

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

Tuesday, March 26, 2024

Regular Meeting: 5:00 PM

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

CALL TO ORDER

Mayor Davis called the meeting to order at 5:00PM.

ROLL CALL OF COUNCIL MEMBERS

Present: Ed DePriest, Matthew Roetter, Tom Shafer, Sandra White.

PLEDGE OF ALLEGIANCE

Council President Roetter led the pledge of allegiance

ADDITIONS OR CORRECTIONS

During a call for additions or corrections to the agenda, Council Member Tom Shafer requested to remove the approval of Keith Gibson's reappointment to the Planning and Zoning Commission from the consent calendar and place it as a separate item under new business for discussion. He argued that the council advises and consents on nominations, and while he believed Gibson was a great selection, he felt it shouldn't be on the consent calendar. Mayor Alan Davis explained that the consent calendar is for items that don't require discussion, and explained that the terminology "advice and consent" means to review and approve the mayor's appointment. Legal Counsel Erik Smith clarified that once an item is published in the consent calendar, changing it would require amending the agenda. He also noted that discussing the merits of individual appointments would need to be done in an executive session.

Shafer, understanding the process better, withdrew his request. Council Member Sandra White expressed objection to the rigidity of the process, noting that in other cities, items can be removed from the consent calendar for later discussion. Council President Matt Roetter noted that board and commission members go through the City's Human Resources department, expressing his support for following the established process.

1. PROCLAMATION

A. 2024 Fair Housing Month Proclamation

Mayor Davis explained that the Fair Housing Act prohibits discrimination in housing because of race, color national origin, religion, sex (including gender identity and sexual orientation), disability, and familial status. The City of Hayden has a Fair Housing Compliance Plan which includes acknowledging April as the Fair Housing Month. He proclaimed April as Fair Housing Month in Hayden.

B. World Wish Month Proclamation

Mayor Davis stated that the Idaho chapter of the Make-A-Wish Foundation has granted over 2,000 wishes since its creation in 1986 and continues to grant life-affirming wishes to children with critical illnesses throughout the state. We are hoping a proclamation will raise awareness of our mission and help us reach our goal of granting the wish of every medically eligible child in Idaho. He proclaimed April as World Wish Month in Hayden.

2. CONSENT CALENDAR ***All items on the Consent Calendar are Action Items***

A. Approval of Revised February 27, 2024 City Council Meeting Minutes

- B. Approval of March 12, 2024 City Council Meeting Minutes
- C. Approval of the Reappointment of Keith Gibson to the Planning and Zoning Commission
- D. Acceptance of David and Deborah Findley Dedication of Right-of-Way and Grant of Easement
- E. Acceptance of Curtis and Caroline Potter Grants of Easement
- F. Acceptance of Ronald and Pamela Baxter Grant of Easement
- G. Approval of DCI Engineers, Inc. Right-of-Way Acquisition Services Agreement for Ramsey-Honeysuckle Roundabout
- H. Ratification of Bills Paid on 3/14/24 and 3/19/24
- I. Approval of Bills for Payment

MOTION: Council Member Shafer motioned to approve the consent calendar as presented. Council Member DePriest provided the second.

ROLL CALL VOTE:

Council President Roetter	Yes
Council Member DePriest	Yes
Council Member Shafer	Yes
Council Member White	Yes

The motion was approved by a unanimous vote in favor.

3. VISITOR/PUBLIC COMMENT (3-minutes maximum)

Art Coliins, Hayden Resident, proposed the formation of a citizen advisory committee as an alternative to agenda Item 4A regarding the comprehensive plan updates to get public input. He emphasized that it was a proposal, not a demand, and outlined three options for who would decide to form the committee. He listed proposed decisions pertinent to forming the committee and outlined the process the committee would follow if approved. Collins stated that the intent of the proposal was to implement the purpose of the Idaho's local land use planning act, promoting the health, safety, and welfare of the people of Idaho. He also mentioned that 60% of people that responded to the City's citizen survey were unaware of the comprehensive plan, which he found concerning. Collins offered copies of his proposal to interested audience members.

Lois Moore, Non-Hayden resident, shared a personal anecdote about her experience with the Make-A-Wish Foundation, mentioning that she began donating to the foundation after a positive encounter with a young wish recipient on a flight to Washington DC. She noted that Make-A-Wish now has a local chapter in Post Falls, Idaho, which she finds beneficial for local donations. Moore expressed gratitude for the proclamation made for World Wish month.

Scott Forssell, Hayden Resident, addressed the council regarding traffic issues in Hayden, attributing them to growth in outlying areas rather than in Hayden itself. Forssell emphasized the high cost of improving traffic flow on Government Way and the significant property tax increase it would entail for homeowners to pay for these improvements. Recognizing the ability of the Hayden Urban Renewal Agency to participate in funding of public improvements, he emphasized the need for Hayden to expand the boundaries of the existing Hayden Urban Renewal District in order to include properties adjacent to improvement areas for them to participate in funding the projects. Forssell expressed support for the Hayden Urban Renewal Agency (HURA), stating that misinformation about HURA's expansion astounds him. He argued that HURA does not raise property taxes and that expanding it would not decrease Hayden's tax base. Forssell criticized misinformation about HURA expansion and urged council members to vote in favor of expanding HURA to avoid raising citizens' taxes.

4. UNFINISHED BUSINESS

A. **ACTION ITEM** Comprehensive Plan revised goals and policies- remand to Planning and Zoning for public input

The council discussed the Comprehensive Plan and its revised goals and policies. Initially, it was explained that the plan was to send the revised goals and policies to a consultant for evaluation, but staff is requesting that the Council remand them back to the Planning and Zoning Commission for a public comment period. Council members expressed concerns and suggested amendments, including incorporating the citizen survey into the plan. However, it was clarified that incorporating the citizen survey results as an appendix to the comprehensive plan is already noted and did not require a separate motion. After some discussion and confusion over motions, the council ultimately voted to remand the revised goals and policies back to Planning and Zoning for public input.

MOTION: Council Member White motioned to deny the remand of the Comprehensive Plan revised goals and policies to the Planning and Zoning Commission for public input.

This motion failed for lack of a second.

MOTION: Council Member DePriest motioned to remand the Comprehensive Plan revised goals and policies to the Planning and Zoning Commission for public input. Council President Roetter provided the second.

ROLL CALL VOTE:

Council Member Shafer	Yes
Council Member White	No
Council President Roetter	Yes
Council Member DePriest	Yes

The motion was approved by a majority vote in favor.

B. **ACTION ITEM** Review of Public Comment and Authorize Staff to Proceed with Phase 1B Construction of Ramsey Road Extension Project (12310)

Public Works Director Alan Soderling reported on the recent open house for the Ramsey Road Extension Project. The open house was attended by three individuals, council members Sandra White and Ed Priest, and staff members City Administrator Lisa Ailport, Public Works Director Alan Soderling, and City Engineer Rob Wright. No comment cards were submitted, and two comments were received through the online form and one via email. The comments expressed concerns about completing the project, preferences regarding a two-lane roundabout at Lancaster or none at all and suggestions for other road improvements. With the limited number of attendees and comments received, it was concluded that there was not strong opposition of the public with constructing Phase 1B of the Ramsey Road Extension project first. Staff recommended accepting the public comments and authorizing the staff to proceed with phase 1B of the project.

MOTION: Council President Roetter motioned to accept the public comments received regarding the March 22nd open house and authorizes staff to work with LHTAC to proceed with construction of Phase 1B of the Ramsey Road Extension project. Council Member Shafer provided the second.

ROLL CALL VOTE:

Council Member DePriest	Yes
Council Member White	Yes
Council Member Shafer	Yes
Council President Roetter	Yes

The motion was approved by a unanimous vote in favor.

- C. **ACTION ITEM** Consider Hayden Urban Renewal District expansion request and authorize staff to conduct an eligibility report pursuant to Idaho Code 50-2033.

Mayor Alan Davis presented Item 4C, which involved considering the expansion request for the Hayden Urban Renewal District. City Administrator Lisa Ailport provided a presentation outlining the expansion request. Which included up to six areas (identified below) for expansion, focusing on improving existing streets and intersections, developing undeveloped areas, and encouraging economic development. Ailport highlighted four draft motions aligned with specific areas within the expansion plan for council consideration.

Areas to be considered for expansion:

- 1A – Government Way and Honeysuckle Avenue
- 1B – Government Way and Orchard Avenue
- 1F – Government Way and Wyoming Avenue
- 1K – Government Way and Lacey Avenue
- 1E – North side of Miles Ave from Government Way to Maple Street
- 1G – North of Lancaster Road and Highway 95

During the discussion, Council Member White inquired about the zoning of certain properties, which Donna Phillips clarified. Areas 1A and 1B were in the Central Business District, while areas 1K and 1F were commercial. Council Member Shafer sought clarification on the tax implications for private properties within the expansion area, which Ms. Ailport explained would only involve the incremental increase in property taxes going to the Hayden Urban Renewal Agency (HURA).

Ms. Ailport also addressed the limitations set by Idaho Code, noting that the revenue allocation area and boundaries of the HURA district could not exceed 10% of the total assessed value of the city or its area. Based on 2023 assessed values, the requested expansion area exceeded this limit, prompting Ms. Ailport to suggest a pivot in the expansion plans. She outlined the four draft motions corresponding to different categorical areas for the Hayden Urban Renewal District expansion. The first motion is to approve the sections related to improving existing streets and intersections, specifying areas 1A, 1B, 1F, and 1K, and authorizing staff to amend the original boundary expansion study accordingly. The second motion pertains to developing previously undeveloped areas, specifically 1E and 1G. Ailport also mentioned a motion to maintain the existing boundary, which would require a separate motion. She recommended reducing the area north of Lancaster due to exceeding the allocation value, focusing instead on existing intersections to offset costs and forego economic development for the time being. Ms. Ailport emphasized the need for a clear decision point after a year of deliberation.'

Mayor Davis clarified that the city council's decision on the Hayden Urban Renewal Agency (HURA) expansion request is a one-time opportunity through 2029. City Administrator Lisa Ailport explained that if the council chooses not to expand the district, the option to do so remains available in the future. Council member Sandra White raised questions about the specific plans for intersection improvements in areas 1A, 1B, 1F, and 1K, expressing concern about the lack of detailed plans and potential costs to the city. Public Works Director Alan Soderling explained that while designs have not been finalized, improvements would address traffic flow issues, such as adding turn lanes and signalization.

Council member DePriest and Council President Roetter emphasized the need to use HURA funds to offset costs, highlighting that without HURA participation, the city would bear 100% of the costs. They also clarified that HURA's role is to fund projects identified by the city, not independently undertake infrastructure projects. Ms. Ailport reiterated that HURA's involvement is in funding and supporting city-led projects, not managing them.

Council member Shafer sought clarification on eminent domain authority, which Lisa Ailport clarified that the projects would be City led projects, with HURA potentially contributing to acquisition costs based on agreements. The discussion also touched on the importance of including all four corners of intersections in the HURA district to access funding from HURA for the projects and the council's role in approving all contracts and intersection projects. Council member White expressed concern about HURA's potential actions without city oversight, citing the purchase of the Owl Cafe as an example.

The council expressed a desire to use HURA funds to improve City infrastructure while also ensuring responsible use of taxpayer money

MOTION: Council President Roetter motioned to recommend approval of the boundary expansion of the Hayden Urban Renewal Agency's Revenue Allocation Area pursuant to Idaho Code 50-2033 to accommodate and improve existing streets and intersections within areas 1A, 1B, 1F and 1K and authorize the staff to move forward with amending the original district eligibility study to include the mentioned areas. Council Member Shafer provided the second.

ROLL CALL VOTE:

Council Member DePriest	Yes
Council Member White	No
Council Member Shafer	Yes
Council President Roetter	Yes

The motion was approved by a majority vote in favor.

MOTION: Council Member White motioned to deny 1E. Council President Roetter provided the second.

DISCUSSION: Council members discussed the potential expansion of the Hayden Urban Renewal Agency (HURA) to include a 10-acre property at the corner of Maple and Miles. Council Member DePriest expressed concerns about the future use of the property, noting that it could potentially be developed into 40-50 houses, leading to increased traffic congestion in the area. He highlighted the importance of considering all options and making a decision that aligns with the city's long-term goals.

Council President Roetter emphasized the need to prioritize traffic improvements over a park. He mentioned that HURA has about \$12 million available until 2029 and suggested that the money would be better spent on intersection improvements.

Councilman Tom Shafer sought clarification on the current land value and the city's funds available for the purchase of this property. He also raised questions about the guarantees regarding HURA's funding and the future use of the property.

Councilwoman Sandra White expressed concerns about the lack of guarantees regarding the property's future use and the potential costs associated with developing it into a park. She emphasized the need for transparency and a clear plan for the property.

City Administrator Lisa Ailport explained that including the property in the HURA district would not bind HURA to purchase it but would open up options for funding from HURA, private donors, and grants. She mentioned that the property owners have been cooperative and patient in discussions with the city.

Mayor Alan Davis highlighted the historical significance of the property and its potential for generating revenue for the city. He emphasized the importance of preserving the land from potential infill development and suggested that including it in the HURA district would give the city more control over its future use.

Overall, the conversation reflected the council's desire to balance the need for traffic improvements with the potential benefits of preserving the property for future use. The council members acknowledged the complexity of the decision.

ROLL CALL VOTE:

Council Member DePriest	No
Council Member Shafer	No
Council President Roetter	Yes
Council Member White	Yes
Mayor Alan Davis	No

The motion failed with a majority vote not in favor.

MOTION: Council Member DePriest motioned to recommend approval of the boundary expansion of the Hayden Urban Renewal Agency's Revenue Allocation Area pursuant to Idaho Code 50-2033 to accommodate and improve existing streets and intersections within areas 1E and authorize the staff to move forward with amending the original district eligibility study to include the mentioned areas. Council Member Shafer provided the second.

ROLL CALL VOTE:

Council President Roetter	No
Council Member White	No
Council Member DePriest	Yes
Council Member Shafer	Yes
Mayor Alan Davis	Yes

The motion was approved by a majority vote in favor.

Ms. Ailport reminded the council that they are already exceeding the allowed percentage of value for expansion by 0.6%. She recommended focusing on the city's infrastructure needs, particularly intersections and land acquisitions, rather than economic development in the area. Mayor Davis emphasized the need for a clear decision on 1G, stating that if no motion is made, it would die for lack of action, and the eligibility report would proceed as previously provided. If the council decides to include 1G but it exceeds the allowed value, they would need to remove another property to stay within the limit. The mayor suggested a motion to either approve or not approve 1G as part of the expansion.

MOTION: Council Member White motioned to deny 1G. Council Member Shafer provided the second.

DISCUSSION: Council President Roetter expressed reluctance to use tax money to encourage economic development, stating that he believes the market should drive development on its own. Mayor Davis compared including this area into the HURA district boundaries to investing in a Roth IRA, with the goal of increasing tax revenue for projects in Hayden.

ROLL CALL VOTE:

Council Member DePriest	Yes
Council President Roetter	Yes
Council Member White	Yes

Council Member Shafer Yes

The motion was approved by a unanimous vote in favor.

5. **NEW BUSINESS**

A. **ACTION ITEM** Arts Commission Request for Support of Retaining Wall Art Project

Mayor Davis presented a proposal from the Arts Commission to enhance Fourth Street with a mural or artwork on a concrete retaining wall between the roundabout at Honeysuckle and Prairie. The Arts Commission sought the council's support for the project. Abbi Sanchez, the Arts Commission Liaison, explained that the project would follow criteria similar to those used for the Hayden Art Gallery.

Council members inquired about the location and ownership of the wall, which is within city limits and owned by the city. The discussion clarified that the council's support would enable the Arts Commission to pursue the project further. Final approval of the artwork would come before the council at a later stage.

Mayor Davis emphasized that the council's support at this stage was not for the specific artwork but for the concept of enhancing the area through art. He assured that the Arts Commission would work with the City for desired community input in the final design.

MOTION: Council Member DePriest motioned to approve the Arts Commission's request for support of the public art project for the retaining wall. Council President Roetter provided the second.

ROLL CALL VOTE:

Council Member DePriest	Yes
Council President Roetter	Yes
Council Member White	Yes
Council Member Shafer	Yes

The motion was approved by a unanimous vote in favor.

B. **ACTION ITEM** J2021-0146 Bettis Minor Subdivision Request for a 1-Year Extension of Preliminary Plat Approval

The applicant is requesting a one-year extension for the completion of the Bettis Addition subdivision, which had already received a one-year extension previously. Bart North, representing North Engineering, explained that the water main is fully constructed, and sewer services have been installed up to Maple Avenue. The remaining work includes rough grading of the roads, curb, sidewalk, and pavement. The applicant, in the process of transitioning his excavation business on-site, ran out of time due to other projects and is requesting the extension to finish before the end of the 2024 construction season. The subdivision consists of seven lots behind an existing house, with a private road terminating in a fire district approved turn-around. Utility connections in Maple Avenue have been constructed, along with repairs to the road. The council inquired about the progress and reasons for the delay, and Bart North indicated that the delay was due to the contractor's busy schedule, but the contractor is committed to completing the project.

MOTION: Council Member White motioned to approve the one-year extension request. Council Member Shafer provided the second.

ROLL CALL VOTE:

Council Member DePriest	Yes
Council President Roetter	Yes
Council Member White	Yes

Council Member Shafer Yes

The motion was approved by a unanimous vote in favor.

C. ACTION ITEM Dorris Development LLC Construction Improvement Agreement

The Doris Development LLC construction improvement agreement is for the public improvements required as part of the development, specifically for a public road extending from Davis Circle to Orchard Avenue. There was a question about the amount of green space and park areas in the development, which falls under the mixed use zone rules, and any required open space would not be the city's responsibility to maintain. The road construction will connect with the current extension off of North Davis Circle, which was originally planned for future connectivity. Regarding traffic flow, the road design and traffic impacts were considered during the subdivision review phase.

MOTION: Council President Roetter motioned to approve the agreement. Council Member DePriest provided the second.

ROLL CALL VOTE:

Council Member White	Yes
Council Member Shafer	Yes
Council Member DePriest	Yes
Council President Roetter	Yes

The motion was approved by a unanimous vote in favor.

D. ACTION ITEM Approval of Tuesday, August 27, 2024 as the Fiscal Year 2025 Budget Hearing Date

MOTION: Council Member DePriest motioned to set Tuesday, August 27, 2024 as the FY2025 budget hearing date. Council Member Shafer provided the second.

ROLL CALL VOTE:

Council Member White	Yes
Council President Roetter	Yes
Council Member Shafer	Yes
Council Member DePriest	Yes

The motion was approved by a unanimous vote in favor.

6. REPORTS

A. City Administrator Report and Calendar Review

The city staff is working on the city newsletter scheduled for release in April or May. They are also preparing for the Public Safety Commission agenda meeting on April 2nd and are considering a joint meeting with the council on that day to discuss and provide direction to the commission, pending confirmation of a quorum. The staff has three projects currently out to bid, including a road maintenance project, the Hayden Meadows pedestrian route (which received a grant), and the Ramsey Road gravity sewer phase 2 project. Additionally, the youth volleyball program is underway, and the youth soccer program is starting soon.

B. Mayor/Council Roundtable Discussion (Reports and Non-Action Items)

Council President Roetter raised a concern about the progress of the Lakes Highway District building, highlighting the need for discussions about the transition into the new facility at the airport. Mayor Davis expressed dissatisfaction with the answers received from KMPO regarding the Huetter Bypass project, stating that simply remaining on a list of potential projects through 2029 is unacceptable. Council Member White mentioned that KMPO is now recording meetings and posting transcripts

online. City Administrator Lisa Ailport mentioned that the HARSB board meeting was canceled as they won't be able to meet the deadline for distributing draft dissolution agreements. Mayor Davis emphasized that the potential dissolution of HARSB is a significant focus for staff and himself.

7. ADJOURNMENT

MOTION: Council Member DePriest motioned to adjourn the meeting. Council Member Shafer provided the second. The meeting was adjourned at 6:58 p.m.

Abbi Sanchez, City Clerk

Alan Davis, Mayor