

## April 11, 2022 Council Work Session

The City Council of the City of Idaho Falls met in Council Work Session, Monday, April 11, 2022, in the Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls at 3:00 p.m.

### Call to Order and Roll Call

There were present:

Mayor Rebecca L. Noah Casper  
Council President Michelle Ziel-Dingman  
Councilor John Radford  
Councilor Thomas Hally  
Councilor Jim Freeman  
Councilor Jim Francis  
Councilor Lisa Burtenshaw

Also present:

Pamela Alexander, Municipal Services Director  
Brad Cramer, Community Development Services Director  
Duane Nelson, Fire Chief  
Chris Fredericksen, Public Works Director  
Kade Marquez, Transit Coordinator  
PJ Holm, Parks and Recreation Director  
Kent Fugal, City Engineer  
Michael Kirkham, Assistant City Attorney  
Randy Fife, City Attorney  
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 3:04 p.m. with the following items:

### Acceptance and/or Receipt of Minutes:

It was moved by Councilor Francis, seconded by Councilor Burtenshaw, that council receive the recommendations from the April 5, 2022, meeting of the Planning and Zoning (P&Z) Commission pursuant to the Local Land Use Planning Act (LLUPA). The motion carried with the following vote: Aye – Councilors Hally, Radford, Francis, Dingman, Burtenshaw, Freeman. Nay – none.

### Calendars, Announcements, Reports, and Updates:

April 12, Association of Idaho Cities (AIC) Spring District Meeting  
April 13, Idaho Falls Power (IFP) Board Meeting; and Bonneville Metropolitan Planning Organization (BMPO)  
April 14, City Council Meeting

Mayor Casper distributed additional upcoming calendar items stating any PowerPoint presentations from the AIC District Meeting will be forwarded to the councilmembers. She stated the Crisis Intervention Team (CIT) Awards Banquet was held April 7, 2022.

### Liaison Reports and Councilmember Concerns:

Councilor Hally had no items to report.

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Councilor Radford stated the zoo announced the birth of a cotton-top tamarin, zoo clean-up was held on April 9, 2022, and the zoo opening is scheduled for April 13, 2022. He also stated Idaho Falls Fiber (IFF) is progressing, and he will make any power-related announcements at the IFP Board Meeting.

Councilor Burtenshaw stated the bridge from Lewisville Highway into Sage Lakes will not be finished this year as the bridge decking collapsed, noting construction will not occur prior to any water in the canal. She noted the structure is solid, this is a deck issue. She believes this could be addressed in the fall. She also stated the 17<sup>th</sup> Street and Woodruff Avenue intersection project will not occur this year. She indicated this is trying to be re-worked with the Idaho Transportation Department (ITD), noting the funding is still secure. She believes an American Rescue Plan Act (ARPA) Committee discussion will be held at the first Council Work Session in May.

Councilor Francis stated a joint meeting of the city/county library boards was recently held with some public comment. He indicated this is not about trading dollar numbers, they're trying to trade formula numbers. He indicated discussion is still occurring, noting the current contract expires October 1, 2022. He also indicated it was suggested that the county may need to organize their own library system as there are different needs, including satellite locations. Councilor Francis stated the city is keying off property tax allocations, noting 53% of check-out is city and 47% of check-out is county. He indicated the county wants to look at expenditures, not revenues, as well as defining usage. Mr. Fife briefly explained the county data and formula.

Councilor Freeman stated the BMPO Policy Board and the Technical Advisory Committee (TAC) will meet together. Council President Dingman stated there is ongoing conversation regarding Chapter 4. She believes, per Councilor Burtenshaw's ARPA report, that all individuals are looking forward to having the ARPA process completed. She commended the new ARPA Committee.

### Municipal Services/Discussion and Determination: Appraisal Review of City-owned Property:

Director Alexander stated the appraisal for the property discussed at the March 28, 2022, City Council Work Session has been received. She recapped the property description as well as the legal description. She reviewed the property discussion timelines, stating the public hearing has been scheduled for the April 28, 2022, City Council Meeting. Director Alexander reviewed the updated property appraisal as completed by Kelley Real Estate Appraisers, Inc. which was sent to the city on April 3, 2022: Market Value Opinion – 8.60 acres of development land at \$219,978 per acre = \$1,891,810.80 or \$1,892,000 (rounded); and Zoned for Park or Open Space use – is between a single-family zone and industrial zone, and the highest and best use of property “as is condition”. She stated she will follow up with staff regarding some easement issues and zoning. Mayor Casper stated, per conversation with Elevate Academy, this appraisal value would most likely put the property out of reach, Elevate Academy questioned if the property could be obtained at a discount or if there may be other areas (Elevate Academy is looking for seven acres), and Elevate Academy is exploring other properties in Ammon. She noted Elevate Academy is having issues with material and supplies to complete two other projects prior to this one. Mayor Casper suggested several options for this property. Councilor Hally believes the property should be listed for sale as he was surprised at the higher value, noting the city could always turn down a price, and the city could then decide to possibly donate the property to Elevate Academy. Mayor Casper stated she recently visited with the Mayor of Ketchum regarding city pressures, noting Ketchum is having the same kind of problem regarding people who are working in the city but can't afford to live in the city. She also stated Ketchum is currently working on a second housing project, using tax rebate incentives, that is designed for a base rent price in the city, pending the eligibility rules, and this housing would be available to anyone who works in the service industry in the City of Ketchum. Mayor Casper believes there may be opportunities to look at housing options for this location before deciding to sell although any revenue could help with budget issues. Councilor Radford explained another northern Idaho city doing this same model as described by Mayor Casper in the City of Ketchum. Mayor Casper believes there may be an incentive for partnership of this land or possibly creating a department for housing and/or transportation. Councilor Freeman questioned the responsibility to the taxpayers for disbursement noting the property was donated. Councilor Radford believes

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taxpayer dollars should always be maximized; however, he also believes the city could partner with a private market. Councilor Francis believes this could be a way to pay back the loan from Parks and Recreation (P&R) to other city departments and it could allow funding for other P&R items that have fallen behind, although a portion could be set aside for a housing authority. Councilor Radford questioned maximizing dollars from other city properties. Discussion followed regarding other city properties. Director Alexander believes other city properties do not seem to be prime holdings and are more of infill. Councilor Burtenshaw prefers in seeing what the maximum value could be. She also believes the majority of this property should be rezoned to Limited Commercial (LC). Additional discussion followed regarding the public hearing and the appraisal value. Mr. Fife stated the advertisement was to set up a hearing, noting the council could make any decision at the hearing. He also stated the timing of the rezone could not occur prior to the public hearing. Mayor Casper stated the appraisal was based on using the land at its highest and best use, and in order to ask for that price it would need to be zoned for that highest and best use. Brief discussion followed regarding the rezone. Per Mayor Casper, Director Cramer believes the request was to rezone west of Vernon as LC and east of Vernon as R3A (Residential Mixed Use). He indicated the neighborhood meeting has been initiated which would allow a June meeting with the Planning and Zoning (P&Z) Commission, and presentation to the council in late June or early July. He explained the allowed uses in LC and R3A. Following additional discussion, Mayor Casper stated the public hearing will proceed as advertised.

#### Municipal Services and Fire Department/Discussion and Determination: Real Estate Acquisition for Future Growth and Development:

Chief Nelson stated finding property within the city is becoming demanding. Per previous discussion (April 8, 2022, Executive Session) Chief Nelson requested council direction for the potential purpose of property, such as a percentage of asking price with future council approval, and a threshold/cap for potentially 5-7 acres, noting the previous discussion's acreage amount of \$219,000 per acre. Mayor Casper believes it's fair for council to assume the Fire Department will seek property that is extremely affordable. Per Mayor Casper, Chief Nelson stated the idea is to work through a purchasing agreement with a percentage that could be used as escrow with council to approve the final purchase. He also stated the agreement could state that any money would come back to the city if not approved. Following brief comments, Mr. Fife believes the staff signing authority should be limited, and it should come to the council as early as possible. Councilor Freeman and Council President Dingman stated they would agree to up to 5% earnest money, to be approved as soon as possible, with the signing authority given to Mayor Casper or Director Alexander. Mr. Fife clarified parameters could be set although he believes most land transactions don't return the 5%, although he noted the city would not have to rely on a lending institution. Council President Dingman believes council should direct staff to negotiate the potential of getting the 5% earnest money back if possible in the event a deal falls through. Discussion followed regarding earnest money, general property, and splitting any property with other departments. Mr. Fife clarified this discussion is not regarding a specific piece of property, this is about authority that is general to staff to acquire a particular piece of property. Mayor Casper reiterated this discussion occurred at the April 8, 2022, Executive Session, recognizing it would be difficult to obtain property for future city use. It was then moved by Council President Dingman, seconded by Councilor Burtenshaw, to direct staff to execute the direction of council to purchase real estate of behalf of the City of Idaho Falls, specifically for the Idaho Falls Fire Department, authorize the Mayor and the director of Municipal Services to authorize up to 5% earnest money and give the authority for staff to negotiate that earnest money on the city's behalf within that range with the intention of a full or partial refund if the agreement doesn't go through, and that this item come to council for full approval of purchase at the next possible meeting. The motion carried by the following vote: Aye – Councilors Freeman, Francis, Hally, Radford, Burtenshaw, Dingman. Nay – none.

#### Public Works/Discussion: Microtransit Fees:

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Director Fredericksen stated one of the last steps for microtransit is to establish a fee to charge for the service. He believes the fee for service makes the most sense at \$3 per fare with any changes pending federal requirements for certain conditions. He indicated the proposal is to establish the fee resolution to be \$5 per fare noting the city can always charge less than the advertised fee. Director Fredericksen believes the pilot program can be conducted for 2-3 years, which is totally funded by the federal government, and then these fares would help fund the program beyond the pilot program. He believes it's important to establish fees appropriately to begin with. Council President Dingman stated Mr. Marquez has been in contact with numerous cities and other organizations and the city feels comfortable with the \$3 fare per way. She supports the proposal for the \$5 per fare in the fee resolution. She also stated, on behalf of the Greater Idaho Falls Transit (GIFT) Board, they support the \$5 cap which is a reasonable number for an economic ride. Per Councilor Freeman, Council President Dingman stated there could be different prices for subsidized riders (disabilities, seniors, etc.) per federal requirements. Councilor Radford questioned free services. Mr. Marquez believes other services (pizza deliveries, Uber eats, etc.) would use public transportation which degrades the level of service, which was a common theme. Council President Dingman stated this would be setting the standard. She also expects promotions or sponsored partnerships for possible free-ride days. Director Fredericksen noted ridership will be higher with a free service which would make it difficult to plan. Per Councilor Radford, Mr. Marquez believes \$3 will be competitive, noting three years of data is the minimum data for a long-term program. He stated the intent is to provide a high-level customer service, and other options could be looked at for assisting other individuals. Per Mayor Casper, Council President Dingman stated the city's allocation will be invested/supplemental to the future. Also per Mayor Casper, Mr. Marquez explained other funding sources that could be available. He noted the agreement will be amended to include up to five years of funding. Per Councilor Burtenshaw, Mr. Marquez anticipates most transactions would be on an app although a cash box will be provided per current federal regulations. He stated this service is entirely a no-refund service if paid through the app, and each rider would have an individual profile. It was then moved by Council President Dingman, seconded by Councilor Radford, to advertise for the hearing for a fee resolution specific to public transportation advertised at a \$5 maximum allowable fee. It was noted the fee hearing will be held April 28, 2022. The motion carried by the following vote: Aye – Councilors Hally, Burtenshaw, Dingman, Freeman, Francis, Radford. Nay – none.

### Public Works/Discussion: Impact Fees – Fee Resolution and Implementation:

Director Fredericksen distributed a list of the maximum supportable fees taken from the impact fee study along with the recommendations from the Impact Fee Advisory Committee. He stated the committee's proposed Year 1 implementation would be October 1, 2022, with the recommendation to implement 0% of fees for P&R, 66% of fees for Transportation, 66% of fees for Police, and 66% of fees for Fire/EMS; Year 2 implementation of October 1, 2023, would involve 50% of fees to P&R, 75% of fees to Transportation, 75% of fees to Police, and 75% to Fire/EMS; and Year 3 of October 1, 2024, would be full fees as dictated in the impact fee study. Per Councilor Radford, Director Holm stated there are no P&R fees for commercial (non-residential). Director Fredericksen stated there is preference to have the hearing for impact fees in the same hearing as the microtransit fees. He also stated staff's recommendation is for full implementation of fees and as soon as possible. Mayor Casper stated there are directors interested in providing the service, which will take revenue, and there is a committee that understands the way these fees will be received by that industry, which is to be expected. She believes the purposes for which these are being collected, and the changes, positive or negative, that these fees will bring to the community should be thought about. Councilor Francis questioned the draft minutes from the Impact Fee Advisory Committee. Mr. Fugal stated he will review those draft minutes as believes the spreadsheet is the intent of the committee. Councilor Freeman believes the need is immediate and the fees are needed for revenue to prevent cutting services. He also believes the P&R revenue is in most need. Councilor Burtenshaw reminded the council these fees are not to fill any budget holes; this is only for capital improvement projects which will have a budget increase for future years for maintenance. She wants this done correctly to prevent any return of money. Per Councilor Radford, Mr. Fugal

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reviewed the committee members, stating there is a broad range of experience and expertise. He also stated, per the committee, there was agreement for the full amount of the fees to be charged although there was concern that the full amount would be a lot to absorb in one step, and there was more concern for the residential versus the commercial. Councilor Hally believes there should be two steps with the October 1, 2022, as Year 1 and October 1, 2023, as Year 2. Council President Dingman stated she is not comfortable starting in October, she prefers 100% beginning June 1, 2022, realizing new development is going to continue to be subsidized and knowing this year will significantly impact the strain on resources. Councilor Hally stated he would modify to the June 1 dates. Director Fredericksen stated, per staff discussions, all raised concerns were recognized and how that impacts the city. He also stated without the collection of the proposed fees, there is a reduction in level of service in what the city provides today, and the directors don't believe that is what the constituents are interested in seeing to subsidize development. Councilor Radford is sympathetic to the tier approach for the large number, realizing this could be a 25% loss in revenue for the first year. Mayor Casper stated there are a lot of factors, however, she believes these fees are going to be passed on and she has a hard time recognizing this to be problematic. She also believes the council is trying to do good in the community due to growth impacts. Discussion followed regarding this increase to the interest rate for mortgages. Councilor Francis stated he is not comfortable for the \$4.2M for the Police Station as he believes it could not be saved for a future addition. He believes this would take 17% off if only used for police vehicles and not the building. Brief discussion followed. Per Council President Dingman, Mr. Fife confirmed the recommended motion is only for a fee hearing. Mr. Fife believes it would be helpful to think what an impact fee is. He stated the city gives services at a particular level while development is new. He indicated the subdivision code allows the city to keep the services at the same level and charge for the impacts that are increasing the stresses on those services, which the study has done. He provided an example of current infrastructure and new growth. Director Fredericksen explained 17% of the fee was to stand-up new police vehicles, and the remaining 83% was for the oversized capacity of the Police Station. Discussion followed regarding expansion of the Police Station and the timeframe to pay for any expansion, and the TischlerBise study. Councilor Burtenshaw questioned removing the rec center fee and taking 100% of the parks fee and changing the Transportation to 100%. Director Holm clarified the rec center fees could be used to grow other and/or multiple facilities and not with an equal percentage. Councilor Burtenshaw prefers 75% to P&R, 100% to Transportation, 75% to Police, and 75% or 100% to Fire/EMS with June 1 implementation with next year at full implementation. Councilor Hally agreed. Mr. Fugal stated there does not have to be year-by-year tracking, improvements must be made to satisfy the need of the fees with a good faith effort, and the city needs to ensure the fee is not collected based on an expense that the city is not planning to use. Mayor Casper stated once the fees are authorized each department must identify an eight-year plan for these fees and if these fees cannot be spent legally, appropriately, and in good faith, this would be an internal administrative move to adjust the fees downward. Councilor Freeman believes growth has been getting a free ride and has put the city in a hole and implementing less than 100% would continue that precedent. It was then moved by Councilor Freeman, seconded by Councilor Hally, to advertise the fees at the full amount on April 28, 2022, with start date of June 1. Per Councilor Francis, Mayor Casper clarified this fee hearing would be advertised similar to the microtransit fees which could be lowered. Mr. Fife confirmed the maximum fee is advertised subject to the hearing. Roll call followed: Aye – Councilors Freeman, Dingman, Hally. Nay – Councilors Radford, Francis, Burtenshaw. Mayor Casper voted Aye to break the tie. Mr. Kirkham read the typical fee hearing advertisement. Following additional discussion regarding the proposed maximum fees, the relationship with the committee and the builders, the fee advertisement, consistency, and trust in government, Mr. Kirkham recommended advertising the proposed maximum fee. Mr. Fife believes this project has been particularly discussed. Councilor Freeman believes the concerns by the committee were not ignored. Council President Dingman clarified the only decision was for advertisement of the fee hearing. Councilor Burtenshaw prefers the four departments address their needs in the public hearing. Mayor Casper believes that is appropriate.

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Community Development Services/Additional Discussion: Proposed Accessory Dwelling Units (ADUs):

Mayor Casper reminded the council that this ordinance passed on the first reading only at the March 31, 2022, City Council Meeting. Director Cramer believes the concerns by the councilors were related to detached structures. He explained the amended ordinance including exceptions for a detached ADU which now would have the same side yard requirement as the primary structure no matter where it's located on the property, the rear yard would have a minimum of a 10' setback except when adjacent to a public or private alley that is at least 16', and any ADU which is more than 12' in height must meet the same setback requirements as a primary structure. Director Cramer noted not all lots will accommodate the maximum of 750 square feet for an ADU. Per Councilor Freeman, Director Cramer explained ADUs not being counted in the density calculation, stating this is complicated. Per Councilor Hally, Director Cramer stated a separate address, or any utility issue could be addressed in a policy. Councilor Francis prefers 15' in the rear yard. Director Cramer believes the wider the setback, a design issue (a deck or landscaping) may or may not happen. There was no additional direction to staff.

There being no further business, the meeting adjourned at 5:41 p.m.

s/ Kathy Hampton  
Kathy Hampton, City Clerk

s/ Rebecca L. Noah Casper  
Rebecca L. Noah Casper, Mayor