

September 15, 2020

7:00 p.m.

Planning Department

City Annex Building

MEMBERS PRESENT: Commissioners Natalie Black, Gene Hicks, Brent Dixon, George Morrison, Margaret Wimborne, Joanne Denney, Arnold Cantu

MEMBERS ABSENT: Lindsey Romankiw

ALSO PRESENT: Planning Director Brad Cramer; Assistant Planning Directors Kerry Beutler; Brent McLane; Brian Stevens and interested citizens.

CALL TO ORDER: Natalie Black called the meeting to order at 7:00 p.m.

CHANGES TO AGENDA: None.

MINUTES:

Morrison moved to approve the September 1, 2020 Minutes with the requested typo corrections, Cantu seconded the motion. Black called for roll call vote: Morrison, yes; Hicks, yes; Cantu, yes; Dixon, yes; Denney, yes; Wimborne, yes. The motion passed unanimously.

Public Hearing(s):

1. ANNEX 20-011: ANNEXATION/INITIAL ZONING. Annexation and Initial Zoning of LC for a portion of Milligan Road.

Black opened the public hearing.

Applicant: City of Idaho Falls

Cramer presented the staff report, a part of the record.

Cantu asked about the section of County property to the west. Cramer indicated that it is contiguous, enclaved but is larger than 5 acres and is not eligible for annexation, and has no roadway frontage, and not connected to utilities.

No one appeared in support or opposition and no letters were received by staff.

Black closed the public hearing.

Wimborne moved to Recommend to the Mayor and City Council approval of the Annexation of 1.677 Acres in the SW ¼ of Section 25, Township 2 North, Range 37 East, a portion of Milligan Road with initial zoning of LC, Morrison seconded the motion. Black called for roll call vote: Morrison, yes; Hicks, yes; Cantu, yes; Dixon, yes; Denney, yes; Wimborne, yes. The motion passed unanimously.

2. ANNEX 20-014: ANNEXATION/INITIAL ZONING. Annexation and Initial Zoning of LM.

Black opened the public hearing

Applicant: City of Idaho Falls.

Cramer presented the staff report, a part of the record.

No one appeared in support or opposition and no letters were received by staff.

Black closed the public hearing.

Morrison moved to recommend to the Mayor and City Council approval of the Annexation of 5.496 Acres in section 1, Township 2 north, Range 37 East, with initial zoning of LM. Wimborne seconded the motion. Black called for roll call vote. Morrison, yes; Hicks, yes; Cantu, yes; Dixon, yes; Denney, yes; Wimborne, yes. The motion passed unanimously.

3. RZON 20-011: REZONE. Rezone from HC to LC. Jackson Hole Junction.

Black opened the public hearing.

Applicant: Clint Boyle, 901 Pier View Drive, Idaho Falls, Idaho. Boyle stated that the rezone is in the north west corner of Jackson Hole Junction and equates to approximately ¼ of the entire project. Boyle state that the project had great momentum and the Holiday Inn is now open and the Idaho Kidney Institute will open soon. Boyle stated that they had other tenants including some large-scale users that are in the que, but unfortunately due to Covid there were some economic impacts felt industry wide. Boyle stated that the rezone request is to rezone from HC to LC. Boyle stated that the reason for the request is the LC designation is to allow a broader spectrum of uses. Boyle stated that it will open up more possibilities for the continued success of the development. Boyle stated that HC allows heavier commercial uses, and LC allows things on the lower end of the commercial/multi-family spectrum. Boyle stated that the rezone will give more flexibility and options as he approaches the changed economy. Boyle stated that Show Biz (Theatre/entertainment Center) was scheduled to break ground on the site the same month that Covid hit. Boyle stated that Show Biz and the movie industry has had some setbacks and so they are still in the que, but they are pushed back, and they are still considering this site. Boyle stated that this area is designated commercial on the comprehensive plan and the LC follows within that land use designation. Boyle stated that this was an unforeseen event and is requiring the request for the rezone to have more flexibility in Jackson Hole Junction.

Dixon asked about the time sensitive TIFF District.

Boyle explained that this is in an Urban Renewal District. Boyle stated that the Urban Renewal District helped to support some of the public infrastructure costs such as the blasting and removal of rock. Boyle indicated that the urban renewal districts help to off-set the costs of blasting and removal to get them to a developable parcel. Boyle stated that this Urban Renewal District has an overall time frame of 13 years. Boyle stated that if they are going to be able to recoup the front end investment in the rock removal and other public improvements with sewer and water infrastructure, they have to rapidly have tenants that build on property that increase the value so that the assessed value goes up to fund their TIFF reimbursement. Boyle stated that they are in a couple years on the 13-year time period and Covid is impacting and challenging the project with delays like with Show Biz. Boyle stated that they need to get all the options they can on the table to keep the development moving forward to increase the value of the property.

Dixon confirmed that if the value doesn't increase there is no revenue and the developer doesn't get the up-front money returned. Boyle agreed and clarified that it is not a grant, but that the

developer has the expense on the front end of the project and paid out of pocket from the developer.

McLane presented the staff report, a part of the record.

Hicks asked if single family residences would be allowed in the LC. McLane stated that it could potentially allow for single family, but the value of the property for commercial uses would not financially make sense to develop single family residential, and you'd see a higher density development if it went residential.

Black asked about the difference between eating establishment and eating establishment limited. McLane indicated that in the LC Zone the eating establishment is allowed and the difference between the two is the size of the restaurant facility and limited would have a size restriction, however McLane believes that is an incorrect note on the table.

Hicks asked if there is another zoning that would fit and not allow single family residential. McLane stated that a lot of zones would fit such as CC, however there is no CC in the immediate area, and this is what the applicant is requesting, and it has worked in Snake River Landing effectively. McLane added that staff sees no issues with single family being allowed in the area. McLane stated that developing it as single family will not generate the property values, he needs to recoup the costs through the urban renewal district.

McLane clarified after discussing with Cramer that single family units are not allowed in the LC Zone.

Support:

Matt Morgan, Jackson Hole Junction LLC, 4145 Heyrend, Idaho Falls, Idaho. Morgan is the managing member of Jackson Hole Junction and Morgan Construction. Morgan stated that there has been chatter and he has been approached by people in the community about what happened and why Show Biz fell through. Morgan stated that he worked on that negotiation for 17 months and the Tiff District does make it time sensitive. Morgan stated that the only way this development was feasible is because they qualified for the Tiff District. Morgan stated that they understand that there are people suffering with Covid, and they are incurring their risk due to delays. Morgan stated that Show Biz was a long negotiation and on February 27 they had people there for a groundbreaking event. Morgan stated that they had finally accomplished bringing a family entertainment center to Idaho Falls, including theatres, bar and grill, bowling, arcade. Morgan stated that two weeks after groundbreaking the bottom fell out and with Show Biz being a large anchor tenant and they had a lot of momentum going behind them and everything flopped. Morgan stated that Show Biz would be allowed in LC and allowed in HC. Morgan stated that Show Biz is not dead for Jackson Hole Junction. Morgan stated that there could be light at the end of the tunnel as he has been in contact with the Show Biz management team. Morgan is hoping that they are attempting a second reopening over the holidays for some of their other stores, and if they are successful and progress, then they could possibly be back. Morgan stated that with the Tiff District and the risk to him and his partners, they are losing time, so they are needing the maximum flexibility. Morgan stated that there is interest about having a multi-family component in Jackson Hole Junction. Morgan understands that Show Biz would be a lot more commerce, but a multi-family component would fit. Morgan stated they are looking for plan B if Show Biz doesn't pan out. Morgan is asking the Planning Commission to rezone to

LC. Morgan added that he always does what he says he will. Morgan stated that they need maximum flexibility. Morgan stated that he will do everything in the best quality and in the City's best interest.

Black closed the public hearing.

Wimborne stated that this request makes sense for the area and the uses allowed under LC are compatible, and the differences between LC and HC are not major differences. Wimborne stated that this area is somewhat connected to Snake River Landing and Snake River Landing has a mixed use feel with the work play live components. Wimborne stated that she thinks multi-family or single family would be compatible in this area. Wimborne believes the LC gives the developer flexibility without changing the fundamental feel of the development. Wimborne is in support of the request.

Dixon disagrees with Wimborne. Dixon feels this is the quintessential example of where they need HC as it is the intersection of Interstate I15 and US 26 and it was designed in the Comprehensive Plan to be commercial. Dixon stated that everything around it is zoned HC and the development was pitched as a commercial development. Dixon has a problem with zones that allow things that don't sound like anything in the title of the zone. Limited Commercial is not residential, and yet it allows residential. Dixon disagrees that this is a good location for residential and this should all be Highway Commercial. Dixon stated that this is the only developable intersection in the City as the other places where I15 has interchanges, there isn't room to develop anything else, and this location can be developed into a classic interstate interchange with a commercial node on it. Dixon wanted to understand the TIF District and he does understand the financial concern and does not want to discourage developers from taking risks that are required to develop lands. Dixon stated that in this particular case he is willing to support the difference for the reason of the current economy and the added flexibility that the LC will provide, but disagrees in general that this would be a good location for mixed use development and this should be commercial and hopefully the economy will turn around and the developer can develop as commercial.

Morrison agrees with Wimborne. Morrison agrees with Dixon's comments, but due to the circumstances and state of affairs and considering the investment that Mr. Morgan's company has into this property the rezone to LC is a good idea. Morrison doesn't feel it is a good place for housing.

Wimborne agreed and added that the development as a whole the front section is still HC so you will still see those uses at the intersection. Wimborne stated that residential is only one of many other uses. Wimborne acknowledged that the developer is only asking for flexibility. Wimborne stated that Snake River Landing has a hotel right next to a small residential development, a park, office buildings and then stores. Wimborne believes the multi-use works and it can work in this area.

Hicks supports Dixon's concerns specific to the residential part. Hicks is against single housing if that was part of the plan. Hicks doesn't feel housing in the area is a good fit because it is a Highway Commercial Zone. Hicks believes a hotel, or multifamily is ok considering the current changes in the economy.

Dixon added that this area is not the same as Snake River Landing. Dixon stated that Snake River has a connection to US 26, but it is not the main part, the main part is much closer to Downtown and it is a larger development with a combination of uses. Dixon stated that this area is one of the very few highway interchanges with I 15 and that puts it in a special category. Dixon is still willing to support the rezone because he doesn't want to put the developer at risk and right now there are issues that are beyond all control that are affecting the economy.

Black agreed that the City needs housing and she hates housing in this location but does agree the developer needs the flexibility due to the circumstances.

Wimborne moved to recommend to the Mayor and City Council approval of the Rezone from HC to LC for a portion of Lot 19, & Lots 20, 21, 22, Block 1, Jackson Hole Junction Subdivision 1st Amended. Morrison seconded the motion. Black called for roll call vote: Morrison, yes; Hicks, yes; Cantu, yes; Dixon, yes; Denney, yes; Wimborne, yes. The motion passed unanimously.

4. RZON 20-013: REZONE. Amendment of Title 10, Chapter 7, Form Based Code, Residential Requirements and uses specifically allowing residential uses on the ground floor in some instances.

Black opened the public hearing.

Applicant: City of Idaho Falls.

McLane presented the staff report, a part of the record.

Black asked and McLane confirmed that residential is not allowed on the front at all. McLane clarified that the first 30' of the building cannot be residential.

Morrison asked how access to the residential section would work and do they have to access through the alley. McLane stated that it could be a variety of ways as some buildings have access through the alley and some have a single door to the street or something in doors where there is a breeze way built into the store front that would provide access to the residential unit.

Black stated that in Mexico you can have a store front and a curtain and have the living section behind there. McLane stated that the building code would not allow that, but there could be a live work situation where someone has a store front with the apartment behind the store.

Hicks stated that during the tour of the Bonneville Hotel the comments he heard repeatedly was about the elevator to get to the upper floors. Hicks asked if the only reason behind this amendment is to eliminate an elevator. McLane stated that is part of the reason. McLane added that the building code requires an ADA unit and if you wanted to put residential on the upper floors you couldn't without an elevator. McLane stated that this will give the option to develop residential uses in some buildings where you cannot install an elevator and stair access is the only way to have residential units.

Dixon asked if a hotel or inn is not permitted on the main floor then how does it work to get to the front desk of the hotel. McLane agreed that in Core A and Historic Center sub districts. Dixon asked Staff to look into that as it seems impractical. Black asked if that would affect Destinations Inn. McLane stated that Destinations Inn is not in either of the sub districts.

No one appeared in support or opposition and no letters were received by staff.

Black closed the public hearing.

Wimborne likes the change as it gives flexibility to the owners and addresses the unforeseen issue but protects the street scape.

Morrison agrees that it is a good idea and a good clean up project.

Dixon moved to recommend to the Mayor and City Council approval of the Downtown Form Based Code Amendments Storefront Building Type Main Floor Residential Units as presented. The motion passed unanimously; Cantu seconded the motion. Black called for roll call vote: Morrison, yes; Hicks, yes; Cantu, yes; Dixon, yes; Denney, yes; Wimborne, yes. The Motion passed unanimously.

Business:

5. PLAT 20-033: FINAL PLAT. Fairway Estates Division 28.

Applicant: Kevin Alcott, 101 Park Ave, Idaho Falls, Idaho. Alcott stated this is continuing to get platting done and following the course of their preliminary plat. Alcott believes the staff report covers everything.

Black asked about the lots being cut in half, and will that pose a problem at the end, because they will run out of lots. Alcott stated that they have made the lots slightly larger and so at the end they will end up with one less lot on that block.

Dixon asked about the agreement about the 120 lots developed before the connection to Lewisville Highway, and asked if that was based on number of residences, or distance from the existing access points. Dixon stated that as the lots become bigger you are getting farther away quicker with the same number of residences.

Alcott stated that there were two components of the discussion and one was the number related to automotive traffic and the other was the fire department issues with regards to the international fire code. Alcott stated that there was a large map provided and agreed to by the fire department and they cannot go outside of the arch, and that covers the distance and the number of lots is covered as well.

Wimborne asked how close they are to meeting the goals to get the access to Lewisville Highway. Alcott stated that they have committed to doing it after no more than 120 lots, and they have had internal discussions about potentially building the bridge this winter or next winter and when it makes sense financially, they will do it. Wimborne asked how close they are to the 120 lots. Alcott stated that the staff notes indicate how many have been approved, but not how many have been developed. Alcott stated that they have developed 32 lots out of the 120.

Dixon asked about the rate of construction and although things are slow with Covid, it seems Idaho is the go-to place. Dixon asked if they are seeing a demand for single family residential lots. Alcott stated that demand is good, and part of the reason you are seeing him regularly, is because last year they were shut down and had no building or ability to construct lots, and they are not interested in being put in that position again, so they are getting the work ahead of them. Alcott stated that the demand for lots is strong, but the concern remains with the high cost to develop lots at some point you reach a point of inelasticity and people won't be able to afford to

buy them. Alcott stated that they are not there yet, but he is cautious because he doesn't want to get lots and inventory that have a high cost basis and no one can afford to buy homes on that lot. Alcott stated that the price per sheet of OSB was \$22 which is a huge component of a framing package. Alcott stated that having these final plats approved will allow them to react faster.

Hicks asked where the road will cross the bridge and has there been any efforts toward permitting. Alcott stated that they had an agreement since 2006 that the crossing of the canal and there is no reason to believe that the canal company won't support them. Alcott stated that the banking crisis 14 years ago changed the building climate.

Wimborne appreciates the update and understands they are juggling inventory versus investment. Wimborne encouraged Alcott to think about the access and as the development builds out it is an important part of the development to relieve pressure on the current residents. Wimborne understands Alcott is not making a commitment but is heartened that they are looking at doing the bridge maybe before the 120-lot level.

Morrison commended Alcott for pushing and they know housing is a problem in Idaho Falls, and the effort to keep the development going will be a good star for the City when it is finished.

Stevens presented the staff report, a part of the record.

Morrison moved to recommend to the Mayor and City Council approval of the Final Plat for Intermountain Industrial park. Hicks seconded the motion. Black called for roll call vote: Morrison, yes; Hicks, yes; Cantu, yes; Dixon, yes; Denney, yes; Wimborne, yes. The motion passed unanimously.

Cramer stated that they are ready to do more trainings and they could do it this Friday or next Friday.

Black thought the information they received was valuable and interesting and would like to get the information sooner than later before the holidays.

Wimborne's plans have changed, and she can meet on Friday.

Dixon indicated that this meeting was easier than the few in the past. Black agreed it is much better in chambers.

There was a consensus to meet wither this Friday or next Friday.

Cramer thanked Brent McLane for his work, and this will be his last meeting as he has taken a position in Pocatello.

Wimborne feels that doing two short meetings is better than one long meeting and she feels she makes better decisions. Commissioners agreed that they would rather have 2 short meetings than one long meeting per month.

Black adjourned the meeting at approximately 8:30 p.m.

Respectfully Submitted

Beckie Thompson, Recorder