



Coeur d'Alene

CITY COUNCIL MEETING

February 5, 2013

MEMBERS OF THE CITY COUNCIL:

Sandi Bloem, Mayor

Councilmen Edinger, Goodlander, McEvers, Kennedy, Gookin, Adams



To: Mayor & City Council, Coeur d'Alene, Idaho

**From: Denny Davis, Chair, LCDC Board of Directors
Tony Berns, LCDC Executive Director**

Re: Lake City Development Corporation 2012 Annual Report

In accordance with annual reporting provisions of the Idaho code (Title 50, Chapter 20), we are pleased to present the following report of the Lake City Development Corporation's (LCDC) activities for the period January 1, 2012 through December 31, 2012. Included in this packet is a fiscal year-end 2012 financial statement setting forth LCDC's assets, liabilities, income and operating expenses.

2012 Overview

The following LCDC Vision & Mission statements, along with the listed LCDC strategic foci, drive the LCDC business model and guide the development of the Board's annual tactical goals:

*LCDC's **Vision** is to be a catalyst for positive change in the creation of an exemplary 21st Century city; a city in which economic prosperity, quality housing and employment opportunities are available to all.*

*Our **Mission** is to bring together resources to achieve Coeur d'Alene's vision of a diverse, sustainable community with healthy neighborhoods, a vibrant central city, a strong regional economy, sustainable, superior public open spaces, and quality jobs and housing for all.*

LCDC Strategic (long-term) Goal Foci

(goals are listed in no specific order of importance)

- **Education:**
 - Facilitate the future utilization of the **Education Corridor** in partnership with the City of Coeur d'Alene (City), University of Idaho (UI), North Idaho College (NIC), Lewis Clark State College (LCSC), Fort Ground Neighborhood, and other community stakeholders.
 - Including possible LCDC partnership efforts focused on the **“Four Corner Area”** (defined as the area of publicly owned property adjoining the Government Way, Northwest Blvd. & Mullan Avenue intersection, north to the new River Avenue extension with Northwest Blvd.).
 - **Student Housing:** per ZGF Strategic Plan, “LCDC should work closely with both NIC and UI to evaluate the current housing situation and quantify future needs and types” throughout the Lake District.
 - Help to support the success of the downtown neighborhood-oriented **Sorenson Magnet School** by providing capital funding for appropriate building improvements.
 - Help to support the long-term viability of **Winton Elementary School**.
- **Job Creation & Retention**
 - Continue partnership efforts with Jobs Plus, City and private employers to facilitate job creation and retention.
- **Workforce Housing:**
 - LCDC will play a key support role in helping the City achieve its vision for workforce housing in the community, by pursuing workforce opportunities in both the Lake and River Districts.
 - **Midtown:** continue to encourage mixed-use development supported by Midtown stakeholders.
 - **Downtown:** per ZGF Strategic Plan, “LCDC should explore formal and informal partnerships with local housing agencies, such as IHFA, to support the development of new affordable housing units”.
- **Public Space: Create New & Enhance Existing Public Space:**
 - Help to implement the City Council approved **McEuen Park Plan**.
 - Front Street re-design included in planning efforts.
 - Partner with **Education Corridor** stakeholders to identify and develop public space opportunities within the Education Corridor area.
 - **Four Corner Area** should be explored for public space opportunities.
 - LCDC will partner with stakeholders to encourage **connectivity** of existing and new public space.

- LCDC will continue efforts to secure long-term public access to the lake and river waterfronts (**e.g. Mill River (Johnson) Park**) and continue to leverage public funds to create new public parks (**e.g. Riverstone Park**).
- **Winton Park** – work with City Parks Department to define the park’s long-term community role.
- **Sherman Park** - partner with City and Downtown Association on potential acquisition of this space as a permanent pocket park.
- Continuing Commitments:
 - Continued support of the City Public **Library** partnership by servicing the \$900,000 site acquisition debt obligation.
 - Complete partnership pledge for the **Kroc Community Center**; \$500,000 pledge towards long-term public improvements.
 - Continue LCDC partnership with the North Idaho Centennial Trail Foundation’s **“Prairie Trail”** bike/pedestrian trail initiative (Note: LCDC loaned the Foundation \$2.5 million to acquire old Union Pacific RR right of way).
 - Continue dialogue with pertinent stakeholders regarding possible railroad right-of-way property acquisitions.
 - Evaluate development and connectivity opportunities from the Four Corner area to Mill River.
- **Public Parking:**
 - LCDC, in partnership with the City and the Downtown Association, will help to rationalize and plan for downtown structured parking facilities, possibly including a downtown mixed-use parking facility, and help in rationalizing overall parking needs for the Central Business District (CBD), Education Corridor and Kootenai County campus areas.
- **Midtown Vitalization:**
 - LCDC will partner with the City, Midtown property owners, Midtown businesses, Midtown residents, and Midtown stakeholders on opportunities to enhance the vitality of the Midtown area.
- **Downtown Vitalization:**
 - LCDC will partner with the City, Downtown property owners, the Downtown Association, Downtown residents and Downtown stakeholders on continued economic support to enhance the vitality of the Downtown (e.g. establishment of viable downtown pocket parks, Local Improvement District partnership endeavors where appropriate).

Following are the LCDC Board’s fiscal year 2012 (FY12) and fiscal year 2013 (FY13) annual tactical goals designed to help achieve the aforementioned longer-term LCDC strategic goals.

“Status” Key: **Green** = goal is on track for achievement;
Yellow = goal is in danger of not being achieved;
Red = goal will not be achieved during the fiscal year;
Blue = timeline for goal was rolled over into the next fiscal year.

FY12 LCDC Board Goals - Both Districts			
Theme	Committee Responsible	District / Success Measures	Status
Public Space	Ad hoc: BJ, DG, AH	1) Lake: McEuen Park Plan: construction of city approved improvements initiated	green
	Acquisition	2) LCDC: acq. and planning re. abandoned RR r-o-ws from Ed. Corr. to Huetter Rd.	blue
	Ad hoc: JE, BJ, DP, AH	3) Lake: Four Corners public space opportunities explored	blue
Communication	Communication	1) LCDC: community leaders / stakeholders invited regularly to Board meetings	green
		2) LCDC: communication strategy: continued implementation	green
		3) LCDC: 1 (stretch 2) ULI-Idaho programs held in CDA in FY12	green
Education Corridor	Ad hoc: JE, SH, DD	Lake: Ed. Corr. Phase 1A infrastructure improvements completed	green
Finance	Finance	LCDC: continue frequent review of district economic forecasting models	green
Parking	Parking	1) Lake: land assemblage for future mix-use parking structure continued	green
		2) Lake: parking needs rationalized for CBD, County campus and Ed. Corr. areas	blue
Work Force Housing	Housing	1) LCDC: workforce housing project opportunities identified (IHFA & private sector)	green
		2) Lake: Midtown Disposition & Development Agreement with IHFA completed	blue
		3) Lake: Student housing opportunities identified in Ed. Corridor thru collaboration with NIC	green
Downtown	Ad hoc: BJ, DG, SH	Lake: Incent downtown development via building code review, including 'historic district' possibility	green

FY13 LCDC Board Goals - Both Districts			
Theme	Committee Responsible	District / Success Measures	Status
Public Space	Ad hoc: BJ, DG, AH	1) Lake: McEuen Park: construction of city approved improvements initiated	green
	Acquisition	2) LCDC: acq. and planning re. abandoned RR r-o-ws from Ed. Corr. to Huetter Rd.	green
	Ad hoc: JE, BJ, DP, AH	3) Lake: Four Corners public space opportunities explored	green
Communication	Communication	1) LCDC: community leaders / stakeholders invited regularly to Board meetings	green
		2) LCDC: communication strategy: continued implementation	green
		3) LCDC: 1 (stretch 2) ULI-Idaho programs held in CDA in FY13	green
Education Corridor	Ad hoc: JE, SH, DD, JD	Lake: Student housing opportunities identified thru collaboration with NIC & experts in the fic	green
Finance	Finance	LCDC: continue frequent review of district economic forecasting models	green
Parking	Parking	1) Lake: land assemblage for future downtown parking facility continued	green
		2) Lake: parking needs rationalized for CBD (McEuen Park temp. parking), County campus, & Ed. Corr. areas	green
Work Force Housing	Housing	1) LCDC: workforce housing project opportunities identified (IHFA & private sector)	green
		2) Lake: Partner with IHFA to identify future Midtown opportunities	green
Jobs	Ad hoc: DP, DD, SH	LCDC: Evaluate local job related statistical data to identify pro-active partnership opportunities	green

The Board's accomplishments in 2012 have produced a strong financial position as reflected in the attached financial statements. Following are updates to key LCDC initiatives:

- **McEuen Park** - LCDC, in partnership with the City and the Coeur d'Alene community, helped to initiate the revitalization effort for McEuen Park in 2012. Per plan, the majority of the McEuen Park 2012 effort was completed in the 2012 calendar year. The McEuen Park 2013 effort will begin in the spring of 2013. LCDC remains a committed partner in this initiative.
- **Education Corridor Initiative** – LCDC, in partnership with the City, UI, NIC, LCSC, Fort Grounds Homeowners Association and other community stakeholders, completed construction of the public infrastructure improvements associated with Phase 1A & Phase 1B of the Education Corridor initiative. The Education Corridor initiative included new infrastructure (i.e. new roadways, new sewer/water/fiber lines, bike/pedestrian trails) primarily located on the old DeArmond mill site area of the Education Corridor, and two new traffic signals located on Northwest Boulevard; one located at Hubbard Avenue, and one located at River Avenue.
- **Midtown “Place Making”** – In 2009, LCDC in partnership with the City and Midtown stakeholders, completed the 4th Street reconstruction and place making initiative, which laid the foundation for the transformation of a deteriorated section of 4th street (Lakeside Avenue to Harrison Avenue) into a safer, pedestrian friendly, vibrant corridor. During 2012, efforts were continued to establish a “Midtown Association” comprised of Midtown stakeholders who want to continue the energy on making Midtown a great place to visit.
- **Workforce/Affordable Housing**
 - LCDC, working in partnership with the Idaho Housing and Finance Association (IHFA) and The Housing Company (THC), continues to evaluate the viability of creating a workforce housing initiative in Midtown. The envisioned mix-use project would have retail/office uses at street level, with several floors of residential workforce / affordable housing rental units.
 - Whitewater Creek, Inc. (WWC) Federal Tax Credit Initiatives:
 - LCDC has agreed to enter into a \$326,000 Improvement Reimbursement Agreement (IRA) with the WWC development team pertaining to the development of the “Mill River Seniors” affordable housing initiative along Seltice Way in the LCDC's River District. The Mill River Seniors project is now complete, with rental units fully occupied.
 - LCDC has agreed to enter into a \$395,000 IRA with the WWC development team pertaining to the development of the “Riverstone West Apartments” affordable housing initiative

located in the LCDC's River District. The Riverstone West Apartments project is now complete, with rental units fully occupied.

▪ **North Idaho Centennial Trail Foundation (NICTF) Partnership**

Background: In December of 2006, the LCDC loaned funds to the NICTF to acquire a 5.25 mile section of abandoned Union Pacific (UP) railroad right of way, stretching from the Riverstone development, past the Kroc Community Center, ending at Meyer Road ("Prairie Trail"). The Prairie Trail asset was the collateral for the LCDC loan. Via a land trade process, the following transactions were proposed:

- *Bureau of Land Management (BLM) would assume ownership and long-term management responsibility for the Prairie Trail pedestrian/biking corridor.*
- *NICTF would gain ownership of the BLM-controlled Burlington Northern Santa Fe (BNSF) abandoned railroad right of way in downtown Coeur d'Alene along Northwest Boulevard.*
- *LCDC would have the right to acquire the BNSF railroad right of way property from the NICTF.*

In 2012, LCDC was notified by the BLM that the BLM was withdrawing from their commitment to trade railroad property assets with the NICTF, thus making LCDC's 2006 proposed trade agreement with NICTF unattainable. LCDC and the NICTF entered into a settlement agreement in December, 2012 which ended LCDC's commitment to the 2006 proposed land acquisition/exchange transaction. Via this settlement agreement, LCDC received the Prairie Trail asset from the NICTF. Upon receipt of the Prairie Trail asset from NICTF, LCDC gifted the Prairie Trail asset to the City of CDA for the long-term benefit of the community.

- **Urban Land Institute (ULI)** – in 2012, the LCDC hosted an ULI emerging trends in real estate program in Coeur d'Alene, and also provided sponsorship funding to the ULI-Idaho chapter to continue efforts of strengthening ULI's knowledge sharing efforts in Idaho. ULI, known as the community development industry's "University without Walls", brings a wealth of knowledge to many community development issues. A strong ULI-Idaho will help all communities across Idaho wisely embrace the changing economic times.
- **Riverstone West Phase 2 Improvement Reimbursement Agreement (IRA)**
LCDC entered into an \$823,058 IRA with the Riverstone West development team pertaining to the construction of public infrastructure improvements associated with the building of the John Loop and Suzanne roadways located in the Riverstone West section of the LCDC's River District.
- **Riverstone, Riverstone West Phase 1 & Mill River Owner Participation Agreements (OPAs)** – LCDC's OPAs involving the Riverstone, Riverstone West Phase 1 & Mill River initiatives performed per plan for 2012. All three of these

mix use projects have reclaimed brown field sites along the Spokane River creating public space (in the form of new public parks), jobs, and live-work-recreate mix-use development amenities for the community.

- **Coeur d’Alene Downtown Association Partnership** – During 2012, the LCDC continued efforts to strengthen the partnership with the Downtown Association. The LCDC Board provided a \$50,000 grant to the Downtown Association for their “Events” program (e.g. parades, Car d’Lane, Ironman, street fair).
- **Communication Consultants** – LCDC engaged the services and expertise of two local communication specialists in 2012.

Keith Erickson was hired as a part time LCDC communication consultant. Mr. Erickson’s independent consulting services for the LCDC include newsletter development, media relations, website content development, and public affairs.

LCDC, in partnership with the CDA Chamber of Commerce, hired Teree Taylor as a part time online communication technical specialist. Ms. Taylor, who is employed by the CDA Chamber of Commerce, provides technical website and graphic design expertise to the LCDC and Chamber.

- **Kootenai Youth Recreation Organization (KYRO) Ice Skating Facility**
LCDC completed its \$230,000 grant funding commitment for the Kootenai Youth Recreation Organization (KYRO) ice skating facility involving construction of the following public improvements associated with the facility:
 - trail head access to the Centennial Trail system,
 - Thirty public parking stalls providing shared parking for access to the trail head and the facility,
 - public right of way infrastructure improvements.
- **Key Partnerships / Knowledge Sharing / Communication / Outreach**
During 2012, the LCDC Board continued strengthening partnerships with key organizations and community stakeholders including: City of Coeur d’Alene, Kootenai County, Jobs Plus, Downtown Association, CDA Chamber of Commerce, Area & Regional Developers, and Educational Institutions. LCDC continued implementation of its communication strategy by continuing to invite community stakeholders to LCDC Board meetings, increasing the effectiveness of the LCDC website, and continuing outreach efforts to the Coeur d’Alene community through presentations, newsletters, blog “tile” buttons, videos (under development) and visits with interested target audiences.
- **LCDC Lake District Strategic Property Portfolio**
LCDC has previously purchased certain real property as identified in Exhibit A to the annual report. LCDC intends to take advantage of these strategically located properties to achieve strategic goals within the LCDC’s Lake District. While some of these properties have been owned for more than three years,

LCDC is committed to move forward with planned redevelopment initiatives in an expeditious manner subject to market conditions and initiative timing.

Board Membership & Committees

2012 LCDC Board

Leadership

Denny Davis, Chair Jim Elder, Vice-Chair

Members

Rod Colwell	Deanna Goodlander	Brad Jordan
Denny Davis	Al Hassell	Dave Patzer
Jim Elder	Scott Hoskins	Justin Druffel

2012 LCDC Standing Committees

<u>Acquisition</u>	Chair: Goodlander	Members: Jordan, Davis, Druffel
<u>Parking</u>	Chair: Elder	Members: Jordan, Hassell, Hoskins
<u>Finance</u>	Chair: Colwell	Members: Elder, Patzer, Davis
<u>Housing</u>	Chair: Elder	Members: Hoskins, Goodlander, Hassell
<u>Communications</u>	Chair: Patzer	Members: Davis, Hoskins, Goodlander

Looking Forward to 2013 and Beyond

As shared earlier in this report, the LCDC Board has established long-term (strategic) goals to guide its annual (tactical) goal setting process. The next tactical goal setting exercise will be held in the spring of 2013 to coincide with development of the fiscal year 2013-2014 budget.

Summary

The LCDC Board of Commissioners believes in continuous improvement, and thus continues to refine the LCDC business model. The LCDC's presence, practices and functionality continues to be recognized by community leaders as both a key economic development catalyst for the Coeur d'Alene area, as well as an organization that creates great overall public value for the citizens in the community.

Exhibit A

LCDC Lake District Strategic Property Portfolio

720 Young Avenue
Young Avenue Lots
Library (Jameson) Property
728 Sherman Avenue
630 N. Park Drive
620 N. Park Drive
311 Lakeside Avenue
821 N. 4th Street
622 N. Park Drive
308 CDA Avenue
618 N. Park Drive
612 N. Park Drive
626 N. Park Drive
515 W. Garden Avenue
632 N. Park Drive
516 N. Park Drive
211 N. 4th Street
518 N. Park Drive
712 E. Young Avenue
813-817 N. 4th Street
301 E. Lakeside Avenue
839 3rd / 845 4th Lots
823 N. 4th Street

FINANCIAL STATEMENTS

Audited

Fiscal Year 2012 Year End Balance Sheet

&

Fiscal Year 2012 Year End Income Sheet

Lake City Development Corporation

GOVERNMENTAL FUNDS BALANCE SHEET September 30, 2012

	Lake District	River District	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,080,736	\$ 2,325,591	\$ 3,406,327
Property taxes receivable	460,579	195,729	656,308
Tenant deposits receivable	9,762	-	9,762
Restricted cash - bond reserve	1,670,416	-	1,670,416
Total assets	\$ 3,221,493	\$ 2,521,320	\$ 5,742,813
 LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 385,746	\$ 3,018	\$ 388,764
Accrued payroll and taxes	3,420	-	3,420
Due to other governments	375	120	495
Tenant deposits	12,850	-	12,850
Deferred tax revenue	440,330	183,424	623,754
Total liabilities	842,721	186,562	1,029,283
 Fund balance:			
Restricted	2,378,772	2,334,758	4,713,530
Total fund balance	2,378,772	2,334,758	4,713,530
Total liabilities and fund balance	\$ 3,221,493	\$ 2,521,320	\$ 5,742,813

Lake City Development Corporation

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES For the Year Ended September 30, 2012

	<u>Lake District</u>	<u>River District</u>	<u>Total Governmental Funds</u>
REVENUES			
Tax increment revenue	\$ 3,720,207	\$ 1,542,805	\$ 5,263,012
Rental income	176,816	-	176,816
Penalties and interest	42,695	15,153	57,848
Interest earnings	5,375	4,890	10,265
Total revenues	<u>3,945,093</u>	<u>1,562,848</u>	<u>5,507,941</u>
EXPENDITURES			
Current:			
Arts	75,719	30,696	106,415
Communications	3,884	4,456	8,340
Dues and subscriptions	3,998	2,666	6,664
Insurance	7,189	3,343	10,532
Miscellaneous	-	340	340
Office supplies	3,814	2,742	6,556
Partnership grants	50,000	206,500	256,500
Professional services	56,260	34,852	91,112
Project reimbursements	405,642	258,685	664,327
Property management	49,624	-	49,624
Public improvements	2,686,198	-	2,686,198
Travel and meetings	2,775	1,601	4,376
Utilities and telephone	884	390	1,274
Wages and benefits	109,780	45,101	154,881
Debt service:			
Interest	170,163	54,712	224,875
Principal payments	3,189,930	730,191	3,920,121
Total expenditures	<u>6,815,860</u>	<u>1,376,275</u>	<u>8,192,135</u>
OTHER FINANCING SOURCES			
Proceeds from financing	100,000	-	100,000
Total other financing sources	<u>100,000</u>	<u>-</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCES	<u>(2,770,767)</u>	<u>186,573</u>	<u>(2,584,194)</u>
FUND BALANCES, beginning of year	<u>5,149,539</u>	<u>2,148,185</u>	<u>7,297,724</u>
FUND BALANCES, end of year	<u>\$ 2,378,772</u>	<u>\$ 2,334,758</u>	<u>\$ 4,713,530</u>

CONSENT CALENDAR

A CONTINUED MEETING OF
THE COEUR D'ALENE CITY COUNCIL
JANUARY 10, 2013

The Mayor and Council of the City of Coeur d'Alene met in continued session in the City Hall Former Council Chambers at 12:00 noon on January 10, 2013 there being present upon roll call a quorum:

Sandi Bloem, Mayor

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

STAFF PRESENT: City Administrator Wendy Gabriel, City Clerk Renata McLeod, Finance Director Troy Tymesen, Water Superintendent Jim Markley, Fire Chief Kenny Gabriel, Police Sgt. Christie Wood, Chief Building Inspector Ed Wagner, City Attorney Mike Gridley, Street Superintendent Tim Martin, Senior Legal Secretary Juanita Knight, Chief Civil Deputy City Attorney Warren Wilson, City Engineer Gordon Dobler, and Engineering Project Manager Dennis Grant.

GUESTS: Tom Hasslinger, Coeur d'Alene Press; Phil Boyd, Dick Stauffer, Dell Hatch, and Mike Walker – Team McEuen

LEGISLATIVE WORKSHOP: Finance Director Troy Tymesen stated that the 2013 Legislative Session has begun. He introduced the City's Legislative Committee members as Councilman Kennedy, Wendy Gabriel, Jim Markley, Christie Wood, Kenny Gabriel, Warren Wilson, Ed Wagner, Renata McLeod, and Juanita Knight. Last year the Committee presented items that the Council approved for action. The top four items were presumptive illness law, traffic safety education programs, lifting the population cap on resort city sales tax/local option taxation, and urban renewal. The Committee would seek to confirm last year's issues and visit new items.

Councilman Gookin asked for clarity regarding last year's Council direction regarding urban renewal. Mr. Tymesen stated that the Committee was watching for legislation that would take away the tool of urban renewal, and would send a letter that the city was not in support of the item. Councilman Kennedy explained that there are items that come forward that are in draft form, but Council direction now would give the Committee focus areas to watch and respond to quickly.

MOTION by Kennedy, seconded by Goodlander to authorize the City's Legislative Committee to monitor and support items presented as items A-D (which include

presumptive illness law, traffic safety education programs, lifting the population cap on resort city sales tax/local option taxation, and urban renewal).

DISCUSSION: Councilman Gookin asked for clarification on the process of sending support letters and the language used in the letters. Councilman Kennedy stated that the letters are sent on city letterhead and signed by Mayor Bloem; however, it is not intended to be sent as unanimous support of the City Council. Councilman Kennedy explained the Legislative Committee realizes that sensitivity on issues like urban renewal is high, and will sometimes take no action and let the legislation play out. Councilman Edinger clarified that the City Council is provided copies of the letters as they are sent out.

MOTION to authorize the City’s Legislative Committee to monitor and support items A-D (which include presumptive illness law, traffic safety education programs, lifting the population cap on resort city sales tax/local option taxation, and urban renewal) was carried.

Mr. Tymesen stated that the Committee anticipates actions on the following items during this legislative session and asked Warren Wilson to provide a brief update.

- a. Personal Property Tax Repeal: Anticipated impact to Coeur d’Alene would be \$960,219, and the question is how that money would come back to the city. Other local taxing districts and communities will be effected from 5%-45% of their budgets. Additional concerns stem from the Governor’s State of the State address in which he mentioned making counties whole and did not specifically mention cities.
- b. Stormwater Funding: Mr. Wilson stated that this potential legislation proposed by AIC models a stormwater assessment rather than a fee or a tax. He expressed concern with determining the difference between a fee and an assessment. This type of system would only fund the federally regulated portion of stormwater management and not the state regulated portion. Mr. Wilson felt it would take several years to get this legislation through committees.
- c. NPDES State Primacy: Mr. Wilson felt this would be good legislation for the city, due to the Spokane River and EPA issues.
- d. Sales Tax on Internet Sales: This legislation has come forward for a number of years and might be a good thing for local business.
- e. 2012 Building/Fire Code Adoption: This year includes the new code adoption cycle.
- f. Municipal Water Rights Planning Horizon: Municipalities are not allowed to hoard water rights, so if they are not currently being used, the right would be lost. This legislation would allow for acquisition of water rights for long range planning purposes. 50 years is generally a long enough planning horizon to ensure water rights for future citizens.
- g. Dig Line Legislation: Mr. Wilson explained that this references the one call locate system and this legislation would bring states into compliance with federal requirements.
- h. ILETS Funding: This is a request for dedicated funding for ILETS. Mrs. Wood explained that this is an intelligence system law enforcement that utilizes to look up police records such as active warrants.
- i. Magistrate Court Funding: Sole purpose is to seek increased funding.
- j. Incident Response Fees: The Committee felt this was good legislation.

- k. Apportionment of 911 Services: This is potential legislation to ensure that the system is a pay for services system. Some counties have looked to cities to pay more, which ends up with city residents paying two times for the service.
- l. Election Laws: The Committee believes these codes will be reviewed this session.

Councilman Gookin asked if there would be legislation proposed regarding flagpole codes. Mr. Wagner explained that he would propose a code change to the Building Code Board, who will start the code amending process in March.

MOTION by Kennedy, seconded by Goodlander to allow the City Legislative Committee to move forward on the items discussed as listed above.

DISCUSSION: Councilman Adams stated that it would be important for the Committee to review both sides of the personal property tax report. Councilman Kennedy explained that the Committee reviews and holds discussions on all items. Any items that cannot be agreed upon at the Committee level or are questioned will be forwarded to Administration/Mayor.

MOTION to allow the City Legislative Committee to move forward on the items discussed as listed above was carried.

Mrs. Gabriel requested the City Council begin discussions regarding Front Avenue project curb cuts at this time.

FRONT AVENUE PROJECT CURB CUTS: Phil Boyd, Welch Comer Project Engineer, provided a presentation regarding the design for curb cuts proposed for Front Avenue. He explained that approaches are regulated by the City Code and should meet current design standards. He further explained that the reason the curb cuts are proposed to be removed is to create a pedestrian corridor, ensure pedestrian safety, and to allow for diagonal parking and expanded use of the sidewalk. The removal of curb cuts also achieves an economy of scale in the construction of the project. The design is intended to transform the corridor into a timeless and unique public space now and 75 years from now. Mr. Boyd clarified that if access is allowed it must be sufficient and meet current codes.

Councilman Gookin questioned if the removal was restrictive to the city or to the property owner. City Engineer Gordon Dobler stated that approach standards are requirements to all developers. Mr. Dobler clarified that if Mr. Montandan applied for a permit to change the building the current approach would not be allowed, as it does not meet any design standards and it cannot be mitigated in any way. Mr. Boyd reiterated that is why he believes the city's viewpoint should be looking out 75 years. Councilman Edinger asked for clarification of grandfather rights. Mr. Dobler stated that the city does not give prescriptive rights and that any exception is approved through encroachment agreements, which are semi-permanent and must meet public safety needs. Mr. Dobler explained that he evaluates the facts of the request to retain encroachments and considers if it would prohibit customer access completely or if it is a case of needing to walk further. Additionally, he stated that he hears the argument that it will close the business as a first response to every project. He recommended that the Council consider what the real impact would be and remember that businesses do change hands and what

one business needs is not what the new business would need. Councilman Gookin expressed concern with the city affecting which businesses fail and which succeed. Mr. Dobler stated that he did not believe a business closure could be tracked back to a driveway removal and reminded the Council of the Northwest Boulevard project and similar circumstances.

Montandan Property: Mr. Boyd presented the existing approach conditions to the Montandan property, located at 4th and Front Avenues. The current design includes the removal of the approach with a slightly different layout for the loading zone as the handicap-parking stall has been relocated. Mr. Boyd explained that the existing approach does not meet city standards and he cannot find a way to make it meet city standards. Councilman Gookin asked for clarity as to whether this is the final design plan and if it includes the removal of parking on 4th Street. Mr. Boyd confirmed it is the 90% complete design plan and that it does remove parking on 4th from Front to Sherman. Councilman Edinger asked if the tree in front of the garage could be moved. Mr. Boyd stated that it could, but it would not meet code requirements. Mr. Dobler reiterated that moving the loading zone to be exactly in front of the garage would only be a few feet and then the design of trees and grates would need to be redesigned as well as a portion of the parking garage, as the tree tubes go from street level through to the garage floor. Councilman Kennedy asked for clarity regarding driving over the sidewalk in a residential zone versus a commercial zone. Mr. Dobler clarified that in a residential zone, the pedestrian traffic is less than commercial; however, there are some of the same safety risks and visibility issues. In this design, the diagonal parking increases the need for visibility.

Bank of America/Meyer Property: Mr. Boyd presented the design that included two access points for the Meyer property. One of the access points is a one way into the bank and the other into the parking lot. If the use changes in the future, the city would have the right to remove the approach and replace with diagonal parking stalls. Mr. Dobler stated that he is concerned with vehicles stopping in the middle of the block and negotiating the turn between diagonal parking stalls, which is why he will require the property owner put something in place to ensure that it is one-way access. Councilman Kennedy asked how many spaces would be lost in the plan if the parking was parallel versus diagonal. Mr. Boyd thought the loss would be approximately 40 stalls. Mr. Dobler stated that he has informed the property owners that if the design and mitigation does not work he reserves the right to remove the access. Councilman Edinger asked Mr. Dobler, from an engineer viewpoint, if diagonal parking is more hazardous than parallel parking. Mr. Dobler stated that he does believe diagonal parking is more hazardous; however, the design team has implemented traffic calming devices to mitigate the hazard. Councilman Gookin stated that he is concerned that the design does not meet the big picture theory of McEuen helping the downtown, as certain businesses are being hurt by the removal of the approaches. He believes Mr. Meyer made good points at the last Council meeting regarding the city providing approach approval with the original development permits and that it should be viewed as permanent like sewer lines. Councilman Goodlander verified that there is another lot to the right with access on 5th Street.

Coeur Building: Mr. Boyd presented the design for the Coeur property located at 5th and Front Avenue. This building includes parking in a lot behind the building that is owned by Spokane Television/KXLY. There are easements between the two property owners. The current Front Avenue design could be configured to allow a loading zone. Mr. Boyd explained that if the

access remains it would require the removal of five or six diagonal parking stalls. As the design is presented, they will have access to the parking facility from 5th Street. Mr. Boyd explained that the design included diagonal parking to provide for more parking, change the character of the street, as well as it being a traffic-calming device to slow traffic down.

Councilman Gookin asked why the design did not include shutting down vehicular access to the whole street, as it does not seem to be an efficient use of a street. Mr. Boyd explained that in a downtown corridor the street should encourage pedestrians to shop as compared to a thoroughfare like Government Way. Councilman Kennedy asked if eliminating vehicular traffic would negatively affect the value of a building. Mayor Bloem stated that the City Council had adopted the main street theory at the time of the downtown project, and that it includes the theory that in order to have a strong downtown one should slow people down and create an invitation to park. Mr. Dobler clarified that at the time of the downtown project, the idea was to get traffic on to Lakeside Avenue, but traffic is still on Sherman Avenue, which defies what one would assume. Councilman Gookin questioned if there were any gains from not including parking on both sides of the street. Councilman Goodlander stated that she believes that there would be a loss of view corridor and that it would eliminate the promenade feel on the park side. Additionally, she believes that having diagonal parking puts parking on the street where businesses are and would accommodate future growth. Councilman Adams expressed concern that this prohibits functionality.

MOTION by Edinger, seconded by Adams to retain all six curb cuts.

DISCUSSION: Councilman Gookin stated that retaining the curb cuts would assure the property owners that the city respects the existing businesses and that it supports downtown. Councilman Edinger stated that he thinks diagonal parking is a hazard and that parallel parking is more suitable. Councilman Kennedy clarified that the change to parallel parking would result in the loss of forty spaces. Councilman Kennedy asked Mr. Dobler to address the yellow paint in front of the Montandan property and to clarify if it is an existing loading zone. Mr. Dobler stated that the city does not paint curbs yellow and that sometimes owners or other entities take it upon themselves to paint curbs, but it is not enforceable as it is not a city signed and established zone.

Councilman Kennedy asked City Attorney Mike Gridley to clarify if removal of the approaches creates a liability, as one of the protests to the LID claimed it would be a taking. Mr. Gridley stated that it would not be a taking in that the city is exercising its police powers, for general safety. He further explained that if it were the only access to a building it would be troubling, but there are multiple accesses to each of these properties.

PUBLIC COMMENTS:

Mrs. Berry explained that the Wiggett Mall (Montandan property) is a year round business, which sometimes has to move large items in and out, such as a recent move of a ten-foot glass case. She stated that sometimes furniture must be taken around to the front because it cannot be moved up the stairs. They often fight for parking in front of their building in order to unload and believes it will be worse with the new design. She stated that there has never been an accident due to their crossing of the sidewalk.

Mr. Berry stated that the tree blocking the door would be problematic as he currently uses a 26' truck and that they must have a loading zone. He further stated that the traffic to the park is only busy four months out of the year, but they are a year-round business. Councilman Adams verified that there would still be a net increase in parking spaces if the design changed to parallel parking. Councilman Goodlander asked for clarification regarding parallel parking and the Wiggett access. Mr. Dobler said that if the curb cut were left, it would still allow them to back across the sidewalk and would not meet City Code.

Michael Reagan, representing Coeur, stated the approach was approved with the building permit for the building in the 1980's. The Front Avenue access used to enter the building provides access for deliveries and allows flow of traffic through to the back of the building for exit. He explained that the curb cut at 5th Street is not Coeur property, nor is the alley access. The existing easements are mutual easements between KXLY and Coeur and he believes that removing the access negates the mutuality of the easements and creates a loss of functionality to the building. Based on these points, he believes that it would constitute a taking and would cause a significant devaluation of the property. Mr. Gridley explained that when the property was developed there were several lots owned by the same person; and, when the lots were changed, they did not go through the city's plat process causing them to be created illegally, and that he disagrees with the argument that it is a taking. Mr. Reagan stated that Coeur was not the owner of the property at the time the property was developed and maintains the property was split before the property was developed. He also stated that no accidents have taken place at that location for twenty years. Mr. Reagan said that Coeur would pursue remedy for a taking should the city remove the curb cut. Mayor Bloem asked if the city would have approved that building without off-street parking. Mr. Dobler stated that the city would not have approved a permit without onsite parking. Mr. Reagan stated that the easement provides the parking.

ROLL CALL: Edinger Aye; Goodlander No; Gookin Aye; Kennedy No; Adams Aye; McEvers No. Motion Failed with the Mayor's tiebreaking voting in the negative.

MOTION by Kennedy, seconded by Goodlander to approve the design plan as presented.

DISCUSSION: Councilman Kennedy asked if there is merit to having a canopy at the garage side of the Wiggett property. Mr. Stauffer stated that some downtown buildings have canopies and he believes the code allows for up to 1/3 coverage over the sidewalk. Mr. Hatch agreed that a canopy would work; however, consideration for the future growth of the trees would need to be included in the plan. Councilman Goodlander agreed that a canopy would provide some coverage and would be a good idea. Additionally, she felt the loading zone would have value to Wiggett and other buildings in that area. Councilman Gookin stated that he would oppose the motion, as he does not believe that it supports businesses and further believes the city will be sued. Mayor Bloem stated that this would be the only loading zone in downtown dedicated to a specific business and that there are other successful businesses that load from the roadway and/or alleys every day and continue to be very successful. The plan is about balance, and the design needs to consider what is best for businesses, customers, vehicles, pedestrians, etc. She stated that the most successful downtown philosophy is the Main Street theory, which speaks to providing ample parking, creating a destination to stop people, and not moving vehicles through quickly. This downtown has provided more opportunities for businesses to thrive.

ROLL CALL: Goodlander Aye; Gookin No; Kennedy Aye; Adams No; McEvers Aye; Edinger No. Motion Carried with the Mayor's tiebreaking voting in the affirmative.

RECESS: The Mayor called for a 5-minute recess at 2:03 p.m. The meeting resumed at 2:10 p.m.

2ND TO 3RD STREET: Mr. Hatch presented information regarding the views and vistas through the park to the Harbor House. He referred back to the community values that were used as a guide for the design that has been created over the past two years. He stated that one of the important values speaks to linking the downtown to the waterfront. The view corridor and pedestrian corridor along Front are critical. With the current design, people could easily advance into the park and look for visual identifiers. Due to concerns with traffic flow, the team conducted a traffic study in November 2011. They found the park does generate additional trips; however, the downtown street network can handle the additional traffic with some potential lane changes. The traffic study provided an analysis of the level of service for traffic and he presented the lane movement change based on the future increase of traffic from the park. One design option is to allow limited access between 2nd and 3rd wherein vehicles would no longer move through 2nd and 3rd on Front, with opening only during peak events when Sherman Avenue is closed. Emergency vehicles and maintenance vehicles would continue to have access. Councilman Edinger asked if the Resort bus area would stay or be removed. Mr. Boyd stated that in the proposed configuration the bus parking would be included, as well as an area for service vehicles for short-term parking/deliveries. Councilman Gookin stated that designs for places like Disneyland hide these types of service areas and he would like to see that included in the design.

Mr. Boyd asked the Council to provide direction to the design team as to what route they would like the design team to use to continue to design. Mr. Boyd explained that the traffic study included the downtown street network beginning at 1st and Sherman Avenues and didn't feel they needed to go all the way back to Government Way. Mr. Boyd stated that the Hagadone Corporation mentioned plans for another tower at 2nd and Sherman, which would bring in more pedestrians, and felt this is a good time to consider these future needs. Mayor Bloem clarified that the design team is looking for some action specific to 2nd and 3rd Street. Additionally, she noted that the Hagadone Corporation has agreed to remain in the LID until design for this area is complete. It is her understanding that this portion of the project would not be ready to go with the main bid, therefore the Council could take some time to understand better and put it to bid later and build in parallel. This would allow time to work with the Resort and evaluate it separately. Councilman Gookin expressed concern about how to determine the cost of the LID without the final roadway design. Mayor Bloem stated that the dollar value may change by approximately \$100,000 and that it would not drastically affect the \$2.2 million project. Councilman Kennedy stated that he originally voted in favor of leaving the roadway open; however after meeting with the designers and engineers, then walking the area with their view point, he has changed his mind about leaving it open. He has based this change of mind on the fact that emergency vehicles would still have access and it provides connectivity to the park. Councilman Kennedy encouraged the Council to give direction to the design team today, so that they will know how to move forward. Mayor Bloem stated that she has not been in favor of

closing the street, but is in favor of limiting access. She does not feel like she has all the information needed to make a decision today.

Mayor Bloem asked the design team what affect a delay in this design decision has at this point. Mr. Boyd stated that they need to know what design options the Council wants to see as the team could present several options. Mr. Dobler stated a delay could cause some issues for staff depending on what needs to be built this summer and what needs to be included in the LID information. He would recommend design options come back to Council within a couple of weeks. Councilman Edinger asked if the road were to be closed off would the Hagadone Corporation still be involved in the LID. Mrs. Gabriel stated that if there were any work done there, they would be involved in the LID.

MOTION by Gookin, seconded by Adams to present plans for limited access and the traffic-calmed version of the street (narrowed) and related traffic information for City Council to consider sometime next week.

DISCUSSION: Councilman Kennedy expressed that the Council keeps asking for design changes that affect a normal schedule, and that he believes the Council should give clear direction for one of the two options. Councilman McEvers stated that the Council has seen these plans as presented today. Mr. Boyd explained that under the traffic calmed version, the bus loading and pull out is retained with a green space buffer, it includes a speed table at the corner of 2nd and Front Avenues and the trail runs along the south side of the street, service vehicles would park on the north side of Front Avenue, and the street would include two 12' lanes. Mr. Boyd stated that the limited street closure would be the best design as it balances vehicles and pedestrians. Councilman Gookin stated that he is concerned that the limited street closure would cause the perception that there is a traffic problem. Mr. Dobler stated that the traffic calming option does not solve any of the current issues of vehicular/pedestrian conflicts. He further spoke passionately regarding existing traffic issues and recommended limited access closure as the best solution. Mr. Dobler explained that they might need to make some modifications to Sherman to accommodate boat trailer traffic, which may include removal of bulb outs. In the event of a large boat, the limited access area could be opened. Mr. Boyd clarified that the Resort access would remain and that service delivery would come from 3rd Street. The design team will still need to determine if bollards would be used or some other method of limiting access. Mr. Hatch clarified that under the Main Street theory, street closures are not recommended; however, as they reviewed the anticipated increase of vehicular and pedestrian traffic with the park development, the team felt the closure would provide a unique opportunity to provide connectivity to the City Park, McEuen, and downtown. Councilman Kennedy noted that Bill Regan with Hagadone Corporation was in the audience and asked that he clarify the Resort position regarding participation in costs. Mr. Regan stated that as the design team brings items forward he would be able to formalize the financial end of it. Additionally, he stated that he felt it was important to consider this opportunity and thinks the Council should take the time it needs to solve the pedestrian conflicts.

MOTION to present plans for limited access and the traffic calmed version of the street (narrowed) and related traffic information for City Council to consider sometime next week withdrawn by Gookin, seconded by Adams.

MOTION by Gookin, seconded by Adams to direct the design team to proceed with the design of limited access and provide a canopy to the Montandan property at the city's cost.

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

RECESS: Motion by Gookin, seconded by Adams to recess to January 10, 2013 at 5:00 p.m. in the Library Community room for a Joint meeting with School District 271 School Board; and then to January 14, 2013 at noon in the Library Community Room for a Continued Council Meeting for purpose of the Appeal of the Design Review Commission Decision re: One Lakeside Project. Motion carried.

The meeting recessed at 3:04 p.m.

Sandi Bloem, Mayor

ATTEST:

Renata McLeod, City Clerk

MINUTES OF A CONTINUED MEETING
OF THE COEUR D'ALENE CITY COUNCIL
HELD ON JANUARY 10, 2013 AT 5:00 P.M.
IN THE LIBRARY COMMUNITY ROOM

The Mayor and Council met in a continued session at the Library Community Room on January 10, 2013 at 5:00 p.m., there being present upon roll call a quorum of the Council.

Sandi Bloem, Mayor

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

Hazel Bauman) School District #271 Representatives
Lynn Towne)
Wendell Wardell)
Chairman Hamilton)
Vice Chair Seymour)
Trustee Regan)
Trustee Hightower)
Trustee Seddon)
Marc Lyons)

Wendy Gabriel) Members of City Staff Present
Renata McLeod)
Troy Tymesen)
Mike Gridley)
Steve Anthony)

Mayor Bloem opened the meeting and introduced the purpose of the meeting being further negotiations for the City's acquisition of the School District's portion of Person Field for the benefit of the public. She further clarified that there would be no public comments taken. Chairman Hamilton stated that the School Board's intent is to negotiate a deal that is in the best interest of the community.

City Attorney Mike Gridley stated there has been good negotiation with the School Board representatives and acknowledged that there is a disagreement. One of the fundamental issues is the School District is married to the appraised value. The City's position, based on state codes, is that the legislature would allow public entities to exchange property amongst themselves for the public good. He does recognize I.C. 33-601 is directed to education specifically, but under 4b it provides that real and personal property can be transferred for no consideration. If the School District chooses, they could negotiate any price they saw fit.

Legal Counsel for the District, Marc Lyons, stated that there were two legal issues that needed clarification. One issue is the property history, which was purchased by the District in 1950 from a private party, and then in 1995, the property was subdivided and Lot 2 was transferred to the City in exchange for Lake City High School property. The District has always owned the western portion of the field. The field was not gifted, it was purchased. The second issue is the law regarding selling District property, and that law requires that the District must get an appraisal in order to sell property, which must be done to set the value of the property. The law does provide that the District, in order to dispose of property, must sell it at the appraised value or through a public auction. The other code (I.C. 67-2322) does broaden the power to transfer the property directly to another entity like a city, with or without consideration. This does not override the District's duty to value the property. He clarified that the District would like to reach an agreement so that the field can be used as a park, and has a responsibility to the larger group of citizens within the district boundary. He stated that the law does give some room for negotiation, but everyone has responsibilities. Mr. Gridley agreed that the appraisal is required, and that there is room for flexibility. One point of clear agreement is that everyone would like to see this remain as open space.

Councilman Edinger stated that the City and the District have, over the years, been good partners, worked together on a lot of projects, and hoped that both taxing entities could come to a reasonable conclusion in the best interest of all the citizens. He remembers that in 1995 the District wanted to make a trade with the City for a parcel of land at Lake City High School, then a while later the District needed a portion of the field back for accreditation purposes. He stated that he received a letter from Ken Burchell, who was School District Trustee in 1995 and asked that Mr. Gridley read the letter into the record. Mr. Lyons clarified that the situation now is to get an agreeable deal so this property can be transferred to the City. Mr. Gridley read the Burchell letter into the records.

Chairman Hamilton stated that this boils down to the District's fiduciary responsibility, and that approximately 60% of the taxpayers reside within the City of Coeur d'Alene. Additionally, the District's current financial condition includes an expected \$3 million shortfall. Their goal in this negotiation is that the sale is supported by documentation and left in the hands of the public, and he believes the only way that can happen is for the City to own the park. Chairman Hamilton stated the reason they have approached negotiations the way they have is to keep the City in first position. He does not believe that anyone would say it is in the best interest of the District to gift the City the property. At this point in time, the District must refer to legal documents as the history of the property.

School Superintendent Hazel Bauman stated that she has been involved with the District since 1979; however, was not involved in the 1995 negotiation. The 1995 Land Exchange Agreement does say that a portion of the field was exchanged. She stated that the District has enjoyed a responsible and responsive relationship with the City for years and a disagreement does not have to be the end of that. One stumbling point is the legal parameter that the District has to sell the property for the appraised price, and that if there is some legal wiggle room there is some opportunity for negotiation. The one amount presented by the City values the property at half price, which the District does not think is reasonable, and the question is - is there something in-between. Councilman Kennedy explained that the value was reached using comparables that

were related to parkland acquisition, at \$2.00/sq. ft. He explained that the Joint Powers Agreement negotiations came up during this time, so it was an opportunity to look at how to get money to the District and be fair to our taxpayers. Most taxpayers have told him to make it a park and that the City ought to be able use the gyms when they are not in use by the District. He stated that the City is willing to pay the \$650,000 with the additional value added items. Chairman Hamilton stated that it is not a problem to find value to offset price; however, the District could not offset the Northshire property as they have a current offer from another party. Additionally, he did not think it was fair to encumber an already difficult Joint Powers Agreement. Councilman Kennedy questioned what could be included for value and asked if the District would extend the City's use and discuss the maintenance costs thereafter. Ms. Bauman stated that the District is very interested in renegotiating the Joint Powers Agreement, and that when the gyms are not in use, it is the right thing to allow use, as it benefits the same children. Since the District is in tough financial times, one area they cut substantially was the maintenance department. Upon review, they found the actual costs for gym use from 5:00 to 8:00 p.m. was costing the District approximately \$60,000 for the programs for another entity, while they cannot cover the costs of their own programs.

Councilman McEvers reiterated that 60% of the children come from the City of Coeur d'Alene, and wondered if that were a magic number to use as a formula going forward. Mr. Tymesen clarified that this is not a good asset to divide that way. Chairman Hamilton stated that he agreed with Mr. Tymesen and that they need to find a method that it is revenue neutral. Trustee Regan stated that both organizations are taxing entities, but not the same type. The District has to go back to the taxpayers and ask for more money and they can say no, yet a city can ask for 3% in foregone taxes, which is a known amount. Trustee Regan believes that the property valuation should be based on the appraisal and he does not believe the District can violate the first law. He believes that the trustees' primary focus is to educate children and due to their current financial situation, they decided to liquidate the property, which is not related directly to education. Mr. Lyons clarified that in the reference Idaho Code Title; it does grant additional flexibility for governments to exchange properties. Trustee Regan stated that he is concerned that the District is entering into a period that will require serious cuts and the impression will be that the City received a windfall from the District. Mr. Gridley stated that the code provides for an appraisal so everyone knows its value, but it does not prohibit the trade or transfer. Mayor Bloem stated that there is a clear way to have the appraisal be different and that would be for the District to ask the City for a zone change. Chairman Hamilton stated that there are not any court cases on this and that he does not want the District to be the first lawsuit. He also stated that he did not want to negotiate against the District by lowering the value of the property with a zone change.

Mr. Tymesen stated that in order to understand why the City wrote the proposal it did, one would have to understand the Idaho Code. He stated that there were some interesting facts from the City's perspective. One fact is that in 1995 there were two land agreements executed for the Person Field property, which referenced two separate square footages. Additionally, Person Field is not mentioned in the Joint Powers Agreement. Ms. Bauman stated that the District is looking for a win-win agreement, but the District is currently subsidizing \$60,000 a year, and when the City references extending the use over ten more years it would cost the District \$600,000. She acknowledged that it would be difficult to identify everything that goes on between the two entities; however, the District can quantify the use of the gyms. Trustee Regan

stated that he wants to make sure that the gyms have the highest utilization rate, but wants it to be equitable. Mr. Gridley cautioned that this issue could be a slippery slope, as the entities could start going back and forth regarding costs and shared use. Councilman Goodlander stated that she felt it was important to remember the City provided \$950,000 in funding to the District when the gyms were built to ensure shared use. Chairman Hamilton stated that those gyms were dealt with in the existing joint powers agreement, and that he would consider extending the term, provided it is negotiated as revenue neutral. Councilman Kennedy questioned what language would work to make up the gap and allow him to make a motion to move forward. Councilman Adams asked if the District had some wiggle room for a cash offer and wondered if there were a specific number for a cash offer. Ms. Bauman stated that the District has not talked about that yet. Chairman Hamilton stated that at the District's meeting on Monday, they were under the impression they had to get full-appraised value and that they were willing to find a way to equalize the value gap.

Councilman Adams stated that as a citizen, he has a personal passion to protect Person Field and the junior tackle program, and as a councilman, this is treated as a business deal. He is not sure the citizens are as concerned with the business aspect of the deal and feels that the City needs to do what is best for the community as a whole. The citizens have told him to just write the check. Mayor Bloem stated that when referencing ownership of the land it should be clear that the citizens own the land. Additionally, she stated that it saddened her to be trying to negotiate to a revenue neutral impact and that she does understand the financial circumstances of each entity.

Mayor Bloem stated that the City represents a narrowed taxing district and the children that use the facilities also live outside of the city limits, but the City still pays for the use. It is not easy for the City to write the check, and it may need to wait until the end of the year to do so. She expressed her desire to negotiate the dollar price and find a middle ground. Mr. Wardell stated that the Joint Powers Agreement is the wrong place to look for value, as it is a problematic agreement. He suggested looking at the School Resource Officer positions and the new security agreement to be a place where value can be sought. Councilman Edinger asked if the security money would be a part of the levy. Ms. Bauman stated that they do not know how the levy will be set up; it could have two questions, one to the levy, and one regarding the funding for security money. Councilman Kennedy felt it would not be right to equate security to a land deal.

Councilman Kennedy suggested that for the price of \$655,000 the District agree to sell Person and Bryan Field and worry about the Joint Powers Agreement later. Mr. Lyons stated that Bryan Field has not been appraised and that the District would need to get an appraisal before it could sell the property. Mr. Gridley suggested that this deal would get the District out of determining value for city services and would compare apples to apples rather. Mr. Wardell suggested that the appraised value of Bryan Field plus the \$655,000 would be a fair price. Councilman Kennedy clarified that he is looking at \$655,000 in total for both properties, which would mean two parks into the City's hands and the District gets the money it needs. Trustee Hightower stated that he believes the property should be appraised first. Ms. Bauman stated that she believes this deal would be a win-win and that the District does not want to be in parks business and the District gets cash. Trustee Seddon questioned if the agreement would require all of the property be zoned as parkland, so the citizens are protected from future Council changes. Mr. Gridley suggested a deed restriction stating the land must be used as parkland. Councilman

Kennedy expressed concern that a deed restriction may prohibit a community building or doing something great on the property that benefits the community. Mr. Lyons stated that the District could look at deed restriction, but would think the City would not want that; however, the City could determine the restriction. Councilman Kennedy stated that the City has planned to meet with the neighbors to seek ideas for the open space. Councilman Goodlander reiterated that they are all in agreement regarding the acquisition of Person Field, and this opportunity to acquire Bryan Field just came up. She stated that the Council is not always comfortable using Fund Balance and will need to make sure the City has operating capital in place. Councilman Kennedy reiterated that the suggestion is \$655,000 be the purchase price for both parks, with an appraisal of Bryan Field to be done later, so that it does not delay negotiations. Trustee Regan felt the deed restriction has value and it could justify a lower price for the land. Additionally the restriction could be for recreational uses, rather than parkland, with the value going to the public. Mr. Gridley felt that he could construct the right language. Ms. Bauman stated that it sounded like there was agreement. Councilman Edinger said that the City does all the maintenance on Bryan Field and many people already believe it is a City park.

Motion by Kennedy, seconded by Goodlander to allocate \$655,000 for the purchase of Person Field and Bryan Field, subject to a legal deed restriction.

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

Mr. Lyons felt that including the Joint Powers Agreement into the negotiations would bring in too many moving parts. He stated that the District needs to conduct an appraisal on both properties, and then the board would have to make a determination if it were in the best interest of the District and he cannot say it would land on \$655,000 but it does lessen the complications. Chairman Hamilton stated that a middle ground price would be \$3/sq. ft., which would put the purchase price at \$750,000. Ms. Bauman stated that the District could counteroffer after the appraisal. Mr. Wardell thought it would take approximately 3 weeks to have an appraisal completed.

Trustee Hightower asked if the City would agree to \$750,000 for both properties. Mayor Bloem stated that the Council could make a motion to set a minimum and a maximum. Councilman Gookin stated that the City could come back to the table if the price were over \$655,000. Chairman Hamilton expressed his agreement with the \$750,000 number. Trustee Hightower concurred with Chairman Hamilton. Mayor Bloem summarized that the City made an offer; the District will get an appraisal for Bryan Field, and then the District can present a counteroffer to finalize the deal.

Chairman Hamilton stated that he thought a motion from the School Board would demonstrate its support. Motion by Hightower, seconded by Seymour to sell both properties to the City of Coeur d'Alene for \$750,000 pending completion of the requirement for an appraisal. Motion Carried.

RECESS: Motion by Edinger, seconded by McEvers to recess to January 14, 2013 at noon in the Library Community Room for a Continued Council Meeting for the purpose of the Appeal of the Design Review Commission Decision regarding the One Lakeside Project. Motion carried.

The meeting recessed at 6:37 p.m.

Sandi Bloem, Mayor

ATTEST:

Renata McLeod, City Clerk

MINUTES OF A CONTINUED MEETING OF THE
COEUR D'ALENE CITY COUNCIL
HELD IN THE LIBRARY COMMUNITY ROOM
ON JANUARY 14, 2013 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 January 14, 2013, there being present upon roll call a quorum.

Sandi Bloem, Mayor

Woody McEvers) Members of Council Present
Steve Adams)
Dan Gookin)
Deanna Goodlander)
Mike Kennedy)

Loren Ron Edinger) Members of Council Absent

STAFF PRESENT: Wendy Gabriel, City Administrator; Warren Wilson, Deputy City Attorney; Troy Tymesen, Finance Director; David Yadon, Planning Director; Renata McLeod, City Clerk; Mike Gridley, City Attorney; Jon Ingalls, Deputy City Administrator; Kenny Gabriel, Fire Chief and Tami Stroud, Planner.

CALL TO ORDER: The meeting was called to order by Mayor Bloem. Mayor Bloem stated that she would recuse herself from the proceedings and asked Councilman Kennedy to take over the proceedings.

Deputy City Attorney Warren Wilson stated the purpose of the meeting is to hear a quasi-judicial appeal of the One Lakeside, L.L.C., project Design Review Commission (Design Commission) determination. This is a unique hearing as no new evidence can be introduced into the record and no new testimony can be taken. The only argument to be heard should be in reference to the decision of the Design Commission. He clarified that there will be no public comments taken. The one issue to determine at this hearing is if the Design Commission incorrectly applied the design standards. Objections to parking, height, density, and parking impacts are not reasons for appeal. He asked the City Council to disclose any ex parte contact including any site visits. Additionally, councilmembers should disclose when the contact occurred and what was discussed.

Councilman Goodlander stated that she has spent time with Mr. Don Sausser at his apartment in the Hagadone apartment complex and discussed the views and vistas and the potential interference thereof. Councilman Gookin stated that his ex parte contact consisted of his reading of articles in the Coeur d'Alene Press and he has discussed the tower and regulations with Planning Department staff. On October 5, 2012, Councilman Gookin received and replied to an e-mail from James Crowe, a resident of Coeur d'Alene North, and on November 1, 2012, he attended a portion of a Design Review Commission meeting and spoke to constituents who live

in Coeur d'Alene North and the Lake Tower buildings after the meeting. He also spent time with Mr. Saucer at his apartment, studied the views from his apartment, and met with another resident of the apartment complex. On November 3, 2012, he received an E-mail from Curt Olson and visited his apartment in the Coeur d'Alene North apartment complex. At the November 6, 2012 Council meeting, he made a comment about the building that is reflected in the Council meeting minutes. On January 6, 2013, he received a text message from Robert Cliff who expressed his opinion regarding the project and its impacts on the surrounding properties. Councilman Adams stated that he met with Mr. and Mrs. Curtis Olson at their condominium in early November and discussed their view. Councilman McEvers stated that he received a couple e-mails but did not respond. Councilman Kennedy stated that he received an e-mail containing a meeting request, but declined. He also received a text from Robert Cliff and responded he could not comment on this issue.

Mr. Wilson stated that the next step is for each Councilmember to consider if what they heard or saw would prevent each from being impartial and to question if they were able to make a decision based on what is heard today without bias. The Councilmembers confirmed they would be able to be impartial.

Mr. Howard Damiano spoke as the appellant. Mr. Damiano disagreed with Mr. Wilson regarding the purpose of today's meeting and stated that he had provided copies of code sections to the Council and a PowerPoint presentation. According to Municipal Code 17.09.335 (b), the rights to appeal, states that the City Council's review of the decision shall be based on the record developed by the Commission. The appellant must establish that an error was made in the decision or that design standards were not applied correctly. He presented a summary of transcripts from the Design Review Commission meeting held on November 1, 2012, and outlined Mr. Wilson's remarks that he believed to be inaccurate. Specifically, he believes that the Commission is charged with protecting property rights and values and complying with all state and city statutes, rules, and regulations.

Mr. Damiano stated that the decision was based on 17.09.335, but he does not believe that should be the case, because if the Commission protects property rights, one would not be able build a building over four stories. He also stated that any agency of government is required to determine if they are embarking on a potential taking, through the use of the Attorney General's checklist. According to Mr. Damiano's completion of the check list, it demonstrates two check boxes filled, which would require the City to stop what they are doing. The Comprehensive Plan (page 72) includes a policy to protect private property rights and private property values. All of these items were in the record through prior testimony. He explained that the purpose of the Zoning Ordinance, as outlined in M.C. 17.01.015, the rights of a majority are more than the applicant (sometimes referred to as a public nuisance) and also includes a clause to protect property rights and to enhance property values. He stated that the Idaho Code, Local Land Use Chapter requires the private property rights analysis is required and requires the city to complete the checklist for all administrative decisions he previously mentioned, with no exception. The Idaho Regularity Takings Act Guideline clarifies that property rights, even intangible property rights, cannot be taken without just compensation. In 1994, the Idaho legislature added to Chapter 80, Title 67, when the Attorney General's office wrote a letter stating that the 5th

Amendment of the United States Constitution and the Idaho State Constitution ensure that private property will not be arbitrarily confiscated by any agency of government.

Mr. Damiano stated that he believes there was plenty of testimony given demonstrating that it would affect private property rights and values, which no one disputed, and if the building were built, it would destroy the enjoyment of those living in Coeur d'Alene North. The Attorney General checklist he completed contained marks in boxes (4 and 5) which state that there would be a significant impact on the landowner's economic interest (as it devalues property) and that the action taken denies a fundamental attribute of ownership. He stated that the Downtown Core Development Ordinance was approved in the September 5, 2006 Council Minutes, was passed unanimously by the Council, and included the establishment of a Downtown Design Commission, including the duties and responsibilities. He reiterated that only one of the established duties was allowed to be examined by the Commission, as they were advised that there was nothing else they could do. He reviewed several excerpts from the CDA Garbage vs. City of Coeur d'Alene case, which reiterated the constitutional protection of private property rights. He stated that the ordinance contains the protection the city needs and they should apply it.

Mr. Wilson clarified that the Council could ask questions of Mr. Damiano at this time. Councilman Gookin asked what his opinion of the building design was. Mr. Damiano responded that he thought it was excellent, although it should be built where the old Elks building is located. He also stated that the ordinance precludes it from going on the Mudge property, and that the only reason it got through the process is that the advice the Commission received was that they could do nothing else. Councilman Kennedy asked whose property rights were superior - yours or the property owners. Mr. Damiano stated that he believes that it should be looked at, and the City should examine the developer's property rights, since the developer bought the property for \$660,000 and it continues to remain that value, but the Zoning Ordinance has limited development to no more than four stories, which causes the property to be limited. It could be argued that rights were taken away for full development potential.

Mr. Wilson stated that Mr. Damiano has misunderstood the laws of the State and the City ordinances and processes. The only basis for appeal is the design, Mr. Damiano has no issue with the design, and that the Council should reject the appeal. Mr. Wilson clarified that under Municipal Code 17.05.690 a building can be developed up to 200 feet, and that it can be built to 220 feet if certain conditions are met. He also commented that M.C. 17.05.650 (B) sets forth the vision for the area to have the highest intensity uses, such as mid-rise and high-rise buildings in this area of town. Additionally, Mr. Wilson explained that the Design Commission could only review the design as M.C. 17.09.310(b) states no comment shall be accepted regarding basic zoning standards such as building height, density, and use. Additionally, M.C. 17.09.325 states the applicant has the obligation to prove the project complies with the adopted design standards and guidelines, and that is the basis of review of the Commission and they may not consider anything outside of the guidelines. M.C. 17.09.330 stated that the Record of Decision is defined to include public comment germane to the design. M.C. 17.09.335, Burden of Proof on an Appeal, states that merely objecting to the development's height, intensity, parking, or traffic impact are not grounds for appeal because they are not design criteria. Mr. Damiano is not objecting to the design of the structure, he is objecting to the height of the structure. The Council

would need to determine if the Commission has misapplied the design guidelines. No arguments were presented that the guidelines were misapplied, so there is nothing other than for the City to deny the appeal, to do otherwise would violate the developer's rights.

Councilman Goodlander clarified that the City's zoning code allows up to 200' in height, which the applicant meets, so the Council is just talking about the design during this appeal. Mr. Wilson confirmed that the zoning and code related issues would be reviewed at the time of building permit application and project review. The Council could repeal the design review code tomorrow and the applicant can still build the building tomorrow.

Councilman Gookin stated that Mr. Damiano has raised issues with various codes and questioned where he would seek relief to those points. Mr. Wilson stated that there is no impact to the design, and that Mr. Damiano's issues are the height and blocking of views.

Councilman Kennedy asked for clarification regarding the Regulatory Taking Act. Mr. Wilson stated that he does not believe the takings analysis is applicable to this case. Councilman Gookin asked if there was anything in our code that clarifies what design is and that it specifically excludes height. Mr. Wilson clarified that the Design Review Ordinance does not include height in its list; however, under the public comment section it clearly states that no public comments should be taken regarding height. Councilman Adams asked if there were examples where the developers have compensated for that restricted view. Mr. Wilson stated that the developer is not a government, so the taking regulations would not apply to nongovernment entities. Councilman Goodlander stated that she believes there will be an impact on views and vistas. She questioned what would be the impact if the City denied the developer. Mr. Wilson stated that the City would be looking at a taking, since the developer meets the code requirements. The developer could also seek an injunction requiring the City to issue a permit. Councilman Kennedy asked if Mr. Damiano were still allowed a rebuttal. Mr. Wilson stated that would not be appropriate since there has been no evidence presented regarding the design. There is no basis to meet the basic threshold for an appeal. Councilman Kennedy clarified that the Council would need to accept or reject the appeal at this time. Mr. Wilson indicated that there is no harm in allowing rebuttal, but there are no grounds for an appeal.

The Council agreed to provide Mr. Damiano time for rebuttal.

Mr. Damiano stated that there is a basic disagreement between the arbiters of the ordinance, and that this is not about design, but the Commission's obligation to meet the duties within the ordinance. He believes that the ordinance is in contradiction of a 14-story building. He requested the Council look at the words and not listen to Mr. Wilson. The attorney for the Coeur d'Alene North residents, Mr. Reed, agrees that they would have grounds for a taking and Mr. Wilson does not know what a taking is and is not giving good information.

Councilman Gookin asked Mr. Wilson what latitude the Council has in the appeal. Mr. Wilson stated that the ordinance states the appeal hearing is about the design and that parking impacts or height, etc. cannot be considered. Mr. Wilson clarified that the standard is set and the City cannot change the rules half way through the process; however, the Council can change the

Ordinance for future developments, but not for this project. The application has a right to be judged based on the regulations in affect at the time of the application.

Motion by Councilman Gookin, seconded by McEvers that based on the testimony of the appeal of the design, there is no grounds for appeal.

DISCUSSION: Councilman Gookin stated that Mr. Damiano made good points and is a big supporter of property rights and the information presented seems correct. The City has allowed the developer to develop the property they own. He believes one's property rights ends at their own property lines. He further clarified that the government regulations regarding a taking have to do with the City, not private development. The government is restricted by what it can do and it is not the City's decision to tell the developer to build at the Elks property. Additionally, he agrees that views will be gone, but under the City's rules, that is not a part of design. He wondered if there is something or some other way to pursue it and empathized with the neighbors. Since the appeal process has to be design-related and Mr. Damiano stated that the design is excellent, is seems it is the fair thing to do. Councilman Adams stated that he would echo Councilman Gookin and that he read the Minutes of all the Design Commission meetings and that Mr. Damiano continued to say the design is excellent.

ROLL CALL: Adams Aye; Goodlander Aye; Gookin Aye; McEvers Aye. Motion carried.

ADJOURN: Motion by Gookin, seconded by Goodlander that there being no further business, this meeting is adjourned. Motion carried.

The meeting adjourned at 1:37 p.m.

Sandi Bloem, Mayor

ATTEST:

Renata McLeod, City Clerk

**MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,
HELD AT THE LIBRARY COMMUNITY ROOM
JANUARY 15, 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 January 15, 2013 at 6:00 p.m., there being present upon roll call the following members:

Sandi Bloem, Mayor

Mike Kennedy) Members of Council Present
Woody McEvers)
Deanna Goodlander)
Dan Gookin)
Steve Adams)

Loren Ron Edinger) Members of Council Absent

CALL TO ORDER: The meeting was called to order by Mayor Bloem.

PLEDGE OF ALLEGIANCE: The pledge of allegiance was led by Councilman Goodlander.

PRESENTATION – CITY SOCIAL MEDIA SITES: Communication Coordinator Kristina Lyman presented the City's two new communication channels Twitter and Facebook. She presented a brief video explanation of social media. She presented the social media accounts and expressed the goal is to open communication to residents and provide information and engage residents. The community can access these sites at Facebook.com/CDAgov and Twitter.com/CDAgov. She requested community members become friends and like the Facebook page and follow the City through Twitter in order to receive updates, become engaged and have dialog. Councilman Gookin asked how records retention is addressed. Ms. Lyman stated that the Legal Department is investigating the requirements; however, other cities are relying on Facebook and Twitter for those records.

PUBLIC COMMENT:

FRONT AVENUE CURB CUTS: John Montandan, 1010 Sherman Avenue, read the vision statement of the City of Coeur d'Alene. He does not believe that it is sound economy, as stated in the vision statement, to remove the curb cuts on Front Avenue. He reiterated that his building only has the one entrance and asked the Council to revisit their decision. Councilman Gookin stated that the only way the City could address this again is if it agrees to bring it up again or it is water under the bridge. Mrs. Gabriel stated that there is a procedure to reverse a motion, which would require the person who made the original motion to make the request. Councilman Gookin stated that he does not think there would be a change in the vote and that he believes that the Council could take under consideration during the LID discussion. Mr. Montandan stated that he does not want money, that he wants the curb cut and believes it is illegal to remove it.

PERSON FIELD: Glen Anderson, 1630 Elm Avenue, stated that he has a background in business and does not understand why it took months to negotiate a deal with the School District. People should be the first priority and children second priority in the deal. He stated that the City should go back through the deal and make sure the children are the priority. He did not agree with the City requesting two pieces of property and other values as it costs the children. He stated that he believes that using the school property without compensation is child abuse and that the City should pay to use the facilities because the school needs the money. The school should determine how much they could make off the land.

OPEN SPACE MANAGEMENT PLAN: Mac Cavasar, 4091 W. Lennox Loop, recently attended a Pedestrian Bike Committee meeting and appreciated the headway they were making. He would like the Council to continue to use that group as a sounding board for nonvehicle access issues. He also attended the Parks Commission meeting and heard the open space plan presentation and would like the Council to embrace the plan as it is good for the community and opens up access. Additionally, the Highway 95 bike route is a real asset to the community, and it will need to be maintained with plowing and upkeep, but in the long run the City cannot go wrong in determining it an asset.

Andrea Cronebaugh, 6471 N. 16th Street, supports the Natural Open Space Plan and believes it is very important. As a member of the committee she wanted the Council to know that there was a key to the language use regarding should, could, would and public input was heavily sought.

Chuck Hosack, 1020 Mountain Avenue, stated that as a Tubbs Hill Foundation member he served on the Open Space Committee and thanked Mike Kempton for putting the plan together. He would have liked to see a provision regarding how special Tubbs Hill is, but did not feel it needed to be in a management plan. He wanted to clarify to the Council that approval of the plan will amend the Tubbs Hill management in three areas. Those areas are that the north side trail, trail connecting the parking lot, and the trail head at City Hall have been removed; accessibility on the eastside is no longer referred to as a pilot project as it is now stated that the trail will be constructed with the use to be monitored, and clarified that it is not a pilot trail for other accessible trails; and the extension of the fire road. The Tubbs Hill Foundation disagreed with the extension of the fire road; however, the Fire Department recommended some language regarding a primitive trail that was agreeable. He expressed no objections to the plan.

Nils Rosdahl, 3362 Thomas Lane, stated that he is the current President of Tubbs Hill Foundation and requested that the plan include language that states that the Foundation must be consulted before any action is taken on Tubbs Hill.

CONSENT CALENDAR: Motion by Kennedy, seconded by Goodlander to approve the Consent Calendar with removal of item number 4(a) for separate consideration. Motion carried.

1. Approval of minutes for January 2, 2013.
2. Approval of Bills as Submitted.
3. Setting of General Services and Public Works Committees meetings for January 22, 2013 at 12:00 noon and 4:00 p.m. respectively.
4. **CONSENT RESOLUTION NO. 13-005** 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 ~~APPROVAL OF NEW PATROL VEHICLE PURCHASES~~; APPROVING THE REQUEST FOR DESTRUCTION OF PROJECT COORDINATOR RECORDS; APPROVING THE DECLARATION OF SURPLUS VEHICLE FROM THE WASTEWATER DEPARTMENT; AND APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH WELCH COMER ENGINEERS FOR CONSULTANT SERVICES – ATLAS II WATER WELL AT ATLAS AND HANLEY.

5. Relinquishment of Stormwater Line Easement in the Riverstone Subdivision.
6. Setting of a public hearing for Wastewater Rates/Fees for February 19, 2013.

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

NEW PATROL VEHICLES PURCHASE: Councilman Kennedy stated that the General Services Committee approved the purchase based on bids received. On January 10, Edmark Chevrolet from Meridian, Idaho stated that they had provided an incorrect quote and could not honor the original quote. He stated that the new low bidder would be within the budget and recommended that the City continue with a new bid from Knudtsen Chevrolet.

Motion by Kennedy, seconded by Adams to approve item 4(a,) the purchase of new patrol vehicles, as presented.

DISCUSSION: Councilman Goodlander stated that she appreciated the Police Department going back to Knudtsen and buying locally.

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

COUNCIL COMMENTS:

COUNCILMAN GOOKIN thanked everyone for the joint meeting between the School District and the City, specifically Wendy Gabriel, Amy Ferguson, and Renata McLeod, who put it together so quickly. He stated that he had an E-mail from Police Volunteer Larry Seward, who stated that they found two stolen vehicles over the holidays, free of charge, so he wanted to thank the volunteers.

COUNCILMAN ADAMS addressed the Council in regards to his support of the motion to request LCDC funds and further apologized to the public. He stated that he had a momentary loss of judgment in supporting the motion. He believes McEuen Park should be completed at the budgeted amount of \$14.2 million as originally planned.

APPOINTMENTS: Motion by Goodlander, seconded by McEvers to approve the appointment of Tom Messina and Ben Wolfinger to the Personnel Appeals Board and Barbi Harrison to the Childcare Commission. Councilman Gookin clarified that he has voted no on the appointments for several months and wanted to let the public know it is about the process not the people, and that he felt the process should be more transparent. He further stated that he would continue to vote no. Motion carried with Gookin voting No.

ADMINISTRATOR’S REPORT: City Administrator Wendy Gabriel announced that the City of Coeur d’Alene Arts Commission is seeking artists to participate in its “ArtCurrents” program. Information packets are available at City Hall, or online at www.cdavid.org. Artist proposals are due by 5:00 p.m., April 12, 2013. The Coeur d’Alene Arts Commission is also seeking artists for the Utility Box Beautification Project. Five box locations have been designated to be enhanced in Coeur d’Alene. Information packets are available at City Hall or online at www.cdavid.org. Artist proposals are due by 5:00 p.m., April 19, 2013. For more information, call Steve Anthony at 769-2249. On Monday, January 21st, Coeur d’Alene City Hall will be closed for the Martin Luther King, Jr. Holiday. Other City offices and facilities will be closed as well. Emergency calls for Police, Streets, and Fire can be made by dialing 9-1-1. City Hall and other facilities will open on Tuesday, January 22nd, at 8:00 a.m. The City received a \$14,120 Dividend Check last week from the Idaho State Insurance Fund related to the 2011 Policy Period based on claims and/or expenses relative to the cost of premiums paid. She reported that the continued success is due to the City’s Risk Reduction Committee, City’s Management Team, and City Staff for proactively seeking and supporting a safe work environment. The City and school officials are a step closer to finalizing a deal for the purchase of Person Field. The City met with the School Board last Thursday evening to discuss the sale of the District’s half of the field. The City, which owns the other half, wants to acquire the property in an effort to keep the field public green space. The City will buy the District’s half of Person Field and acquire Bryan Field as part of the package. The District will get an appraisal of Bryan Field (which could take three weeks to complete) and negotiate from there. The Lake City Development Corporation met last Thursday in a special meeting to discuss the McEuen funding to include the full array of amenities for the McEuen Park project. She stated that the Lake City Development Corporation is likely to make a decision on this matter at its meeting tomorrow. Area schools are back in session after the holiday break and administrators and teachers are working diligently to return a sense of normalcy to the buildings after the Newtown, Connecticut incident. During the holiday break the School District and Coeur d’Alene officials met to continue earlier discussion regarding the importance of school safety. A mutual decision was made to immediately fill the vacant Canfield Middle School Resource Officer position. The assignment of an officer to Canfield will bring the total number of officers in our High Schools and Middle Schools to six. The Police Department intends to use the six officers to also show a visible presence at the Elementary Schools. New water rates and capitalization fees have been approved and go into effect on March 1st. The increase is 2.5% for the water rates and 5.5% for the capitalization fees. The City will be sponsoring a 2nd annual Development Forum on February 28th, at 11:30 a.m., in the Library Community Room. The forum is an opportunity for the building community, developers, builders, architects, and engineers to dialogue with City development-related staff with the goal of sharing information and listening to the development community to enable the City to improve processes and responsiveness. There are a lot of events happening at the Coeur d’Alene Library this month. Events include the ReTool Box that is a free computer literacy help session; an open house called “E-Book Basics” this Thursday from 4 – 6 p.m. in the Library Community Room, wherein Library staff and volunteers will be on hand to walk you through the process of the various formats of e-books; and the annual LEGO-rama event scheduled this Saturday, 1-3 p.m., in the Library Community Room. This year’s LEGO-rama event will have an environmental theme, with entries representing some aspect of alternative/renewable energy – cars, boats, houses, etc. – using solar, wind, human, or other power source. For more information visit the Seagraves Children’s Library or the Library website at www.cdalibrary.org. As a reminder to City of Coeur d’Alene utility customers, the new Drainage System Utility Fee will appear on the January utility bill. If you have any questions,

please call Utility Billing at 769-2223. Councilman Gookin clarified that it is no longer called the stormwater utility; it will now say drainage utility on the bill.

RESOLUTION NO. 13-006

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ADOPTING THE CITY OF COEUR D'ALENE NATURAL OPEN SPACE MANAGEMENT PLAN (NOPSP).

Councilman Kennedy stated that the Open Space Committee was very diligent in putting together the plan and took its time with determining the meaning of should. The Parks and Recreation Commission and the General Services Committee have indorsed this plan for Council consideration.

Parks Lead Maintenance Worker Mike Kempton stated that the project began in 2009. Mr. Kempton presented a synopsis of the Natural Open Space Management Plan. He express that the plan is intended to set forth standards for management of open space, such as wildlife management, public access, and fire prevention/protection. Tubbs Hill is the best known site; however, open spaces also include Fernan Lake Natural Area, Canfield Mountain Trails, Cherry Hill Park, Veterans Centennial Natural Park, and Winton Park. Councilman Adams recommended a review of the entire plan to the citizens, as it is extremely detailed and amazing. Councilman Goodlander asked if the Veterans Park donation had specific requirements. Mr. Kempton stated that there was a requirement regarding the name and that the land would need to be an open space park, and he believes that the tree arboretum would meet that requirement. Councilman Gookin stated that he received an E-mail from Jeff Anderson, a representative from the Armstrong Park Homeowners Association, that stated that the Association still has issues with the park, for example the increased fire hazard.

Councilman Gookin asked about the access to the property, as a Quit Claim Deed was presented to the General Services Committee in October 2012 and it has not returned to the Committee for approval. Mr. Kempton stated that there have been discussions with ITD regarding ownership of the property. City Attorney, Mike Gridley stated the item was pulled to provide time to discuss the access with homeowners and he is ready to bring it back to General Services. Councilman Gookin asked about a potential deed restriction. Mr. Gridley stated that it would not affect the acceptance of the Quit Claim.

Councilman Kennedy stated that he is not sure the Association would ever be 100% behind the park as it will open access that was unused for some time and that there is a value to all citizens to have open space in that area of town. He clarified that the plan is not authorizing new parks or parking lots, it is a plan, and any new details would come back to Council for consideration. Deputy Fire Chief Glenn Lauper stated that one of the points in Mr. Anderson's E-mail is that the City has deemed this park area an extreme fire hazard. The Fire Department utilizes a numerical system through the International Wildland Urban interface Code. Tubbs Hill is rated a 99, which is extreme; Cherry Hill is rated as 45, which is moderate; and Armstrong/Fernan area is rated 76; which is barely into extreme zone. If the plan is adopted, it includes six steps to reduce the fuels, and provide more access, which could drop the score. He stated that he believes that they are good recommendations for all open spaces. Deputy Chief Lauper stated that the Armstrong Homeowner's have requested that the park be closed until the six steps are done; however, the

park is already open and he would not want to close down the park. Deputy Chief Lauper clarified that if the Council approves the plan, and then there are steps to take to gain access and keep any fire small. Councilman Gookin asked why there is such a difference in the rating between Fernan and Tubbs Hill and if use has anything to do with the rating. Deputy Chief Lauper stated that Armstrong has water supply and road access and that there have been 10-12 fires on Tubbs Hill, which are usually small, but winds could be problematic, and that they were all started by people. Councilman Gookin stated that the people started fires are what the Armstrong Association is concerned with, as the more people the more the fire hazard. Deputy Chief Lauper stated that the bigger threat is the south side of the Armstrong Hill. Councilman Gookin asked Mr. Kempton if the area can be open space without access. Mr. Kempton stated that in theory it could and that the existing plan has a very limited trail system. The problem with no access is that people will camp and hike to areas they should go and it would limit the number of citizens who could use it and would not be his recommendation.

Councilman Gookin stated he would like to see more support from the Homeowner's Association and that he felt they had legitimate concerns. Additionally he requested the inclusion of the language requested by the Tubbs Hill Foundation. Mayor Bloem stated that would be an amendment to the plan. Mr. Kempton stated that the City has notified the Friends of Tubbs Hill for everything they do on the Hill except routine trash pickup. Mr. Rosdahl reiterated that the City has consulted them in the past, and that he wants to make sure it continues to happen in the future. The Foundation is most concerned with the protection of the naturalness of Tubbs Hill. The concerns of the past and the future are the items as noted by Mr. Hosack earlier; they desire minimal impacts to the natural habitat. Councilman Gookin asked Mr. Rosdahl if they are satisfied with how communication is currently working. Mr. Rosdahl confirmed that it was. Councilman McEvers clarified that the Foundation does not want anything to change on Tubbs Hill and does not want connectivity to the parking lot. Mr. Rosdahl confirmed that the Foundation wants Tubbs Hill as natural as possible, and that it would require a lot of work to connect to the parking lot as the trail is currently very primitive. Additionally, the north side is a very steep trail and would have to be constructed and become very obvious. Councilman McEvers asked Mr. Rosdahl if he was concerned with the fire rating. Mr. Rosdahl stated that they are concerned with fire and hoped for a fire road to be constructed in a non-invasive way. Councilman Goodlander clarified that when the City was working towards an accessible trail, the Parks Department worked to keep it as natural as they could and agreed that it would not be paved and worked closely with the Foundation.

Motion by Kennedy, seconded by McEvers to adopt Resolution 13-006.

DISCUSSION: Councilman Kennedy noted that there is a lot of passion on the topic, neighbors, conservation advocates and citizens, and over the years the Committee has worked with all groups and struck a balance. The goal of any plan is to outline a vision and mission and continue to collaborate and some items may not have activity for many years but the plan provides a framework. The Tubbs Hill Foundation is engaged in every level of discussion and he believes it will stay that way and supports the plan. Councilman Adams wanted to echo that it is a conceptual plan and numerous groups of individuals keeping eye on this and is comfortable with this and the Council will approve any open space projects going forward.

Motion to Amend the Motion by Gookin seconded by Adams to add language that the Tubbs Hill Foundation must be consulted on all items before action is taken.

DISCUSSION: Councilman Kennedy agrees that they should be consulted but if the City requires third parties must be consulted, it would have the potential of a bureaucratic nightmare and he will vote against it. Councilman Gookin stated that he wants to make sure the citizens are involved and that they have a voice in what's going on and that the plan is citizen driven. Councilman McEvers stated that the Foundation does a great job, and that there is some paranoia that something is being taken away and hopes they understand they already have Council support and he will vote against the amendment.

ROLL CALL REGARDING THE MOTION TO AMEND: Gookin Aye; Adams Aye; Kennedy No; McEvers No; Goodlander No. Motion failed.

ROLL CALL ON MAIN MOTION: Goodlander Aye; Gookin Aye; Adams Aye; Kennedy Aye; McEvers Aye. Motion carried.

PUBLIC HEARING: HUD 2013-2018 CDBG CONSOLIDATED PLAN AND 2013 ACTION PLAN

Grant Administrator Nancy Mabile, with Panhandle Area Council, informed the Council that there are two items to be considered this evening; the 2013-2018 Consolidated Plan and the 2013 Action Plan. She explained the Consolidated Plan is required by HUD every five years. The Consolidated Plan included various public input opportunities including workshops and surveys. Based on the public comments received it was determined that a new goal should be included in the Plan to allow for public service funding opportunities and that the previous five goals are still worthwhile. The Consolidated Plan includes the review of impediments to fair housing conducted by BBC Consulting in 2011.

Ms. Mabile explained that the Action Plan is an annual document setting forth how the City intends to spend the annual CDBG allocation. She clarified that the activities must meet one of the three national objectives. In review of the budget, she noted that the \$243,000 allocation is an estimated amount, as it is unknown what the federal allocation will be for Plan Year 2013. The proposed budget reflects the final payment back to the City for the acquisition for the Homestead property and continued funding to the EMRAP program, sidewalks, and public service.

A public comment received today, regarding non-support of tax credit projects, was distributed to the City Council. Ms. Mabile noted that no projects were planned in the 2013 Action Plan for tax credit projects. Councilman Goodlander read the public comment from Mr. Torgerson into the record. Councilman McEvers clarified that the developers build the tax credit project not the government. City Clerk Renata McLeod clarified that past tax credit projects had received CDBG funding; however the developer remains the owner and does develop the units. She further clarified that the tax credit program is a federal program that does require units remain affordable for many years into the future (sometimes up to 30 years). Councilman McEvers ask for clarification regarding what public service projects would be. Ms. Mabile stated that public service projects vary, but are usually conducted by local non-profits that provide a service to low-to-moderate income citizens, such as the Meals on Wheels programs.

PUBLIC COMMENTS: Mayor Bloem called for public comments with none being received.

MOTION by Goodlander, seconded by Kennedy to approve the 2013-2018 CDBG Consolidated Plan and 2013 CDBG Annual Action Plan.

DISCUSSION: Councilman Adams stated that the Federal Government is broke, the deficient is in the trillions, and that entitlement spending is not the proper role of the government. It is not free money and there are certain obligations on the part of the grantor. He recommends the Council be part of the solution not part of the problem. Councilman Kennedy stated that it is complicated but this money comes to the City of Coeur d'Alene or it goes elsewhere and that the community strives for local control of the dollars and he will support the motion.

MOTION to approve the 2013-2018 CDBG Consolidated Plan and 2013 CDBG Annual Action Plan carried.

RECESS: Mayor Bloem called for a 5-minute recess at 8:03 p.m. The meeting reconvened at 8:10 p.m.

PUBLIC HEARING: CREATION OF LOCAL IMPROVEMENT DISTRICT NO. 151-FRONT AVENUE IMPROVEMENTS

Danielle Quade, Bond Counsel/Hawley Troxell, stated that tonight would include a two- step process. The first step is to consider the protests, and the next step is to consider the Ordinance. She provided the guidelines regarding consideration of the protests and clarified that the Council can consider all comments and protests, but will need to consider if they are reasonable and if the properties will receive a benefit from the improvements. The consideration does not mean a mathematic assessment is necessary but reasonable proportionality. A summary of protests were reviewed and the following were specifically addressed Parkside residential property values; the difference between the 2012 Front Avenue project and the proposed 2005 Front Avenue project; the Sherman Avenue LID cost comparison; and the mid-town LID cost comparison.

In some of the LID protests, the Parkside residential property owners have stated that they are not receiving the same benefit as commercial properties. Ms. Quade clarified that the average assessment of commercial property is \$36,000 and residential is \$2,000, which is 18 times less. The benefits to residential properties include increased parking (not regulated for 16 hours of the day), increased safety of slowed traffic and lighting, unique urban corridor, and a pedestrian friendly environment. Councilman Gookin asked if the view corridor would be increased from the street improvements if you removed the park out of the equation. Ms. Quade stated that it would be increased as Front Avenue currently looks blighted. Councilman Gookin asked who pays for south side street improvements. Ms. Quade stated that the LID also pays since they are using a benefits derived analysis, wherein the whole project is due to benefit all property owners, based on the entirety of the project.

Another comment repeated in the protests is that Parkside Towers has already paid for streetscape and they do not want to pay again. Ms. Quade stated that the existing streetscape is not being removed and will not be paid for again. There are some improvements directly in front of their building, specifically parking, a rebuilt street, increased safety and accessibility. Councilman Kennedy sought clarification regarding the 18 to 1 ratio referenced in regards to the commercial versus residential argument specific to the Buss protest. Ms. Quade stated that the way the costs were divided in Parkside was by square footage, so the ratio may be less than other commercial. Phil

Boyd, Welch Comer Engineers, clarified that within Parkside, assessment was based on the plat of their building. Based on the way the parcels are divided the residential parcels are smaller than the commercial parcels. Councilman Goodlander asked for a reiteration of the averages and if they are applicable in this case. Ms. Quade stated that the LID is based on a benefits derived formula, so it does not include use. As the Council considers use it gets complicated, based on the per foot front assessment. Ms. Quade stated that the average 18 to 1 ratio of commercial versus residential seemed fair.

Councilman Kennedy stated that while he was reviewing the protest, he was trying to determine the connectivity of the issues, and it is his understanding that it does not have to be certain. One resident does not think something is a benefit while others might say that it is the best benefit, and he found it to be very difficult to subjectively break these out. He feels like there is a place wherein the Council has to arbitrarily say it feels right. Ms. Quade reminded the Council that the Supreme Court says it just has to be equitable, so the Council needs to determine what it believes is equitable. The courts give the City a lot of leeway to make the determination. She recommended looking at concrete known items like parking increases and that other LIDs have created value increases in the area.

Mr. Boyd stated that several protests noted a difference between the 2005 and the 2012 proposal costs. He stated that the short explanation is that they are two different projects and that the 2005 project was not a complete reconstruct.

Another common protest comment was that the Sherman Avenue LID was at \$200/front foot not \$400/front foot. In the Sherman Avenue LID the corner parcels were only charged on one side, if it were funded on both sides it would have been \$400/front foot. Councilman Kennedy stated the Widmeyer property would be a unique parcel because of the depth of the lot, with less on Front Avenue with more on the side street, and questioned if it should have a unique consideration. Mr. Boyd clarified that particular parcel is 1,200 sq. /ft. footprint. Mr. Boyd explained that the Council should look at how the neighbors compare, which would demonstrate that their assessment is 6.5 times higher than all their neighbors, so the Council could consider something with that parcel or deal with it at the confirmation hearing when the project is finished. Councilman Kennedy clarified that if the Council does not give direction regarding that parcel tonight, it could still give direction at the confirmation hearing a year from now when final numbers are known. Ms. Quade confirmed that at the confirmation hearing the Council would have the real numbers and at this point the Council should determine a method of determining the assessments, then come back with specifics later. If the Council directs a change in how the one parcel is assessed, they would need to come back with another way to assess that parcel less and the others more.

Mr. Boyd stated the last protest point to consider is why the Midtown LID is lower. He clarified that the cost difference is due to the scope of work and more outside funding was included in the Midtown LID. He further clarified that protests regarding approaches are not material for the LID consideration.

Ms. Quade stated that the second step is considering the Ordinance. She clarified that Section 1 includes required findings; Section 2 includes the boundary of district; Section 3 defines the project; Section 4 is what can be included; Section 5 is where the percentages will be included for the LID. She is seeking insight from Council to provide the percentage to be borne by the LID and what percentage is to be borne by the City and the maximum dollar amount to be included in the front foot costs.

Councilman Gookin asked for clarification as to what capacity Ms. Quade is advising the Council this evening. Ms. Quade clarified that she was hired by the City to act as Bond Counsel as she specializes in cities incurring debt which would be included in the LID. She further needs to be comfortable with the process all the way through so that she could give the bank an opinion. Councilman Gookin asked if Ms. Quade's representation of LCDC is a conflict. Ms. Quade stated that there was no conflict since she is looking at the LID and not the park; additionally she has provided the City with a conflict review letter.

Councilman Kennedy stated that in reference to Section 5 of the Ordinance, regarding the percentage of the project to be borne by property owners, the City has the arbitrary position of what the per front foot price would be. He stated that he would like to see a \$275/lineal foot, with the City contributing 61% and the property owners at 39%. Ms. Quade clarified that he could not keep the City's contribution the same and lower the property owner's portion without changing the scope of work. Councilman Kennedy stated he would like to look at options like removing the colored concrete and asked if those decisions would be made tonight. Mr. Boyd stated that if Council wanted a \$275/front foot cost, the LID share would be \$275,500 less and would be 26.7% of the project costs, with the City's share 73.3%. Councilman Kennedy stated he would be comfortable with that and holding a cap on the property owner's portion.

Mayor Bloem clarified that the project is \$2.9 million and asked if the Council wanted to keep that amount the same. Councilman Kennedy, he feels \$400/front foot is too much and \$275/front foot feels better. If the number for the project goes down, he is ok with that too. Mayor Bloem reiterated that elements would need to be removed from the project, or else the City would have to make up the difference. She stated that her idea would be to drop the per front foot to \$300, wherein the resident average would be \$1,650, as opposed to \$275/front foot which would be only \$90 less, but a lot of difference to the project. Average commercial \$38,000, if you drop to \$300/front foot it would go down to \$28,500 and to \$26,600 at \$275/front foot. She is concerned with reducing too much and having to take elements out of the project. Councilman Goodlander asked how much it would reduce the scope of the project between \$275/front foot and \$300/front foot. Mr. Boyd stated that at \$300/front foot there would be a \$282,000 reduction from the LID and at \$275/front foot there is a reduction of \$352,500. Councilman Goodlander stated that it appears to be a large reduction in the project but not a large difference to the properties.

Ms. Gabriel stated that the design team reviewed the options surrounding these assumptions and could not find a place to reduce the scope elements without butchering the project. They felt there might be \$75,000 they could reluctantly take out; other than that it would take away from the intent of the Front Avenue project. The dollars would need to be found elsewhere or receive lower bids.

Motion by Kennedy, second by McEvers to approve to use \$300/front foot in Section 5 of the Ordinance.

DISCUSSION: Councilman Kennedy stated that the subjectiveness of this is a legislative and political number, and an effort to be fair to the Sherman Avenue property owners. Proposing a lower cap will have a larger effect on commercial properties. Councilman Gookin asked when and how he could pull Parkside Towers out of the LID. Ms. Quade stated it would require modification of the legal description and it would delay approval of the Ordinance. Councilman Gookin does not agree with the derived benefit and that the Parkside Tower owners have already paid for their

improvements and should not be included in the LID. Mr. Boyd stated that there would also be a significant impact to the revenue from the LID, which would be an increase to everyone else. Councilman Adams stated that he does not believe the whole thing is fair, since the curb cuts are being removed and is material. He would have supported the LID if the curb cuts were left in as it affects the functionality of the businesses. Councilman McEvers stated that he is in support of \$300/front foot. He stated that LIDs are for everyone, it is not about curb cuts it's about safety, and not economics but safety. People are going to benefit, they did not say they did not want to pay, but that they did not want to pay as much, this gives them a cut in costs. The City Engineer told us the safety issues and the Council should believe its own engineer. He believes the Council can revisit the specific issues when it has real numbers. Mayor Bloem agreed that LIDs are for the benefit of all, the Sherman Avenue LID was for the whole of downtown, and she believes it is fair compared to Lakeside and Sherman. Councilman Goodlander agrees with Councilman McEvers and will vote for \$300/front foot and has been on the other side of an LID and it can be tough but to the benefit of all and does not want a delay. She stated that she thinks we have time to get a good bid with savings, and the City will have the final numbers.

ROLL CALL ON MOTION TO APPROVE \$300/FRONT FOOT IN SECTION 5 OF THE ORDINANCE. Gookin No; Goodlander Aye; Kennedy Aye; McEvers Aye; Adams No; Motion carried.

Ms. Quade read Section 5, to include a total estimated cost of improvements of \$2,900,000 with 29% assessed against property owners based upon a benefits derived method, and shall not exceed \$300/front foot, and 71% of the project costs from the City.

**COUNCIL BILL NO. 13-1002
ORDINANCE NO. 3457**

AN ORDINANCE CREATING LOCAL IMPROVEMENT DISTRICT NO. 151 FOR THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO; DESCRIBING AND SETTING FORTH THE BOUNDARIES OF SAID LOCAL IMPROVEMENT DISTRICT; PROVIDING FOR THE IMPROVEMENTS TO BE MADE THEREIN; AUTHORIZING THE ADVERTISING FOR BIDS FOR SAID WORK AS PROVIDED BY LAW; PROVIDING FOR THE PAYMENT OF COSTS AND EXPENSES OF SAID IMPROVEMENTS TO BE ASSESSED AGAINST THE PROPERTY WITHIN THE DISTRICT BENEFITED THEREBY AND THE METHOD OF ASSESSMENT; PROVIDING FOR THE ISSUANCE OF LOCAL IMPROVEMENT DISTRICT BONDS AND/OR WARRANTS; PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

Motion by Kennedy, seconded by Goodlander to pass the first reading of Council Bill No. 13-1002.

ROLL CALL: Gookin No; Goodlander Aye; Kennedy Aye; McEvers Aye; Adams No; Motion carried.

Motion by Kennedy, seconded by Goodlander to suspend the rules and to adopt Council Bill No. 13-1002 by its having had one reading by title only.

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

AUTHORIZATION TO PROCEED WITH THE CDA 2020 VISIONING UPDATE

PROPOSAL WITH STEVEN A. AMES City Attorney Mike Gridley presented the idea to revisit the CDA 2020 plan at the last Council meeting. The 2020 group began its visioning and values in 2000 and times have changed over the past 12 years. He requested authorization to hire Steven Ames who is the consultant who Bend, Oregon hired for their 2030 project. He believes this is an opportunity to seek a shared community vision for the future and to bring people together to find common ground. The visioning would include a level of accomplishment detail to ensure success through an action plan. He presented a video regarding the Accelerate Bend Program that demonstrated the community support. He proposed a timeline that included a presentation by Steven Ames at the February 5th Council Meeting, followed by staff and community group meetings on February 6th and 7th. In March, follow up and organized focus groups would occur. April through September continued community input and goal development will occur. Councilman McEvers asked how the City was paying for the services. Mr. Gridley stated that \$2,000 would come from the Legal Department Professional Services budget, with the remainder raised from the community. If the community says that they don't want to contribute money to this, then he would not move forward as it will take partnerships to make the project work. Councilman Goodlander thinks it is a great project and idea, but it is \$6,000 for a couple days, and asked if down the road there would be additional costs to bring him back. Mr. Gridley clarified that the larger share of the costs would be thereafter. He noted that a lot of different groups inquire about doing projects in Coeur d'Alene; however, they are not sure how to go forward. This process would be a gauge for what support is out there for those projects. Councilman Adams stated that he is concerned about paying for a consultant and thought it could be achieved locally for free. Mr. Gridley stated that he believes that due to the current divide in our community, someone from outside the area, who specializes in polarized communities, would be best for this project. Councilman Gookin stated that he felt this was a great idea, and believes the community needs to heal. He did state he was concerned with the timing as he believes that those opposed to McEuen would not come to the table yet. Mr. Gridley felt that with so many things going on now, it is the perfect time to have this meeting. He further stated that he believes that once people are in the room together they would put some of their differences aside.

Motion by Kennedy, seconded by Goodlander to authorize staff to proceed with the proposal with Steven A. Ames.

DISCUSSION: Councilman McEvers clarified that because the City is funding \$2,000 it does not become a City project. He stated that he likes that it would not be a City project to demonstrate to those who are mistrusting that it is truly a community project and will support the motion.

Motion carried with Adams voting no.

MCEUEN PARK HARBOR HOUSE DESIGN DISCUSSION AND DECISION

Team McEuen member Dick Stauffer presented the design for the Harbor House at the 90% design completion and presented options for different positions and view corridors. The Harbor House includes restrooms, electrical room, concession area, storage, a pump room and water recirculation systems. The view corridors were demonstrated with and without the Harbor House.

The Harbor House contains the restrooms for the boat launch, trail system, and water promenade area. One recent change to the design was a reduction in the roof line. Soil boring showed some wood waste, which will be removed and re-compacted. Councilman McEvers questioned if that area floods. Mr. Stauffer stated that there is a small floodplain area which was avoided. Councilman Goodlander asked for clarification regarding how large the Harbor House would be. Mr. Stauffer stated that it is 940 sq. ft. with an underground vault the entire footprint of the building. Councilman Goodlander questioned why the costs escalated from the April design meeting; it was listed at a cost of \$138,000 and is now \$400,000. Mr. Stauffer clarified that the addition of the tank and water system and associated development costs, including raising the building is approximately \$180,000 more.

Councilman McEvers asked about the vault and how it is now a system. Mr. Stauffer stated that the water system was never an originally planned element; however with the addition of the splash pad it was determined that the grey water could be used for irrigation rather than being dumped into the wastewater treatment plant. This will save money as it will not run through the sewer for disposal, as well as providing an opportunity to catch stormwater (rather than allowing it to go into the lake). Councilman Goodlander stated that an average two-story house is 24' - 32' and this building is 2/3 the way to a house height. She stated that she is not happy about the Harbor House. She agreed that the vault was a wise decision; however, \$300,000 for 945 sq. ft. restroom (half the size of her home) she cannot justify the cost. Additionally, she thinks it is too large and too tall, but agrees that the location makes sense and questioned if the vault could be a part of the corridor rather than under a building. Parks Director Doug Eastwood stated that currently there is a portable restroom shelter near the boat launch and he believes there is going to be a lot of additional activities in that area, so restrooms are necessary and should be a matter of convenience. Imagine being at an event and having to walk across the entire park to locate a restroom. Councilman Gookin asked if there were discussions of restrooms at other areas. Mr. Eastwood stated that the Promenade area was considered. Councilman Gookin clarified that if the Council voted to remove the Harbor House there would be no restrooms on the west side of the park. Mayor Bloem stated that the location is ideal as it is the restroom for the water and Tubbs Hill activity trail. She initially had concerns with the view corridor, but with the demonstration of the view corridors presented, it appears that the tip of the roof will be seen across the park.

Councilman McEvers asked how the concession would work. Mr. Eastwood stated that he envisions it being leased approximately five months of the year, then on an activity by activity basis thereafter. There may be events that go beyond the normal season, such as a winter festival, which could be rented to the event sponsor.

Councilman Gookin stated that he would object the restrooms being heated as he would be concerned with vagrancy and drug use. Mr. Eastwood stated that he has seen homeless spend time in the restrooms in the past; however, it is not as prevalent as it used to be and that he has not seen an issue with drugs. Councilman Goodlander stated that she agrees that restrooms are needed in that part of the park, but that they should not be heated and should be planned to have fixtures that don't freeze. She clarified that her objection is to the scale and size of the building. Mr. Eastwood clarified that doors will lock at a certain hour, and the restrooms will not be open 24/7. Mr. Stauffer stated that the heating can be divorced from the project, and that the heating could be set at a minimal level to avoid park's staff from having to winterize the building.

Mayor Bloem clarified that the Harbor House contained a utility room for supplies, a mechanical room, restrooms and a concession area, and the concession area would be the only thing that could be removed. Ms. Gabriel clarified that the intent of the discussion today was to look at the size and scale of the Harbor House and reminded the Council that the Urban Land Institute recommended that when redesigning a park it should be looked at as a year-around park, and to envision more activities such as ice carving, etc. She encouraged Council to consider the value to a year-around park by having a concession area.

Councilman Kennedy thanked the design team for keeping the project moving forward. He clarified that part of the process of going forward is to see where LCDC comes in with funding tomorrow. Councilman Adams stated that the only thing he thought was missing from McEuen was decent bathroom facilities.

Motion by McEvers, seconded by Adams to approve the placement of the Harbor House as presented. Motion carried with Goodlander voting no.

ADJOURNMENT: Motion by Kennedy, seconded by Gookin that there being no further business before the Council, the meeting is adjourned. Motion carried.

The meeting recessed at 10:17 p.m.

Sandi Bloem, Mayor

ATTEST:

Renata McLeod, City Clerk

M E M O R A N D U M

DATE: FEBRUARY 5, 2013
TO: MAYOR BLOEM AND THE CITY COUNCIL
FROM: RENATA MCLEOD, CITY CLERK
JIM MARKLEY, WATER SUPERINTENDENT
RE: REQUEST FOR PUBLIC HEARING

I am requesting the City Council set a public hearing for the Council meeting scheduled February 19, 2013, to re-hear public testimony regarding the proposed water rate/fee increases. Due to an oversight with the legal notice, staff is requesting this item be re-set for second hearing.

MEMORANDUM

DATE: FEBRUARY 5, 2013
TO: MAYOR BLOEM AND THE CITY COUNCIL
FROM: H. SID FREDRICKSON, WASTEWATER SUPERINTENDENT
RE: REQUEST FOR PUBLIC HEARING

I am requesting the City Council set a public hearing for the Council meeting scheduled March 5, 2013, to hear public testimony regarding the proposed wastewater fee increases. Both the monthly user fees and the capitalization fees are proposed to increase.

RESOLUTION NO. 13-007

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 THE DESTRUCTION OF WATER DEPARTMENT TEMPORARY RECORDS.

WHEREAS, it has been recommended that the City of Coeur d'Alene enter into the contract(s), agreement(s) or other actions listed below pursuant to the terms and conditions set forth in the contract(s), agreement(s) and other action(s) documents attached hereto as Exhibit "A" and by reference made a part hereof as summarized as follows:

A) Approving the Destruction of Water Department Temporary Records;

AND;

WHEREAS, it is deemed to be in the best interests of the City of Coeur d'Alene and the citizens thereof to enter into such agreements or other actions; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Coeur d'Alene that the City enter into agreements or other actions for the subject matter, as set forth in substantially the form attached hereto as Exhibit "A" and incorporated herein by reference with the provision that the Mayor, City Administrator, and City Attorney are hereby authorized to modify said agreements or other actions so long as the substantive provisions of the agreements or other actions remain intact.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk be and they are hereby authorized to execute such agreements or other actions on behalf of the City.

DATED this February day of 5, 2013.

Sandi Bloem, Mayor

ATTEST

Renata McLeod, City Clerk

Motion by _____, Seconded by _____, to adopt the foregoing resolution.

ROLL CALL:

COUNCIL MEMBER KENNEDY Voted _____

COUNCIL MEMBER GOODLANDER Voted _____

COUNCIL MEMBER MCEVERS Voted _____

COUNCIL MEMBER ADAMS Voted _____

COUNCIL MEMBER GOOKIN Voted _____

COUNCIL MEMBER EDINGER Voted _____

_____ was absent. Motion _____.

ANNOUNCEMENTS

Memo to Council

DATE: January 29, 2013

RE: Appointments to Boards/Commissions/Committees

The following re-appointment is presented for your consideration for the February 5th Council Meeting:

MIKE DODGE

ARTS COMMISSION

A copy of the data sheet is in front of your mailboxes.

Sincerely,

Amy Ferguson
Executive Assistant

cc: Renata McLeod, Municipal Services Director
Steve Anthony, Arts Commission Liaison

OTHER BUSINESS

MEMORANDUM

Date: February 5, 2013

To: Mayor Bloem and the City Council

From: Wendy Gabriel, City Administrator and
Renata McLeod, City Clerk

Re: Authorize an updated ADA and Title VI Grievance Procedure.

DECISION POINT:

- To authorize a grievance procedure regarding ADA and Title VI Complaints.

HISTORY: In 2004, the City adopted Resolution No. 04-012 which authorized an ADA Grievance Procedure. The City has received notice that the language must be updated to include Title VI compliance language in order to stay in compliance with federal grant regulations. The proposed Grievance Procedure includes the Title VI compliance language. The substantial changes include an increase in time for filing complaints from 60 days to 180 days from the alleged violation. Additionally, the time allowed for the City to respond has been shortened from 15 calendar days to 10 calendar days. An improvement to the plan includes a more inclusive list of items that need to be included in the complaint.

The City has a two different staff members approved as the ADA Compliance Officer (Pam MacDonald) than the Title VI Compliance Officer (Wendy Gabriel), as such, the proposed procedure includes language that the ADA Compliance Officer will accept the complaints and then copy the Title VI Compliance Officer. Internally, the Title VI Compliance Officer will then determine if the complaint should be copied to Idaho State Transportation Department, who serves as the local Title VI compliance agency.

FINANCIAL: **There are no financial considerations associated with this item.**

PERFORMANCE ANALYSIS: Authorizing the updated grievance procedure language will ensure the City continues to comply with Title VI complaint responsibilities.

DECISION POINT/RECOMMENDATION:

- To authorize a grievance procedure regarding ADA and Title VI Complaints.

RESOLUTION NO. 13-008

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ESTABLISHING GRIEVANCE POLICIES AND PROCEDURES TO MEET THE REQUIREMENTS OF TITLE VI OF THE CIVIL RIGHTS ACT OF 1964, THE AMERICANS WITH DISABILITIES ACT OF 1990 (ADA), SECTION 504 OF THE VOCATIONAL REHABILITATION ACT OF 1973 AND THE CIVIL RIGHTS RESTORATION ACT OF 1987, AS AMENDED.

WHEREAS, the need for citywide policies and procedures to meet the requirements of Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990 (ADA), Section 504 of the Vocational Rehabilitation Act of 1973 and the Civil Rights Restoration Act of 1987, as amended, has been deemed necessary by the City Council; and

WHEREAS, it is deemed to be in the best interests of the city of Coeur d'Alene and the citizens thereof that such policies and procedures be adopted; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the city of Coeur d'Alene that the policy attached hereto as Exhibit "A" be and is hereby adopted.

DATED this 5TH day of February, 2013

Sandi Bloem, Mayor

ATTEST:

Renata McLeod, City Clerk

Motion by _____, Seconded by _____, to adopt the foregoing resolution.

ROLL CALL:

- Council Member Kennedy Voted _____
- Council Member Adams Voted _____
- Council Member McEvers Voted _____
- Council Member Goodlander Voted _____
- Council Member Gookin Voted _____
- Council Member Edinger Voted _____

_____ was absent. Motion _____.

Grievance Procedure for City of Coeur d'Alene

The following grievance procedure is established to meet the requirements of Title VI of the Civil Rights Act of 1964, the ~~Section 504 of the Rehabilitation Act as amended and the~~ Americans With Disabilities Act of 1990 (ADA), Section 504 of the Vocational Rehabilitation Act of 1973 and the Civil Rights Restoration Act of 1987, as amended.

~~According to these laws the City of Coeur d'Alene, as~~ As a recipient of an Idaho Community Development Block Grant (ICDBG) funds of Federal Funds, The City of Coeur d'Alene certifies that all persons citizens claiming discrimination prohibited by the Acts referenced above committed by the City shall have the right to submit a grievance on the basis of discrimination individually, as a member of any specific class, or in connection with any disadvantaged business enterprise., subject to discrimination prohibited by the Acts noted above disability in policies or practices regarding employment, services, activities, facilities, or benefits provided by the City of Coeur d'Alene. A complaint may also be filed by a representative on behalf of such person.

When filing a grievance, the person citizens must provide detailed information to allow an investigation, including the date, location, and description of the alleged act of discrimination, or where there has been continuing course of conduct, the date on which that conduct was discontinued~~problem~~. The grievance should be in writing and should include the name, address, and telephone number of the complainant. **Upon request, alternative means of filing complaints, such as personal interviews or a tape recording, will be made available for individuals with disabilities.** In the event a person makes a verbal complaint of discrimination to an officer or employee of the City, the person shall be interviewed by the ADA Compliance Officer. If necessary, the ADA Compliance Officer will assist the person in reducing the complaint to writing and submit the written version of the complaint to the person for signature. The complaint shall then be handled according to the City's investigative procedures as outlined in this document. The complaint should be submitted by the complainant or his/her designee as soon as possible, but no later than ~~t~~ 180~~60~~ days after the alleged violation. Complaints must be signed and sent to:

Pam MacDonald, Human Resource Director
ADA Compliance Officer
710 E. Mullan Avenue Coeur d'Alene, ID 83814
208-769-2205

Within ~~10~~ 5 calendar days after receiving the complaint, the ~~Human Resource Director~~ City will acknowledge receipt of the allegation, inform the complaint of action taken or proposed action to process the allegation, and advise the complaint of other avenues of redress available, such as referral to the Idaho State Transportation Department (ITD) and/or the US Department of Transportation. meet with the complainant to discuss the complaint and possible resolution. Within 15 calendar days after the meeting, the Human Resource Director will respond in writing. Where appropriate, the response shall be in a format accessible to the complainant (such as large print or audio tape). The response

DRAFT

~~will explain the position of City of Coeur d'Alene and offer options for resolving the complaint.~~ Upon receipt of a complaint, the ADA Officer will provide a copy to ~~ot~~ the Title VI Compliance Officer.

If the response by the ~~City Human Resource Director~~ does not satisfactorily resolve the issue, the complainant or his/her designee may appeal the decision of the ADA ~~Officer coordinator~~. Appeals must be made within 15 calendar days after receipt of the response. Appeals must be directed to the Title VI Compliance Officer ~~chief elected official~~ or his or her designee.

Within 15 calendar days after receiving the appeal, the Title VI Compliance Officer ~~chief elected official~~ or his or her designee will meet with the complainant to discuss the complaint and to discuss possible resolutions. Within 15 calendar days after the meeting, the Title VI Compliance Officer ~~chief elected official~~ or his or her designee will provide a response in writing. Where appropriate, the response shall be in a format accessible to the complainant. The response shall be accompanied by a final resolution of the complaint. The ~~504/ADA Compliance Officer Coordinator~~ shall maintain the files and records of the City pertaining to the complaints filed for a period of three years after the grant is closed out.

The City will advise ITD within 10 days of receipt of the allegations. Generally, the following information will be included in every notification to ITD.

- a. Name, address, and phone number of the complainant
- b. Name, address (es) of alleged discriminating official(s)
- c. Basis of complaint (i.e., race, color, national origin, or sex)
- d. Date of alleged discriminatory act(s)
- e. Date of complaint received by the City
- f. A statement of the complaint
- g. Other agencies (state, local or Federal) where the complaint has been filed
- h. An explanation of the action the City has taken or proposed to resolve the issue raised in the complaint.

Within 60 days, the City, will conduct an investigation of the allegations and, based on the information obtained, will render a recommendation of action in a report of findings to the City's authorized representative. The complaint should be resolved by informal means whenever possible. Such informal attempts and their results will be summarized in the report of findings.

Within 90 days of receipt of the complaint, the City's authorized representative will notify the complainant in writing of the final decision reached, including the proposed disposition of the matter. The notification will advise the complainant of his/her appeal rights with ITD, or USDOT, if they are dissatisfied with the final decision rendered by the City. The City will also provide ITD with a copy of this decision and summary of findings upon completion of the investigation.

Other Complaint Procedures

~~All individuals have a right to a prompt and equitable resolution. Individuals or classes of individuals who believe they have been subjected to discrimination based on disability have several ways to file a grievance:~~

- ~~• use the grievance procedure provided by the public entity~~
- ~~• file a complaint with any agency that provides funding to the public entity~~
- ~~• file with one of the eight federal agencies designated in the Title II regulations~~

Under Title II, filing a grievance with the public entity's ADA Coordinator, filing a complaint with a federal agency, or filing a lawsuit may be done independently of the others. **Individuals are not required to file either a grievance or complaint to bring a lawsuit. Lawsuits may be filed at any time.** The following are four of the eight agencies where a Title II complaint can be filed:

Department of Justice (DOJ)
Civil Rights Division
Public Access Section
P.O. Box 66738
Washington, DC 20035-9998

Department of Housing & Urban Development (HUD)
Community Planning and Development
451 7th Street
Washington, DC 20410-4000

Architectural & Transportation Barriers Compliance Board (ATBCB)
1331 F Street, N.W., Suite 1000
Washington, DC 20004-1111

Equal Employment Opportunity Commission (EEOC)
1801 L Street, N.W.
Washington, DC 20507

This Grievance Procedure becomes effective upon passage of Resolution No. ~~04-012~~.

Sandi Bloem, Mayor

~~504/ADA Coordinator~~