

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

July 7, 2015

The Mayor and Council of the City of Coeur d'Alene met in a regular session of said Council at the Coeur d'Alene City Library Community Room July 7, 2015 at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

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

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

INVOCATION: An invocation was provided by Pastor Paul Van Noy with Candlelight Church.

PLEDGE OF ALLEGIANCE: The pledge of allegiance was led by Councilmember Adams.

PRESENTATION: PARKS DAY PROCLAMATION – Katie Kosanke, Urban Forestry Coordinator, stated that the 8th Annual Parks Day will be held in the City Park on July 11, 2015 in conjunction with the NIAEYC (North Idaho Association for the Education of Young Children) Kid's Day in the Park event. She reviewed the history of Parks Day and reiterated that it is intended to promote city parks to the community. They will be providing historic walking tours of Forest Cemetery on that day as well at 2 and 3 p.m. They will have free activities, food and entertainment. Kid's Day activities will be between 11 a.m through 3:00 p.m. with educational booths and a bounce house. She reviewed the day's event agenda including breakfast, lunch, dinner and entertainment events that will take place throughout the day. She thanked the sponsors including Avista, Waste Management, Greenstone Homes, the Coeur d'Alene Downtown Association, Contractor's Northwest, and the Hallock family.

CONSENT CALENDAR: Motion by Gookin, second by McEvers remove item 7 for separate discussion. **Motion Carried. Motion** by McEvers, seconded by Evans to approve the consent calendar.

1. Approval of Council Minutes for June 16, 2015.
2. Approval of Bills as Submitted.
3. Setting of General Services and Public Works Committees meetings for July 13, 2015 at 12:00 noon and 4:00 p.m. respectively.
4. Approval of SS-8-14 – Chipotle Addition; a three lot short plat
5. Approval of S-3-15 – Garden Terraces Subdivision; final plat

6. Approval of a Cemetery Lot Transfer – from Justine Smith to Gina Lancaster; Lot 03, Block 33, Section C, Forest Cemetery

~~7. Resolution No. 15-032 – RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO APPROVING A LEASE AGREEMENT WITH PETER GRUB, ROW, INC., d/b/a ROW ADVENTURES (“ROW”) FOR A PADDLE BOARD AND BICYCLE RENTAL CONCESSION ON PUBLIC PROPERTY.~~

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

RESOLUTION NO. 15-032

RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO APPROVING A LEASE AGREEMENT WITH PETER GRUB, ROW, INC., d/b/a ROW ADVENTURES (“ROW”) FOR A PADDLE BOARD AND BICYCLE RENTAL CONCESSION ON PUBLIC PROPERTY.

DISCUSSION: Councilmember Miller asked if the lease agreement with Row Adventures was intended to have retail concessions. Parks and Recreation Director Steve Anthony explained that staff used the Memorial Field concession stand lease as a form. Councilmember Miller stated that she would like to remove Section No. 5 from the agreement as only city concessions have the authority to have retail items.

MOTION: Motion by Miller, seconded by Gookin to approve Resolution No. 15-032 with the removal of Section 5 from the Lease Agreement.

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

COUNCIL ANNOUNCEMENTS:

Councilmember Miller thanked the Street Department, especially Dick Fields and Tim Martin, for the parade ride in “Louie the Loader” in the 4th of July Parade.

Councilmember Evans congratulated the Ironman participants who survived the high heat and thanked the Ironman staff and volunteers for their hard work.

Councilmember Gookin informed the community that the pits in the road on 4th Street will be fixed by the Street Department.

Mayor Widmyer asked for the reappointment of Kathleen Sayler to the Jewett House Advisory Board.

MOTION: Motion by Gookin, seconded by Edinger to approve the reappointment of Kathleen Sayler to the Jewett House Advisory Board. **Motion carried.**

RESOLUTION NO. 15-033

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ACCEPTING THE BID OF WESTERN STATES EQUIPMENT, CO. AND APPROVING A PURCHASE AGREEMENT FOR A CAT STANDBY POWER SOURCE.

STAFF REPORT: Assistant Water Superintendent Terry Pickel explained that the Ralph Capaul water well is required to have auxiliary power as part of the DEQ permit. A bid opening was conducted on June 16, 2015, wherein two bids were received with Western States Equipment Co. coming in lower at \$87,141, while the other bid came in at \$95,547. This is a budgeted item and came in below the engineer's estimate.

DISCUSSION: Councilmember Gookin noted that the bids came in under the engineer estimate but questioned why the budget was set at \$200,000. Mr. Pickel explained that the budget was for two generators at two separate well sites.

MOTION: Motion by McEvers, seconded by Evans, to approve Resolution No. 15-033 approving a Purchase Agreement and bid award to Western States Equipment Co. for a 600 kW/750 kVA Standby Generator.

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

RESOLUTION NO. 15-034

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING A HOST VENUE AGREEMENT BETWEEN WORLD TRIATHLON CORPORATION, COEUR D'ALENE CHAMBER OF COMMERCE, AND THE CITY OF COEUR D'ALENE FOR THE ANNUAL IRONMAN® COEUR D'ALENE TRIATHLON EVENT.

STAFF REPORT: Finance Director Troy Tymesen stated that IRONMAN® (Ironman) wants to be in Coeur d'Alene which is why they have requested the City be the host venue of a half Ironman event in June and move the full Ironman event to August. He reviewed the history and funding sources of the Ironman Agreement and explained that the Chamber of Commerce is in full support of the agreement amendments and additional half Ironman. Additionally, he noted that the local economic impact is \$4,000 per race entrant, so with 400 additional race participants there would be a \$1.6 million economic impact. Mr. Tymesen explained that the current cost burden of the event is born by the Chamber of Commerce and that it would be moved the volunteer organization of the North Idaho Sports Commission. The City would maintain its current level of support for the full triathlon in August; however, the new agreement includes a reimbursement of \$21,750 for personnel costs associated with the June half Ironman event. The new agreement extends the full Ironman event by three years to 2020 and agrees to host a half Ironman in June during that same time period. He noted that during the first four hours the half ironman registration was open 488 participants registered for the event.

DISCUSSION: Councilmember McEvers asked where the \$10 per night hotel rebates goes. Mr. Tymesen stated that the North Idaho Sports Commission would receive the funds, and then turn them over to the City for personnel costs. Councilmember Edinger noted that the agreement states that no other activities can take place on the event weekend. Mr. Tymesen stated that the City cannot sponsor other events, and that the existing event of “Smoke on the Water” is sponsored by the Panhandle Parks Foundation. Councilmember Edinger expressed concerns regarding the NIC hoop shoot. Mr. Tymesen acknowledged that logistics for NIC are complicated, but Ironman is working with the college to provide the best egress and ingress to the campus. Mac Cavasar, Assistant Race Director, explained that the Governor’s Cup Event is being held the fourth weekend in August for a couple years and that once that is moved Ironman will move to the fourth weekend in August, which should cause less conflicts with other events, such as the County fair. Councilmember Miller asked for more information regarding the suggested reimbursement amount to the City. Mr. Tymesen explained that the City will track special event costs going forward, and estimated this amount based on approximately half of the full Ironman costs, and clarified that the amount could be altered over the years. Councilmember Miller asked for clarification regarding what if the North Idaho Sports Commission isn’t able to raise the money. Mr. Tymesen stated that the Chamber of Commerce was able to raise the funds in the past through the hotel fee and Visitor Bureau funding.

MOTION: Motion by Gookin, seconded by Miller to approve Resolution No. 15-034 approving an Agreement with World Triathlon Corporation, and Coeur d’Alene Chamber of Commerce for the annual Ironman Coeur d’Alene Triathlon events.

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

V-15-2 - TO VACATE A PORTION OF FRONT AVENUE RIGHT-OF-WAY BETWEEN 2ND AND 3RD STREET AND A PORTION OF 2ND STREET RIGHT-OF-WAY SOUTH OF SHERMAN AVENUE.

Mayor Widmyer asked for disclosure of any conflicts of interest of the Council and noted that he and his wife rent space within the Coeur d’Alene Resort shops and spoke with the Legal Department who determined it is not a conflict of interest. Councilmember Miller disclosed that her company has a contract with a branch of the Hagadone Corporation and also spoke with the Legal Department who determined that she does not have a conflict of interest. Councilmember Gookin disclosed that his son works at Titos Restaurant.

STAFF REPORT: Engineering Project Manager Dennis Grant explained that the vacation request is for a portion of Front Avenue between 2nd and 3rd Streets. He explained that the land was no longer needed by the City of Coeur d’Alene and as such it has been past practice to vacate the property to abutting property owners, who in this case is the Hagadone Hospitality Co. Mr. Grant explained that the street was recently improved as part of the McEuen Park project and was closed to vehicular traffic and reconstructed as a pedestrian and bicycle connection to Independence Point and City Park with funding from the Hagadone Corporation. He noted that there are existing public water, sewer, and storm facilities in Front Street and 2nd Avenue that

would have to be protected to reserve access and maintenance through an easement. The applicant is considering spanning the street with a structure, so including a minimum height clearance over the utility easements would be appropriate as well as additional easements for pedestrian traffic.

DISCUSSION: Councilmember Gookin asked if this property is within the urban renewal district. Mr. Grant believed a portion was within the district. Councilmember Gookin questioned if this vacation was different as it was downtown. Mr. Grant explained that vacations are similar when dealing with rights-of-way under state code.

Mayor Widmyer called for public comments related to this item and asked the City Clerk to swear in each person.

APPLICANT: John Barlow, Coeur d'Alene, explained that he represents Hagadone Hospitality Co., the applicant. He explained that over the past thirty years the Resort's primary source of business has been large group business travel. As part of the group business segment they have found that meeting planners love Coeur d'Alene but state that the Resort is not large enough, as the magic number is 500 rooms. They have recorded and documented the requests for large groups and currently have 342 rooms, so they would like to add 200 new rooms. Originally they applied for an easement to build where the bridge is today but legal counsel was concerned with recent case law and recommended pursuit of a vacation of the street. The Hagadone Hospitality Co. provided \$1.4 million in funding toward the street improvements on Front Avenue and proposes to continue the same use throughout this project. Mr. Barlow reviewed conceptual plans for the space, specifically the addition of a bridge, similar in height to the existing bridge. The design of the building has not been completed as they will need to go before the City's Design Review Commission and work within existing city regulations. He expressed their desire to build a great building as it will be the first thing people will see. Additionally, they are preparing to add one floor of parking to the garage. Many guests come by air so parking is not as large of a concern as they originally thought. Mr. Barlow explained that the economic impact of this project is significant and that it provides direct and indirect impacts. He has engaged the services of EMSI; who has prepared an overview of his findings. In summary the total construction impact is \$70 million; an increase of 67,000 new guest nights per year raising to 94,000 after two years; all with new outside money. Additionally, there will be \$6 million in new taxes paid throughout the state. He explained that Spokane hotels are competing with the Resort and that the City of Spokane paid \$173 million for convention facilities in Spokane. Boise spent \$10 Million for their convention center and provided \$30 million in expansions out of tax dollars. The City of Portland provided \$78 million for a new hotel at their convention center. The Hagadone Hospitality Co. is not asking for any tax money, just the ability to build and connect the new hotel to the existing Resort. He confirmed there will be an easement with the City to ensure that the City's needs and accesses are protected in the future.

PUBLIC COMMENTS:

Brian Points, Moscow, represents the EMSI Company and explained that his company conducts economic impact studies. He explained how dollars are rippled throughout the economy

multiple times after an initial expenditure. He explained the analysis of the expansion needing direct inputs including building materials and kitchen supplies. Then, in turn, those businesses buy direct from suppliers and indirect impacts would be patrons buying items at other stores. The impact continues to payrolls and the work force. He reviewed the four types of impacts of sales, jobs, earnings, and taxes. Additionally, he reviewed the construction impacts noting the construction is expected to last 16 months. The direct construction impact would be \$70 million with 633 jobs and earnings of \$34 Million, which is notable but temporary. He confirmed the initial operational impact would be 67,000 new visitors within first two years, with an economic contribution of \$30.2 Million and a tax impact of \$4.9 Million. Long term operational impact would be 94,000 new visitors, with an economic contribution of \$42 Million and 635 jobs and tax impact of \$6 million. Mr. Points concluded that the net present value over the next 50 years would be an economic contribution of \$424.8 Million with an earnings impact of \$140.8 Million and a tax impact of \$66.9 Million.

DISCUSSION CONTINUED: Councilmember McEvers asked if the addition would include conference space. Mr. Barlow explained that they need 10,000 square feet of new conference space, and they would propose for it to be in the ground level space within the plaza and new construction areas. Councilmember McEvers questioned if the new bridge could be done through an amendment to the existing PUD. Deputy City Attorney Warren Wilson explained that PUD does not apply to city rights-of-way so it would not be the right mechanism for authorization of the bridge. Discussion ensued regarding the existing bridge. Councilmember Gookin asked about number of local hires that would be included for the construction. Mr. Barlow explained that they have consistently used a firm based in Spokane; however, most of the employees live in Idaho. Councilmember Gookin asked if there were any other options for layout of the building to avoid going over the street. Mr. Barlow explained that they need to have the buildings connected so they need to have the bridge. Councilmember Edinger asked if the new project is within the urban renewal boundary. Mr. Barlow said that he believes it is. Councilmember Adams asked if an injection of money into an economy would create 7 times more than original injection. Mr. Point explained that it depends on the region and what type of influx one is seeing and that 7 times seems a bit high. Councilmember Evans asked if it would be possible to connect to the buildings with one sky bridge without the vacation. Mr. Barlow explained that he does not believe it would have the same impact and they would like to have a full climate controlled connection to the Resort. Councilmember Evans said she wanted to see a sketch of the proposed project and potential shading of park and downtown from the development. Mr. Barlow stated that the impact is controlled through zoning and will happen together if this is approved and clarified that they will not build if it is not connected. Councilmember Miller asked for clarification regarding what would need to be amended in addition to the PUD. Mr. Wilson reiterated that the shops and road are not within the PUD and that the connection to the existing Resort would probably need to have an amendment to the PUD and the donation agreement regarding the street closure would possibly need to be amended as to what is relevant or not. The agreements and contracts would come to the City Council; however, the PUD would stay at the Planning Commission level. Councilmember Miller asked for a reiteration that the intent of Hagadone Hospitality Co. is to continue all the current uses through an easement. Mr. Barlow confirmed that intent. Councilmember Gookin questioned the blocking of the views and vistas under the current code, which allows up to 200 feet with a bonus to 220 feet. Mr. Barlow clarified the code does not allow for multiple towers.

Councilmember McEvers questioned if approval of this vacation would set a precedent. Mr. Wilson explained that the Council would take each application on its own merit, and that the Council should determine what is in the best interest of the community, consider alley versus high traffic flow streets, and make findings based on each situation. He explained that the Council could consider what the uses of a public street are in the downtown corridor, that it is already closed to vehicular traffic, testimony received tonight, and other evidence in total. Discussion ensued regarding precedent setting, types of vacations, and other options for this type of development. Councilmember Evans asked for clarification regarding view corridors as she wanted clarity to understand the impact. Mr. Barlow stated that three hours ago he took a picture from Third Street and Sherman Avenue and felt that there is no view corridor that currently exists as there is a parking garage, the Resort, and blue sky. This addition will be blocking a blue sky only, rather than blocking existing views such as McEuen Towers or the One Lakeside Towers which meets the code and it blocks someone's view. He explained that there are tradeoffs with the amount of view lost. Mayor Widmyer expressed citizen concerns regarding the easement for use of the trail. Mr. Barlow explained that both documents (the vacation and the easement) will be recorded simultaneously and Hagadone Hospitality would be willing to enter into a contract to do what they said they would be willing to do. Councilmember Miller asked what type of permits for events and closures within the easement areas could occur. Mr. Wilson stated that if it is not a public street it would not have a street closure permit, so the easement use would stand alone and the Resort would not be able to encumber those uses.

RECESS: The Mayor called for a five minute recess at 6:50 p.m. The meeting resumed at 6:58 p.m.

Mayor Widmyer continued public comments related to this item.

Gary Schneidmiller, Post Falls, thanked Mr. Hagadone for his contributions to the community. He felt the economic impact is phenomenal and the multiplier is what happens to the people that come to our community. From his real estate perspective in the long term he sees that the people that come to our community repetitively desire to be living here and build businesses and bring significant dollars to invest. He believes they come here for the five-star Resort and find reasons to come back and build business and create jobs. He expressed support of the vacation and believes it will be a regional impact.

Marc Robitaille, Athol, stated that he represents Silverwood Theme Park. They are in support of this request and noted that 30% of their guests stay in area hotels and thinks this expansion will provide an increase and boost to the economy that will also increase funds raised through the bed tax, which is used to help promote our area. Kootenai County annually produces \$190 Million in sales and \$70 million in wages and is essential to our economy.

Jim Bossingham, Coeur d'Alene, said he was in opposition due to the way they are attempting to get the ground to put the tower on at no cost. He believes there are two options for the Council; to put it to a public vote or to lease the property to the Hagadone Corporation. He felt that the Mayor should remove himself from the voting process due to a perceived conflict of interest.

Councilmember Gookin explained that he was on Council when they voted to close the street, which was done due to public safety concerns related to the crosswalk in front of the Resort. He likes the idea of a public vote but does not think that there is political will to conduct an advisory vote on this matter. He asked Mr. Wilson if the City could lease the land. Mr. Wilson said that he does not believe the City can as it will be encumbered for 100 years or more, which in essence is the same as selling it, and is not advisable under case law.

Tom Addis, Coeur d'Alene, said that his belief is that you either move forward or you go backwards, one cannot stand still. He believes that the improvements the Hagadone Corporation has done on Blackwell make the approach to the city from the south look much better. In his travels he used to hear comments that he is from the Aryan Nation's area, and now he hears comments about the wonderful place with the floating green. Before he moved here he attended an annual meeting with large group at the newly opened Resort and decided to move here based on his experience. He encouraged the City to move forward with this vacation request.

Terry Cooper, Coeur d'Alene, said that he represents the Downtown Association that includes 98 retailers. He explained that there are different people included in the Association and many of them are benefited by the activity occurring at the Resort. If the Resort is strong the downtown is strong, which is why they work so closely together to ensure people have a great experience in Coeur d'Alene. He agreed that this would allow Coeur d'Alene to compete with our neighbors to the west and it would be a huge economic impact. The Association would appreciate the approval of this request.

Greg Peak, Coeur d'Alene, felt this was a very important decision for a small space, and enables an additional lodging tower to be built that would be an economic impact for many years into the future. He felt that the Resort stimulates the local economy and agreed that conventions and meetings are the life blood of any resort. He believes this is a unique situation that makes this a common sense decision to approve this vacation. He noted that he took pictures to examine the view corridor impacts and did not see any issues and he does not see the roadway as a huge asset to the city now or into the future. He urged approval of the vacation.

Doug Johnson, Coeur d'Alene, felt he had a unique perspective as he has restaurants in Coeur d'Alene and in Spokane, as well as worked for the Hagadone Corporation for 11 years and was a General Manager for a boutique hotel in downtown Spokane. He understands the impact of conventions and knows how important it is to draw the conference to the communities. He felt this was an opportunity to bring business to downtown Coeur d'Alene during the winter time when it is needed and he is excited for this to create a year-round destination. He knows there is a cost to adding a conference facility by giving this property up, but that can be viewed as a small tax to the community in exchange for large benefits.

John Bruning, Coeur d'Alene, explained that he represents two organizations; the Centennial Trail and Pedestrian Bicycle Committee. He was initially concerned that the staff report did not express how important the easement for the trail was, but he feels better after Mr. Barlow's testimony that the Resort supports the easement for the trail. He encouraged the Council to follow through with the easement, as the trail is very important to that location.

Steve Wilson, Coeur d'Alene, said he represents the Chamber of Commerce, and at their June 25 meeting they voted in support of the Resort's expansion plan and cited the large economic impact plan as their reasoning for approval. Every small town in America would be thrilled to have this project in front of them and he urged the Council to support the project.

Merlin Berger, Post Falls, is a long-time business owner in downtown Coeur d'Alene. He appreciated Council's concerns regarding the easement commitment. He looks at the history of the Resort and the fact that they have kept their word regarding the public boardwalk access. He confirmed that the economic impact is important to downtown and expressed that when he sees folks with nametags he sees them going to downtown restaurant's and businesses. Every community that is strong has a strong downtown.

Mike Teague, Coeur d'Alene, expressed opposition in making a gift to the for-profit Hagadone Corporation. He believes that this plan has been in the works for years. Earlier this year, they took over parking, eliminated parking at Independence Point, and trees were removed along the street without having to be replaced, which is not the same treatment of all other citizens. He believes that these actions were steps into this project along the way. If approved he believes the City should be prepared to fund projects for every hotel in the community. He believes that the view corridor going up the road and hill would be impacted and asked the Council to not give away public property.

Lora Aschenbrenner, Coeur d'Alene, expressed her main concern is that this is not just a hearing about vacation of a street, but that it is intertwined with future development of the property. The community has not been given a chance for input and only had access to the staff report, and requested the community have access to the full plans prior to the Council making this decision. She referenced Council's authority under Idaho Code 50-311 to vacate a street when it is for the public good and with such restrictions as deemed in the public interest. She asked that the Council table this item to allow for more time to gather information from the public.

Susan Snedaker, Coeur d'Alene, expressed opposition to the vacation of any public street. She reminded the Council that not long ago she protested the right of the Resort to landscape and maintain First Street and eliminate a parking area, as she did not believe it was in the best interest of the public. The project is within the city ordinances and design review, but she suggested there be a caveat to bring back parking on 1st Street for the community.

Councilmember Gookin clarified that the City did not vacate 1st Street and asked if the City could take it back. Mr. Wilson explained that it was part of a development agreement and that the City would have to revisit that agreement.

Jenna Berovansky, Coeur d'Alene, just learned about this project and did not have the opportunity to read the staff report. She said she was disturbed that this could have such a large impact by vacating a street and the property is changed from public ownership to private ownership. The impact of the private ownership is that it would allow a larger footprint for construction capabilities. She expressed concern that it is still unknown if they can do the project without the vacation and felt that should be considered before there is an automatic decision. She urged the Council to get more information and perhaps hold another public hearing.

Councilmember Gookin asked about change of use now and into the future. Mr. Wilson explained that in theory it should be fairly seamless as the easement would continue to allow for the utility easements, fire access, pedestrian/trail use, and deliveries to the Resort, as it does today, with the actual uses of the space feeling the same; however, it would look different with a large structure abutting it.

Irene Moss, Coeur d'Alene, spoke in favor of this project and concurred with prior testimony in favor of the vacation. She said that she has a business downtown and is very much in favor of large groups coming in especially through the hard times.

Bev Moss, Coeur d'Alene, said she attended the meeting to speak on behalf of the Pedestrian Bicycle Committee and was pleased to hear that the City would maintain an easement for the trail. She is aware of the economic impact to the downtown and the community; but also wanted to make sure the Council recognizes the aesthetic impact to the community, such as the loss of blue sky.

Katherine Coppock, Coeur d'Alene, said she was with the Convention and Visitor Bureau (CVB) and that the CVB officially endorsed the Coeur d'Alene Resort project and its economic impact of tourism. Additionally, the Ironman triathlon brings in \$7 Million annually and that is not possible without the Resort. She confirmed that there is competition with Spokane and Boise.

Mary Jo Krihgas, Coeur d'Alene, cautioned the Council on making this decision as she has witnessed the destruction of Cabo San Lucas Mexico. She questioned why the hotel rebate program for Ironman is \$10 night rather than a percentage basis of what the hotel charges. Based on the revenue projected in this project at year 3, the average wage would be \$7.90 per hour. She believes that the buildings needing to be connected is strategic to conserve liquor licenses.

Mary Lou Reed, Coeur d'Alene, said she was feeling sympathetic with the Council having to make this decision, and does not believe there is anything wrong with the project. She believes the Council should not make a decision without hearing everything they need to know about the project to ensure that it is in the public good to give up all the authority over the street. She encouraged the Council to look at other ways to complete the project other than giving up the street, not just the economic good. She expressed concern regarding the impact on McEuen, Front Street and confusing access. Additionally, the trail is very serious and should be protected for all riders now and into the future and questioned the amount of public involvement.

APPLICANT REBUTTAL: Mr. Barlow noted that he failed to mention that one important use of the trail and access is a fire access lane and confirmed that would also be included in the easement. He also noted that the Fire Department has said that they are comfortable with the width of the fire lane. The Resort will still need to go through steps with the City prior to issuance of a building permit. Mr. Barlow reaffirmed that whatever the lawyers need them to do to commit to the easement they will do.

Mayor Widmyer closed public comment.

DISCUSSION: Councilmember Evans questioned what the next steps would be if this was approved and when the public would get to give input. Mr. Wilson explained that there will be opportunities for input if the PUD needs to be amended as there would be a hearing at the Planning Commission. The Design Review Commission is another public hearing in which only the design of the building would be reviewed. He confirmed that both meetings are public hearings and notices will be provided.

Councilmember Miller asked if a traffic study would be triggered at any stage. Mr. Wilson felt that the zoning allows the density, so he does not believe there would be a trigger for a traffic study. Councilmember Gookin stated that there was a traffic study when they decided to close off the street and results showed it did not lower the services.

Councilmember McEvers questioned the process of vacation and the finding that it should be in the public good. Mr. Wilson said that the City holds streets in trust of the public and when the streets are no longer needed for public purposes the abutting owner would get the benefit of reverting it back to their ownership. The Council should look at uses of the street and the impact of the vacation. Councilmember McEvers felt that the trade-off of public good is protected by the easement, and the vacation is only needed to allow construction of the bridge.

Councilmember Edinger felt that the City basically vacated this section of the street already with the closure to vehicular traffic. Councilmember Adams concurred that the streets are effectively vacated due to the closure to vehicular traffic and nobody sought confirmation at that time but with the term vacation they assume the City should be compensated.

MOTION: Motion by Gookin, seconded by Edinger to approve V-15-2 - To vacate a portion of Front Avenue right-of-way between 2nd and 3rd Street and a portion of 2nd Street right-of-way south of Sherman Avenue.

DISCUSSION: Councilmember Evans explained that she is in support of the Resort adding more rooms and agreed that the economic impact is significant and will have an amazing impact on our community. She felt that there was very limited information in the packet regarding size and scale of the project and the impacts of views and vista and she would like the opportunity to see the whole project including shadowing of the downtown and the impact to the parks.

Without that information she would deny the request. Councilmember Gookin felt there were a lot of things coming into play and has to weigh a lot of different things; however, about 10-years ago the downtown overlay made it possible to allow towers. The Resort has the ability to build up and if the Council would revisit the codes that allow towers it could protect future blue sky. For right now, that code is in effect and allows for towers. Councilmember Gookin felt that the economic impact will be a shot in the arm to the downtown in the winter months.

Councilmember Edinger remembered reviewing the height restrictions downtown and that former City Planner Dave Yadon discussed the limits downtown and it was quite a process and knows that there is going to be more towers. He thinks that the Council should take each one as it comes before us and use our best judgement on those and would not be in favor of reviewing the height restrictions. Additionally, he noted that this was heard from Ignite and they passed with two descending votes and it will still have to go through Planning Commission and Design Review and as it sits now the economic impact is too great. Councilmember McEvers explained that when this first started spinning several months ago in Public Works he checked with legal

and wondered if he would feel the same if it was not a Hagadone project. After review with legal and searching the web, he found Idaho is not set up to provide other routes for building a bridge over rights-of-way. He believes the bottom line is to protect the corridor and the street was closed to vehicular traffic, the City let it go. He believes he has come full circle and he will support it as long as the easement is in place for the trail and pedestrians. Councilmember Miller expressed her appreciation for the public testimony and felt there was a lack of information; however, protecting what we have now is important and the due diligence we can do with the easement is important.

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

RECESS: Motion by McEvers, seconded by Gookin to recess to Thursday, July 9, 2015, in the Old Council Chambers, at 3:00 p.m., for a Workshop with the Parks & Recreation Commission regarding the BLM/4 Corners Master Plan, and then recess to Tuesday, July 14, 2015 in the Library Community Room (702 Front Avenue) at 1:00 p.m. for a Workshop regarding the Fiscal Year 2015-2016 annual appropriation budget. **Motion Carried.**

The meeting adjourned at 9:25 p.m.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, City Clerk