

**PLANNING & ZONING COMMISSION
MINUTES
LOWER LEVEL – LIBRARY COMMUNITY ROOM
702 E. FRONT AVENUE
SEPTEMBER 9, 2025**

COMMISSIONERS PRESENT:

Tom Messina, Chairman
Jon Ingalls, Vice Chair
Phil Ward
Mark Coppess
Lynn Fleming
Kris Jantaas
Sarah McCracken

STAFF MEMBERS PRESENT:

Hilary Patterson, Community Planning Director
Sean Holm, Senior Planner
Randy Adams, City Attorney
Chris Bosley, City Engineer
Traci Clark, Administrative Assistant

COMMISSIONERS ABSENT:

CALL TO ORDER:

The meeting was called to order by Chairman Messina at 5:30 p.m.

APPROVAL OF MINUTES:

Motion by Commissioner Ingalls, seconded by Commissioner Coppess, to approve the minutes of the Planning & Zoning Commission meeting on August 12, 2025. Motion carried.

PUBLIC COMMENTS:

None.

STAFF COMMENTS:

Hilary Patterson, Community Planning Director, provided the following comments:

- We did not receive any applications that would require a public hearing next month. We will try to go ahead and schedule a workshop to continue some discussions on possible code amendments.
- She will be presenting next Tuesday with Walter Burns, who is the chairman of the Historic Preservation Commission, to NIBCA, which is the North Idaho Building Contractors Association, Joint Government Group. They want to hear about the Historic Preservation Commission efforts.

COMMISSION COMMENTS:

None.

PUBLIC HEARINGS: *ITEM BELOW IS CONSIDERED TO BE AN ACTION ITEM.**

1. Applicant: Eugene P. Haag Jr. Trust
 Location: 2248 E. Stanley Hill Rd.
 Request:
 A. A Proposed 3.18-acre Annexation from County Agriculture Suburban to City R-3 (residential at 3 units per acre)
 LEGISLATIVE (**A-1-25**)
 B. A 5-lot Subdivision known as Haag Estates
 QUASI-JUDICIAL (**S-1-25**)

A-1-25:

Mr. Holm, Senior Planner, provided the following statements on Item A: **A Proposed 3.18-acre Annexation from County Agriculture Suburban to City R-3 (residential at 3 units per acre) (A-1-25).**

The 3.19-acre property is currently zoned Agricultural-Suburban in Kootenai County and is proposed for annexation with R-3 zoning and Hillside Overlay (A-1-25). The site contains a single-family residence and is within the City's Area of City Impact (ACI).

The applicant proposes to subdivide the property into five lots, ranging from 0.26 to 0.43 acres, with the existing residence on a 1.40-acre lot, resulting in a density of 1.57 units per acre. The proposed lot with the existing residence to the north is hillside-exempt (<15% slope), while the four new lots are subject to the Hillside Overlay.

A new public street connecting the east and west terminus of Lilly Drive will provide access, along with city water and sewer extensions.

This is the third annexation attempt. Previous annexation requests were in 2005 (item A-7-05) and in 2021. Both requests were denied. In 2021, the applicant requested annexation of the 3.19-acre subject property with R-3 zoning, a Planned Unit Development (PUD), and a five-lot, two-tract preliminary plat (A-2-21, PUD-2-21, S-2-21). On June 8, 2021, the Planning Commission held a public hearing for the proposal. For comparison, the 2021 request included a Planned Unit Development (PUD) with private driveways and open space, whereas the current request proposes a public street and no PUD.

Mr. Holm noted there are four findings that must be made, Findings B1-B4.

The first finding is Finding B1, that this proposal (is) (is not) in conformance with the Comprehensive Plan policies. The Comprehensive Plan includes Place Types that represent the form of future development, as envisioned by the residents of Coeur d'Alene. These place-types will in turn provide the policy-level guidance that will inform the City's Development Ordinance. Each Place Type corresponds to multiple zoning districts that will provide a high-level of detail and regulatory guidance on items such as height, lot size, setbacks, adjacencies, and allowed uses. The Place Type for this request is Single-Family Neighborhood which are places are the lower density housing areas across Coeur d'Alene where most of the city's residents live, primarily in single-family homes on larger lots. Supporting uses typically include neighborhood parks and recreation facilities connected by trails. Compatible Zoning includes R-1, R-3, R-5, R-8, and MH-8.

From the policy and framework portion of the Comprehensive Plan, staff curated a list of goals and objectives from the Comprehensive Plan for this annexation request. Goals CI 1 under Community &

Identity, Goal ER3 from Environment & Recreation and four objectives under that goal, and Goals GD 1 and GD 2 under Growth & Development. Staff included the full worksheet for the commission to review.

The Comprehensive Plan also includes Special Areas. The two special areas that apply to this request are Recreation and Natural Areas and Hillsides.

Recreation and Natural Areas are identified as areas that have specific goals and policies that encourage the preservation of Coeur d'Alene's unique natural resources. Hillsides include the terrain surrounding the City. The hillsides help frame the unique setting of Coeur d'Alene and define the physical image. Best Hill, Canfield Mountain, and Tubbs Hill are recognized as unique landmarks for the City of Coeur d'Alene and its neighbors. Lakeview Hill, Blackwell Hill and the slopes above Fernan Lake are also important assets to the community. These hillsides are not only important due to their scenic qualities but provide recreational opportunities as well. In 2003, the City enacted a Hillside Ordinance to protect the hillsides and preserve the visual asset they represent to the entire community. The Ordinance contains guidelines for development on these fragile areas to minimize impacts on the environment and ensure the safety of people and structures.

The next finding is Findings B2, that the design and planning of the site is compatible with the location, setting, and existing uses on adjacent properties. City Staff from Streets and Engineering, Water, Police, Fire, Parks, and Wastewater departments have reviewed the application request in regard to public utilities and public facilities. Each department has indicated that there are public facilities and public utilities available and adequate for the proposed annexation with zoning to R-3.

Findings B3, that the location, design, and size of the proposal are such that the development (will) (will not) be adequately served by existing streets, public facilities, and services. The physical characteristics of the site are that the site slopes to the south and there is an approximately one-hundred and twenty-foot drop in elevation on the subject property (see topography map). Site photos are provided on the next few slides showing the existing conditions. The subject property would be annexed into the city under the city's Hillside Regulations with potential development requiring average lot slope for determination of validity. The site is currently densely treed.

Mr. Holm stated there was a cistern on the property. The cistern has now been removed.

Findings B4, that the proposal (would) (would not) adversely affects the surrounding neighborhood with regard to traffic, neighborhood character, (and) (or) existing land uses. The City Engineer, Chris Bosley, provided comments on traffic. The subject property is bordered primarily by Lilly Drive where future construction is anticipated, which is a local residential street. Traffic from this proposed development is estimated to provide a very minimal increase in peak hour trips to Lilly Drive and may improve traffic circulation for nearby residents. However, residents along the existing Lilly Drive dead-end will undoubtedly experience an increase in traffic. The Streets & Engineering Department has no objection to the annexation and subdivision plat as proposed.

Mr. Holm commented on neighborhood character. Overall, the neighborhood's character is defined by single-family homes in a hillside setting, balancing urban accessibility with natural preservation. Annexation with R-3 zoning would extend this pattern eastward, promoting infill development that protects against incompatible rural sprawl while addressing past concerns about topography and drainage.

Mr. Holm noted the seven recommended conditions to include in an annexation agreement.

Planning:

1. Prior to final plat recordation, the applicant must remove the non-functional cistern(s) and remediate the disturbance. Doing this will accomplish two things: First, ending the easement for irrigation water that exists for land that has been subdivided in the county and is no longer a viable source of water, and second, would allow for the projected disturbance for future homesites.

Fire:

2. Water line connecting both sides of E Lilly Dr must be connected to ensure needed fire flows at fire hydrants 176-B and 177-C
3. The slope of the proposed Lilly Dr. connection must not exceed 8% grade with the road width to match existing road width minimum. It must be built to accommodate 75,000-pound fire apparatus.

Water:

4. Any additional main extensions and/or fire hydrants and services will be the responsibility of the developer at their expense. Any additional service will have cap fees due at building permitting.
5. A main extension will be required to serve this subdivision and be tied into the existing main on E Lilly Dr. Both ends of the water main on Lilly Dr. must be tied together.

Wastewater:

6. This project will require the extension of sewer "To and Through" for this annexation as proposed unless private sewer is approved to serve one parcel. Policy #716 states One Parcel, One Lateral.
7. Existing home on this parcel must connect to City sewer and pay appropriate sewer cap fees.

Commissioner Coppess asked about the annexation of this property. He is surprised that when he looks at Stanley Hill, it is not already in the city. Is the applicant's home on City water and sewer? Does the City police department go up there when they get calls?

Mr. Holm replied that he is not an expert if the home is on city utilities. He does know that there are some water extensions and sewer extensions outside of city limits. One of the conditions is the water line will need to be connected to the other side of Lilly Drive. He is assuming that the water is on the other side of Lilly and that they can create a loop system, which will help everybody in the long run.

Commissioner Coppess asked if there is a set of qualifiers for annexation that we could use as a basis to understand whether this meets the city's requirements.

Mr. Holm's replied this is a state requirement. There are different categories of annexation. In this case, the applicant has asked for annexation rather than the city forcing annexation. This is also not a leapfrog case. The property is bordering the city. One of the other criteria is if the annexation of land is orderly and there is a requirement to conduct a hearing, which we are participating in tonight.

Commissioner Coppess stated the utilities are right there. It's a matter of cost and support. It seems more efficient to annex this in order to close a loop that's right now not connected for water.

Mr. Holm read the Water Department's comments:

There is adequate capacity in the public water system to support domestic, irrigation and fire flow for the proposal. There are six-inch water mains on Lilly on both sides of the property. The area of the water system is located on the Elm Street boosted zone, which may require the customer to install a pressure-reducing valve on the main water service as it enters the building. That's where it dead ends, and would be a good connection to loop the system.

Commissioner Coppess asked if annexation of the property into the city, zoning it R-3, and making it look like the surrounding properties would be a burden.

Mr. Holm replied it's not an undue burden. The development is taken on by the developer. The city taxpayer will not be paying for the extensions of utilities and the roadway. It would be taken on by the applicant.

Commissioner Coppess commented he had read a letter from a neighbor who was concerned about trees that would be taken down on her property and the applicant's property. He understands the trees will be removed from the property where the street will now connect on Lilly Drive. Can you explain how many trees can be removed from the property?

Mr. Holm replied there is no requirement to remove trees from the city's standpoint to make the streets more accessible just the streets themselves coming through. The city has always been a Tree City USA. We try to encourage people to save trees. This property is subject to the Hillside Overlay District if annexed. There is a limited amount of disturbance that's allowed. The footprint of the homes and the driveways, those trees can be removed without replacement. If there is a tree that is blocking their view, and they remove it, it will need to be replaced. There will be no trees removed from the neighbor's property.

Chairman Messina stated the Hillside Ordinance will dictate what the homeowner will be allowed to build on his property, the color of the homes, etc. and they will need to discuss with city staff as well.

Commissioner McCracken asked if any street trees will be planted along Lilly Drive.

Mr. Holm replied because it's a hillside, there is some slope there. On the south side, there is a tiny notch which would restrict dealing with stormwater as well as putting sidewalks on both sides. It meets the subdivision design standards. Staff met with the applicant and determined that a public sidewalk would be required on the north side of Lilly rather than on both sides due to the slope and right-of-way. Most of the trees will go away within the right-of-way. The Urban Forester will come in and determine if trees need to be replanted.

Commissioner Ingalls commented he would like to speak about the annexation part. The commission has findings to make tonight, such as how it affects the neighborhood. There is a Comprehensive Plan element GD 1.5 that talks about recognizing the neighborhood that should be included. The applicant has come to us three times before. At those prior meetings the neighbors stated they would be really affected, and they did not want Lilly Drive to be connected. Council raised concerns about the protection of the existing neighborhood as well. There is steep topography, stormwater drainage, traffic. He wants to know if Eastside Highway District has been contacted and what would be the grade of the road. The portion of the road to the west has been abandoned. Who would repair it and bring that up to city standard?

Ms. Patterson stated for the annexation request for this evening the commission's only role is to make a recommendation if the zoning is appropriate. The city council will determine if the annexation is appropriate.

Decision Point:

Mr. Holm noted the action alternatives this evening for the annexation request. The Planning Commission must evaluate the annexation request (A-1-25) and associated zoning proposal (R-3 with Hillside Overlay) and provide separate findings to recommend that the City Council adopt the requested R-3 zoning (Hillside Overlay) with or without conditions to be included in the Annexation Agreement or reject the requested R-3 zoning (Hillside Overlay). The City Council will make the final decision at a subsequent public hearing.

S-1-25:

Mr. Holm provided the analysis and findings for the subdivision request, **Item B: A 5-lot Subdivision known as Haag Estates (S-1-25)**.

The applicant is requesting approval of a five-lot preliminary plat on 3.19 acres, "Haag Estates", contingent on the concurrent annexation request (A-1-25) also presented at this meeting. The Planning and Zoning Commission will recommend approval, denial, or denial without prejudice of the annexation to the City Council, which makes the final decision.

Mr. Holm noted there are four findings that must be made for a subdivision, Findings B1-B4.

Findings B1: That all of the general preliminary plat requirements (have) (have not) been met as attested to by the City Engineer.

Findings B2: That the provisions for sidewalks, streets, alleys, rights-of-way, easements, street lighting, fire protection, planting, drainage, pedestrian and bicycle facilities, and utilities (are) (are not) adequate.

Findings B3: That the proposed preliminary plat (does) (does not) comply with all of the subdivision design standards (contained in chapter 16.15) and all of the subdivision improvement standards (contained in chapter 16.40) requirements.

Findings B4: The lots proposed in the preliminary plat (do) (do not) meet the requirements of the applicable zoning district.

For Findings B1, all of the general preliminary plat requirements (have) (have not) been met as attested to by the City Engineer. The City Engineer who is here tonight has attested that the preliminary plans submitted contain all of the general preliminary plat elements required by the Municipal Code.

For Findings B2, that the provisions for sidewalks, streets, alleys, rights-of-way, easements, street lighting, fire protection, planting, drainage, pedestrian and bicycle facilities, and utilities (are) (are not) adequate. City staff has indicated that there are adequate public services and facilities. This is a hillside area and is not downtown. I have showed you the transportation maps. Some of those elements are not available. Sidewalks are shown on the north side of Lilly drive. There are seven recommended conditions. The preliminary plat shows the future lots and disturbed areas for the hillside requirement and slopes for each lot. Mr. Holm stated that lot #5 which is the existing home is less than 15% slope as determined by the applicant's engineer, which would make that lot hillside exempt.

Finding B3 is that the proposed preliminary plat does or does not comply with all of the subdivision design standards in Chapter 16.15 and the improvements standards of Chapter 16.40. City Engineer Chris Bosley reviewed those and stated that those design standards have been vetted for compliance, obviously subject to being on a hillside. One of the conditions the Fire Department has achieved is a maximum 8% slope. Fire access still needs to be there to get to any emergency.

Finding B4 for a subdivision, is if the lots proposed in the preliminary plat do or do not meet the requirement of the applicable zoning district. This is what Ms. Patterson was speaking about; does it meet the R-3 requirement for the subdivision as it's proposed? The minimum lot size in an R-3 district is 11,515 square feet. The smallest lot, which is on the very southern end that where there still slope there because

it's required to meet the Hillside Code. According to the applicant's engineer, there is room enough for disturbance and still have that be developed up to a maximum of 18,812 square feet for the lots that are to the south, while the lot with the existing single-family home would retain almost 61,000 square feet. There is a minimum frontage of 75' along a public street, which is why in the last iteration, Commissioner Ingalls, when it was a PUD, that's how they proposed it was not frontage requirement through the PUD as a deviation to the standards they used driveways to get to the lots rather than building a public street. All setbacks in Hillside Code must be met.

Per Planning Commission and City Council feedback of prior subdivision and annexation hearing requests, the applicant team provided a Geotech study that includes slope calculations and disturbance results showing hillside overlay code could be met. The following table shows the slope to undisturbed ratio for the five proposed lots:

GRADING TABLE			
LOTS	AVERAGE SLOPE	SLOPE(+25%)	PERCENT OF PROPERTY LEFT NATURAL
1	25%	50%	54%
2	24%	49%	59%
3	22%	47%	57%
4	20%	45%	58%
5	12.5%	EXEMPT FROM HILLSIDE REQUIREMENTS	
*ALL LOTS MEET HILLSIDE OVERLAY RETENTION IN NATURAL STATE REQUIREMENTS			

Mr. Holm stated lots 1-4 have an average slope over 15%, and are thus subject to the Hillside Ordinance. They also must provide the 25% retention area automatically. Every lot must do that in the hillside to do the calculation of what must be left natural for each of those lots.

Mr. Holm noted the seven recommended conditions for the subdivision request.

Planning:

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7. Existing home on this parcel must connect to City sewer and pay appropriate sewer cap fees.

Decision Point:

Mr. Holm noted the action alternatives this evening. The Planning and Zoning Commission will need to consider this subdivision request concurrent with the annexation in conjunction with zoning request, and make separate findings to approve, approve with conditions, deny, or deny without prejudice.

Mr. Holm concluded his presentation.

Commissioner Ward stated this is the third time this has been brought forward to Planning and Zoning. Everything to the east of Lilly Drive is in the County and should be 2 acres and should be AG zoning. He doesn't know how that changed. The homes look much more comparable in size to what's being proposed by this development, is that correct?

Mr. Holm replied maybe the misunderstanding is that it is a more recent ordinance that happened after the homes were built. These were subdivided in the county and approved the way that they are. In 2022, the code in the county came to be for the larger lot sizes.

Commissioner Ward asked if he received the Geotech report?

Mr. Holm replied yes, he did receive the report.

Commissioner Ingalls commented he is lost tonight. If the commission is only looking at making a recommendation on zoning and whether R-3 is appropriate or not, he does not have a problem with R-3. What he struggles with are the findings. Such as B4, whether it negatively affects the neighborhood. If we are looking at what the zoning should be, why are we talking about the effect on the neighborhood, and why do we make these findings if we're only looking at zoning? He lives on a cul-de-sac, and he knows what it feels like. He does not want that to go away. Why are the findings not applicable?

Mr. Adams, City Attorney, replied, they are applicable. He stated they are required by statute because the density of development does affect the neighborhood and does affect traffic. You must decide whether the R-3 as opposed to R-17 or R-1 is the appropriate zoning for this area.

Commissioner McCracken stated this zoning is compatible with the neighborhood zoning. Just like when we are looking at the PUD, and determining if it is compatible with the traffic and the neighborhood.

Commissioner Fleming commented we are also looking at what is still in the county and will remain in the county with no effect from this development. The Ag Suburban areas that are currently Lilly Drive and Gunnison Place, those lots are small. They are consistent with the R-3 zone. This looks like it would tuck in nicely against the current Lilly on the east side. We are going to affect traffic. They will have another exit if there is a forest fire or if there is an accident at the end of the road and they can't get through. There will be a benefit to connecting the east and west ends of Lilly. She would want to be able to get out if a fire happened. She saw what happened during the Pacific Palisades fire. Some neighbors have the feeling that that the city will make them be annexed. That will not happen.

Commissioner McCracken stated when you separate the issues, the zoning is compatible, and the land use is compatible with the neighboring adjacencies. When you get to the PUD, there are other elements playing into that. If we annexed, the zoning would be R-3.

Chris Bosley, City Engineer, stated a single-family development generated between eight and ten trips a day. However, connecting Lilly Drive will draw more traffic. Connecting Lilly Drive will provide better

emergency access and would be better for snow plowing. He has not contacted the East Highway District regarding the snow plowing. In the past it has been a handshake deal as to who plows what streets because it doesn't make sense for us to get to the city limits and stop and backout. He spoke with the Street Department Director about how we would direct plow crews. He stated he would likely take them all the way out to the end of Lilly Drive. He has not had a conversation with Ben Weymouth, with the Eastside Highway District, to make sure that they understand that it would be more beneficial for us to take that, since we're doing the rest of Lilly Drive. We do not like dead ends. Currently, that's likely plowed at least a couple times a year by Eastside Highway District, but that would be something that we would likely take over. One of the comments that he did read from the public was about cut-through traffic to the golf course. He measured that on a map and anybody coming from Elm Ave underneath I-90 from 15th Street coming in from that direction, because that seems like the way that most people would be going anyone who would be tempted to take Lilly would be coming in from that direction to get to the golf course. It would be about 200 feet shorter to Ponderosa Golf Course. It may not be as direct. It's hard to tell if anyone would make that trip to make those turns to go that way.

Commissioner Ingalls asked if this gets approved, the section of Lilly, maybe 150 feet or a little more, from the barricades there to the project limits is kind of a no man's land right now. It's in bad shape. It hasn't been maintained for decades. How would that be repaired? It needs to be rebuilt, could we add that on as a condition tonight?

Mr. Bosley replied, it certainly could be a condition. Likely once all construction is done, we would take a look to see if it needed some sort of overlay or something. We wouldn't touch it before all the construction is done. If it was a condition he would talk to the legal department and have the developer address it, or this would be something the city would look at later.

Commissioner Ward asked hypothetically whether people could use Lilly as a cut through to get to the golf course. Now, most people I know, when he drives up Stanley Hill, he will drive up to the end and cross over. How much of a magnet would that really be? Other than the golf course, is there that much development that would lead people to use as a shortcut?

Mr. Bosley stated it's unnatural. People are creatures of habit. They will probably continue to go the golf course on the same route that they have always driven, unless they are curious or know the road and want to take a different route to get there. It doesn't seem to be a huge draw for cut through traffic.

Commissioner Jamtaas asked the people that live east of Lilly now, north of the golf course, would they connectivity of Lilly provide any reason for them to look at that as a shortcut going west towards I-90?

Mr. Bosely replied for those that live on Lilly yes, they will not have to go up to Stanley Drive and down the big hill. He can not estimate how much traffic is generated by a certain development, but once a connection is made, traffic models aren't going to predict what people will do because we can't predict human behavior.

Commissioner Coppess asked the two street names Lilly and the gap between them, just from an urban design standpoint, whether it was eminent domain or maybe the owner did not want to develop at the time. Was there an intent to join up those streets, and maybe the folks that live in the cul-de-sac might be aware that one day the two streets would be joined?

Mr. Bosely replied he was not in the city at the time, and he does not know what caused the disjunction between Lilly Drive. He does assume that it was meant to go through someday. These streets aren't just cul-de-sacs. Lilly Drive (east) does have a right of way for cul-de-sac. It was platted with a cul-de-sac, but he does not believe it was built with a cul-de-sac. The plat map shows lot lines.

Public Testimony Open:

Eric Olson was sworn in and introduced himself. He is an engineer at Olson Engineering, and he represents

Mr. Haag. He stated that Mr. Haag wishes to annex and subdivide his parcel for the benefit of his family. There have been changes that have happened since 2005 and 2021. Growth in the city, housing needs, and fire protection. The 2005 application brought this forward with the completion of Lilly Drive and was shot down at that time. In 2021 the PUD version was presented. There was a driveway coming off the end of the east side of Lilly and another driveway off the west side. This failed as well with City Council stating the reason it didn't make it through is because it didn't show any benefit to the city. He stated the public road is logical. Lilly Drive was meant to be completed. City staff would prefer this as well.

Mr. Olson pointed to a plat map on the screen for the Ponderosa Terrace. If there was a cul-de-sac, the map would show a circle, and it does not. The map is drawn with a radius, and to show a street veering towards the other side of Lilly Drive. There is an asterisk on the map that reads "This easement is to be vacated upon extension of the road." That road was meant to be extended. Lilly Drive was meant to be completed. The benefits of completing Lilly Drive, as he reads the City Fire Marshal's comment: *The proposed road connection along Lilly Street enhances fire department response times to areas beyond city limits. Additionally, it provides access to a second fire hydrant location along Lilly Street improving fire protection coverage. The completion of Lilly Street provides faster emergency services to Hill Street and Galena Ave and further optimizes access and response capabilities in the surrounding area.* Mr. Olson states this will provide a way out for vehicles on the County side of Lilly, should that portion of Lilly be blocked, they will have a way to get out with their vehicle. There is currently no turnaround at the end of Lilly drive on the County side, which is not good for emergency vehicles. The main water extension will be required to serve this subdivision and be tied into the existing main on east Lilly Drive. Both ends of the water main on Lilly Drive must be tied together. This project would connect two dead-ends, water lines, providing increased water circulation, flow capacity and pressure during high use periods. He states yes, there will be increased traffic on Lilly Drive, but it was meant to be connected. County residents on the east side of Lilly Drive will experience more traffic but will benefit from reduced travel time to and from destinations along I-90. Residents trespass regularly on the subject property because it's a useful pedestrian connection. There is a beaten path on the property from this use. Someone has trespassed and installed signs and poop containers for their dogs without notifying Mr. Haag or getting his approval. It appears there is a need for a pedestrian connection.

Mr. Olson shared information about the geotechnical evaluation: Surface & Groundwater. Nine test pits that were dug on Mr. Haag's property, with the following results and recommendations:

- Groundwater was not encountered in test holes
- Groundwater may yet be encountered during construction...capture and divert
- Surface water was found discharging from a pipe from neighboring property
- "Based on our observations and the information provided by the civil engineer, it does not appear that the free-flowing surface water represents a naturally occurring stream or spring."
- "The existing drainage pipe discharge should be evaluated by the civil engineer to redirect this discharge to an appropriate receiving location."

Chairman Messina asked if there has been a conversation with the neighbor regarding the discharge from the pipe, as this would be a concern down the road.

Mr. Olson replied, Mr. Haag was contemplating that conversation. He reviewed the title report and there is no easement associated with any discharge from a neighboring property.

Mr. Olson continued with his presentation and stated he has met all four findings. The neighborhood character and existing land uses will remain similar with the addition of four new single-family lots of similar size to the surrounding area which is all R-3 zoning within the city. A legal walking connection will enhance connectivity between neighborhoods. The cross section of the proposed Lilly Drive extension. It matches the width on either side, which is 36 feet back of curb. There will be a six-foot planter strip on the north side adjacent to a five-foot sidewalk. In summary of benefits to the city: there will be better fire protection, water circulation, traffic circulation, sidewalk construction, no construction cost to the city, increased tax base, the city will control the development through the Hillside Ordinance versus potential county development. He does recognize that potential county development would be an uphill battle, they would have to convince

them to rezone the whole area to match what's built out there. This would be a restricted residential zoning instead of an Ag Suburban. If it's in the city, the city controls this. The Hillside Ordinance has a lot more teeth than what the county has, and this will create housing opportunities.

Commissioner Fleming asked on the existing lot 5, is that also going to go onto sewer and water from the city?

Mr. Olson replied it was already on water, and it would connect to the sewer.

Mr. Olson concluded his presentation.

Mr. Haag, the applicant, introduced himself and was sworn in. He stated it's kind of nerve wracking sitting here listening to everything and knowing the neighbors are upset. He does not want that at all. He really wants a place so his kids can move back to Coeur d'Alene. He has one son that lives here and the other five kids had to move out of town and seek employment opportunities where the housing is less expensive. He could give them the land so they can build a home. He is not a developer and not looking to make money. It's going to cost him money because his kids aren't going to pay him for the lots to build on. He would like to use his own property for his family and not have people trespassing and walking their dogs. He also would not want water drained onto his property that he didn't even know about. His intention is to do right with his kids.

Dale Dennis introduced himself and was sworn in. He stated he is not against the subdivision and supports people developing their property. He is against the subdivision in its concept and design proposed to connect Lilly Drive. He read the comments from the packet and the ones that were in favor, and they were from Mr. Haag's children and people that do not even live here. There are nine homes on Lilly Drive that will be directly affected if Lilly connects. Why would the commission consider approving this to accommodate four new homes. This will cause traffic hazards. Both Gunnison Place and Stowe Court are cul-de-sacs. The last request in 2021, which was a PUD, the design still had the cul-de-sac on Lilly Drive, and it should be approved that way.

Lauren Hayden introduced herself and was sworn in. She stated there is nothing in the Comprehensive Plan that she can find that bases annexation and zone change out of a desire to provide building lots for his children. Logically the property should be left Ag Suburban. Mr. Olson states that trespassing would be eliminated by pushing through Lilly, connecting the two ends, is silly. Annexation does not stop trespassing; fences stop trespassing and there are no fences that she has seen on the property. She is concerned about the presence of water on the property, she doesn't know where the discharge pipe is located but the water in the pipe must come from somewhere. Mr. Olson states they will capture it and redirect it. How will that happen? If you push through Lilly there will be more vehicular traffic where there has been none. This will make it unsafe. There have been no wildfires in the 21 years that she has seen. She would like this request to be denied.

Chris Cheely introduced himself and was sworn in. He stated he was born in Coeur d'Alene and has seen lots of changes in the city. There have been challenges of water pressure and volume and the benefit to the city of being able to loop that is tremendous. As Commissioner Fleming pointed out with the fires in Hawaii and Pacific Palisades, it makes sense to connect Lilly Drive to have another way out and not have an outlet blocked. Apparently from the beginning the road should have been connected. Mr. Haag is not a contentious man. He has known him for a long time. At the end of day, we're looking for ways to improve water, and EMS connection. The city will be able to manage the Hillside Ordinance. He is in favor of the request.

Janice Houghton introduced herself and was sworn in. She stated she has lived on Lilly since 1987. She has always felt bad when he was denied in the past and he can't do anything on his own land. Yes, we all use the land to walk through. Because nobody wanted to see it get littered, friends of hers put up the dog poop bags. We appreciate him letting us walk through the property and she has never seen no trespassing signs and there are no fences. He has never denied us access to his property. She bought her property because of the dead-end road. It's safe and she has never committed any crime in the neighborhood. We do not have people speeding or any traffic issues. She is curious as to why he wants to punch the road through now when he

didn't ask for that before. She does not have any water pressure issues. Her sprinkler heads are always blowing out. She is asking for the matter of safety and for peace and quiet and the rights of the people that bought these properties because of the dead-end road. She does not think the benefits outweigh the impact it will have and it will devalue her property.

Applicant Rebuttal:

Mr. Olson said he wanted to address the concern about the unsafe intersection at Hill Street and Lilly Drive. He hasn't studied that, but if Lilly Drive was connected you can still go around the other way. Mr. Haag has previously installed no trespassing signs to no avail; they have been taken down. Mr. Haag does not want to punch the road through. He has been advised by City staff and himself to do this and have the application successfully go through the process. Mr. Haag really doesn't want to pay for the road extension, water and sewer as they will be very expensive. He can respect the water pressure is high on Lilly Drive already, but his is a connection that will benefit the whole area. There is a lot of elevation, when you go down 100 feet in elevation, that's 40 pounds of PSI of water pressure. It may not benefit Lilly, but he thinks there will be some benefit in the lower portions of the pressure zone that it serves. The benefit of the road connecting on Lilly will decrease travel time for the residents that do live on Lilly. Yes, it could gain more traffic with the public. The east side of Lilly is not a cul-de-sac it is a dead end.

Commissioner McCracken asked on the parcel, is there an easement for Lilly Drive?

Mr. Olson replied no, there is just the marking on the survey saying about a potential connection. Both plats showed the road there. Ponderosa Terrace plat noted the road extension. This plat also left it open right-of-way, but it does not explicitly state it.

Chairman Messina stated besides having Lilly go through, have you looked at perhaps having it accessible for emergency reasons, fire and EMT, maybe a bollard-type system at the end? It does stop the flow of traffic. If the city says you should or it is recommended from streets, would that be an acceptable alternative?

Mr. Olson replied he did see a comment on one of the letters that was sent regarding that subject. He does not think it would make a difference to the applicant. Personally, himself or Mr. Bosley who is making that decision, he would not suggest the gate. Yes, it placates the neighbors and make them happier. The fire protection is still there but now you would have to open a gate to get through the street.

Chairman Messina asked Ms. Patterson regarding the turnaround for fire.

Ms. Patterson stated when staff met with Mr. Haag the city wanted to see the full connection because the roads were intended to connect, and the city thought all the benefits would be there. The city understands there would be some increased traffic. The gated bollard-type system does not work very well on a public street; the turnaround for a fire truck on a public street does not work very well. In addition to the property being platted, as Mr. Olson indicated, the road is named the same as the county had intended for the two ends of Lilly to be connected. We have roads in the city that continue through and have different names, and these roads do not continue through (yet), and they are named the same. There was an intention all along that it would connect once this property was developed. For those reasons, staff felt strongly to have the street connection.

Public testimony closed.

Commission discussion:

Commissioner Coppess asked Mr. Adams, what makes the annexation viable in the State of Idaho? He thinks his understanding of Mr. Holm is the interest in the city and the owners there is some form of percentage that is required for land and owners. In this case, he thinks it's 100% because there's just one owner, which makes it simple. To that it comes down to the benefits of the city and whether the city thinks that this is viable for the city's long-term benefits.

Mr. Adams replied, you do have that right. City Council will make the decision as to whether annexation, in any case in the best interest of the city. Council has a wide discretion on that.

Commissioner McCracken stated the annexation really is more straight forward. The zoning is compatible with the adjacent properties on both sides, even though the county has it as a suburban agriculture zone. The lot sizes are very similar. The land use is very similar. The comprehensive plan on which we can all pick our own ways that might fit in. The facilities and utilities are available. We have talked about all the other specifics. Of the characteristics of the neighborhood, we get a little sidetracked when we start talking about the actual subdivision. All the city departments have said the R-3 is compatible. The piece that gets a little sticky but maybe we have loaded that into the annexation agreement is maybe why we are getting stuck or something. She thinks these are hard when we chat about these findings together, because these are two separate decisions. The annexation is a recommendation to city council. If the annexation gets shot down by city council, the subdivision one goes away automatically.

Mr. Adams replied yes, the commission's duty is to decide on what zoning will be if it is to be annexed. There will be an annexation agreement. These conditions are something that the commission would recommend to the City Council that in the annexation agreement. These conditions that are listed on pages 3 and 4 of the findings are from the departments. They are requesting that the commission recommend to council, if it annexes, to include these conditions in the annexation agreement.

Commissioner McCracken stated the purpose of the annexation is to recommend it, from our perspective, is to recommend a zoning, and with a zoning recommendation we that that R-3 would be compatible it doesn't really matter if Lilly is connect or not. To say that the lot size is compatible with R-3 it might make a difference on how this is divided but not necessarily the zoning it comes into the city with, because it could just get annexed in the city and subdivided at a later date.

Mr. Adams stated that is true. The city departments are saying if you're going to annex this property, Lilly should go through and if you don't want Lilly to go through, maybe you don't want to annex the property. It is certainly up to the commission to decide which of these conditions, if any, to recommend to council. He thinks this is the appropriate stage to make those recommendations or not.

Chairman Messina stated if for some reason, whoever makes the findings wants to add a condition stating Lilly does not go through, they can add that to the annexation agreement.

Mr. Adams replied, the commission can make a condition to the annexation or recommend a condition to the City Council, the Council can make the decision whether they want the condition or not.

Commissioner McCracken commented on the seven conditions listed and have some of the requirements of the subdivision, but they do not have all the requirements. She feels like it is a little disconnected. With the subdivision, there's the details of the sidewalks and the street trees and all of that and we have some of these requirements here. This feels off on this one. She suspects that the conditions for the annexation for the zoning would apply regardless of what the development would be on that property.

Mr. Adams stated he suspects that the conditions for the annexation for the zoning would apply regardless of what the development would be on that property whether it's this subdivision these are conditions that should just go with the property.

Chairman Messina commented the annexation is taking a piece of property and bringing it into the city. That's one separate issue. On the other side, which we have in front of us, depending on how that does, the tree removal and the Hillside Ordinance and all the construction that goes into the findings that we must deal with and that's what will happen on that end. We are looking at a piece of property that is in the county, bringing it into the city with the zoning that is being recommended, and then the rest of the findings. We have more conditions in the PUD. That is because there is more that's going to go on with that.

Commissioner Ward stated we are mixing stuff together that does not need to be. If we don't approve one,

you can forget the other. If we are not willing to annex this. It is a matter of geographically if it fits in and meets with our master plan. Now, except for the fact this was denied before, which kind of concerns him, this fully complies with annexation requirements. As far as zoning is concerned, that's a separate issue, but he thinks we need to deal with the annexation first and decide whether we're going to recommend it or not.

Commissioner Fleming stated the zoning to the west is very evidently R-3. To the south is R-3. It doesn't quack like a duck, but the ag suburban had been distorted on Lilly. There are not two and three and four acre lots. We have what constitutionally are R-3, it's just that it's in the county. They have got to run to catch up with us. She would agree that we meet all the annexation, and she thinks that it would be a safer solution if the city controlled it. There are a lot of trees there. It's a forest. It needs to be thinned. She doesn't know why we would deny it. It meets all of the boxes for annexation.

Mr. Jamtaas commented that the reason that we would deny it is just because it would change the lifestyle of people had lived east of this property for many years. He does not know if that's a reason to deny it. This is a smart plan. There is a lot of change. The connectivity to that road allows for four more homes to be developed that are going to look and feel a lot like seven homes that are to the east. He has not heard anything that would make him believe that this will be a major traffic issue, although there will be some. He does not see the traffic as a big change, big enough to deny the owner the ability to develop his property, which he thinks is the right that he has.

Commissioner Ingalls stated he might be the minority opinion he would like to explain his struggle, and he does support staff. The application points out some benefits, but he is struggling, and Mr. Holm's staff report laid out the details on why the City Council denied this twice. He wished the cul-de-sac version had been supported. The folks from the neighborhood came up and spoke they talked about the steep topography and that hasn't changed. The Council mentioned concerns about stormwater. Those issues haven't changed. The traffic issues, the shortcuts that will create for these neighborhoods. The bottom line for him is version 3.0, in his opinion, is more disruptive to the neighborhood than the cul-de-sac version 2.0. He cannot support this project because of this.

Commissioner McCracken asked Ms. Patterson about the water and sewer connection regarding the other side of Lilly Drive is serviced by City of Coeur d'Alene with water but not sewer is that correct?

Ms. Patterson replied yes, that is correct.

Commissioner McCracken stated we do talk sometimes about these donut holes in the city where we are surrounded by county. Do we have any history on the way that was planned out when those were built out. She does struggle with both sides of this application. The water was put on Lilly Drive it seems like Lilly Drive it seems like the city was going to be annex that into the city at some point and connect Lilly Drive.

Ms. Patterson replied she was not here when the water was connected. There was some agreement for the water. Some of the septic systems are failing up in that area too. We do have several areas outside the city limits that we have extended our water system; some have agreed to consent to annexation in the future. To reassure the neighbors here, the city is not going out and annexing any properties.

Chairman Messina stated he understands what Commissioner Ingalls stated and made some valid points about protecting the neighborhood. Is there a benefit for fire and emergency to neighborhood? Yes, and the through streets for snow plowing.

Mr. Adams replied, yes. If you go back to what Commissioner McCracken stated, the question for the commission is what is the proper zoning if it is annexed? Council decides whether to annex it or not. Your recommendation is, what should the zoning be? Not whether the road goes through or not. Any of these things occur in the development. That may be part of the subdivision.

Commissioner Ingalls stated he would like to make a motion to recommend to council that we annex this at R-3 with the seven recommendations plus an eight that says Lilly not be connected.

Ms. Patterson stated that it will not work if you do not have Lilly Drive go through. This would have to be a PUD and a private street because you would have not have the frontage requirements and everything would change related to the subdivision.

Mr. Adams commented on the way to handle this is to simply deal with zoning first. Then move on to the subdivision.

Commission Ingalls stated he would like to withdraw his motion.

Commissioner Coppess asked why the city council had not approved the PUD last time this came forward?

Motion by Commissioner Fleming, seconded by Commissioner Ward, to approve item A-1-25 annexation to City Council. Motion Carried.

ROLL CALL:

Commissioner Fleming	Voted	Aye
Commissioner Jamtaas	Voted	Aye
Commissioner Ingalls	Voted	Nay
Commissioner Coppess	Voted	Aye
Chairman Messina	Voted	Aye
Commissioner Ward	Voted	Aye
Commissioner McCracken	Voted	Aye

Motion to approve carried by a 6 to 1 vote.

Mr. Adams stated he looked up the minutes from the City Council meeting on July 20, 2021 and replied to Commissioner Coppess that it was a 3 to 3 vote and the mayor breaking the tie to deny the annexation. According to the minutes of the meeting, the three council members who voted against the annexation simply said that they didn't see how it benefited the city to annex the property.

Commissioner Jamtaas asked if the owners of the homes where disclosed the information and understand that Lilly was intended to go through?

Commissioner McCracken commented that the sellers, if they are aware, would have potentially disclosed that. The title commitment should have showed the notes on the plat if they went through a title company for their sale, which is exactly what Mr. Olson had on the screen. That would have been signed off by the buyer of property on their title commitment. Whether they noticed the little asterisks or read into the plat on the survey is another thing, but it was on the survey when those lots were originally divided.

Motion by Commissioner McCracken, seconded by Commissioner Coppess, to approve item S-1-25 with conditions. Motion Carried.

ROLL CALL:

Commissioner Ward	Voted	Aye
Commissioner Jamtaas	Voted	Aye
Commissioner McCracken	Voted	Aye
Commissioner Fleming	Voted	Aye
Chairman Messina	Voted	Aye
Commissioner Coppess	Voted	Aye
Commissioner Ingalls	Voted	Aye

Motion to approve carried by a 7 to 0 vote.

Commissioner Coppess commented this will be up to the city planning staff a to try and make sure this is conforming with all the requirements needed to cross the T's and dot the I's for environmental concerns and all the engineering stuff. It makes it much easier knowing that all those things have been addressed for us to look at it from a holistic standpoint. He would like to thank staffs for all their efforts.

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ADJOURNMENT:

Motion by Commissioner Fleming, seconded by Commissioner Ward, to adjourn. Motion carried.

The meeting was adjourned at 8:06 p.m.

Prepared by Traci Clark, Administrative Assistant

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