

MINUTES

**McCall City Council
Idaho First Bank Community Room
Regular Meeting
November 20, 2008**

Agenda

Call to Order and Roll Call
Executive Session
Public Hearing
Public Comment
Consent Agenda
Business Agenda
Committee Minutes
Executive Session
Adjournment

CALL TO ORDER AND ROLL CALL

At 5:30 p.m. Council Member Bailey, Council Member Delaney, Mayor Kulesza, and Council Member Witte answered roll call. Council Member Scott was absent.

City staff members present for the executive session were Lindley Kirkpatrick, City Manager and Bill Nichols, City Attorney.

EXECUTIVE SESSION

At 5:33 p.m. Council Member Mayor Kulesza moved to go into Executive Session for litigation pursuant to Idaho Code §67-2345(1)(f). Council Member Bailey seconded the motion and in a roll call vote, Council Member Bailey, Council Member Delaney, Mayor Kulesza, and Council Member Witte all voted aye and the motion passed.

CALL TO ORDER AND ROLL CALL

Mayor Kulesza called the regular meeting of the McCall City Council to order at 6:00 p.m. Mayor Kulesza, Council Member Delaney, Council Member Bailey, and Council Member Witte answered an attendance roll call. A quorum was present. Council Member Scott was absent.

Additional City Staff present were Michelle Groenevelt, Community Development Director; Brock Heasley, Parks and Recreation Director; and BessieJo Wagner, Deputy City Clerk /Administrative Assistant.

Mayor Kulesza led the audience in the Pledge of Allegiance at 6:08 p.m.

PUBLIC HEARING

AB 08-231 ZON-07-03: Crystal Beach Condominiums – Zoning Map Amendment from CC to R8 –Continuation

The applicant requested a continuance until Dec 18, 2008 due to recent conversations with the applicant's legal counsel regarding the specific language of the Development Agreement.

Mayor Kulesza opened the public hearing at 6:14 p.m.

Hearing no comments, at 6:14 p.m. Mayor Kulesza continued the public hearing until December 18, 2008 at 6:00 p.m.

PUBLIC COMMENT

Mayor Kulesza called for public comment at 6:15 p.m.

Hearing no comments, Mayor Kulesza closed the public comment at 6:15 p.m.

CONSENT AGENDA

Staff recommended approval of the following items:

- Warrant Register printed on November 13, 2008
- Payroll Report for Period ending October 31, 2008
- AB 08-221 1995 Chevrolet Lumina (patrol vehicle)
- AB 08-227 Special Olympics World Winter Games
- AB 08-224 Assumption of lease for Greystone Village #3, Lot 3, Block 3, from Neighborhood Housing Services to Johannes T. Kury and Deborah B. Kury
- AB 08-229 Contract for Downtown Parking Study and Needs Assessment

Some discussion took place to clarify the warrant register and the lease assignment.

Council Member Delaney moved to approve the Consent Agenda with exception of AB 08-229 Contract for Downtown Parking Study and Needs Assessment. Council Member Witte seconded the motion and in a roll call vote, Council Member Delaney, Council Member Witte, Council Member Bailey, and Mayor Kulesza all voted aye and the motion passed.

The agenda was amended to move AB-08-229 Contract for Downtown Parking Study and Needs Assessment to the business agenda.

BUSINESS AGENDA

AB 08-229 Contract for Downtown Parking Study and Needs Assessment

Ms. Groenevelt clarified the cost of the parking agreement would be funded at \$18,000 from LOT funding. She also clarified that Desman Associates would analyze the data collected by the parking study committee; the information does not have to be collected again. The study will include analyzing space and location of existing parking areas and the possible need for more.

Council Member Delaney moved to approve the contract with Desman Associates for the Downtown Parking Study and needs assessment, and to authorize the mayor to sign all necessary documents. Council Member Bailey seconded the motion and in a roll call vote, Council Member Delaney, Council Member Bailey, Mayor Kulesza and Council Member Witte all voted aye and the motion passed.

AB 08-223 Urban Renewal Annual Report

Rick Fereday, Chairman of the Urban Renewal Board, thanked the members for their work on the Urban Renewal Board. He wanted to especially thank Don Bailey for his energy and tenacity in problem solving, and engineering many aspects of the Legacy Park project on his own. He also mentioned the work of the construction manager, Tim Swanson, who saved the City thousands of dollars during the project at Legacy Park. The agency had approximately half million dollars left in bond proceeds Mr. Fereday stated that he is not in favor of spending the money right away. He would like to move forward cautiously, and do some follow-up small projects.

In response to Council Members Bailey's question, Mr. Fereday stated that the landscaping contractors, Hillside Contractors, did an acceptable job with the landscaping.

AB 08-228 Urban Renew District on 3rd Street-South Corridor

Mr. Kirkpatrick gave background information on an additional Urban Renewal District dating back to 2006. The original idea was to use Urban Renewal as a mechanism to fund streetscape improvements along Third Street, such as drainage improvements, sidewalks, underground utilities, and lighting.

Mr. Kirkpatrick clarified that Urban Renewal agencies are tax increment financing mechanisms. When a district is formed, the value of the district is established, and then the agency does public improvements within the districts with the intent to spur further development. The taxes collected on the new growth goes to the agency to pay for the improvements. The other districts, with the exception of the school district, continue to collect taxes at the same rate for the life of the Urban Renewal District which is set with the life time of the bonds. There is no difference to the tax payer; the only difference is with the distribution of the funds.

In response to Council Member Witte's question that if the district is only taxing new development, then if there is no growth, there is no revenue; Mr. Kirkpatrick stated that is correct. It was also stated that is why the projects that are bonded need to be growth encouraging being able to pay back the bond.

In 2006, City Staff tasked CH2MHill with a study to identify potential district boundaries and potential increments that could come from the district. The idea was to capture an area that had deficient public infrastructure and had the potential to be developed.

In clarification to when the tax value is assessed for new projects, it was stated that it is dependent on the economy to how it is set up and how it will spur development.

Council Member Delaney expressed concern over committing future councils to the projects associated with creating an Urban Renewal District. She feels that it limits future councils on how future tax dollars are spent. In response it was stated that, it is still tax dollars that the City may not have had if they chose not to do an Urban Renewal District.

There was some discussion on how infrastructure may be able to help spur development. As investors and developers see plans for the City to improve their infrastructure it can make it more appealing.

An alternative way to funding such projects could be through voter approved bonds. These bonds would allow the City to be more flexible with what the money could be spent on. An Urban Renewal District has more specific projects that would get done. Another option would be to have a Local Option sales tax that the voters would have to vote for or a Local Improvement District.

One of the risks to an Urban Renewal District is that during economic downturn, there may not be any growth therefore no funding to do the intended projects.

Council Member Bailey would like this discussion to come back with current figures and projects. He thinks that setting up the District now, for the future, would be better than bond issues or raising taxes.

Council Member Delaney was opposed to limiting how funds are spent and feels it is the wrong time to do it.

The question was posed to whether the Council would want staff to continue doing work on the possible Urban Renewal District. Mayor Kulesza stated that the two issues were what would the improvements cost and an updated list of new development. Council Member Witte stated that she would not approve spending the money to look at it for another year then be back at the same issues. She stated that when the City sees it as a priority that is the time to look at all the issues and costs. Council Member Bailey stated that this would be the last opportunity to take advantage of the new taxes from the Alpine Village.

Mr. Nichols stated that if this is what the City wants to do then action needs to happen no later than May 1, 2009 as there is much that needs to happen.

Mayor Kulesza stated that now was not the time to go forward. Staff needs to bring back the discussion in January. Council Member Delaney stated that the tax dollars will still be there, the City will just have to set aside the money and then it would give more flexibility to where the dollars would be spent. Council Member Bailey countered that he does not think that the City is disciplined enough to do set aside funds for a long period of time. Council Member Witte was concerned with the other entities such as the hospital and fire district not getting the funds they may be counting on with the new development. Mr. Nichols pointed out that with an Urban Renewal District there is the potential to spur growth that may not have otherwise happened resulting in increased revenue for the hospital and fire district at the end of the Urban Renewal District.

Council Member Bailey stated that there needs to be some estimate to the cost of improving Third Street and would like to ask CH2MHill for some cost estimates.

The item will come back in January with some rough estimates.

AB 08-225 3rd Street (Highway 55) Stormwater Plan Results of Task Order 42

Betsy Roberts and Mike Lavey gave a presentation on the Highway 55 Stormwater Study to develop solutions to stormwater and conveyance along Highway 55 (from Krahn Lane to Colorado Street.) The study involved site investigation, evaluating existing stormwater conditions and developing solutions. Some discussion took place about the study and what general issues they would face in implementing a Stormwater Plan.

AB 08-226 Water Resolution 08-23

Mr. Kirkpatrick introduced this item as coming from the Department of Environmental Quality's (DEQ) new water rules. The Resolution outlined the provisions for the tracking of water system connections, the continuing improvement and rehabilitation of water treatment and distribution systems, and the planning of improvements to water treatment and distribution facilities to meet DEQ requirements for system capacity and the release of sanitary restrictions. Reference to the resolution will be a requirement in the health certificate section of the final plats by the (DEQ).

Betsy Roberts, City Engineer, explained the sense of urgency for this document is due to DEQ trying to write a health certificate paragraph so they can move the process through on the plat for the Reserve on the Payette project.

The Council gave direction to make some changes to the resolution to correct some of the language to make the intent of the resolution more clear, and then bring it back with the letter of agreement with the original water plan to a future Council Meeting.

Council Discussion

Council Member Bailey stated that he received a letter from a citizen, Lynn Lewinski, and was not sure of her issue. Mayor Kulesza stated that he spoke with Ms. Lewinski and the letter was

written in response to their conversation and the letter was her notes from that meeting. She had some concerns about development at the airport.

For the December 3, 2008 meeting of the airport, Mayor Kulesza wants the notice for the paper to reflect an invitation to the public, and to say if people cannot make it to the meeting, to write and send in comments or concerns. Also make the ad more explanatory as to the implications of the meeting and that the City is looking for as much public comment as possible.

Mayor Kulesza had a meeting with a representative from the group that is proposing the Donnelly Airport. The representative is willing to come to Council and present their proposal, so if the Council has an interest it can be arranged for a later date.

COMMITTEE MINUTES

The Council received copies of the following minutes:

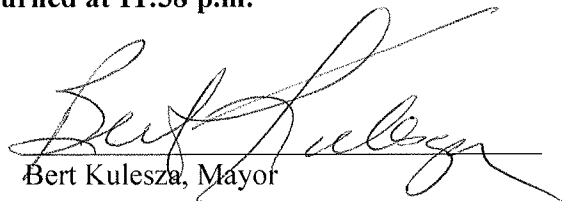
- McCall Public Library Board of Trustees – September 17, 2008

EXECUTIVE SESSION

At 9:25 p.m. Council Member Delaney moved to go into Executive Session for litigation pursuant to Idaho Code §67-2345(1)(f). Council Member Bailey seconded the motion and in a roll call vote, all members voted aye and the motion passed.

ADJOURNMENT

Without further business, the meeting was adjourned at 11:38 p.m.



Bert Kulesza, Mayor

ATTEST:



Brenna Chaloupka, Acting City Clerk