rd and 4th activities, Art on the Green (College Campus Event), and the Holiday Winter Lighting event. Chief Greif said the Fire Department's staffing costs were roughly \$40,000 for the same events. Councilmember Gookin said the permit fee should include the cost of providing public safety. Ms. McLeod noted that Council's prior direction was to not increase the fees to the point of causing the event to shut down. She noted that staff could research comparable fees at other cities. Councilmember English said that events should be reviewed to see if they were commercial-type events. Mayor Hammond suggested the City could discuss costs with the organizations and see if they would like to continue their events. Chief White noted the 4th of July's daytime event (parade) was very low-impact and it was the after-parade events which were high-impact for his department. Councilmember Wood noted the Art on the Green event organizers had almost tripled its permit price to vendors. Councilmember Wood asked Downtown Association Director Emily Boyd if a fee could be added to each booth rental for downtown events, with Ms. Boyd responding their vendor rate was already substantial and she didn't feel an additional increase would be digestible to the vendors. She noted a minimal fee to vendors would probably be okay. Ms. Boyd said the Downtown Association events were community driven, family friendly events, and many small street events were given a break in fees.

SHORT-TERM RENTALS: Ms. McLeod stated the current number of short-term rental (STR) permits issued in 2023 was 560, and current data showed 683 were being advertised in Coeur d'Alene, and 53 whose status had not yet been determined. She said the 24/7 hotline was ready to launch and her department would send out a press release, email stakeholders, mail postcards to abutting property owners, and include information in the City's May utility bills. She noted staff was currently working on mapping the areas in order to provide data at a future stakeholder meeting.

BUDGET DISCUSSION: Comptroller Vonnie Jensen said the City's Fund Balance represented the difference between assets and liabilities defined at the end of the fiscal year. She noted there were three (3) categories used to describe Fund Balance: Restricted, Committed, and Assigned Fund Balance. She said the 2022 Fund Balance History should show \$6,400,000 million, and not \$11,880,092 million, as American Rescue Plan Act (ARPA) revenue must be recorded in the year it was spent and staff would be updating the report to reflect the change in accounting. She went over the Restricted and Committed fund balance items. She mentioned the Assigned Fund Balance should also include \$400,000 for the Streets Department Building Remodel project. She noted the Government Finance Officers Association recommends at minimum governments maintain a fund balance of no less than two-months of operating expenditures which in the City's case equaled 16.7% of the total budget. She said the Fund Balance for 2022 may change slightly yet has increased roughly \$2 million and was similar to the previous 5 years and the City had used approximately \$700,000 of fund balance last year which was actually a good thing as early estimates showed using \$1.2 million. She noted if the City continued to fund capital purchases using the Fund Balance, the Fund Balance would be depleted within two years to below the recommended 16.7% of reserves. Councilmember Wood asked where Lake District URD funds were assigned, with Ms. Jensen responding they had not been assigned to projects yet as Council would need to make that determination. She went over the City's ARPA funded projects and mentioned large projects included: IT-Network Replacement Project, Legal Department Case Management System, Street Department's flooring & lighting, Police Station expansion, Fire Department's new self-contained breathing apparatuses (SCBAs) & personnel bonuses. She noted there were many projects happening throughout the City. Councilmember Gookin asked if the dump truck for the Street Department was budgeted at \$250,000 or was it more, with Ms. Jensen responding it was actually \$350,000. Councilmember Wood asked the status of the Police Station expansion, with Chief White stating the architect had provided preliminary drawings, and most of the expansion would be for new locker rooms and the existing locker room would be demolished and replaced with office space for 13 staff members.

City Administrator Troy Tymesen said there were dedicated dollars in ARPA which could be used for housing and staff were working with a local non-profit on a housing project, and Councilmember Miller was working on another project as well. Councilmember Miller mentioned she had been involved in the Lake City Senior Center project yet it would not materialize in time to be able to use ARPA funds. She said the HomeShare Kootenai County Program had become a non-profit and were in need of funds to help with marketing until their next grant cycle. She noted ARPA funds had been used in multiple states for housing. She noted HomeShare Kootenai County currently needed \$35,000 for marketing and \$15,000 for administrative costs. She said a large pool of applicants was needed in order to make appropriate matches in the program. Councilmember Gookin asked if the program was within the City of Coeur d'Alene, with Councilmember Miller responding marketing would be to targeted areas. She mentioned the Lake City Playhouse had an insurance funded rebuild they were working through and needed assistance in the amount of \$20,000 in order to keep the historic building and help launch their reopening. Councilmember Gookin said he was in support of helping non-profits with the use of ARPA funds.

Councilmember Wood asked what would it take for several entities such as the City, County, School District, College, and Hospital to develop a long-time plan to build employee housing, would it be legal and could it be restricted to just City employees, with Mr. Adams responding he wasn't sure and he would research the matter. He mentioned that public property could not be used for private business. Councilmember Miller said in her research and experience with the Regional Housing and Growth Issues Partnership, it could be done. She mentioned there were land use programs which placed land in trust and deed restrictions for protected classes were allowed.

Councilmember Gookin asked if departments continued to have issues hiring for positions due to the cost of housing. Chief White said his department vacancies they were in the process of filling and some applicants were coming from out of the state. Chief Greif said his department hadn't had any problems with new recruits. Mr. Pickel said the Water Department continued to struggle to fill operator positions. Mr. Feusier said the Streets Department hiring issues were due to the starting salaries. Ms. Tosi said that recent recruitments were going better as more people were applying. She also noted that out of state applicants weren't generally open to the City's entry level pay structure. Mr. Greenwood noted the Parks Department's had recently hired three (3) applicants who were locals.

Councilmember Miller said she continued to work on housing issues and recently short-term rental demand had started to decline.

Councilmember McEvers asked if the ARPA funds were used for housing, would it be one-time funding? Councilmember Miller responded her two (2) proposals were for one-time asks. Councilmember Miller asked what were the next steps for assigning ARPA funds, with Mr. Tymesen responding a staff report would be brought forward to Council for the HomeShare Kootenai County program funding, and that the Lake City Playhouse would need to bring in a business plan showing insurance paid items, their operating expenses, and a strategic plan for reopening.

Mayor Hammond asked when the budget would be brought forward, with Mr. Tymesen responding Ms. Jensen had multiple budget meetings scheduled with departments in the next 6-weeks.

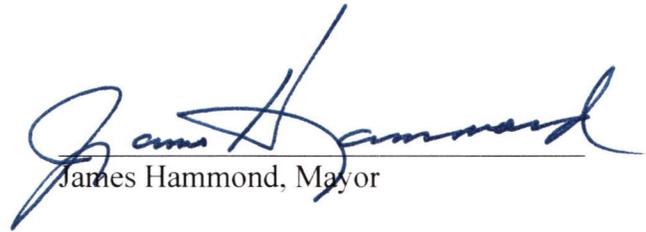
Councilmember Wood asked if the Lake District URD funds would be brought forward during the next budget discussions, with Mr. Tymesen responding that at this time the money wasn't assigned and he would like to use the funds for 15th Street improvements and not use the one-time monies for ongoing budget expenses. Councilmember Wood said she was looking for direction on how to bring items forward to use URD funds.

Mayor Hammond noted there had been some personnel contract commitments made last year which created some concern moving forward.

Mr. Feusier mentioned the 15th Street project (Harrison to intersection at Best/15th) would be brought to Council within the next couple weeks and included paving and mill, movement of water and stormwater lines, installation of bike paths and sidewalks. He said the initial estimate received was for \$7 million, but he expected future estimates to come in at a lower price. He said the Ramsey Road paving project would go out to bid next week, and included the areas of Northwest Blvd, Lakewood to Appleway, and Ramsey, Hanley to Kathleen. Mayor Hammond asked if the swale would be removed, with Mr. Feusier responding it would.

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

The meeting adjourned at 1:08 p.m.



James Hammond, Mayor

ATTEST:



Sherrie L. Badertscher
Executive Assistant