

JULY 24, 1997

The City Council of the City of Idaho Falls met in Regular Council Meeting, Thursday, July 24, 1997, in the Council Chambers at 140 South Capital Avenue in Idaho Falls, Idaho.

There were present:

Mayor Linda Milam
Councilmember Gary Mills
Councilmember Melvin Erickson
Councilmember Larry Carlson
Councilmember Beverly Branson
Councilmember Ida Hardcastle
Councilmember Brad Eldredge

Also present:

Dale Storer, City Attorney
Rosemarie Anderson, City Clerk
All available Division Directors

Mayor Milam recognized Councilmember Brad Eldredge for being elected as Secretary/Treasurer to the Northwest Public Power Association. Mayor Milam further recognized Councilmember Melvin Erickson for being awarded the Harold Hurst Award at the Association of Idaho Cities Conference in June. She also recognized Councilmember Erickson's birthday.

The City Clerk read a summary of the minutes for the July 10, 1997 Regular Meeting. It was moved by Councilmember Eldredge, seconded by Councilmember Mills, that the minutes be approved as read. Roll call as follows:

Aye: Councilmember Erickson
Councilmember Mills
Councilmember Branson
Councilmember Hardcastle
Councilmember Eldredge
Councilmember Carlson

Nay: None

Motion Carried.

CONSENT AGENDA ITEMS

Mayor Milam requested Council confirmation of the appointment of Richard Wagner to serve on the Planning Commission (term to expire on December 31, 1999); and, the appointment of Steve Farner to serve on the Traffic Safety Committee (term to expire on December 31, 1997).

The City Clerk presented several license applications, including BARTENDER PERMITS to Brenda L. Adams, Cherlyn J. Beasley, Sean M. Crowley, John M. Lanman, Alana D. Pickrell, Raudel Soto, Denise Y. Steadham, Kathleen M. Stevens, Wendy S. Torres, Loriann Webster, and Julia A. Zeller, all carrying the required approvals, and requested authorization to issue these licenses.

The City Clerk requested Council ratification for the publication of legal notices calling for public hearings on June 24, 1997.

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It was moved by Councilmember Eldredge, seconded by Councilmember Mills, to approve the Consent Agenda in accordance with the recommendations presented. Roll call as follows:

Aye: Councilmember Branson
Councilmember Hardcastle
Councilmember Mills
Councilmember Eldredge
Councilmember Carlson
Councilmember Erickson

Nay: None

Motion Carried.

REGULAR AGENDA ITEMS

Mayor Milam requested Councilmember Branson to conduct a public hearing to declare the intention of the City of Idaho Falls to establish a Business Improvement District. At the request of Councilmember Branson, the City Clerk read the following memo from the Planning and Building Director:

City of Idaho Falls
July 21, 1997

MEMORANDUM

TO: Mayor and City Councilmembers
FROM: Renée R. Magee, Planning and Building Director
SUBJECT: BUSINESS IMPROVEMENT DISTRICT PUBLIC HEARING

Attached is a proposed ordinance establishing a Business Improvement District. On June 12, 1997, the Council passed a Resolution declaring its intent to establish a business improvement district and scheduling a public hearing for July 24. The purposes of the district are to promote public events downtown, to physically improve public spaces in the district, to market the district and retail trade, and to hire personnel or independent contractors to further the purposes of the district. The resolution restates the boundaries of the district as described in the petitions. The boundaries to be considered at this public hearing are G Street, the Union Pacific right-of-way, the alley south of Cliff Street, and the Snake River. If the Council wishes to establish a business improvement district with different boundaries, a second public hearing will have to be scheduled. The establishment of a business improvement district is now being submitted to the Mayor and City Council for public hearing.

s/ Renée R. Magee

Mayor Milam stated that a number of letters have been received by her office with regard to the Business Improvement District. The Planning and Building Director located the subject area on a map and further explained this request.

Councilmember Branson requested those in favor of this proposal to come forward at this time.

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Charles Just, 381 Shoup Avenue, appeared to state that he is the President of the Idaho Falls Downtown Development Corporation. He began his comments by stating that the Idaho Falls Downtown Development Corporation is requesting that the boundaries of the Business Improvement District be constricted to the alley behind the north side of D Street, the alley behind the south side of Broadway (with small area that includes two buildings on Cliff Street), the Snake River, and Yellowstone Avenue. Mr. Just explained that the Downtown Development Corporation has a Board of fifteen members. Approximately three years ago, a petition drive was begun with the hopes of improving the downtown area. The Downtown Development Corporation met with numerous people to consider alternatives for that improvement. The Business Improvement District was the most viable method of infusing capital into the downtown area. The BID is being set up as a voluntary self-taxing district. Mr. Just cited examples from the Boise Business District rate structure, of which the rate structure was extremely complicated. He explained for Council that the Idaho Falls Downtown Development Corporation wanted to keep the rate structure as simple as possible, establishing a minimum rate and a maximum rate in direct correlation to the benefits received from establishing this Business Improvement District. Mr. Just explained further that Dick Clayton, Sr. has single-handedly held the downtown area together for approximately fifteen years.

Fred Sica, 1234 Courtney, appeared to explain that he is the President and Chief Executive Officer for the Greater Idaho Falls Chamber of Commerce. He explained that Downtown Idaho Falls is important because it is historic Idaho Falls, where our roots began. Mr. Sica stated that the Board of Directors of the Greater Idaho Falls Chamber of Commerce supports a Business Improvement District because of good business practices and a history of success that other cities have enjoyed because they had the vision to form a Business Improvement District. Communication and working together will strengthen and solidify the working relationship between all downtown businesses. A Business Improvement District gives the collective self-interest of business and property owners in a specific geographic location, the ability to determine their own economic development. Further, a Business Improvement District has a paid professional to attend to the growth and expansion of the commercial environment and this will allow the downtown area a collective voice on behalf of its business community. Another very important role which the Business Improvement District will take, is the lead and management of a predictable income stream, making it possible to plan multi-year services for the infrastructure of the downtown area. Once a Business Improvement District has been established, federal, state and private grants and low-interest loans can be applied for. Cities with a Business Improvement District have a greater success ratio, receiving positive results from the application of grants.

John Galazin, 360 B Street, appeared to state that he is the President and Chief Executive Officer for Beauty for All Seasons and the Vice Chairman of Global Links International Internet Company. He told the Mayor and City Council that he is interested in paying more taxes, because if he does not, his building will be worth a lot less. He cited for Council some of the problems that he is having around his building in the downtown area. Mr. Galazin commented, further, that he would like to see the Greenbelt traffic come down A Street, B Street, Constitution Way, etc. If something is not done to draw traffic downtown, then buildings go down in value. Mr. Galazin stated that he wanted to build the downtown area.

Carrie Getty, 2845 Holly Place, appeared to state that she is the Executive Director of the Idaho Falls Arts Council. The Arts Council has three buildings in the downtown area worth approximately \$4,000,000.00. The Idaho Falls Downtown Development Corporation convinced the Arts Council to take the buildings and make this investment, by telling the Council that a group of businessmen from the downtown area had formed a group that was devoted to bringing business back to the downtown area. Ms. Getty stated that the downtown area cannot be fixed on volunteer power. Volunteers are becoming

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burned out. Paid professionals are the answer to the organizing and implementing of these programs.

Richard Napier, 243 Alturas, appeared to state that he owns and operates Mountain Trading. He has been a retailer in the downtown area for approximately twenty years. He is in the process of renovating his building and renegotiating his lease, only because he is encouraged and enthusiastic about what the Idaho Falls Downtown Development Corporation is accomplishing. Mr. Napier stated that he is in favor of the Business Improvement District.

Tim Hopkins, 428 Park Avenue, appeared to state that he is the Chairman of the Eastern Idaho Economic Development Council. This Council has invested substantially in this Business Improvement District to go forward. Mr. Hopkins urged the City Council to support the implementation of the Business Improvement District.

Councilmember Branson requested those in opposition to the Business Improvement District to come forward at this time.

Bill Call, 3577 Sun Circle, appeared to state that he has run Farr Candy Company at 345 D Street for over fifty years. He stated that D Street has not changed much in that time. He has no objection to what downtown Idaho Falls businessmen are trying to accomplish, but D Street is not attached to downtown Idaho Falls and is not dependent on downtown Idaho Falls. They are not in support of D Street being included in the Business Improvement District.

Kevin Call, 3151 Hartert, appeared to state that he is also with Farr Candy Company. Several businessmen north of D Street conducted a canvass of that area north of D Street regarding the interest in the Business Improvement District. He presented to City Council, a map regarding the results of that survey. Mr. Call stated further that D, E, and F Street do not want to be involved in the Business Improvement District, simply because they are involved in their own program. Mr. Call further presented twenty-seven petitions that were signed by property owners of the area north of D Street, stating that they did not wish to be involved in the Business Improvement District. Mr. Call reviewed for Council some of the progressive issues that his company has addressed.

Ron Sayer, 120 West Stone Run Lane, appeared to state that he totally supports what the Downtown Development Corporation is trying to accomplish in the core area of downtown Idaho Falls, but he cannot support paying such large taxes on an outlying area. He stated that he recently purchased a run-down building on E Street and is providing a service for Bonneville County. He stated that the mission for the north end of this area is different than the mission for the core downtown area. Mr. Sayer stated that if his business was in the core area of downtown, he would support the Business Improvement District. He suggested that the core area of downtown Idaho Falls should be assessed the 7 mils with a decreasing assessment to the outlying area.

David Sargis, 211 Cliff Street, appeared to state that he represents the business area south of Broadway. He stated from his petition, "The majority of the private property owners located south of Broadway, within the proposed Idaho Falls Downtown Development Corporation Business Improvement District, are petitioning to be excluded." He, further, reviewed for Council the reasons for this exclusion request. He stated that most of the petition signers were unaware of the Downtown Development Corporation's proposal to create a Business Improvement District; most of the people felt that there were no clear visions, ideas, or goals defined by the Downtown Development Corporation; 85% of the private property owners do not want to be included in this proposal; 90% of the separate properties, some owned by one individual, do not want to be included; the Business Improvement District tax is unfair to the small property owner, with the fact that there is a cap on that tax for large property owners; and, there are not serious private parking problems in the area south of Broadway. Mr. Sargis stated that the downtown property owners need to recognize that their problems are their own.

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Ted Milton, 482 Constitution Way, appeared to state that in the middle 1980's, Mayor Campbell presented a similar plan for a Business Improvement District. At that time, it was decided not to go forth with that plan. He stated that he wanted the boundaries changed on this plan to exclude the north side of Constitution Way, except those properties owned by the City of Idaho Falls. Mr. Milton stated that there would be no proportional benefit to these properties to be included in the Business Improvement District. Mr. Milton, then, presented to the Mayor and Council signed petitions to the effect that the north side of Constitution Way be excluded from the Business Improvement District.

Nick Vrontikis, 254 Constitution Way, appeared to state that he represents the property owners on the block of Constitution Way to D Street, from Shoup Avenue to Yellowstone Avenue. He stated that these property owners want to be excluded from the Business Improvement District.

Paul Olsen, Box 188, Ucon, Idaho, appeared to state that he owns property at 635 Park Avenue and 695 Park Avenue. He stated that his facilities are residential. Mr. Olsen stated that he has a plan for his buildings and does not want to be included in the Business Improvement District.

Mayor Milam requested one more person to speak in favor of the Business Improvement District proposal.

Lane Archibald, 497 North Capital Avenue, appeared to review for Council some statistics of a poll that was taken along D Street of those in favor of the Business Improvement District. Mr. Archibald stated that he believed that D Street would directly and indirectly profit by the implementation of a Business Improvement District. He stated further that it takes traffic and location to keep a business thriving. If the downtown does not have the traffic and location, the viability of downtown is gone. The Business Improvement District will bring the viability back to the downtown area, by bringing events to the downtown area and also by having the organization to manage those events. Mr. Archibald stated that this is an opportunity to move the downtown area forward.

Dorsal Catmull, 367 Broadway, appeared to question the Mayor and City Council as to whether the proposed tax for the Business Improvement District would increase as his property taxes increase.

Mayor Milam stated that the proposal, as submitted by the Idaho Falls Downtown Development Corporation, states that the 1995 rate would be used for all ten years. There would be no change due to fluctuations in the property value. This would be a fixed amount.

Mr. Catmull further questioned as to why all businesses were not taxed at the same rate. He stated that he went to the Bonneville County Assessor's Office and did some research on his own. One company alone should be responsible for approximately \$13,700.00, without the cap in place. Several businesses fit into the category over the \$3,000.00 cap. Everyone should pay their fair share.

Mayor Milam stated that there appears to be two issues of concern regarding the Business Improvement District, those being the issue of the boundary and the issue of the formula for assessments.

Councilmember Eldredge stated that he is in favor of the concept of the Business Improvement District. This is something that can bring benefit to the City. He stated that he has serious concerns about the proposed assessment structure having caps and floors. Councilmember Eldredge stated that he was further concerned about the fact that the assessments were based upon ownership, in that a single owner for multiple properties would essentially fall under the cap. This causes some fairness concerns. He gave some examples of other methods of assessment.

Councilmember Carlson stated that the idea of a cap is unfair. If they want to be a part of the Business Improvement District, they should pay their fair share.

Councilmember Hardcastle stated that she is in favor of the Business Improvement District being established. She did not want the petitioners to get discouraged.

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Councilmember Mills stated that this process has been approximately eight years in the making. At the beginning of this process, he was asked to be on the Idaho Falls Downtown Development Corporation's Board. He served in that capacity for approximately 18 months. When the Downtown Development Corporation was ready to circulate the petitions, he tendered a letter of resignation from that Board.

Councilmember Branson stated that the downtown area has been working together for improvement for a long time. She stated that she did not want the petitioners to become discouraged.

Councilmember Erickson stated that the appropriate action at this time is to send this issue back to the Council Planning Committee for further input. He stated that he is in favor of the Business Improvement District.

It was moved by Councilmember Branson, seconded by Councilman Carlson, that the issue of the creation of the Business Improvement District, along with the identified problems (i.e., boundary changes, formula for assessments), be referred to the Council Planning Committee and, further, have the City Attorney and the City Planner work with the petitioners to resolve the above-addressed issues, to be brought back to the City Council at another public hearing. Roll call as follows:

Aye: Councilmember Branson
Councilmember Hardcastle
Councilmember Mills
Councilmember Eldredge
Councilmember Carlson
Councilmember Erickson

Nay: None

Motion Carried.

Mayor Milam called for a brief recess at this time. Due to recent back surgery, Councilmember Carlson was excused from the rest of the meeting to go home and rest. The Municipal Services Director submitted the following memo:

City of Idaho Falls
July 21, 1997

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: S. Craig Lords, Municipal Services Director
SUBJECT: BID IF-97-21, MATERIALS TO RETRO-FIT A GENERATOR WITH
NEW STATIC EXCITER REGULATOR

Attached for your consideration is the tabulation for Bid IF-97-21, Materials to Retro-Fit a Slip-Ring Type Synchronous Hitachi Generator with One (1) New Static Exciter Regulator - Electric Division Bulb Turbine Facility.

It is the recommendation of Municipal Services to accept the sole bid of Bassler Electric Company to furnish the required materials for a lump sum amount of \$41,907.00 which includes their standard warranty and start up services.

s/ S. Craig Lords

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It was moved by Councilmember Eldredge, seconded by Councilmember Erickson, to accept the sole bid of Bassler Electric Company to furnish the required materials to retro-fit a generator with a new static exciter regulator as presented. Roll call as follows:

Aye: Councilmember Hardcastle
Councilmember Branson
Councilmember Eldredge
Councilmember Erickson
Councilmember Mills

Nay: None

Motion Carried.

The memo from the Planning and Building Director regarding the County Final Plat for Hallmark Estates, Division No. 1 was withdrawn by the Planning and Building Division's Council Committee.

The Planning and Building Director submitted the following memo:

City of Idaho Falls
July 21, 1997

MEMORANDUM

TO: Mayor and City Council
FROM: Renée R. Magee, Planning and Building Director
SUBJECT: FINAL PLAT - ALBERTSON'S ADDITION, DIVISION NO. 1

Attached is a copy of the Final Plat of the above-described property which is a replat of Lot 1, Division No. 1 and part of Lot 2, Block 1, Division No. 2, Roy H. Bennett Shopping Center and part of Lot 1, Block 1, West Jennie Lee Addition, Division No. 17. This property is located at the southeast corner of the intersection of 17th Street and Holmes Avenue.

The Planning Commission considered this matter in May, and at that time, recommended approval on the condition there be agreements for shared parking, shared access, and utility easements. A Declaration of Restrictions, Grant of Easements and Common Area Maintenance Agreement has been received by this Department and is enclosed. This Department concurs with that recommendation. This matter is now being submitted to the Mayor and City Council for consideration.

s/ Renée R. Magee

The Planning and Building Director located the subject area on a map and further explained the request.

It was moved by Councilmember Branson, seconded by Councilmember Hardcastle, to accept the Final Plat for Albertson's Addition, Division No. 1 and, further, give authorization for the Mayor, City Clerk, and City Engineer to sign the Final Plat. Roll call as follows:

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Aye: Councilmember Branson
Councilmember Hardcastle
Councilmember Mills
Councilmember Eldredge
Councilmember Erickson

Nay: None

Motion Carried.

The Public Works Director submitted the following memos:

City of Idaho Falls
July 21, 1997

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: EASEMENT VACATION - MELBOURNE PARK ADDITION,
DIVISION NO. 10

Public Works requests authorization for the City Attorney to prepare the documents needed to vacate a utility easement located in Lot 13, Block 15, Melbourne Park Addition, Division No. 10.

s/ Chad Stanger

It was moved by Councilmember Erickson, seconded by Councilmember Mills, to give authorization for the City Attorney to prepare the necessary documents to vacate a utility easement located in Lot 13, Block 15, Melbourne Park Addition, Division No. 10. Roll call as follows:

Aye: Councilmember Mills
Councilmember Erickson
Councilmember Branson
Councilmember Hardcastle
Councilmember Eldredge

Nay: None

Motion Carried.

City of Idaho Falls
July 21, 1997

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: UTAH AVENUE IMPROVEMENTS - CHANGE ORDER NO. 1

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Attached is a proposed change order to the Utah Avenue Improvements Project. The proposed change would increase the size of the sewer main being replaced under this contract and represents the additional cost of materials in the amount of \$7,668.05.

Public Works recommends approval of this Change Order and authorization for the Mayor to sign the contract documents.

s/ Chad Stanger

It was moved by Councilmember Erickson, seconded by Councilmember Mills, to accept Change Order No. 1 to HK Contractors, Inc. for the Utah Avenue Improvements Project and, further, give authorization for the Mayor to execute the necessary documents. Roll call as follows:

Aye: Councilmember Erickson
 Councilmember Hardcastle
 Councilmember Eldredge
 Councilmember Mills
 Councilmember Branson

Nay: None

Motion Carried.

There being no further business, it was moved by Councilmember Eldredge, seconded by Councilmember Mills, that the meeting adjourn at 9:20 p.m.

CITY CLERK

MAYOR
