

MINUTES

**McCall City Council
Regular Meeting
Legion Hall (McCall City Hall - Lower Level)
January 22, 2015**

Call to Order and Roll Call
Approve the Agenda
Work Session
Pledge of Allegiance
Public Comment
Business Agenda
Consent Agenda
Adjournment

CALL TO ORDER AND ROLL CALL

Mayor Aymon called the regular meeting of the McCall City Council to order at 5:30 p.m. Mayor Aymon, Councilor Giles, Councilor Scott, Councilor Swanson, and Councilor Witte, all answered roll call.

City staff present was Gene Drabinski, City Manager; Bill Nichols, City Attorney; Michelle Groenevelt, Community Development Director; Nate Coyle, Airport Manager; Dennis Coyle, Parks and Recreation Director; Meg Lojek, Library Director; Justin Williams, Chief of Police; Eric McCormick, Golf Course Superintendent; Traci Malvich, Human Resources Manager; Linda Stokes, City Treasurer; Nathan Stewart, City Engineer; Carol Coyle, Grant Coordinator; Erin Roper, Communications Coordinator; Lisa Kundrick, Deputy City Clerk; and BessieJo Wagner, City Clerk.

APPROVE THE AGENDA

Councilor Swanson moved to amend the City Council Agenda to add AB 15-16 Request to Ratify the Community Choices Key No. 14341 Local Professional Services Agreement due to needing to ratify a document signed by the Mayor. Councilor Giles seconded the motion. In a roll call vote Mayor Aymon, Councilor Giles, Councilor Scott, Councilor Swanson, and Councilor Witte all voted aye and the motion carried.

WORKSESSION

AB 15-11 3% Community Workshop Debrief

Gene Drabinski, City Manager, presented the 3% Community Workshop debrief to the Council. At the October 24, City Council Special Meeting on McCall's current 3% Local Option Tax

Distribution of Funds, City Council made a commitment to continue the 3% conversation with the community. He stated that in an effort to engage the community in a robust way, City Council held a round-table style workshop with the 40 community members who attended. After a presentation by the City Manager, attendees were divided into five groups. Each Council Member and a City of McCall Department Head facilitated a discussion and two different allocation exercises with one of the five groups.

Mr. Drabinski had the Council Members participate in the exercise that was done with the public on January 13, 2015. He asked that each Member to express what they learned from the public discussion.

Councilor Swanson stated that during the presentation, the slide that represented the percentage of how the Local Option Tax funds had been distributed historically and members of the audience got a little riled up. Councilor Swanson suggested that instead of showing categories it may be more useful to show the actual projects that received funding. He stated that he also learned that there was a misconception from community members as to what the Local Option funds could be used for. He suggested that going forward effort should be made to reiterate what the funds could be used for.

Councilor Scott stated that she was surprised by how polarizing the categories were. She stated that there was some sense of entitlement from groups that had received Local Option Tax funds previously so now they should continue to receive those funds. She stated that streets, golf, and McPaws were items that should not get funding at her table. Councilor Scott also found the funding history interesting.

Mayor Aymon stated that she found it interesting how the money distribution was close to an even three way split; however when they did the dot exercise the outcome was much different. She also observed that when given an opportunity within the small groups to engage in conversations people participated.

Councilor Giles commented that he thought the people at his table were positive and engaged. He stated that the people at his table wanted to look at the projects more than the categories.

Councilor Witte stated that her experience was much the same as what the other Council Members had expressed. She stated that she also learned the community does not have a clear understanding of where the City gets its revenue. She stated that in particular was property tax and how property tax works. She stated that there was the misconception that the busier it was within the city the more revenue the City received.

The categories referenced were:

1. City Infrastructure – Equipment & Projects
 - a. Streets
 - b. Golf Course
 - c. Library
 - d. Parks
 - e. Public Transit

2. Heads In Beds – Promoting McCall as a Tourist Destination
 - a. Winter Carnival
 - b. Chamber of Commerce and Grant Matches
 - c. Fireworks
3. Investing In Our Community – Creating a Resident and Tourist Friendly McCall
 - a. Snowmobile
 - b. Nordic Grooming
 - c. Ice & Event Center
 - d. Music
 - e. Plays
 - f. Events
 - g. McPaws

Mr. Drabinski referred to the exercise that each individual was given ten \$100 bills in play money and was asked to distribute the money to three GENERAL LOT categories (referenced above). He also referred to the exercise that each individual was given a green dot and a red dot. They were asked to place the green dot on the category MOST important to them. They were asked to place a red dot on the category that was LEAST important to them, or the category that could "go away." Mr. Drabinski then asked the Council what the conversations were related to these exercises.

Councilor Swanson stated that his table talked a lot about category #1 stating that if the total sum of the Local Option Tax revenues was used to fix the streets it would not be much to help the streets issue.

Councilor Scott stated that her group talked about how the categories were determined. There were some that felt that Golf and the Library should not be in infrastructure as those were considered to be community enhancements. She stated that there were some that were in favor of Golf and Library receiving the Local Option Tax Revenue, but not streets. There were others in favor of the Library but not Golf and streets. Councilor Scott also stated that some of her group was in favor of some of the community projects but not in favor of McPaws.

Councilor Giles stated that he had some similar conversations expressed by Councilor Swanson and Councilor Scott at his table. He stated that some really wanted to get into the details and some were not aware of what the ordinance actually stated.

Mayor Aymon stated that there was one person at her table that really understood the need of the city's streets and the value of good streets.

Councilor Witte stated that at her table it was commented that the priority should clearly be infrastructure and that this person was convinced that the 1% would pass. She also stated that there was conversation stating that the 3% LOT was a tourist tax so the money should go back to funding the tourist. Councilor Witte also commented that she would recommend that infrastructure be separated from other city projects or a category that calls out projects that mitigate the effects of tourism.

The overall consensus of that Council was that it was a good exercise.

Mr. Drabinski summarized that there was some selection bias in the overall statistics as many there were there in favor a particular project or cause. He also stated that those participants that were city residents put more money on infrastructure than the non-residents.

Mr. Drabinski presented the idea to use the same model toward an initiative for the November election. There was general consensus of the Council to move forward with Community Conversations centered around ideas for funding through an additional Local Option Tax.

Mayor Aymon led the audience in the Pledge of Allegiance at 6:00p.m.

PUBLIC COMMENT

Mayor Aymon called for public comment at 6:01 p.m.

Hearing no comments, Mayor Aymon closed the public comment period.

BUSINESS AGENDA

AB 15-08 Airport Advisory Committee Annual Report to City Council

Matt Shaddle of the McCall Airport Advisory Committee (AAC) provided an annual report to City Council regarding accomplishments of the AAC from 2014 and selected focus items from the AAC for upcoming years.

Mayor Aymon expressed her appreciation for the work of the volunteers on the AAC.

AB 15-10 the 2014 Annual Reports to Council: City Manager, Library, Parks and Recreation, and Golf

Staff prepared and presented brief Annual Reports for the following departments: City Manager, Library, Parks and Recreation, and Golf. The Reports are intended to serve two purposes: provide background for the Council and provide an overview of the Department for the public.

AB 15-16 Request to Ratify the Community Choices Key No. 14341Local Professional Services Agreement (Added 1/22/15)

Nathan Stewart, City Engineer, presented the Request to Ratify the Community Choices Key No. 14341Local Professional Services Agreement. ITD District 3 has finalized the services contract for Keller Associates, Inc. to complete the engineering design phase of the City's Community Choices Streetscape Improvements project. This contract authorized Keller to commence work on the design and establishes the roles and responsibilities of both the consultant, the sponsor (City) and ITD. Keller will complete the engineering design during Spring 2015 and provide a complete PS&E packet to ITD for formal bidding. The engineering design contract amount is consistent with the originally proposed project scope outlined in the Community Choices grant

award. As stated in the project's State and Local Agreement (authorized by Res. 14-09) the City has committed to provide a minimum of 50% matching funds for the project's total cost.

This item was signed by the Mayor per staff request prior to approval of the Council. During the May 22, 2014 Council Meeting Council approved Resolution 14-09 authorizing the execution of the Project's state and local agreement with the Idaho Transportation Department. This contract is related to the state and local agreement; however is a separate contract and therefore needs to be approved independently.

Councilor Giles moved to ratify the Mayor's approval of the Local Professional Services Agreement. Councilor Witte seconded the motion. In a roll call vote Councilor Giles, Councilor Witte, Mayor Aymon, and Councilor Swanson, all voted aye; Councilor Scott abstained, and the motion carried.

AB 15-07 Request for Approval FY16 Idaho Commission on the Arts grant for public art installation at Rotary Park

Carol Coyle, Grant Coordinator, presented the request for approval the FY16 Idaho Commission on the Arts grant for public art installation at Rotary Park to the Council. The Idaho Commission on the Arts administers the Public Art & Cultural Facilities grant which encourages local, public, and private support for feasibility studies, renovation, or construction of performance, exhibition, or artist spaces, for capital purchases for those facilities, and for public art projects. Rotary Park has undergone a substantial rehabilitation over the past two years, and is nearing completion. It is proposed that "functional" public art be incorporated into the park, such as decorative stairway railings or pavers.

The grant requires a 50-50 match. There is \$2805 in the Public Art line in the FY15 Community Development budget that would be directed as local cash match for the project. The McCall Improvement Committee has committed \$4000 in matching funds, and the project was allocated \$3195 from FY14 Local Option Tax. The City's public art selection process would be used to solicit artists and final design for the project. Delta James, City Planner, the Public Art Advisory Committee, and the McCall Parks Department would be responsible for project implementation. It is expected the project would be completed by September 30, 2015.

Councilor Witte move to approve submission of a FY16 Public Art and Cultural Facilities grant to the Idaho Commission on the Arts and authorize the Mayor to sign all necessary documents. Councilor Swanson seconded the motion. In a roll call vote Councilor Witte, Councilor Swanson, Mayor Aymon, Councilor Giles, and Councilor Scott all voted aye and the motion carried.

AB 15-09 Request for Approval Fairway Park CXT Pre-Cast Concrete Restroom Contract

Dennis Coyle, Parks and Recreation Director, presented the request for approval Fairway Park CXT Pre-Cast Concrete Restroom Contract to Council. The reconstruction of Fairway Park, including restroom facilities, has been a long standing need. Multiple funding sources including property tax, Local Option Tax and a significant private donation of \$50,000 has been secured allowing us to move forward with the project. Planning and Zoning Commission approval has been granted for the installation of a pre-fab concrete structure which includes a restroom and

concession stand. There is a ninety day delivery window for the structure; it is the Parks and Recreation Department's intent to have the structure installed by the end of May 2015.

Councilor Scott moved to authorize the mayor to sign all documentation tied to the production contract with CXT. Councilor Swanson seconded the motion. In a roll call vote Councilor Scott, Councilor Swanson, Mayor Aymon, Councilor Giles, and Councilor Witte all voted aye and the motion carried.

AB 15-14 Request for approval of McCall Pathway Wayfinding Plan Assistance task order from Idaho Smart Growth

Michelle Groenevelt, Community Development Director, presented the request for approval of McCall Pathway Wayfinding Plan Assistance task order from Idaho Smart Growth to Council. The City of McCall was awarded \$8,000 from FY15 Local Option Tax for Wayfinding signs. The signs would be placed along bike routes according to a way finding plan that will be developed. Therefore, a comprehensive way finding signage plan needs to be developed. Deanna Smith, staff from Idaho Smart Growth, is an expert on pathway wayfinding plans and was contacted by City staff.

The McCall Area Pathway Master Plan was developed through an intensive public process and adopted by the City Council and County Commissioners in May 2012. The entire pathway projects were identified and prioritized based on low, medium, and high cost projects. The wayfinding signage is the #1 priority within the low cost category. These projects improve the McCall Pathway system that also improves economic development, health, and transportation within McCall.

Councilor Swanson moved to approve McCall Wayfinding Plan task order and authorize the Mayor to sign all necessary documents. Councilor Witte seconded the motion. In a roll call vote Councilor Swanson, Councilor Witte, Mayor Aymon, Councilor Giles, and Councilor Scott all voted aye and the motion carried.

AB 15-12 Request for Commitment of long term lease for potential affordable housing and community space – City Campus

Michelle Groenevelt, Community Development Director, presented the request for Commitment of a long term lease for potential affordable housing and community space on the City Campus. She stated that the City of McCall was approached by an affordable housing development team, VCD, LLC, and partner Northwest Real Estate Capital Corp. for a proposed 36-unit affordable housing complex on the west portion of the City campus owned by the City of McCall. The Developers are requesting a long-term lease agreement be entered into between the City and the Developers, or their designee, for a term of not less than 65 years at an annual rental rate of \$1 if funding is awarded for the project and subject to conditions outlined in the letter of commitment.

Ms Groenevelt stated that the concept of affordable housing and community space was consistent with the 2005 McCall City Campus Plan. She stated that the specific site plan and design would be determined if funding was awarded, and the Developers would work with City staff on the details. The project also required approval through the Design Review with a public hearing process.

Council discussed the proposal with developer Chance Hobbs. One of the major concerns expressed was in relation to the effect the proposed development would have on the Senior Center. Mr. Hobbs gave a more detailed explanation of how the long term lease would work. There was concern expressed as to what the unknowns were at these preliminary steps.

George Poole, Senior Center representative, expressed concern with how the Senior Center would be affected by the proposed project.

Mayor Aymon explained that the request before the Council was a preliminary step to the process. She stated that the Council was committed to the Senior Center and ensuring that they be accommodated.

Judy Drake, Senior Center, expressed concern of the use of public land for housing, she felt that the space would be better used for city facilities or community use.

Ray Alford expressed concern as to the circumstances the Senior Center was built and grant assurances that may be attached to the building.

Mayor Aymon asked Bill Nichols, City Attorney, if he had any comments. Mr. Nichols stated that that the Council could approve the letter with the condition that there were not any encumbrances due to the grant.

Mr. Alford also expressed concern regarding parking.

Councilor Swanson posed the question as to whether there has been enough discussion with the community. Michelle Groenevelt stated that there was significant community involvement with the Downtown Master Plan. During that process it was identified that this type of development was wanted in the downtown core.

Councilor Witte stated that she was also concerned that there was not enough community involvement for this particular project.

Mayor Aymon was in favor of the site and the project.

Councilor Giles was concerned with the tight timeline that would make it difficult to get public input. He stated that it was something to consider that the community may have other ideas that would also be in line with the Downtown Master Plan.

Councilor Swanson was in favor of the project; however, he was concerned about the lack of discussion with the constituents.

Rick Fereday asked what size was the piece of property that was being considered for the project. He also asked for clarification of what the commitment would tie the Council to. It was clarified that the commitment of a long term lease for potential affordable housing and community space on the City Campus; however, the Council could at any time during the process pull their support and the project would not move forward.

After much discussion there was Council consensus that additional public input was needed.

Council scheduled a Public Forum for February 4, 2015 to discuss with the community the request for Commitment of a long term lease for potential affordable housing and community space on the City Campus.

AB 15-13 Adopt Resolution 15-03: McCall Redevelopment Agency Determination of deteriorated or deteriorating area

Michelle Groenevelt, Community Development Director, presented Resolution 15-03: McCall Redevelopment Agency Determination of deteriorated or deteriorating area, stating that the McCall Redevelopment Agency (MRA) Board had met prior to this meeting. At their meeting it was determined that they were concerned about just expanding the boundary and not the taxing district. There was some concern from the MRA Board in regard to moving this item forward; however, they did want there to be some discussion from the Council. Ms Groenevelt explained that the resolution determines that the six parcels adjacent to existing railroad are in a deteriorated and/or deteriorating area within the City as defined under Idaho Code §§50-2018(8) & (9). The MRA had spent considerable time discussing the property they own outside the current district and aligning the MRA boundary with the current CBD zoning. The Board directed staff to begin the process of bringing in the identified six adjacent parcels into the district.

Bill Nichols, City Attorney gave a brief explanation of the process. He stated that when the initial plan for the urban renewal district was created there were two areas created that had the same boundary. The process created the plan area and that same boundary constituted the tax revenue allocation area. Mr. Nichols further explained that the plan boundary follows Idaho Code Title 50 chapter 20 and the tax allocation area follows Idaho Code Title 50 chapter 29. Generally the plan area and the tax allocation area is the same boundary and are established at the same time to set the base valuations of the area. He stated that therefore the urban renewal area has 1990 values as the base and taxes any valuation over the valuation of 1990. He stated that if property is added to the revenue allocation area, so counties the assessor has taken the position that if additional property is added, the property base valuations are reset to the date of the modified or amended plan.

Mr. Nichols continued stating that then there would be a new base valuation that would be January 1, 2015. In this scenario the urban renewal agency would lose all of the increment that had been created from 1990 to 2015. He clarified that the life of the urban renewal agency cannot extend beyond its current expiration date of 2021. Mr. Nichols stated that in his opinion, adding additional parcels to the revenue allocation area creates too many unknowns. He stated that the value of the increment would only be the increase over the next six years. He also opined that amount of increment, based on the use of the properties today and what might be there in the foreseeable future, does not warrant risking that loss of increment from the 1990 value to the 2015 value. He stated that is why, when he drafted the resolution, it specifically states that the additional parcels are not added to the revenue allocation area. Mr. Nichols clarified that by adding the properties to the urban renewal plan area, it would allow the urban renewal agency to use its powers, with regard to those properties, to help facilitate development of those properties and would allow the agency to dispose of parcels that it owns as part of the future development.

Councilor Swanson moved to table Resolution 15-03: McCall Redevelopment Agency Determination of deteriorated or deteriorating area to the March 26, 2015 Council meeting. Councilor Giles seconded the motion. In a voice vote all members voted aye and the motion carried.

Upcoming Meetings Schedule Discussion

February 4, 2015 Public Forum for Commitment of a long term lease for potential affordable housing and community space on the City Campus.

Council requested that there be a parking issue discussion scheduled at an upcoming meeting.

CONSENT AGENDA

Staff recommended approval of the following items:

1. Special Council Minutes – July 25, 2014
2. Special Council Minutes – October 24, 2014
3. Special Council Minutes – October 28, 2014
4. Alcohol and Catering Licenses Activity Report
5. Payroll Report for Period ending January 2, 2015
6. Warrant Registers

A brief discussion took place regarding the Warrant Register.

Councilor Witte moved to approve the consent agenda as presented. Councilor Scott seconded the motion. In a voice vote all members voted aye and the motion carried.

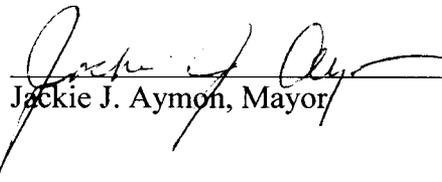
ADJOURNMENT

Without further business, the Mayor adjourned the meeting at 8:34 p.m.



ATTEST:


BessieJo Wagner, City Clerk


Jackie J. Aymon, Mayor