

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

August 18, 2020

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 August 18, 2020 at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

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

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

INVOCATION: Pastor Tim Remington with the Altar Church provided the invocation.

PLEDGE OF ALLEGIANCE: Councilmember McEvers led the Pledge of Allegiance.

PUBLIC COMMENTS:

Kevin Crayton, Post Falls, noted that he has been a member of the community for 20 years, and wanted to let the Council know that the City's Police Chief has been a leader that has brought the department together more than any other leader he has seen over the past 20 years. He noted that the crowd of people in attendance at the meeting tonight is a testament of a true leader. He expressed concern over ribbons being hung at the police memorial wall in June as he felt it was a political statement that should not be connected to the memorial and asked the Mayor to not allow the use of the memorial for such activities in the future. The Mayor noted that he was unaware of the ribbons being hung and clarified that he did not authorize the use.

Johann Schmitz, said that he was the President of the Police Association. He expressed concern about the current political movement throughout the nation expressing police reform, noting that local officers are not immune to the noise. He noted examples of the hurt officers feel when delivering bad news, loss of time from family, and the loss of fellow officers. Mr. Schmitz noted the unwavering support of the people of this community, and the support of the Mayor and Council for public safety, which comes from the leadership of Lee White, whose success has been unprecedented. He expressed gratitude for the cultural change, and the support that Chief White has given in the darkest hours or times of crisis to the Police Department. He remarked that the world is unfair and no one will tolerate injustice and he knows they have the support of Council, and he thanked Chief White.

COUNCIL COMMENTS:

The Mayor noted that the City is seeking youth representatives on City committees, commissions, and boards. He noted that more information and applications can be found by visiting the city's website at www.cdavid.org/volunteer. Additionally, he said that applications are due by September 30, 2020.

Mayor Widmyer requested confirmation of the appointment of Greta Snodgrass to the Design Review Commission.

MOTION: Motion by Evans, seconded by McEvers to appoint Greta Snodgrass to the Design Review Commission. **Motion carried.**

CONSENT CALENDAR:

1. Approval of Council Minutes for the August 4, 2020 Council Meetings.
2. Approval of Bills as Submitted.
3. Approval of Financial Report.
4. Approval of Minutes from the August 10, 2020 General Service/Public Works Committee Meeting.
5. Setting of General Services/Public Works Committee meeting for Monday, August 24, 2020 at 12:00 noon.
6. Setting of a public hearing for September 15, 2020 for ZC-3-20; for property located at 647 E. Best Avenue; proposing to change zone from R-12 to C-17; by Rock & Robyn Investments, LLC.
7. **Resolution No. 20-044** - A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING AND APPROVING THE FOLLOWING AGREEMENTS AND OTHER ACTIONS OF THE CITY OF COEUR D'ALENE: FINAL PLAT, SUBDIVISION IMPROVEMENT AGREEMENT, AND SECURITY FOR LILAC GLEN [SS-6-14]; LANDSCAPE AGREEMENT AND SECURITY FOR LILAC GLEN [SS-6-14]; GRANT DEED FOR RIGHT-OF-WAY AND UTILITY EASEMENT DEDICATION WITH LAUNDER PROPERTIES, LLC, FOR PROPERTY LOCATED ALONG 8TH STREET BETWEEN LAKESIDE AND SHERMAN AVENUES; AND GRANT DEED FOR RIGHT-OF-WAY AND UTILITY EASEMENT DEDICATION WITH CRYSTAL CREEK, LLC, FOR PROPERTY LOCATED ABUTTING ALPS STREET.

MOTION: Motion by McEvers, seconded by Miller, to approve the Consent Calendar as presented, including **Resolution No. 20-044**.

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

REQUEST FOR EXCEPTION TO ANNEXATION IN EXCHANGE FOR WATER SERVICE OUTSIDE THE CITY LIMITS POLICY.

STAFF REPORT: Water Department Director Terry Pickel explained that the Water Service Outside City Limits policy, as revised April 1st of 2017, allows county property owners that abut City water mains to petition for a new water service if they meet the required criteria. If they had prior agreements with Idaho Water, or materially/monetarily participated in the water main construction, then they were automatically guaranteed the right to service. Other lots that did not have grandfathered rights, but do abut an existing main and were platted prior to April 1, 2017 were granted the opportunity to petition for a new water service. Those lots were identified as part of the revised policy and the requirements for service were listed with them. Pre-existing subdivisions were identified in the policy as well as guaranteed service. The current property owner of 2411 E. Cherry Hill Rd., located within the Les James subdivision, wishes to petition for service to her adjacent county lot which was not included in the original subdivision. However, the lot is contiguous and the current policy requires that a property contiguous to the City Limits must annex for water service. The property owner is requesting that the policy requirement for annexation be waived by City Council due to financial hardship. Annexation will require property frontage improvements that are not required by the County. No other home in the subdivision has been required to make such frontage improvements so this would be the only home on a dead end, County-maintained road with such improvements. The Water Department will not be monetarily affected either way and would provide service either way. If the property owner is granted a waiver, water service would naturally be part of the agreement. If Council denies a waiver, then the property owner would be required to annex and the Water Department would then grant them service. The policy was designed to require annexation where possible but also allows flexibility for Council to exercise fair judgement where they see fit as good neighbors. Mr. Pickel noted that the property owner and their engineering consultant requested the opportunity to address Council.

Sandy Young, with Verdis, noted that she is representing the applicant and said that their parcel is just north of the Turkenburg parcel and that they have lived there since 1996. The parcel is unimproved and is in the County limits, with abutting neighbors that already have City water service. She noted the owners decided to develop the parcel this year and would not receive any other services, other than water, from the City. Ms. Young noted the hardship would be the annexation fees and the cost to install the required frontage improvements. Ms. Turkenburg has indicated that she does not want to annex. She explained that a year ago her husband suffered a stroke and he has no ability to speak and/or be mobile. He was self-employed and is no longer able to work, so she is the caregiver and they are now on a fixed income. Their current home is on two floors and they were not able to reside in the home the first six months of rehab, and it currently poses safety concerns. She is attempting to build a house that is more accessible in a neighborhood with friends who help her. She noted the vacant parcel is adjacent to her home and is a $\frac{3}{4}$ acre parcel that is independent of the subdivision, but abuts all parcels that have City water. She clarified that if they are annexed they would be within the City with higher taxes, would pay an annexation fee and pay to install the frontage improvements. She clarified that they are not building to re-sell the home; but, rather, to help her husband.

DISCUSSION: Councilmember Gookin noted that the City policy does not include any language regarding an appeal to Council. City Attorney Mike Gridley said that there is a Municipal Code that provides for appeals of administrative decisions to the Council, which would be a catch-all provision. Mr. Pickel said that they have brought three of these types of requests to the Council over the past 15 years, one of which was a failed well.

Councilmember Miller clarified that the policy does not allow the waiver, so the only recourse is to bring the request before the Council. Councilmember McEvers asked if there was any wiggle room regarding the annexation, such as delaying the frontage improvements. Mr. Pickel noted that no other abutting property within the County subdivision has the frontage improvements. Mr. Gridley said that the Council could defer the requirements and/or waive the requirements but the concern would be setting a precedent. Councilmember McEvers noted that water and sewer are a big asset provided by the City and the annexation make sense, and the Council could help them out by not requiring the improvements at this time. Councilmember English asked if there was a timeline for annexation, and if the improvements can be deferred down the road. Mr. Pickel said that he did not know of any timeline for development, and that improvements would be required when a developer decides to extend the main. Councilmember Wood said that she was touched by the testimony and understands the hardship, and suggested that the improvements be deferred until a transfer of sale, as she would not want the burden hanging over the property owner. Mr. Tymesen said that he thought staff could work with the property owner to hammer out details. Councilmember Evans said she felt that now would be the time to make an exception to the policy.

MOTION: Motion by Evans, seconded by English to approve an exception to Annexation in exchange for water service outside the City limits pursuant to City policy, with the agreement to defer annexation to a future time when the rest of the subdivision is annexed.

DISCUSSION: Councilmember Gookin said that once you make an exception the policy goes out the window, which means the next person can make a financial burden claim. He commented that he doesn't believe the Council should look at individual cases. Councilmember Miller agreed that policy is important, but noted that life creates non-black and white situations. She said that within the staff report it stated that the owner would sign an agreement for subsequent annexation if Council desires, which means if there is a sale of property or the subdivision is annexed, they would annex, and she thinks that would protect the city. Mr. Pickel said they could track that with building permit requests. Mr. Gridley noted that such an agreement would go onto a title. Councilmember McEvers said that the City fights for tax dollars and feels the property owner will save more money with lack of the frontage improvements requirement to pay for the annexation fee and that way it would still stay within the policy.

Motion carried with McEvers opposed.

RESOLUTION NO. 20-045

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH HDR ENGINEERING, INC., FOR THE WASTEWATER DEPARTMENT SOLIDS HANDLING IMPROVEMENT PROJECT.

STAFF REPORT: Wastewater Capital Programs Manager Mike Becker explained the process of the City's Advanced Wastewater Treatment Facility (AWTF) dewater anaerobically digested biosolids and their goal to reduce volume and weight prior to transportation to the City's Compost Facility. Presently, the AWTF operates a single centrifuge with a belt filter press (BFP) as a standby dewatering unit within the Solids Handling Building. A centrifuge employs centrifugal forces (spinning) to separate solid particles from the liquid. The BFP mechanically squeezes the liquid through a filter belt. The centrifuge produces a drier biosolids cake which greatly decreases hauling and compost processing costs. Excess water in the biosolids will adversely affect the composting production process too. In January 2018, HDR, working with the Wastewater Department, evaluated the AWTF's existing dewatering equipment and solids handling facilities. They developed a conditional assessment and a Capital Improvement Plan (CIP) for the entire solids handling facility. Assuming a 20-year service life cycle, their analysis immediately identified replacing the BFP with another viable dewatering equipment alternative. To optimize biosolid cake production while minimizing constructability and long-term O&M costs, centrifuge equipment was selected. This project will include the replacement of the existing belt filter press with a new centrifuge, new electrical and manufacturer control equipment and associated polymer and enhanced odor control equipment, as well as planning for other Solids Handling Building improvements that may, or may not, be implemented in conjunction with provision of the new dewatering equipment depending upon further progress evaluations and decision making in the course of project development. HDR Engineering, Inc., is uniquely qualified to perform the engineering design and bidding services for the project. Subsequently, HDR was selected for the project in accordance with Idaho Statute § 67-2320(4) that allows for the City to negotiate a new professional services contract for an associated or phased project. The project is a continuation of the numerous previous wastewater treatment plant phased projects, facility plans, regulatory permitting, etc. Mr. Becker noted that staff is requesting approval of an agreement with HDR Engineering, Inc., for professional services associated with the Wastewater Department's Solids Handling Improvements Project at a cost of \$232,785.00.

DISCUSSION: Councilmember Gookin asked why the belt filter press (BFP) is hardly ever used. Mr. Becker explained that the press drives the biosolids and was state of the art in 1999; however, today's technology provides a drier product and the BFP provides a wet product so they are looking for redundancy. He noted that Wastewater will experience an increase in production as population grows, which means the solid concentration increases and they need to maximize technology to create compost with a centrifuge. He further explained that they currently only have one centrifuge and they need a back-up. The current one was purchased in 2006 and rebuilt in 2016, with a ten-year lifecycle. Their goal is to replace the BFP, which would provide a backup. Councilmember Gookin asked if the project went out to bid. Mr.

Becker clarified that the project will go out to bid, and this is a request for continued engineering services.

MOTION: Motion by McEvers, seconded by Evans to approve **Resolution No. 20-045**, approving a Professional Services Agreement with HDR Engineering, Inc. for the Wastewater Department Solids Handling Improvements Project.

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

RESOLUTION NO. 20-046 -A RESOLUTION ESTABLISHING A NOTICE OF TIME AND PLACE OF PUBLIC HEARING OF THE PROPOSED AMENDED BUDGET FOR FISCAL YEAR 2019-2020.

STAFF REPORT: Comptroller Vonnie Jensen presented the budget amendments for fiscal year 2019-2020, noting that state code allows Council to amend a budget for unanticipated revenues and expenses totaling \$7.1 Million. She noted the budget amendment shows increases in expenditures due to carryovers of projects, state and federal grants received, purchase of property on East Sherman, the transfer of \$1,400,000 to the City of Coeur d'Alene Employee Benefits Trust Fund, expenditures for the Memorial Park Grandstand and miscellaneous additional items. Additional revenues of \$1,625,715 are projected to be received in the General Fund to cover the increased expenses for the fiscal year, and \$1,976,944 is coming from designated fund balance.

DISCUSSION: Councilmember Wood asked how a \$7.1 Million amendment would be unplanned for as it seems like a lot of additional funds. Ms. Jensen noted there were a lot of amendments this year such as the City transferring \$1.4 to the Employee Benefits Trust Fund and receiving over \$1 Million in COVID grant dollars. The Wastewater Department had approximately \$1 Million in changes and there were \$1.1 Million of carry overs for the Memorial Park Grandstand. Councilmember Wood asked for clarification of the unexpected revenues. Ms. Jensen explained that revenues are from designated things like grants received, the Memorial grandstand project, and some increase in sales tax. Councilmember English noted that this is a year's worth of activities that culminated into a year-end action that accounts for opportunities, grants and emergencies that come up throughout the year.

RESOLUTION NO. 20-046

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ESTABLISHING A NOTICE OF TIME AND PLACE OF PUBLIC HEARING OF THE PROPOSED AMENDED BUDGET FOR FISCAL YEAR 2019-2020, AND INCLUDING PROPOSED EXPENDITURES BY FUND AND/OR DEPARTMENT, AND STATEMENT OF THE AMENDED ESTIMATED REVENUE FROM PROPERTY TAXES AND THE AMENDED TOTAL AMOUNT FROM SOURCES OTHER THAN PROPERTY TAXES OF THE CITY FOR THE ENSUING FISCAL YEAR AND PROVIDING FOR PUBLICATION OF THE SAME.

WHEREAS, it is necessary, pursuant to Idaho Code § 50-1003, for the City Council of the City of Coeur d’Alene, prior to passing an Amended Annual Appropriation Ordinance, to prepare a proposed amended Budget, tentatively approve the same, and enter such proposed amended Budget at length in the journal of the proceedings;

NOW, THEREFORE,

BE IT RESOLVED by the Mayor and City Council of the City of Coeur d’Alene that the following be and the same is hereby adopted as an Amended Estimate of Expenditures and Anticipated Revenue of the City of Coeur d'Alene for the fiscal year beginning October 1, 2019:

	FY 2019-20 BUDGET	FY 2019-20 AMENDED BUDGET
GENERAL FUND EXPENDITURES:		
Mayor and Council	\$ 265,825	\$ 265,825
Administration	216,721	216,721
Finance Department	1,197,516	1,197,516
Municipal Services	1,820,374	1,835,374
Human Resources	400,519	400,519
Legal Department	1,291,857	1,352,557
Planning Department	973,288	973,288
Building Maintenance	675,981	724,859
Police Department	15,974,160	16,200,448
Fire Department	10,575,497	10,955,247
General Government	125,750	2,702,500
Streets and Engineering	5,039,108	5,327,466
Parks Department	2,497,538	2,497,538
Recreation Department	761,988	768,923
Building Inspection	963,810	963,810
TOTAL GENERAL FUND EXPENDITURES:	<u>\$ 42,779,932</u>	<u>\$ 46,382,591</u>

	FY 2019-20 BUDGET	FY 2019-20 AMENDED BUDGET
SPECIAL REVENUE FUND EXPENDITURES:		
Library Fund	\$ 1,785,766	\$ 1,864,166
Community Development Block Grant	597,467	797,142
Impact Fee Fund	360,000	683,267
Parks Capital Improvements	564,500	1,834,500
Annexation Fee Fund	99,000	99,000
Cemetery Fund	369,627	369,627
Cemetery Perpetual Care Fund	191,500	191,500
Jewett House	28,853	28,853
Reforestation/Street Trees/Community Canopy	111,000	111,000
Public Art Funds	369,300	369,300
TOTAL SPECIAL FUNDS:	<u>\$ 4,477,013</u>	<u>\$ 6,348,355</u>
ENTERPRISE FUND EXPENDITURES:		
Street Lighting Fund	\$ 706,000	\$ 706,000
Water Fund	14,621,311	14,621,311
Wastewater Fund	16,672,037	17,751,037
Water Cap Fee Fund	3,900,000	3,900,000
WWTP Cap Fees Fund	1,250,000	1,250,000
Sanitation Fund	3,959,644	4,174,644
City Parking Fund	1,375,011	1,386,232
Drainage	1,821,546	1,821,546
TOTAL ENTERPRISE EXPENDITURES:	<u>\$ 44,305,549</u>	<u>\$ 45,610,770</u>
FIDUCIARY FUNDS:	\$ 3,250,041	\$ 3,250,041
CAPITAL PROJECTS FUNDS:	1,611,812	1,943,087
DEBT SERVICE FUNDS:	878,932	878,932
GRAND TOTAL OF ALL EXPENDITURES:	<u>\$ 97,303,279</u>	<u>\$ 104,413,776</u>

	FY 2019-20 BUDGET	FY 2019-20 AMENDED BUDGET
ESTIMATED REVENUES:		
Property Taxes:		
General Levy	\$ 20,910,045	\$ 20,910,045
Library Levy	1,743,616	1,743,616
Fireman's Retirement Fund Levy	250,000	250,000
2015 G.O. Bond Levy	878,932	878,932
TOTAL REVENUE FROM PROPERTY TAXES:	<u>\$ 23,782,593</u>	<u>\$ 23,782,593</u>

	FY 2019-20 BUDGET	FY 2019-20 AMENDED BUDGET
ESTIMATED OTHER REVENUES:		
Interfund Transfers	\$ 8,865,140	\$ 9,188,407
Beginning Balance	25,335,773	29,961,992
Other Revenue:		
General Fund	17,795,224	19,397,672
Library Fund	19,150	27,550
Community Development Block Grant	597,467	797,142
Parks Capital Improvement Fund	885,000	885,000
Cemetery	178,248	178,248
Annexation Fee Fund	80,000	80,000
Impact Fee Fund	187,488	510,755
Cemetery Perpetual Care Fund	50,000	50,000
Jewett House	19,000	19,000
Reforestation	6,000	6,000
Street Trees	83,000	83,000
Community Canopy	2,000	2,000
Public Art Funds	104,000	104,000
Street Lighting Fund	575,000	575,000
Water Fund	6,277,400	6,277,400
Wastewater Fund	11,550,767	11,550,767
Water Capitalization Fees	1,250,000	1,250,000
WWTP Capitalization Fees	1,300,000	1,300,000
Sanitation Fund	4,330,000	4,330,000
City Parking Fund	748,475	759,696
Drainage	1,045,329	1,045,329
Fiduciary Funds	3,024,800	3,024,800
Capital Projects Fund	804,500	820,500
TOTAL REVENUE OTHER THAN PROPERTY TAXES:	<u>\$ 85,113,761</u>	<u>\$ 92,224,258</u>
 SUMMARY:		
	FY 2019-20 BUDGET	FY 2019-20 AMENDED BUDGET
PROPERTY TAXES	\$ 23,782,593	\$ 23,782,593
OTHER THAN PROPERTY TAXES	<u>85,113,761</u>	<u>92,224,258</u>
TOTAL ESTIMATED REVENUES	<u>\$ 108,896,354</u>	<u>\$ 116,006,851</u>

BE IT FURTHER RESOLVED that the same be spread upon the Minutes of this meeting and published in two (2) issues of the Coeur d'Alene Press, seven (7) days apart, to be published on August 24, 2020, and August 31, 2020.

BE IT FURTHER RESOLVED that a Public Hearing on the Budget be held on the 15th day of September, 2020, at the hour of 6:00 o'clock p.m. on said day, at which time any interested person may appear and show cause, if any he has, why the proposed amended Budget should or should not be adopted.

MOTION: Motion by Evans, seconded by McEvers to approve **Resolution No. 20-046**, approving the Proposed amendment to Fiscal Year 2019-2020 budget, and scheduling a public hearing for September 15, 2020.

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

APPROVAL FOR STAFF TO DEVELOP AND IMPLEMENT A MUNICIPAL SMALL BUSINESS GRANT PROGRAM TO ALLOCATE A PORTION OF THE CARES ACT FUNDS RECEIVED BY THE CITY OF COEUR D' ALENE TO SMALL BUSINESSES THAT HAVE BEEN AFFECTED BY THE CORONAVIRUS.

STAFF REPORT: Accountant Stephanie Padilla said that the City of Coeur d'Alene has been allocated \$1,766,300 of CARES Act funds and Council accepted the funds during the July 7, 2020, Council meeting. She clarified that the program would not go above and beyond what the Council has already approved. She further explained that recently Governor Brad Little has allowed municipalities flexibility on the use of the funds. Local governments are allowed to utilize their allocation of the CARES ACT fund to create a Municipal Small Business Grant Program to aid businesses affected by COVID -19 within the City limits. Several cities in Idaho are in the process of developing such programs. As with all items related to the Coronavirus, the regulations regarding the use and approval of CARES Act funds is rapidly developing in a very short timeframe and involve limited funds. All funds allocated to the Municipal Small Business Grant Program are required to be disbursed by December 30, 2020. The total of \$1,766,300 in CARES Act funds allocated to the City are currently the only Coronavirus-related funds available. The recommended proportion of these funds to be allocated to the Municipal Small Business Grant is no more than 20%. For the City of Coeur d'Alene, this would be approximately \$340,000. The City of Coeur d'Alene will be required to document and submit grant details to the Coronavirus Financial Advisory Committee (CFAC) to ensure that all Federal guidelines are met. All requests for funds through the Municipal Small Business Grant must be approved by the CFAC. The Municipal Small Business Grants are for businesses that are closed or whose business was interrupted pursuant to local health district or local government decisions made after June 20, 2020, that were otherwise not eligible for a state small business grant, and that have specific personal protective equipment (PPE) needs in order to operate safely. Businesses qualifying for the Municipal Small Business Grant must have 500 employees or fewer, have an Employer Identification Number (EIN), be in good standing and not federally prohibited from receiving funds, have not received funds for the current purpose by other COVID-19 grant programs, and have qualified business interruption or expenses caused by COVID-19. Ms. Padilla noted that staff would like to set up a program and create a committee for application review and that all requests would still need to go forward to the state CFAC Committee. The City has spent \$830,000 to date and the date may be moved to June for disbursement to cities, but that is unknown at this time. Some cities have capped the grant

request amount at \$15,000, and have approved items specifically associated with the COVID virus such as sanitation equipment. She noted that there is an application that the state requires to be used, but cities can add additional requirements. She further explained that the request is time sensitive as it would need quick approval so the City may want to consider using the existing CDBG grant review ad hoc committee.

DISCUSSION: Councilmember Miller said she felt that the committee should have people added from the business sector. She asked if the committee would determine whether a business is eligible and would prior PPE funds exclude them. Ms. Padilla confirmed the committee's role to determine eligibility based on the state requirements and that there would be a small window of options for non-profit groups. Councilmember McEvers asked if there could be a requirement that they live within the City. Ms. Padilla noted that the business would have to be within the City. Councilmember Gookin questioned the qualifiers that the business was closed or that they had interrupted service after June, 2020. Ms. Padilla explained that the City of Meridian is using that because their bars are still closed. The Mayor asked if that was a strict requirement, or maybe there is an interpretation of what qualifies as impacted or interrupted. Ms. Padilla noted that there has been a ruling from the Governor's office that they would refer to. Councilmember Evans said she felt that several businesses have been interrupted due to having positive cases and that could be another opportunity. Councilmember Miller noted that she worked with a group of gym owners that could qualify who had to restructure how the gym works and buy new equipment, as well as cut schedules in half. Councilmember Wood requested that the Council receive a written report once a month with an update on the funding.

MOTION: Motion by Evans, seconded by English to approve the development and implementation of a Municipal Small Business Grant Program by staff to allocate a portion of the CARES Act funds received by the City of Coeur d' Alene to small businesses that have been affected by the Coronavirus. **Motion carried with Gookin being opposed.**

APPROVAL FOR STAFF TO ABATE, DEMOLISH AND IMPROVE THE CITY-OWNED EAST SHERMAN MOTEL SITES IN SUPPORT OF REVITALIZATION EFFORTS ALONG THE CORRIDOR USING FUNDS FROM THE FRUITLAND LANE PROPERTY SALE AND FUND BALANCE.

STAFF REPORT: Community Planning Director Hilary Anderson noted that the City entered into an agreement in April 2019 to exchange real property with the Society of St. Vincent De Paul in the City of Cda, Inc. and the St. Vincent De Paul Salvage Bureau, Inc. for properties located at 1516 and 1620 E. Sherman Avenue in exchange for real property owned by the City located at 102/106 East Homestead in Coeur d'Alene. The City Council approved the exchange after a public hearing on June 4, 2019, and the transaction closed and the City obtained the properties on December 20, 2019. During the public hearing, staff shared possible uses of the two properties and community preferences for how the sites could be utilized to further support the East Sherman revitalization efforts. A variety of uses were suggested with varying costs and levels of improvement, some requiring public-private partnerships or possible future acquisition of the sites by private parties for redevelopment purposes. While staff presented the various uses that could be achieved on the properties, it was also noted that the short-term goal and lowest cost investment would be to provide pocket park greenspace to allow for community gathering

places and public parking to support the growing business community and avoid the potential challenges like the City has been experiencing with parking in Midtown. Longer term goals could include land exchanges and/or public-private partnerships in support of redevelopment consistent with the community vision outlined in the draft East Sherman Revitalization Plan. The former motels on East Sherman have sat vacant since September 30, 2018. They are not inhabitable in their current state and are not providing any value to the business district or surrounding neighborhoods sitting vacant, and could become an attractive nuisance if they continue to remain in their current state, potentially inviting vandalism or break-ins. Staff is proposing to move forward this fall with asbestos abatement and demolition of the former motel buildings at 1516 and 1620 E. Sherman Avenue, and backfilling the holes where the buildings are removed. The plan would be to keep the current asphalt parking areas in place over the winter and apply soil tackifiers to the exposed soil to ensure stormwater best management practices until the sites are improved in spring 2021. Staff is recommending improving the properties by maintaining power, water and wastewater connections, making both parcels development-ready by bringing in structural fill, adding some lighting and outlets to allow for farmers markets and community events, and adding public green space through the use of micro clover, ornamental grasses and other low maintenance plants, irrigation, rocks, and picnic tables to create a low cost community gathering place, and adding new pavement to allow for public parking to support the district. The proposal would cost the least amount of money and would allow maximum flexibility for both properties, including allowing the community to begin using the properties in 2021 for public green space in support of recreation, picnicking, small events, farmer's markets, and parking. The initial work would take place later this fall. The full site improvements are expected to take place in the spring of 2021.

Ms. Anderson noted that the Streets & Engineering Department would assist with site preparation after the asbestos abatement and demolition work is completed. The work would include filling any holes, importing suitable soil to the site and compacting the soil, and preparing for the winter with stormwater management and construction best management practices. The Streets & Engineering crew would also be able to pull power for lighting and outlets, pave the parking areas, and install curb stops for the parking area. The City's Parks crew would install mulch and soil tackifier to the soil this fall for stormwater management, and then install the irrigation, micro clover, ornamental grasses street trees, rocks, and picnic tables in the spring. The Streets & Engineering crew would install new pavement in the spring. The Police and Fire Department have expressed an interest in doing some trainings in the buildings prior to their demolition. The total cost of the contracted work is estimated to be \$97,465. Ms. Anderson noted that the City received \$69,845.51 from the sale of the 3285 Fruitland Lane property, which closed in February 2020, and it would require approximately \$27,620 from Fund Balance to cover the difference.

DISCUSSION: Councilmember Miller asked about the plan for the improvements. Ms. Anderson said that once the site is cleared the plan is for half asphalt and half greenspace. The property at 1516 Sherman might be a good flex space, and would also benefit from public parking. Councilmember Miller said that she agreed with demolition and noted that the City doesn't track staff time costs and was hoping there would be a park plan and expected expenses, such as wiring. Ms. Anderson noted that there are electrical improvements and street lights included in the plan. They are looking for a low maintenance area that requires little water, with

rock features similar to the midtown pocket park. Councilmember Miller asked if this was the final development plan with no improvements down the road. Ms. Anderson explained that the plan provides for immediate use and could be used down the road as a land trade or sale if the Council desires in the future. Councilmember Gookin asked about the funding and if those amounts could be included in the current budget amendment. Ms. Jensen said that it would occur in next fiscal year's budget amendment. Councilmember Wood asked if a property sale like Fruitland goes into a different fund. Ms. Jensen said that at the year-end it is designated, but goes into the General Fund. Councilmember McEvers asked if the \$27,000 is included in the already planned \$1.5 Million to be taken from the General Fund in the currently proposed budget. Ms. Jensen noted that it would be additional. Councilmember Miller asked if there would be an opportunity for community funding and possibly naming opportunities to lessen the impact to the General Fund. Ms. Anderson noted that they have not included that at this time; however, she could bring that idea to the Parks and Recreation Commission. Councilmember Wood asked what the long-term goals were for the properties. Mayor Widmyer noted that several ideas were discussed at the time and several options included future revitalization for East Sherman. Ms. Anderson explained that some of the popular community ideas included a year-round farmers market or co-op, affordable housing, micro-enterprise, pop-up shops and pocket park with more public parking. She also noted that if there is a future urban renewal district, the parcels could be used. Councilmember McEvers noted the purchase value of the properties was \$326,000, but questioned what they would be worth today. Ms. Anderson clarified that the City does not have a great process available for the sale of property, due to the Idaho Code requirement for disposing of public property; therefore, a better option would be a land trade. Councilmember McEvers expressed concern over the use of General Fund balance for the benefit of the abutting businesses. Councilmember Wood proposed further discussion on how to move forward with more information regarding the development of the land. Mayor Widmyer suggested the option to demolish now and leave the ground bare. Ms. Anderson confirmed they could do it in two phases; however, she requested that the development still occur in 2021, so the parcel is not left in a vacant state for many years.

MOTION: Motion by Miller, seconded by Wood to authorize staff to abate, demolish and improve the City-owned East Sherman Motel Sites, with staff to prepare a budget and development plan to present to Council before spring 2021.

DISCUSSION: Councilmember Gookin asked for clarification regarding the cost of demolition. Ms. Anderson noted that the price for contracted work would be \$79,465 so they would still need about \$10,000 to complete the task. Councilmember Miller reiterated her request to look at naming rights and items that would be physically installed there and more information on the long-term use plan for the property.

Motion carried.

MOTION: Motion by Gookin, seconded by Wood to enter into Executive Session pursuant to Idaho Code 74-206 (1) (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent; and (f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated

but imminently likely to be litigated and asked that the Police Chief be available if Council needs to call him.

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

The City Council entered Executive Session at 7:35 p.m. Those present were the Mayor, City Council, City Administrator, Human Resources Director, Kirt Naylor, Deputy City Attorney, and City Attorney. Council returned to regular session at 9:40 p.m.

ADJOURNMENT: Motion by Miller, seconded by Evans, that there being no other business this meeting be adjourned. **Motion carried.**

The meeting adjourned at 9:41 p.m.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, CMC
City Clerk