

**DRAFT MINUTES OF THE CITY COUNCIL MEETING
FOR THE CITY OF HAYDEN, KOOTENAI COUNTY, IDAHO**

Tuesday, September 29, 2026

Special Meeting: 5:00 PM

Hayden City Hall Council Chambers, 8930 N. Government Way, Hayden, ID 83835

CALL TO ORDER

The meeting was called to order at 5:00 PM.

ROLL CALL OF COUNCIL MEMBERS

Present: Ed DePriest, David Erickson, Matthew Roetter, Tom Shafer.

Council Member Erickson participated virtually.

PLEDGE OF ALLEGIANCE

Mayor Davis asked Council Member Shafer to lead the pledge of allegiance.

ADDITIONS OR CORRECTIONS

Item 1A was removed from the agenda.

1. UNFINISHED BUSINESS

A. **ACTION ITEM** Resolution Adopting the 2026 Sewer Capitalization Fee Report
This item was removed from the agenda.

B. **ACTION ITEM** Development Impact Fee Advisory Committee Recommendation to
Increase Impact Fees for Fiscal Year 2027

Staff presented the Development Impact Fee Advisory Committee's recommendation to increase Circulation and Park Impact Fees for Fiscal Year 2027 by 5%, consistent with the adopted Development Impact Fee study for Year 5/2027.

This information is provided to the Council in advance of the scheduled public hearing to allow for review of the committee's findings and recommendations. If accepted by the Council, the recommended impact fee adjustments will be incorporated into the fee schedule proposed for adoption during the public hearing.

MOTION: Council Member Roetter moved to approve the recommendation of the Development Impact Fee Committee. Council President DePriest provided the second.

ROLL CALL VOTE:

Council Member Erickson	Yes
Council Member Shafer	Yes
Council President DePriest	Yes
Council Member Roetter	Yes

The motion was approved by a unanimous vote in favor.

2. PUBLIC HEARING (Public Testimony will be received for these items)

A. Fee Increases for FY2027

After review of the procedures for a city initiated public hearing, Mayor Davis opened the hearing at 5:04 p.m.

City Administrator Lisa Ailport began by noting that the required legal notice for the hearing was published and that Idaho Code mandates a public hearing for any new fees or fee increases exceeding 5%. Much of the proposed fee schedule reflects discussions from the broader budget development process, which began in April and incorporated projected revenue needs tied to service costs.

She explained that adoption of any fee requires council approval via resolution and then proceeded to review the nine fee tables, eight of which include proposed modifications for Fiscal Year 2027. Fee adjustments are primarily driven by increases in cost of service, including labor, materials, and program-related expenses.

Questions throughout the presentation were invited

Administrative Fees:

Two previously established fees had been omitted from the published fee schedule in error and were being reinstated.

Recreation Fees:

At the council's direction following January's goal-setting meeting, staff conducted a cost-of-service analysis for the Recreation Department, determining that current program fees recover approximately 50% of actual cost, with the remaining subsidy primarily in administrative overhead. A full-cost recovery model was deemed cost-prohibitive, so staff recommended differential percentage increases for resident and non-resident rates. Council members discussed the community value of recreation programs and affordability concerns relative to private club sports. Staff emphasized that a certain level of subsidy remains intentional and important.

Events, Boat Ramp, and Vendor Fees:

Boat ramp fees are proposed to increase by \$5-\$10 after more than a decade without adjustment. Staff compared local rates with neighboring jurisdictions and emphasized that increases are aligned with needed operations, maintenance, and long-term capital improvements. Examples included replacement of the outdated payment kiosk and future ramp-related infrastructure. New field reservation fees and updated vendor fee structures were also described.

Planning, Engineering, and Development Fees:

Most fees in these categories were adjusted to reflect true staff time and service costs. The appeal fee discussion revisited council's intent to maintain accessibility while ensuring cost recovery. Staff noted that the council had directed that fees be published at actual cost, allowing the council the discretion to adopt lower amounts if desired.

Public Works and Sewer Rates:

New review fee tiers were introduced based on project size. Equipment rate updates (Table 6) were deferred pending further study. Staff presented the proposed sewer monthly rate increase of 5% (\$3.25 per month), with 4% attributable to treatment costs and 1% to collection system needs. The city's capital improvement planning, including major investments in the H-6 sewer basin and other infrastructure, informed updates to the sewer capitalization fee. A consultant-recommended

connection fee of \$6,522 per wastewater unit was proposed, lower than the preliminary published estimate. It was confirmed that, legally, adoption cannot exceed the consultant's recommendation.

PUBLIC COMMENT:

Phill Weist, Hayden Resident, comments expressed concerns about overcrowding, lack of enforcement, inequities between resident and non-resident users, maintenance quality, and impacts of out-of-state recreation. The speaker recommended significantly higher fees for non-resident use, similar to Idaho's resident-versus-non-resident hunting license model.

Mayor Davis clarified that due to grant conditions, the city may not charge more than double the resident rate for out-of-state users.

Mayor Davis closed at hearing at 5:35 p.m.

3. NEW BUSINESS

A. ACTION ITEM Resolution to Adopt Fiscal Year 2027 Fee Schedule

Ms. Ailport noted a correction to the published boat launch fee: the public notice correctly listed the annual pass at \$40, while the resolution in the packet erroneously showed \$80. Council was asked to adopt the corrected version consistent with the published notice.

During deliberations, council members discussed public testimony related to differential rates for out-of-state users. Staff clarified that grant conditions tied to the boat launch require that non-resident or commercial users cannot be charged more than twice the local fee, and that this restriction remains in place indefinitely unless the facility is replaced with one of equal value.

Council also reviewed the portion of sewer rates allocated to debt service. Staff reiterated that the city issued long-term, low-interest DEQ loans to finance mandatory regulatory upgrades at the wastewater treatment plant, required due to strengthened EPA discharge standards. These upgrades represented significant capital costs shared among participating agencies, including the City of Hayden, and the bonds are being repaid over 20-year terms.

Council members expressed agreement with the public's concerns where possible within regulatory constraints.

MOTION: Council President DePriest moved to approve the resolution adopting the updated fee schedule with the noted correction to the boat ramp fee. Council Member Roetter provided the second.

ROLL CALL VOTE:

Council Member Shafer	Yes
Council Member Erickson	Yes
Council Member Roetter	Yes
Council President DePriest	Yes

The motion was approved by a unanimous vote in favor.

B. **ACTION ITEM** Right-of-Way Contract and Property Use Agreement with Josh Brown and Alicia Brown for the Hayden Avenue and Atlas Road Roundabout
Council considered a right-of-way contract and property use agreement with Josh and Alicia Brown related to the Hayden Avenue and Atlas Road roundabout project. City Engineer Dulci Kau reported that an agreement had been successfully reached with this property owner. Approval of this contract would complete half of the total right-of-way acquisitions required for the project.

MOTION: Council Member Roetter moved to approve the agreement. Council Member Shafer provided the second.

ROLL CALL VOTE:
Council President DePriest Yes
Council Member Erickson Yes
Council Member Shafer Yes
Council Member Roetter Yes

The motion was approved by a unanimous vote in favor.

Mayor Davis recessed the meeting for a break from 5:44 p.m. to 5:52 p.m.

4. **WORKSHOP**

A. Proposed Code Amendments of Title 11: Zoning Regulations and Repeal and Replace of Title 12: Subdivision Regulations

Mayor Davis opened the workshop by noting for the record that Planning and Zoning Commissioners Ron Walters and Vince Vargas were voluntarily participating in the workshop. Staff began with an overview of the extensive joint workshop process that has taken place since April 2024 between the Planning and Zoning Commission and the City Council, emphasizing the amount of work and collaboration that informed the proposed revisions to the City's land use codes.

Staff first addressed Title 12, explaining that the subdivision regulations are being completely reorganized from ten chapters into seven because the volume of changes, including integration of long-standing development agreement language, updated plat requirements, and structural improvements, made a full repeal and replacement more practical than amending the prior code.

Staff reviewed key features of the proposed Title 12, including reorganized survey requirements, an expanded purpose section directly linked to the Comprehensive Plan, updated standards of approval language, and clarifications of the statutory authority underlying subdivision regulations. Council discussed at length whether references to the Comprehensive Plan were strong and clear enough to guide decision-making. Staff and legal counsel explained that although the Comprehensive Plan cannot legally serve as the sole basis for approving or denying a subdivision, the revised purpose section and standards of approval incorporate Comprehensive Plan objectives in a legally defensible manner. The discussion also explored topics such as aquifer protection, green space connectivity, and neighborhood design expectations, with staff noting that these outcomes are primarily implemented through zoning and development standards rather than through direct enforcement of Comprehensive Plan language.

Council next evaluated whether agency-recommended conditions should be mandatory ("shall") or discretionary ("may"). Staff recommended maintaining

discretionary language because agency comments vary widely, and some may not be appropriate or legally enforceable in all cases. Council agreed to retain the “may” standard. Staff also presented the updated framework for starter home subdivisions required by recent state legislation. Starter home subdivisions must meet all standard subdivision requirements and are allowed only in Residential Suburban, R-1 Single Family, and Mixed Residential zones, with additional design expectations established in Title 11, such as required parking, perimeter compatibility, connectivity, and minimum lot size. Council reviewed how these requirements function in practice and acknowledged that service capacity, fire access limits, and modeling constraints will naturally limit starter home development.

Staff presented parcel-level analysis showing that although 173 parcels exceed four acres, only 33 residentially zoned parcels could realistically support future starter home applications. Staff concluded the Title 12 discussion by reviewing the necessity of completing all code amendments before the statutory February 1 deadline.

After a brief recess, the workshop continued with a review of proposed amendments to Title 11. Staff guided Council in accessing the current City Code online and emphasized that, unlike Title 12, Title 11 is being amended section by section rather than replaced in full. Staff explained that the introductory paragraph in Title 11 has now been formally labeled “Purpose” and definitions have been consolidated at the start of the title for clarity. Several definitions were updated or clarified to align with Idaho statutes or to distinguish terms that differ across city and building codes. Administrative updates included revised procedures for amendments, unlisted uses, and appeals, and the removal of duplicative content.

Staff discussed proposed reductions to administrative exception authority, explaining that the prior 35% allowance was being overused and creating functional issues, especially regarding parking. Under the new structure, exceptions up to 20% may be approved administratively, those between 20% and 50% would require a Planning and Zoning public meeting, and those above 50% would require a public hearing. Council acknowledged ongoing parking challenges and agreed that the new thresholds balance flexibility for applicants with long-term operational needs.

Staff then reviewed updates to zone purposes, setback tables, and the reorganized use table, which now clearly separates primary and accessory uses, includes the new Rural Zone, updates manufactured home standards to reflect state law, prohibits the use of RVs as dwellings, and incorporates new provisions for roadside stands.

Development standard updates covered accessory dwelling units, short-term rentals, food trucks, parks and open space, nonconforming uses, fencing and visibility standards, landscaping requirements, lighting plans, and parking requirements. Council held an extended discussion on proposed changes to frontage improvement and right-of-way dedication requirements. The new framework significantly reduces when frontage improvements are required, particularly for residential accessory structures and small-scale additions, while retaining right-of-way dedication in limited cases subject to legal review. Staff described new triggers, such as 40% increases in floor area or traffic generation, that would require full improvements. Council also reviewed related updates for reconstruction of structures, ADUs larger than two bedrooms, and other triggers associated with intensity of use.

Additional updates included revised sign code language addressing banners, mobile signs, façade allowances, master sign plans, prohibitions, and permit processes, with staff noting that content-based regulation remains prohibited.

Staff also presented proposed open burning provisions requested by the Northern Lakes Fire District, which clarify allowable materials and permit requirements, and give the Council authority to set burn periods by resolution.

Staff concluded by outlining the next steps: finalizing revisions, completing legal review, and preparing the amendments for Planning and Zoning and City Council public hearings. No objections were raised, and Council directed staff to proceed. Any requested changes submitted by individual council members would require another workshop, as decisions cannot be made by email outside of a public meeting.

5. ADJOURNMENT

The meeting was adjourned at 8:39 p.m.

Abbi Sanchez, City Clerk

Alan Davis, Mayor