

**PLANNING COMMISSION WORKSHOP
MINUTES
JULY 20, 2023
CITY HALL – UPSTAIRS CONFERENCE ROOM #6
702 E. MULLAN AVENUE**

COMMISSIONERS PRESENT:

Tom Messina, Chairman
Jon Ingalls, Vice-Chair
Lynn Fleming
Phil Ward
Peter Luttrupp
Sarah McCracken
Mark Coppess

STAFF MEMBERS PRESENT:

Hilary Patterson, Community Planning Director
Sean Holm, Senior Planner
Shana Stuhlmiller, Public Hearing Assistant

CALL TO ORDER:

The meeting was called to order by Chairman Messina at 12:00 p.m.

WORKSHOP:

Sean Holm, Senior Planner introduced Melissa Cleveland, Welch Comer who will be doing a PowerPoint presentation.

Ms. Cleveland stated that she would like to introduce Todd Chase, FCS Group who will do the presentation.

Todd Chase, FCS Group provided the following PowerPoint. To view the entire presentation, click [here](#)

- Mr. Chase provided an overview of impact fees and how the city gets a chance to do a one-time charge on projects that develop increase in system demand.
- He stated that this fee impacts developers that are trying to build new projects with fees calculated what is on the site now and which becomes a credit against the total fee with the net fee the difference between what is there now and what they propose to do.
- He explained the numbers presented today will change from now until the actual report we create and even after the draft is created will change based on cost etc.
- He commented that he is hopeful to get clear direction from this group to help fine tune some of the systems were are highlighting to put in a graph/scenario in August of this year.
- He explained today we are focused on Parks and Trails, Fire/Police, Transportation including Motorized/nonmotorized connections
- He stated that Impact fees must comply with Idaho Code hasn't changed.
- He stated this study will be based on a timeline of 10 years how many improvements will be needed with a forecast from Kootenai Metropolitan Planning Office (KMPO)
- He explained an over view how Impact Fees are Calculated based on trips people etc. to measure growth within 10 years with 2 out of 10 people not from Coeur d'Alene.
- He stated that the Impact fee denominator is growth with the numerator is the CIP of the equation looking at a 10-year growth with location being considered using the four quadrants with discussion from the last meeting pushing towards one service are in the city that makes sense and simple for staff to calculate.

- Units' growth transportation- looking at pm Peak hour vehicle trips, bicycle/ped person trips,
- Parks/trails- We will look at population visitors, overnight lodging facilities, people who work in Coeur d'Alene but don't live here who use park during lunch hour etc. these calculations are used in our nonresidential growth in Parks/Trails numbers.
- Fire/ Police calculations are based on the population growth base forecast looking at dwelling units, assisted living and nonresidential development with all this information included in the report.
- He explained Impact Fees CIP numbers per groups for Parks/Trails, Transportation, Police and Fire.
- He stated we can charge res/nonresidential customers that include lodging and employers.
- Melissa Cleveland added that the line item under "new park system expansion" explained if an opportunity comes up to purchase land can use impact fees for that purchase.
- Mr. Chase explained that council can amend these lists every year and as long not increasing the charge beyond inflation is fine especially if a project is forgotten we can add the project later to the list.
- He stated that the CIP numbers and hoping to have discussion later that costs will be estimated at \$30.34 hours not \$20.24 dollars with an escalation of 4% per year for 10 years with escalation not going beyond the \$20.24 dollars with an escalation every year based on the current rate of construction. He added that council can adopt these Impact Fees and not do an index for 5 years
- He explained Parks/Trail impact fees with the calculations based on new construction of new parks with a fee of 1,651.00 per customer with 5% added for administration costs that made the grand total 1,733.00 per customer which is the maximum fee.
- He stated more people living in the city live in multifamily vs. detached housing which is not uncommon in areas that have a lot of visitors. He added that there is an opportunity to vary this fee by housing types with 2.5 people per detached homes, 3.3 people per multifamily with blended 2.75 per person. He added the next meeting we will discuss varying fees by dwelling size with one charge per sq.ft. with smaller units paying less ad larger units paying more.
- He stated some jurisdictions don't charge nonresidential fees.

Mr. Chase paused the presentation to take questions.

Ms. Patterson inquired if she could get clarification on if other jurisdictions its common to charge an impact fee for nonresidential uses for parks. Mr. Chase listed cites like Bend, Oregon and others which it does make sense in certain cases and that the fee is small enough that people won't mind. Bill Greenwood, questioned if the fee for non-residential should be higher since most people who visit our area aren't from Idaho and questioned how to charge for that. Mr. Chase stated maybe charging in lodging.

Mr. Luttrupp stated he feels uncomfortable discussing this issue without having a better understanding of the goals and objectives of certain areas and questioned if this process is similar to other cities in Idaho and would like recommendations and questioned when questioning rental units if that includes Short Term Rental properties maybe not discussed now but something to discuss later. He inquired if Chris Bosley, City Engineer uses the same formula for traffic counts. Mr. Bosley explained the impact fees calculated through the Building Department program uses the same manual I use to calculate my traffic reports for public hearings. Ms. Cleveland noted that we have had discussions with the Building Department and Mr. Bosley to simplify the way the calculations are being done. She added by putting these in logical categories will be easier for developers to know what their fees are going to be.

Mr. Chase referenced Short Term Rentals (STRs) and in Hood River, Oregon similar to Coeur d'Alene they have a policy if you are building a home you will have to pay the homeowner rent but if you have a change of use with a STR that will trigger the lodging cost. Commissioner Fleming stated that the city is issuing permits for STR's and could be used as a tool for tracking these permits. Commissioner McCracken questioned if your fees are based on Residential and then later turned the residence into a STR. Ms. Cleveland answered they would get credit for paying the residential fees. Mr. Chase would

recommend blending the dwelling unit numbers and charge based on square footage. Mr. Holm explained when reading through the State Code the same sentence came up often ‘No double dipping’ and questioned if the city is too large to qualify for a lodging tax and in the future if that changes and start charging a lodging tax questioned if that would be considered a “double dip”. Mr. Chase explained if this was used in the past would have to look to the Finance Department to find the records. Ms., Cleveland doubts that could happen since the city is over the population threshold but if changes concur would have to look at the fees. Troy Tymeson City Administrator explained if we had the opportunity to do a local option tax would need a vote on a specific use. Commissioner Coppess commented that this doesn’t meet the demands its not because these demands are isolated in new production facilities not growth outside of Coeur d’Alene that will demand parks and wanted clarification. Ms. Cleveland explained that there is a level of service criteria in the Parks Master Plan with the formula 5 acres per 1000 people and when looking in the future 2034 compared to the acreage now plus the new parks the city is still below the 5 acres/ per 1000 so I discussed this with Mr. Greenwood in 10 years what is realistic to accomplish. Mr. Greenwood explained that we didn’t include that we will be getting 18 acres with Coeur Terre. He added that will be past the 10 years and not sure when the build out will happen and these calculations aren’t based on open space but on developed parkland. The group discussed trails and how they will be developed and Mr. TYMESEN suggested adding a new fee for trails.

- Mr. Chase continued the presentation with an overview of Transportation Impact Fees
- He explained that these fees were calculated two ways; one with the Julia Overpass and the other without. He added this is a big project and that we don’t have to include this in the 10 year program and questioned if we should include a portion of 25% of the cost and should be included in the 10-year program. Discussion ensued where the Julia Overpass is located and the cost.

Mr. Holm inquired if it is possible to do a match with a grant. Ms. Patterson added maybe include a portion of vs the twenty-nine million. Commissioner Ingalls said there is going to be a study and 10 years goes by fast and when you add up all the fees it will be a big number compared to the other cities and might be an issue selling this to the North Idaho Builders Association (NIBCA) or anyone especially with City Council pressure to bring these numbers down. The discussion ensued costs associated with the implementation of these fees with a decision to maybe do this in stages.

- Mr. Chase explained the fees within the transportation impact fees.
- He stated that the Police CIP went down on fees. Cost is 7.4 million of 10.3 million
- Fire CIP stated that their fees went down. Cost is 11.3 million and explained looking at land use into three categories; Residential, Assisted Living and non-residential. He added that 62% reported calls where to Residential 60% to Assisted Living and 5% to nonresidential.

Ms. Patterson inquired if Fire is included in assisted living calls and feels those calls would be a different count. Tom Grief, Fire Department concurs that assisted living numbers would be greater. Mr. Chase stated that they will go back and check on these numbers.

- He stated by combining fees for Fire/Police they would be \$2,309 dollars per dwelling unit, \$4.50 for Assisted Living and \$1.00 for nonresidential.

Commissioner Luttrupp inquired if police are aware of these numbers. David Hagar, Police explained that many of our responses are in the middle of the street. Commissioner Luttrupp commented that he wants to make sure these numbers are correct. Mr. Hagar explained that when talking with the consultants they pulled out the incidents that don’t match these categories with a lot of our stuff not associated with land use. Ms. Cleveland explained that we can place a footnote saying not based on land use. Mr. Hagar explained that we had 47,000 calls that year and that 20,000 of those calls didn’t fall into these categories. Mr. Holm commented the idea behind this is there is a dollar amount coming from your department and apply it to a land use and that the dollar amount is there but distributed differently since there is nothing to attach it to. Mr. Hagar referenced an option tax where we did a study and if you were a victim, suspect or driver in a vehicle between Memorial Day and Labor Day 16% of people in one of those categories was not from the area bordering west side of Spokane to Montana, Sandpoint to Lewiston another local option tax issue because of 16% of customers aren’t from this region.

- Mr. Chase explained that Post Falls had some recent changes and now their impact fees are the highest in the area. He commented that Coeur d'Alene hasn't had an increase in 20 years.
- He explained what the other jurisdictions are charging and, in our report, will show how Coeur d'Alene will be lower than other jurisdictions. Mr. Chase explained if you blend residential and multifamily Coeur d'Alene would be about \$4300.00 compared to Post Falls would be \$6000.00 and that the city will be below Post Falls without raising the CIP by 20%. Commissioner Coppess inquired based on 4% for each year with an increase of 2.5% increase is that an option. Ms. Cleveland explained will be in our report and suggested capping the new fees for 5 years and then starting raising after that time period.
- The Discussion ensued on fees with the group decided to go in heavy with the numbers based on Council will make changes.
- He explained the numbers for transportation per single/multi/commercial. These numbers are based on KMPO trips. He explained that some numbers were based on the Julia Overpass which were high but if reducing the CIP those numbers will go down. Mr. Bosley explained that he thinks the Julia overpass won't be constructed in the next 10 years based on little activity from the Health Corridor based on funding. He added comparing the overpass to the 20% reduction would rather take out the Julia overpass because it will be probably be denied by council. He questioned if we decide not to do the overpass and then change our mind in the next 10 years can we use impact fees. Mr. Chase said we would have to add it to the CIP list and will probably do an update within the next 10 years.
- Discussion ensued comparing our fees with other jurisdictions.

Policy Discussion and Direction:

- Mr. Chase advised us not to compare to Post falls
- He advised carry the interchange option forward with the hybrid being 20% of the interchange cost.
- Discussion ensued on the Julia Overpass going forward or not.

Discussion

Commissioner Ingalls inquired what is our job in this process do we make a recommendation to Council and our job is to make sure everything is covered and give council all options to make a determination.

Chairman Messina concurs and not our job to tell council and make it simpler to understand and have them make the options and to move forward.

Commissioner Ward stated the importance of an accurate CIP and added about the escalation if it is 5-10 years huge jump. He suggested to come up with a number of the actual amount we will need over 10 years with an escalation every two years. He added that we do need to include Parks/Rec since this is a resort city with a large use of our parks from out of state people and mistake to compare to Post Falls and putting breaks on construction.

Commissioner Fleming stated we need to see the matrix and to say to the council we are close in the fees. She concurs to let council decide. She suggested at the next workshop for staff to provide samples

Commissioner McCracken disagrees and that we do have a role instead of passing everything onto council and agrees to look at numbers and these are going up. She stressed that we don't need to get in this situation again by adding the construction index starting with year one. She added if council takes to the lower level that index will stay the same.

Mr. Tymeson noted indexing and if you can put a max on the index.

Mr. Holm commented said he sees when working on plans how people are “beating the system” with one is bedrooms and explained in our overlay districts when you get to a number of bedrooms have to provide one parking stall per bedroom and the way people get away with that, they remove the closet space becomes a den etc. He added another concern is STR’s where they want as many bedrooms as they can so they don’t request this until after its built. Mr. Chase explained he is working with one jurisdiction that goes by square feet with charges for additions.

Next steps:

Chairman Messina inquired when is our next meeting. Ms. Cleveland explained our next step is to have a workshop with Council to explain to them where we are at with the process and maybe after Labor Day and once, we get feedback will have a final document to bring back to the group for review. said next step have workshop with Council and after Labor Day and get feedback have a final doc for the group to review.

ADJOURNMENT:

Motion by Messina, seconded by Fleming, to adjourn the meeting.

The meeting was adjourned at 1:44 p.m.

Prepared by Shana Stuhlmiller, Public Hearing Assistant