

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

June 2, 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 June 2, 2020 at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

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

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

**INVOCATION:** Pastor J.O. Owens with Heart of the City Church provided the invocation.

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

**PUBLIC COMMENTS:**

Jennifer Drake, Coeur d'Alene, thanked the Council for reviewing the Rebound Downtown proposal. She noted that everyone is living in a pandemic, which has caused difficulty to the businesses and society. Businesses are closing and those that are staying open are doing so with great losses. This is happening everywhere but she believes our community is in a unique position to do something about it with the proposal. The current social distancing restricts many businesses into using half the seating and they have no idea how long it will last. If they could expand into the street capacity would come to 100% and they would be better able to be successful. She noted that under the proposal each business would have control of their own space and the parking garage would accommodate vehicles. Additionally, she believes the increased foot traffic would increase sales. She noted that other cities have already come up with this decision. Ms. Drake said that she felt that a business must adapt or die, and that the proposal does not benefit any individual business, but would benefit all. She requested the Council vote for Option A.

Ian Smith, Coeur d'Alene, noted that he lives in downtown on Indiana and 7<sup>th</sup>, and he likes the ideas of creating parklets and expanded sidewalks. He is in favor of the ideas proposed for Sherman Avenue, except keeping vehicle traffic on Sherman, and believes that the current proposal is a compromise on a street closure and it doesn't address the problem. He wants to visit restaurants and local coffee shops, but is reluctant unless he can be outside so it would

lower the risk of COVID. He noted that sidewalks are already packed so he avoids downtown. He thinks expanding sidewalks will increase people density so they should not have vehicles. He offered additional options to include allowing a couple blocks for parklets and couple blocks closed to vehicle traffic, which would allow the City to see what would work and bring back the best options next year. Additionally, he offered that a compromise would be to make Sherman Avenue one-way for the summer with an extra lane as a pedestrian lane, with 2-way pedestrian traffic. Mr. Smith noted that if COVID infections get worse, businesses may lose the summer, so keeping sidewalks for customers and the road for pedestrians would be his recommendation.

Jim Riley, Coeur d'Alene, congratulated all and law enforcement for their work last night. He suggested Council close Sherman Avenue for the summer. As a citizen, he is serious about being safe from the COVID virus and is within a high-risk age group. As he looks downtown, he finds it difficult to walk at a 6' separation and if he visits a venue it will be outside in order to stay 6' away from others. He noted he was in support of Option A.

Jack Riggs, Coeur d'Alene, thanked the Mayor and Council for considering the item and said that he agrees with previous comments made. He noted that he got involved with brainstorming ideas about how to help small businesses, especially those with a small foot print, and practicing safe social distancing guidelines. He has lived here his entire life and had an office on Sherman Avenue for the past 15 years. The idea to close Sherman Avenue is to address social distancing in a creative manner. It would be a temporary three-month response for businesses and patrons. Option B keeps vehicles and all foot traffic on existing sidewalks and would not allow 6' social distancing and would, therefore, be a dysfunctional compromise as cars and people in close proximity are not a safe mix. If Option B is considered, Sherman Avenue traffic should be one-way single lane with reduced speed limited to 20 mph. No concept for change is supported 100%, but the downtown should be a place of welcome gathering. It would be beneficial in the adversity of the COVID virus.

Lacy Moen, Coeur d'Alene, noted that she sent an e-mail requesting the Council reconsider the request to close Sherman Avenue. She believes it is time to think about the whole business community and not the few, and that she would prefer to leave the street alone. She has owned the Beauty Bar for nine years on Front Avenue, and believes the frustration with parking will slow businesses down. She noted that cars were backed up all the way to Northwest Boulevard last weekend, and that is normal for the summer. Ms. Moen noted that the idea has been discussed and denied for the past four-years, and there are businesses that are beyond 2nd to 6th Street. She reiterated that business is hard and does not want to make it more difficult. Soon they will be at capacity within Stage 4 of the Idaho Rebound Act. She requested the Council to keep things consistent over the next few months.

Dan Schnatter, Coeur d'Alene, noted that he owns the Piano Bar and is concerned about citizens with COVID, and that closing Sherman Avenue would cause more groups to gather in one space. He expressed concern that the action of closing the street would require greater police foot presence at night. Other cities that have closed streets have problems with open containers and an increase in crime. Mr. Schnatter also felt that closing the street would cut visibility. He did feel there were a few benefits for outside seating, which would help a lot of businesses, but would mostly steer people away from the downtown area as they would not want to walk blocks.

Mr. Schnatter said that the Governor's restrictions will be lifted on June 16 and reiterated that he is against the closure. He encouraged more events downtown.

**SEPTIC TANK ABATEMENT PROGRAM** – Wastewater Superintendent Mike Anderson noted that the septic abatement program is a long-standing program for the City. He explained how a septic tank is a tank that allows solids to sink to the bottom and that the top fluids flow to a drain field, then into the ground over the aquifer. The job of the Wastewater Utility is to protect the aquifer. Panhandle Health allows for septic on 5 acres or more, not less. Mr. Anderson noted that two city ordinances are specific to septic tanks. One code states no one in the city can have a septic tank if the property is within 200 feet of a sewer. The other code states that once the City acknowledges a citizen is not connected to the sewer, they must connect within 365 days. He noted that there are 1708 parcels that come up as possibly not connected to the City sewer. The department lowered that number by removing undeveloped land, City-owned property, etc., which left 490 parcels remaining as unknown. The project is not a high priority item for the department as 99% of the City parcels are connected. The issue is most often dealt with when the septic tank fails, as Panhandle Health District will not allow replacement of the tank within the City limits. Mr. Anderson noted that in this past year 43 letters have gone out notifying owners they need to connect. Councilmember McEvers said that he understands the first rule was approved in the 1970's, and thought he read that if a homeowner cannot afford the connection the City could lien the property, and wondered if that is allowed. Mr. Anderson noted that the connection is an expensive undertaking, and legally it is still possible for the City to lien the property. Councilmember McEvers noted that CDBG funds can help low income people, and that it certainly adds value to the property to be connected to the City sewer. Mr. Anderson explained that some people don't realize they aren't connected. Councilmember English said that the City would have to front the money for connection in the case of a lien and does not believe they want to be in the business.

**COUNCIL COMMENTS:**

Councilmember Gookin noted that the Chamber of Commerce has canceled the 4<sup>th</sup> of July fireworks, in which the City normally agrees to provide parking revenue to help pay for show. This year he would like to place an item on the agenda for next meeting to take funding from that day and direct it to the general fund to cover City public safety costs associated with the 4<sup>th</sup> of July.

Mayor Widmyer requested the appointment of Alivia Metts to the ignite cda Board and Chris Pfeiffer and Michael Drobnock to the CDATV Committee.

**MOTION:** Motion by Evans, seconded by English to appoint Alivia Metts to the ignite cda board and Chris Pfeiffer and Michael Drobnock to the CDATV Committee.

**Motion carried.**

**CONSENT CALENDAR:**

1. Approval of Council Minutes for the May 19, 2020 Council Meeting.
2. Approval of Bills as Submitted.

3. Setting of a public hearing for July 7, 2020 for V-19-05, Vacation of alley right-of-way located within a portion of Block G of the Coeur d'Alene and Kings Addition in the City of Coeur d'Alene.
4. Approval of ten (10) fireworks stand permits
5. Approval of SS-19-07, Oberholzer Estates: Final Plat
6. **Resolution No. 20-034** - A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, DECLARING PROPERTY AS SURPLUS AND AUTHORIZING THE SALE OF THE SURPLUS PROPERTY AT AUCTION.

**MOTION:** Motion by McEvers, seconded by Miller, to approve the Consent Calendar as presented, including **Resolution No. 20-034**.

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

### **CONSIDERATION OF THE WAIVER OF OUTDOOR SEATING PERMIT SEWER FEE FOR THE 2020 SEASON.**

**STAFF REPORT:** Kelley Setters, Deputy City Clerk, requested a waiver of the outdoor sewer seating fee for this year, which is a season from March 17 through November 1. The permit is required for use of the City sidewalk for additional outdoor seating for a bar and/or restaurant. Last year the City issued 39 permits, which provided \$16,119.00 in sewer fee revenue and \$2,875.00 in encroachment permit fees. Ms. Setters noted that the Wastewater Superintendent is in support of the waiver for this season. It was determined by the Governor's Idaho Rebounds protocols that restaurants could open on May 16th, provided they comply with the physical distancing requirements. This change could reduce the number of seats within the restaurant by approximately 50%, which results in a reduction in sewer usage. Prior to the COVID shut down, sixteen (16) permits were issued and paid in full. At this point in time staff has not collected the outdoor sewer seating fees, in hopes of a final determination by Council to continue to waive the sewer fee for the rest of the season. Staff recommends that the \$125.00 encroachment permit still be required, as well as the filing of an outdoor seating permit application so staff can ensure ADA placement of tables and chairs and provide the regulations related to the encroachment on City property, pursuant to previously adopted City policies.

**DISCUSSION:** Councilmember Gookin noted that he was in support of the request as it is within the City's authority to show appreciation to businesses that have suffered. This is one way to help, and he noted that some businesses had asked about waiving the liquor license fee. He noted that those businesses were not allowed to be open for 2 months; however, the City closure was only responsible for three days before the State shut down. As he calculated it, the reimbursement would average \$4.00 a day. Councilmember Gookin said that he felt that the businesses affected could go forward to the State with a request for reimbursement. Councilmember English concurred that the request makes sense and supports it. He expressed concerns that other fees could be requested to be waived, and the City would need to watch what made sense going forward. Councilmember McEvers asked what the cost of liquor license fees for the two-month period would be. Councilmember Gookin noted that he estimated that for a 10-week period it would be an average of \$270.00 each for a total of \$11,000.00, and noted that

they also pay County and State fees. Councilmember McEvers said that he felt the \$270.00 would be more beneficial and would come from the right place.

**MOTION:** Motion by Miller, seconded by Evans, to waive the outdoor seating permit sewer fee for the 2020 season. **Motion carried.**

**DISCUSSION REGARDING THE REBOUND DOWNTOWN COEUR D'ALENE PROPOSAL THAT INCLUDES THE POSSIBILITY OF CLOSING OFF PORTIONS OF SHERMAN AVENUE AND ALLOWING MORE PARKLETS TO HELP RESPOND TO COVID-19 BY ALLOWING THE LOCAL BUSINESSES TO EXPAND OUTDOORS ONTO SIDEWALKS AND/OR THE STREET IN FRONT OF THEIR BUSINESS.**

**STAFF REPORT:** Hilary Anderson, Community Planning Director, noted that two options are being proposed for businesses in response to COVID-19: Option A would close Sherman Avenue from 2nd to 6th Avenues to vehicular traffic but keep the center lane open for emergency vehicles, allowing businesses to expand out onto the sidewalks and street in front of their businesses with temporary ADA ramps to accommodate disabled community members, and allowing parklets (constructed platforms, like the one in front of Moon Time, that are typically the size of one or two vehicles next to the sidewalk that create a place for expanded outdoor restaurant seating, and public space in some communities) and temporary sidewalk extensions/raised pedestrian detours on north-south streets, Lakeside, Coeur d'Alene and Front Avenues for businesses who would like to participate. The north-south streets would remain open for vehicular traffic. The program could start as early as June, with Council approval, and go through Labor Day. Option B would keep Sherman Avenue open to vehicular traffic and allow businesses to have parklets and expanded sidewalk usage with sidewalk extensions on Sherman, Lakeside, Coeur d'Alene and Front Avenues, and north-south streets for businesses who would like to participate in the Downtown. The program would require the construction of parklets and temporary sidewalk extensions/raised pedestrian detours for all participating businesses, which would delay the start date until July, with Council approval, and go through Labor Day.

Ms. Anderson said that the City and Downtown Association were approached by several community members in early May asking the City to consider closing off portions of Sherman Avenue and/or to allowing parklets so that restaurants could have additional outdoor seating. The City Council and staff then received a written proposal from downtown property owner Jack Riggs, M.D. on May 13. A few days later, Gynii Gilliam, President & CEO of the Coeur d'Alene Area Economic Development Corporation (CDA-EDC), emailed the cities of Coeur d'Alene, Post Falls, Hayden and Rathdrum encouraging them to allow businesses to expand outside and possibly close off portions of Sherman Avenue in the Downtown to assist businesses to recover and respond to COVID-19. In initial discussions between City staff and the Downtown Association in early May, the thought was to wait until spring 2021 to allow more time to come up with design standards for parklets in the downtown and other business districts. That would also allow time for staff to draft a code amendment to the Zoning Code to formalize parklets in the City's business districts. (It should be noted, that there is already an action item in the DRAFT East Sherman Revitalization Plan and an action item in the draft policy document of the Envision Coeur d'Alene project – Comprehensive Plan Update – to amend the Zoning Code

to formally allow parklets in the City's business districts and to come up with design standards.) Ms. Anderson noted that other communities across the country are opening up their sidewalks and streets, and allowing parklets to allow businesses more room to provide social distancing to help them rebound and respond to COVID-19. Examples include Boise, Spokane, New York, Tampa, Cincinnati, West Chester, St. Petersburg, and Sacramento. There are other examples of communities globally who convert streets to pedestrian zones during various seasons, and some have done so year-round. The proposal is to provide relief to businesses this summer. But the idea was left open that it may be beneficial in future years on a seasonal basis – which would require additional discussions and approval by the City Council. Ms. Anderson noted that the parklet at Moon Time is successful and she would like to include it in the Envision CDA Comprehensive Plan update. She also noted that events downtown have full and partial events with street closure regularly. There have been mixed responses of emails, letters and survey results. She provided highlights of the survey results, noting that most responses were from the business owners along Sherman Avenue. One of the survey questions included was if the use of the parklet with alcohol service should be allowed. Most survey responders marked yes to allow alcohol, but with food service. She reviewed some of the performance standards that would be required such as hours of operation, mandatory compliance, best practices of clean up, and securing merchandise. She also requested Council consider items such as the amount of food service with alcohol, should there be social distancing required, and hours of use.

Ms. Anderson explained that the parklet would not extend out as far as a car, but would use two car stalls, and if car stops are on either end it would need to have a curb stop and reflective stands. Temporary sidewalk extensions and pedestrian detours would have to meet ADA standards with railings and slip resistant surfaces, with a midblock ramp. She noted that Option A would be treated like a special event, and that parklets would be paid for by the participating businesses. Option B would include that the businesses would pay for material and labor for sidewalk extensions and ramps. Signage would be needed to direct people to the public parking areas and they would include social distancing signs at intersections and parklets. Ms. Anderson noted that staff recommends Option B because it has the least impact on the non-participating businesses, and allows two options for businesses to participate without the need to close Sherman Avenue. That option is also in support of other efforts by staff to allow parklets in business districts throughout the City, which would be beneficial even beyond COVID-19. She noted that costs may be prohibitive to some businesses.

**DISCUSSION:** Mayor Widmyer wanted it noted that he owns businesses on Sherman Avenue; however, he can legally participate in the discussions. Councilmember Wood asked to hear input from the Police, Fire, and Streets Departments. Fire Chief Gabriel stated that access to the businesses from the street is the most important item for his department. The ladder truck is the largest vehicle at 18' wide and downtown is the highest risk factor. If there is access through the middle of the street, they would need 21' down the center with a 25' swing around at the corners and would need a clear path to the doorway of the building. Street Superintendent Tim Martin noted that closing Sherman Avenue is a big challenge as it pushes traffic to Lakeside Avenue, which was not built to take the number of vehicles used by Sherman Avenue and does not have turn bays. He noted that many special events cause bottle necks at 2<sup>nd</sup> Avenue and Lakeside Avenue, and since there are no signals, he would have to put in temporary four-way stops. Additionally, pedestrians tend to walk into traffic if the street is partially closed, and patrol

would be needed to ensure crosswalks are used. Mr. Martin noted that he has worked with the Police Department over the years to determine signage and if Option A is used it should have one-way travel west to east as it is the oversized load route. Currently, ITD has determined that any vehicle over 13' has to use the over height/width route which is Sherman Avenue.

Councilmember Miller asked that if Sherman Avenue were closed what would the impact be to the surrounding residential neighborhoods. Mr. Martin noted that everything that goes on downtown in the summer impacts the neighborhoods and it would be an additional impact. Councilmember McEvers noted that the idea has come around before and wondered if it was different. Mr. Martin said that he remembers some conversation of closing Sherman Avenue in the past; however, at that time ITD had a significant issue with closing it as they maintained and controlled it. When it was rebuilt, the City narrowed Lakeside Avenue down and it would now be a challenge and would take some time to work out the bugs. He also noted that Front Avenue has changed due to the 2<sup>nd</sup> Street access removal.

Councilmember Miller asked about conflicts with garbage service and delivery services within the alley in that corridor. Mr. Martin confirmed there were some conflicts, but the larger deliveries take place on Sherman Avenue early in the morning.

Mayor Widmyer noted that on Saturday, traffic was backed up to the Mobile gas station entering into town. He said that if Sherman Avenue is closed and Lakeside Avenue is used, the problem would be bigger. Mr. Martin concurred that it would be a bigger problem; for example, big boats would need to go over to 3<sup>rd</sup> Street and down. Police Chief White noted that he personally thinks it's a cool idea, but he has professional concerns with both options. First, is the traffic concern such as the back-up that occurred yesterday afternoon. He noted that Lakeside Avenue is a street that is not set up to handle traffic. Partial opening is a concern because traffic already pushes toward the center line due to vehicles parked along the sidewalks. Chief White noted that accidents already happen with parked cars, so that would be a concern with pedestrians and tables in parking stalls. He noted that he does not have the staff to do the enforcement during the summer months, and expressed concern with the additional areas being used for solely alcohol service and commented that if food is required, it needs to be clear as to what is meant by that, as drinking heavily would contribute to downtown bar problems which already take a huge amount of resources. Mayor Widmyer suggested that the City look at the proposal as a Citywide concern, and not just for downtown.

Councilmember Miller asked how many businesses are a part of the downtown BID. Terry Cooper, Executive Director of the Downtown Association, stated that all businesses are a part of the BID, and there are 225 separate businesses. Councilmember Miller questioned how many of the businesses responded to the survey. Mr. Cooper noted that the survey was sent to those they have emails for and they received approximately 50 responses. Councilmember Gookin said that the Council has heard similar requests in the past, and thought the past impression was that it would kill the downtown, and asked Mr. Cooper what he thought. Mr. Cooper said that they represent all businesses, and he understands the businesses were coming out of winter, and then COVID hit and they are all struggling and business is fragile. The concern is what would the change be and how it would affect everybody. The survey showed retail businesses are

concerned with the street closure and restaurants are excited about the concept. He felt it was concerning because the downtown is fragile at this time.

Councilmember McEvers asked staff if the idea is just for downtown. Ms. Anderson noted that Option A is for the downtown, but Option B may work at other places around town such as Riverstone and Midtown. Some businesses may not have the same type of frontage, such as those on Appleway and U.S. 95. Councilmember McEvers said that the one parklet was a pilot project but it is still there. Ms. Anderson said that they have been waiting to finish the East Sherman Revitalization Plan and, ideally, the parklet would be seasonal. Councilmember McEvers noted that the parklet would take an 8'x20' parking space and it seems the investment for an area with 6' social distancing doesn't make financial sense and is focused on restaurants. Ms. Anderson said that it would be also be charged the sewer fee and encroachment and that the parklets and sidewalk extensions would be a long-term investment and once businesses no longer have to accommodate the social distancing it could be more beneficial as people love to sit outside in the summer months.

Councilmember Wood said that she would like the inclusion of public safety in future staff reports. She noted that both proposals are problematic and she would like to look beyond those proposals and offer the use of the McEuen Park Plaza area for street fairs or other City-owned property throughout the City. If it needs to be on the street, she would be in favor of weekends only. She also commented that the parklets seem expensive and difficult to get a return on the investment unless it's a long-term proposal. Ms. Anderson noted they did talk about shorter period of time and would require more mobilization time, but they can look at that. If parklets are not approved beyond this summer, the businesses should know that, but it would like to seem they would want them as a long-term solution.

Mayor Widmyer said that Council received a letter from Blair Williams about the challenges of the sidewalks and streets while being wheelchair bound and the potential challenges caused by thee proposals. He felt that the City should plan more to include Ms. Williams' points. Councilmember Miller said that the proposal has a lot of future merit, but would entail more details than what is available at the current time; however, she felt that Option A is off the table for her. She commented that the parklets could also work in other areas of town, not just downtown. Likewise, the sidewalk extension could solve current issues like pedestrian traffic with street furniture and more physical distancing and could be removed in winter and used by all businesses, quickly and inexpensively.

**MOTION:** Motion by Miller, seconded by Wood, to have staff put together a proposal for sidewalk extensions in the downtown core and a parklet design for all parts of the City, and to study the one-way traffic design on Sherman Avenue for the future.

**DISCUSSION:** Mr. Martin reminded the Council that they previously authorized staff to seek a grant for signal changes downtown and he has it in the impact fee budget for \$100,000 for design. Councilmember Miller clarified that she was recommending the idea of one-way traffic be studied, not to do any projects yet. Councilmember Gookin asked what the intended timeline was. Councilmember Miller said she felt that staff could easily revamp Option B for options on sidewalk extensions and parklets in other parts of City in response to COVID as soon as



possible. Councilmember Gookin expressed concern with government speeding through projects, then making mistakes. He felt that there would be a lot of steps and research to be done and noted that staff is burdened by the COVID virus and he does not think it has been vetted enough. He said that he does not think staff should devote energy to get it done in time, and would not want it to be rushed. He did note that the parklets will be included in the Comprehensive Plan. Councilmember McEvers said that in the 1980's, when the bulb outs were added to Sherman Avenue corners, the businesses were in a different cycle and weren't making it and were not wild about the idea of closing off Sherman Avenue. He thinks it needs to be in the Comprehensive Plan and doesn't see the business support but he understands that restaurants want more seating. Councilmember Miller said that if there was a time to try something it would be now; however, there is not a large amount of input. She said that the sidewalk extension seems to be the simplest and most cost-effective way to help people that are concerned with social distancing, wheelchairs, strollers, etc. She noted that mid-June would be a good time to bring information back, as part of the research has already been done, and it could still be responsive enough for COVID concerns this summer.

Councilmember Evans thanked Ms. Anderson for her work and for answering her questions prior to the meeting. She noted that she liked the creative ideas in response to this time; however, the underlying struggle with both proposals is the unintended consequences to other businesses. She said that she has talked to several shop owners and some are doing better than others and some are within days of closure, and that the unintentional negative impact frightens her. She questioned how it would impact parking in the front of the businesses, and how it is for only those that choose to participate. Ms. Anderson clarified that the sidewalk extension might be safer for downtown as it is about half the width of a parklet but still takes up at least one parking space. They could also work out something for abutting businesses with shared sidewalk and field fit the area to those that want to participate. Councilmember Evans stated that currently it is unknown how many would want to participate in the model. Councilmember Wood expressed concern that the businesses would accept the solution and the City still has to cure the public safety issues and she believes the City needs to spend more time on it and get it right. Councilmember English noted that his prime concern is safety and from what they have heard from staff, Option A is off the table, and he doesn't feel that the City can restrict public safety and divert traffic to smaller streets. He expressed concern about having different downtown core treatment different than other places in town, and agreed they need more time.

**Motion failed unanimously.**

**MOTION:** Motion by Gookin, seconded by McEvers to table the item to a date uncertain.

**DISCUSSION CONTINUED:** Mayor Widmyer noted that Council wants more time to study the idea. Councilmember Miller said that the Council has an opportunity to help business during this time and felt tabling the time to a date uncertain was unfair. Councilmember Gookin noted that the Council helped businesses earlier this evening by waiving the outdoor seating sewer fees, which shows support. He said he felt that if there are other things the City could do, it should be looked at as well; however, the proposal needs more study to do things right. Ms. Anderson said that they will modify the Comprehensive Plan to include expanded sidewalks and one-way traffic. Councilmember Wood said that she would be open to allow use of the plaza for

events, McEuen Park, and other public spaces. Councilmember McEvers stated he was sorry about Sherman Avenue and commented that he is having a hard time going down the path and spending time, energy, and money reviewing the closure and does not want to give up parking.

**Motion carried with Miller voting in opposition.**

**RECESS:** The Mayor called for a 7-minute recess at 8:12 p.m. The meeting resumed at 8:20 p.m.

**APPROVAL TO INCLUDE LAKESIDE REAL ESTATE HOLDINGS, LLC PROPERTIES (COMMONLY KNOWN AS THE ROY ARMSTRONG PROPERTY) IN THE CITY'S COMPREHENSIVE PLAN UPDATE, ENVISION COEUR D'ALENE.**

**STAFF REPORT:** Hilary Anderson, Community Planning Director, explained that the City of Coeur d'Alene was approached in the fall of 2019 by consultants for the Lakeside Capital Group, Connie Krueger and Gabe Gallinger, to meet to discuss their recent acquisition of the Roy Armstrong property and their vision for its development. The property encompasses 1,100 acres and lies between the cities of Coeur d'Alene and Post Falls. It is north of I-90 and it is bisected by Huetter Road. The initial meeting included the City of Post Falls and KMPO, and subsequent meetings were with City of Coeur d'Alene staff only. The group also had separate meetings with the Coeur d'Alene and Post Falls School Districts. The meetings extended from the fall of 2019 into the spring of 2020. Subsequent to the last meeting with Coeur d'Alene staff, the consultant inquired about the possibility of annexing the full property into the City. In looking further into the Idaho State statutes related to annexations, it was determined that it could be possible if the property was analyzed in the Comprehensive Plan. On May 22, 2020, the City received a letter of intent from the Lakeside Capital Group, LLC, Chairman, Founder and Manager, John Hemmingson, requesting that the City of Coeur d'Alene include the full 1,100 acres formerly owned by Roy Armstrong in the City of Coeur d'Alene's Comprehensive Planning process. The letter cites the following reasons for the request: It is most logical to be served by the City of Coeur d'Alene's sewer infrastructure as one master planned development, and it is desirable in terms of sense of place for the future residents to live in one city and not various jurisdictions. They also noted that working with one jurisdiction is desirable both for the development and the agencies, to be developed under the standards and regulations of one agency and that it may be desirable for the development to be fully located in one city such that the city providing the services would be the full beneficiary of the full range of tax revenues from the commercial offerings in the development. Analyzing the additional approximately 500 acres of land that is outside of the City's Area of City Impact through land use scenarios and traffic modeling will increase the cost of the consultants' work. MIG would charge an additional \$2,000 to update the model. The traffic subconsultant has indicated that it would charge \$3,000-5,000 per scenario to do the modeling. They are scoped to run up to three scenarios, which could be an additional \$9,000-\$15,000 for traffic modeling. It would be reasonable for Lakeside Real Estate Holdings, LLC, to incur those additional costs since it was not included in the original scope of work or budget for the Envision Coeur d'Alene project and would be done solely for its benefit. Similarly, if sewer modeling is done by the City, it would be reasonable to require the property owner to pay for the modeling costs. If water modeling is required to evaluate a change in service areas and possible redistricting, that cost should also be paid for by the property owner.

Conversely, the property owner could pay the consultants directly for the increased costs of modeling required by the City, which might be preferable to having to modify existing agreements, but might be less efficient and the City would lose some control. Annexation discussions can occur in the future and all additional costs can be paid by the property owner. They will be proposing mixed uses of residential and commercial and it would be fair to bring into one city for property tax collection.

**DISCUSSION:** Councilmember McEvers asked about sewer going to Post Falls. Ms. Anderson noted that it does not have to go to Post Falls, which started the conversation about the original Area of City Impact (ACI) boundaries and infrastructure. The alignment of the Huetter bi-pass was also considered. Wastewater was reviewed by the property owner consultant and they thought it might be easier to connect to the city of Coeur d'Alene based on gravity flow. She clarified that the property developer would pay for any of the additional costs of modeling and analysis. Councilmember McEvers noted that this was the last piece of property discussed in the planning game used earlier in the year and it is twice as big as estimated. Mayor Widmyer clarified that this is not a decision on land use, it is just a request to include it in the Comprehensive Plan and to be studied. Ms. Anderson confirmed the request would take the conceptual vision and land use alternatives for the modeling, and in no way does it bind the City to agree to annex property in the future. Councilmember McEvers asked if it would include sewer and water modeling. Ms. Anderson confirmed it would include both modelings and that the property owner would cover those costs. Councilmember Gookin asked what the density of the property would be. Ms. Anderson said that it is estimated at 4 units per acre. Wastewater Superintendent Mike Anderson said that the capacity ratings are done by gallons and there are pinch points in the plant and 5 million gallons in the tertiary system. Councilmember Gookin asked if the City could handle that size of property. Mr. Anderson said there is no way that it would come in and not impact wastewater; however, they would require the property owner to model and they would work to determine if upgrades were needed. Councilmember Wood said she felt it sounded like good planning and it will not lock the City into anything and is the point of the Comprehensive Plan.

**MOTION:** Motion by Wood, seconded by English to direct staff to include the Roy Armstrong property in the updated Comprehensive Plan and have the land owner pay for additional studies and modeling needed. **Motion carried.**

**FIRE BOAT GARAGE AT THE 3RD STREET MOORING DOCK, KNOWN AS FIRE STATION 5, AUTHORIZATION FOR USE OF IMPACT FEES FOR THE CONSTRUCTION, AND AUTHORITY TO MOVE FORWARD WITH BIDS.**

**STAFF REPORT:** Lucas Pichette, Deputy Fire Chief noted that in 2015 the Fire Department purchased a State-of-the-Art Marine Firefighting Vessel to provide Fire, Rescue and EMS services to the North end of the lake. The City entered into an agreement with Kootenai County Fire & Rescue (KCFR) to provide the service they had provided in the past. The Fire Department had an annual lease since 2016. They were informed last fall that they would not be able to continue using that boat house as the County will be using it going forward. In conversation with City Parks Director Bill Greenwood and City Administrator Tymesen, it became clear that the only viable location for the garage would be at the Third Street Marina. It is estimated that

the boat garage would cost approximately Two Hundred Thousand dollars (\$220,000) and they are requesting a Two Hundred Fifty Thousand (\$250,000) budget for unforeseeable expenses. The current direction is to use impact fees, which has a balance of Two Hundred Eighty-Three Thousand (\$283,000). The Third Street dock area is the best possible solution for the project. A majority of calls for service are on or around Tubbs Hill and the channel leading boats to the south end of the lake. It allows for a quicker response time as it is closer to Fire Station #1 and they are already in the vicinity of the majority of their calls for service.

**DISCUSSION:** Councilmember Gookin asked Mr. Tymesen if the impact fees were only for fire. Mr. Tymesen confirmed that it is just the fire line item.

**MOTION:** Motion by Gookin, seconded by Wood, to authorize the use of impact fees for the construction, and authority to move forward with bids for the Fire Boat Garage at the 3rd Street Mooring Dock, known as Fire Station 5.

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

#### **AUTHORITY FOR THE DRAINAGE UTILITY TO PURCHASE HEATED STORAGE FACILITY FROM THE WATER UTILITY FOR \$46,000.**

**STAFF REPORT:** Tim Martin, Streets and Engineering Director presented a request for council authorization of the purchase of a 40-foot by 50-foot climate-controlled heated steel building for the Drainage Utility. He noted that the Water Department is preparing to move off the general fund-owned campus at Ramsey Road. As part of those preparations, the Water Department asked the Drainage Utility if it would be interested in purchasing a heated storage facility located on the Ramsey Road campus from the Water Department at its depreciated value. By purchasing the building, the Drainage Utility would no longer need to rent as much storage space for specific emergency units such as sweepers and TV trucks during the winter. Currently, the Drainage Utility rents storage units for much of that equipment during the winter for \$350 - \$500 per month to avoid leaving it outside covered by snow. The storage facility will allow the utility to anticipate spring-like rains, Chinook winds and thaws in order to rapidly respond as flooding occurs. The depreciated value of the building is \$42,297. With considerable additions such as controlled access doors and a mezzanine for above-ground storage, the utility and Water Department have agreed to a price of \$46,000. He clarified it is not budgeted but there are available funds within the Drainage Utility.

**MOTION:** Motion by Gookin, seconded by McEvers to approve the Drainage Utility to purchase a heated storage facility from the Water Utility for \$1.00.

**DISCUSSION:** Councilmember McEvers asked why the water utility can't gift the building to the drainage utility. Mr. Gridley explained that they need to pay the asset back into the Water budget as they are a fee-for-service utility. Mr. Tymesen noted that they will be requesting to build a new building for the same amount on their new property. Councilmember McEvers asked if they are selling their old office building. Mr. Tymesen explained that they analyzed the value versus who owns the land and the depreciated value. Councilmember Gookin noted that it

is all public money, and there will be a savings from no longer needing to rent a space, so he does not understand the \$46,000 charge. City Attorney Mike Gridley commented that he appreciates the sentiment, but they are both separate legal entities and the general fund needs to put money back into the original fund. Councilmember Gookin asked if it would be illegal. Mr. Gridley explained that a rate payer could challenge the City, and noted that they would be giving away an asset purchased by the rate payer. Councilmember Gookin stated that the structure is depreciated and they don't need it. Councilmember Wood concurred that the utility should be able to gift it and/or depreciate it for zero value. Mr. Gridley noted that there is a distinction between general fund departments and enterprise funds and their rates are based on their cost to do business. Councilmember English agreed that common sense would say that the City could transfer between departments; however, enterprise funds transfers are common but that is the process that keeps things clear.

**ROLL CALL:** Wood Aye; Evans No; Miller No; McEvers Aye; Gookin Aye; English No.  
**Motion carried with the Mayor voting in the affirmative.**

**J. RECESS:** Motion by Gookin, seconded by McEvers to recess to June 8, 2020 at noon in the Library Community Room, located at 702 E. Front Avenue for a workshop regarding budget priorities. **Motion carried.**

The meeting recessed at 8:56 p.m.

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Steve Widmyer, Mayor

ATTEST:

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Renata McLeod, CMC  
City Clerk