Twin Falls City Council
Agenda

Monday, July 13, 2020, 5:00 PM

City Council Chambers
203 Main Avenue East- Twin Falls, Idaho

Members: Suzanne Hawkins, Craig Hawkins, Nikki Boyd, Shawn Barigar, Gregory Lanting, Christopher Reid, Ruth Pierce

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM

2) PLEDGE OF ALLEGIANCE

3) PROCLAMATIONS: None

4) CONSENT CALENDAR

   a) **ACTION ITEM**: Request to approve the Accounts Payable for June 25 - July 1 & July 2 - 8, 2020.

      By: Amy Luna, Finance Administrative Assistant

   b) **ACTION ITEM:** Request to approve the Monday, July 6, 2020, City Council Minutes.

      By: Leila A. Sanchez, Recording Secretary

   c) **ACTION ITEM:** Request to hold the Realtor Safety 5k Fun Run/walk.

      By: Sergeant Ryan Howe, Twin Falls Police Department

5) ITEMS OF CONSIDERATION

   a) **ACTION ITEM:** Request approval to replace Section 1.2 and add Section 1.5 to the Twin Falls Rural Fire District Governmental Fire Services Agreement.

      By: Tim Lauda, Fire Marshal

   b) **ACTION ITEM:** Request authorizing the City of Twin Falls to opt in to Governor Little's proposal to use CRF dollars to provide tax relief for those cities and counties that agree to not take the three-percent statutory allowed increase or any portion of the City's Forgone balance for the FY 2021 Budget.

      By: Travis Rothweiler, City Manager

   c) **PRESENTATION:** A presentation of the City Manager's Recommended Budget for FY 2021 followed by citizen input.

      By: Travis Rothweiler, City Manager

6) GENERAL PUBLIC INPUT

7) ADVISORY BOARD REPORT/ANNOUNCEMENTS

8) PUBLIC HEARINGS: To make written comment please email: JSpendlove@tfid.org. Comments submitted after 12:00 PM, will not be included in the public hearing record. To call in to the meeting please telephone 1-208-939-6718, Conference ID: 895 455 173#. Calls must be received between 6:00 pm – 6:10 pm on July 13, 2020, and will be put into a queue to speak during the Public Hearing portion of the meeting.

   a) **ACTION ITEM:** Request Annexation with a Zoning Designation of R2 for property located at 700-1000 block of Hankins Road c/o EHM Engineers, Inc. on behalf of Joseph McCollum - McCollum Enterprises. (PZ20-0056). On June 9, 2020, the Planning and Zoning Commission recommended approval of the Zoning Designation of R2, as presented. - **WITHDRAWN BY APPLICANT**

      By: Jonathan Spendlove, Planning & Zoning Director

   b) **ACTION ITEM:** Request for Annexation with a Zoning Designation of R2 for property located at the 400-600 block of Hankins Road c/o EHM Engineers, Inc. c/o Ruth Rahe. (PZ20-0057) On June 9, 2020, the Planning and Zoning Commission recommended approval of the Zoning Designation of R2, as presented.

      By: Jonathan Spendlove, Planning & Zoning Director

9) ADJOURNMENT

Any person(s) needing special accommodations to participate in the above-noticed meeting could contact Leila Sanchez (208) 735-7287 at least two working days before the meeting. Si desea esta información en español, llame Leila Sanchez (208) 735-7287.

Public Input Procedures

1. Individuals wishing to provide public input regarding matters relevant to the City of Twin Falls shall:
   - Wait to be recognized by the Mayor or Chairman
   - Approach the microphone/podium
   - State their name, and whether they are a resident or property owner in the City of Twin Falls, and proceed with their input.
2. The Mayor or Chairman may limit input to no less than two (2) minutes. Individuals are not permitted to give their time to other speakers.

Public Hearing Procedures for Zoning Requests

1. Prior to opening the first Public Hearing of the session, the Mayor or Chairman shall review the public hearing procedures.
2. Individuals wishing to testify or speak before the City Council or Planning & Zoning Commission shall wait to be recognized by the Mayor or Chairman, approach the microphone/podium, state their name, and then proceed with their comments. Following their statements, they shall write their name and address on the record sheet(s) provided by the staff. The staff shall make an audio recording of the Public Hearing.
3. A City Staff Report shall summarize the application and history of the request.
4. The Applicant, or the spokesperson for the Applicant, will make a presentation on the application/request (request). No changes to the request may be made by the applicant after the publication of the Notice of Public Hearing. The presentation should include the following:
   - A complete explanation and description of the request.
   - Why the request is being made.
   - Location of the Property.
   - Impacts on the surrounding properties and efforts to mitigate those impacts.
5. Applicant is limited to 15 minutes, unless a written request for additional time is received, at least 72 hours prior to the hearing, and granted by the Mayor or Chairman.
6. The City Council or Planning & Zoning Commission may ask questions of staff or the applicant pertaining to the request.
7. The general public will then be given the opportunity to provide their testimony regarding the request. The Mayor or Chairman may limit public testimony to no less than two (2) minutes per person.
   - Individuals are not permitted to give their time to other speakers.
   - However, five (5) or more individuals that received written notice of the public hearing may appoint, by written petition, a spokesperson. The written petition must be received at least 72 hours prior to the hearing and must be granted by the Mayor or Chairman. The spokesperson shall be limited to 15 minutes.
   - Written comments, including e-mail, received by 12:00 p.m. on the date of the hearing shall be either read into the record or displayed to the public on the overhead projector.
8. Following the Public Testimony, the applicant is permitted five (5) minutes to respond to Public Testimony.
9. Following the Public Testimony and Applicant's response, Council or Commission members, as recognized by the Mayor or Chairman, shall be allowed to question the Applicant, Staff or anyone who has testified. Responses shall be limited to answering the questions asked. The Mayor or Chairman may limit the time permitted for the answer.
10. The Mayor or Chairman shall close the Public Hearing. The City Council or Planning & Zoning Commission shall deliberate on the request. Deliberations and decisions shall be based upon the information and testimony provided during the Public Hearing. Once the Public Hearing is closed, additional testimony from the staff, applicant or public is not allowed. Legal or procedural questions may be directed to the City Attorney.

* Any person not conforming to the above rules may be prohibited from speaking. Persons refusing to comply with such prohibitions may be asked to leave the hearing and, thereafter removed from the room by order of the Mayor or Chairman.

Twin Falls City Council
Minutes

Monday, July 6, 2020, 5:00 PM

City Council Chambers
203 Main Avenue East- Twin Falls, Idaho

Present: Mayor Suzanne Hawkins, Vice Mayor Ruth Pierce, Council Members Shawn Barigar, Greg Lanting, Christopher Reid, and Nikki Boyd (via telephone).

Absent: Craig Hawkins (Excused)

Staff Present: City Manager Travis Rothweiler, Assistant to the City Manager Mandi Thompson, City Attorney Shayne Nope, Planning & Zoning Director Jonathan Spendlove, Airport Manager Bill Carberry, City Engineer Mark Holtzen, Fire Chief Les Kenworthy, Police Chief Craig Kingsbury, Help Desk Technician Kim Hafer,
Executive Assistant Leila A. Sanchez

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM
2) PLEDGE OF ALLEGIANCE

Mayor Suzanne Hawkins called the meeting to order at 5:00 p.m. She invited all present, who wish to, to recite the Pledge of Allegiance to the Flag with her. A quorum was present. Mayor Hawkins introduced staff.

3) PROCLAMATIONS: None

4) CONSENT CALENDAR

MOTION:
Council Member Christopher Reid moved to approve the Consent Calendar as presented. Vice Mayor Ruth Pierce seconded the motion. Roll call vote showed all members present voted in favor of the motion. Approved 6 to 0.

a) **ACTION ITEM**: Request to approve the June 29, 2020, City Council Minutes

b) **ACTION ITEM:** Request to approve "Latino Fest". WITHDRAWN BY APPLICANT

c) **ACTION ITEM:** Request to approve the Findings of Fact and Conclusion of Law for: City of Twin Falls Special Use Permit and GO QOZ Twin Falls 660 LLC ZDC ZDA.

5) ITEMS OF CONSIDERATION

a) **PRESENTATION:** Presentation by Joshua W. Kern M.D., Vice President of Medical Affairs, St. Luke's Health System.

Dr. Kern discussed the current situation in Idaho and Twin Falls County.

- Significant increases in COVID-19 since the relaxation of social distancing.
- People need to take significant responsibility in themselves in not spreading the virus.
- Exceeding number of cases from the initial resurgent mark.
- Improvement of turnaround time for testing.
- St. Luke's does have not have the infrastructure to test for employers' non-symptomatic employees.
- Soon to be published a Letter to the Editor from a Wood River emergency doctor on how to stop the spread of the virus.
- Reduction of numbers in other countries except for the United States.
- Importance of wearing masks.

Council discussion followed.

Mayor Hawkins encouraged citizens to be thoughtful and respectful of other people's viewpoints. She encourages citizens to please wash hands and wear masks to reduce the spread of the virus.

Council Member Lanting recommended using the Downtown Archway Message Board to encourage citizens to wear masks and wash hands.

Council Member Reid spoke on the importance of wearing masks. He referred to a You Tube video, "It's Okay to be Smart/How Well Do Masks Work?"

b) **ACTION ITEM:** Consideration of a U.S. Dept. of Transportation Small Community Air Service Grant Offer in the amount of $900,000.

Airport Manager Bill Carberry reviewed the request.

Staff recommends the City Council approve acceptance of the $900,000 grant offer from the U.S. Dept. of Transportation and authorize the Mayor to sign the agreement.

Council discussion followed.

Council Member Barigar stated for clarification the grant is not expended dollars but a reimbursement grant.

MOTION:
Vice Mayor Pierce moved to approve acceptance of the $900,000 grant offer from the U.S. Dept. of Transportation and authorize the Mayor to sign the agreement. Council Member Barigar seconded the motion. Roll call vote showed all members present voted in favor of the request. Approved 6 to 0.

c) **PRESENTATION:** A presentation of the City Manager's Recommended Budget for FY 2021 followed by citizen input.

City Manager Travis Rothweiler gave the presentation. On the City's website are the Recommended Budget for FY 2021 and budget presentation (PPT) to Twin Falls City Council.
https://www.tfid.org/DocumentCenter/View/4591/FY-2021-Budget-Preview
https://www.tfid.org/DocumentCenter/View/4592/FY-2021-Budget-Preview-PPT

The following was presented:

- City Manager's Goals for the FY 2020-2021 Budget
- Legal requirements to present a tentative budget.
- FY 2020-2021 Budget Review
- Taxable Value & Property Taxes
- Expenditures by Category
- Expenditures by Focus Area
- Council Decisions

Council discussion followed.
Federal CARES funding

6) GENERAL PUBLIC INPUT: To provide public input to the City Council please email to: Citizeninput@tfid.org

Tami Billman, City of Twin Falls resident, stated her concern of the many illegal fireworks set off in the City.

Fire Chief Kenworthy explained fireworks are difficult to police and is an issue across the state. Fireworks will be discussed at the State Fire Chief annual conference.

Police Chief Kingsbury explained non-permissible (illegal) fireworks are not permissible for either sale, possession or use within the City of Twin Falls. Illegal fireworks are easily accessible in the City of Jerome, therefore, making it difficult for the City of Twin Falls to enforce the use of the fireworks.

Tami Billman stated that in speaking with Utility Services Director Bill Baxter, found that the Utility Billing office may not be accessible to the public and utility turn-on and turn-offs would need to be done online.

Mayor Suzanne Hawkins explained no decisions have been made. If or when utility services changes are made the public will be well informed.

7) ADVISORY BOARD REPORT/ANNOUNCEMENTS

Council Member Reid reported the Library Board Meeting to be held on July 8 has been moved to July 22, at 4:30 p.m., and can be attended in person or virtually.

8) PUBLIC HEARINGS: None

9) ADJOURNMENT

The meeting adjourned at 6:26 P.M.

Leila A. Sanchez
Executive Assistant/City Manager's Office

Date: Monday, July 13, 2020

To: Honorable Mayor and City Council

From: Sergeant Ryan Howe, Twin Falls Police Department

Request:

Consideration of a request to hold the Realtor Safety 5k Fun Run/walk.

Time Estimate:

Staff requests this item be placed on the Consent Calendar.

Background:

Ryan Swinney and BriAnna Duff have submitted a special event application requesting to hold the Realtor Safety 5k Fun Run/walk on September 12, 2020. The event will take place from 8:00 a.m. to 1:00 p.m. The Fun Run is a fundraising event that will promote Realtor Safety with all proceeds going to the Beverly Carter Foundation.

Those participating in this event will walk or run starting at the Visitor Center, run west to the Federation Point parking lot, turn around and then return to the Visitor Center.

The event organizers will have volunteers to monitor the route specifically at the trail crossing on Canyon Springs to ensure the safety of those participating.

The event organizer may be required to submit a health and safety plan to the Twin Falls Parks Department. As with other events, this event will be subject to cancellation, postponement or additional safety precautions based on state and local governmental restrictions and regulations at the time of the event.

Approval Process:

Consent by the Council

Budget Impact:

There is no budget impact to the City of Twin Falls.

Regulatory Impact:

N/A

Conclusion:

Relevant City Staff members have approved this Special Event Application. Staff recommends the Council approve the Joseph T. Rasch Fun Run based on the information provided.

Attachments:

None

Date: Monday, July 13, 2020

To: Honorable Mayor and City Council

From: Tim Lauda, Fire Marshal

ACTION ITEM

Request:

ACTION ITEM: Request approval to replace Section 1.2 and add Section 1.5 to the Twin Falls Rural Fire District Governmental Fire Services Agreement.

Time Estimate:

Approximately 15 minutes.

Background:

On January 01, 2020, Twin Falls County acquired the responsibilities for building and zoning responsibilities in the area of impact. This change now requires builders to attain building permits through the County for any buildings constructed outside of city limits. In addition to providing the Fire and EMS services for the city, Twin Falls Fire Department has a contract to provide Twin Falls Rural Fire District with Fire and EMS protection. The area covers approximately 52 square miles beyond the city limits. Fire Departments throughout the County are required to enforce the fire code. The City of Twin Falls Fire Marshal has provided this service in the past.

Prior to Twin Falls County retaining building and zoning responsibilities the city's Fire Marshal's compensation was collected through building permits collected through the City of Twin Falls for the area of impact. Prior to the change, building permits that originated in the county, were reviewed, and inspected at no cost. Currently the City Twin Falls is not being compensated for the work being accomplished by the Fire Marshal in the area of impact or the fire district. With the change of responsibilities, and increased growth, the County and the Rural Fire District agree the city should be reimbursed for the services provided. We are asking city council to sign the amended contract to allow for collection of fees and enforce fire code within the Twin Falls Fire Departments jurisdictional boundaries (County and Area of Impact).

Approval Process:

A simple majority vote and signing of the amended contract.

Budget Impact:

The signing of this contract will allow the city to collect fees for the services provided outside of the city limits.

Regulatory Impact:

This change will allow the City of Twin Falls Fire Marshal to enforce the fire code within the Twin Falls Fire Departments jurisdictional boundaries.

History:

On Monday, June 15, 2020, the Twin Falls Rural Fire District held a public hearing meeting regarding fire plan review and inspection schedule. At the conclusion of this hearing the plan review and inspection schedule were adopted and went into effect on July 1, 2020.

Analysis:

N/A

Conclusion:

The amendment to the contract will allow the Twin Falls Fire Department to collect the fees and the City of Twin Falls to retain the money collected. The amendment will also allow the Twin Falls Fire Department to perform life safety inspections beyond the city limits, which will help keep our firefighters and public safe.

Attachments:

1. Twin Falls Rural Fire District Notice of Public Hearing - June 15, 2020
2. District Agreement - Amendment with Attachment

THE TWIN FALLS RURAL FIRE DISTRICT
NOTICE OF PUBLIC HEARING

June 15, 2020 at 9 A.M.

Twin Falls Fire Department, Fire Training Classroom
345 2nd Avenue East
Twin Falls, Idaho 83301

For the purpose of Hearing Public Comments Regarding the creation of a:

FIRE PLAN REVIEW AND INSPECTION FEE SCHEDULE

Which includes new fees requiring a public hearing as outlined in Idaho Code Section 63-1311A

Notice is hereby given that the Twin Falls Rural Fire District (District) will hold a public hearing for consideration of proposed new fees, said hearing to be held at the Twin Falls Fire Department – Fire Classroom, located at 345 2nd Avenue East, Twin Falls, Idaho 83301, at 9am MST, on June 15, 2020.

The proposed new fire plan review and inspection fees are as follows:

Residential Buildings
Fees will be assessed based on the building's square footage that is subject to review or inspection as follows:

0 to 3,000 square feet = $75.00
3,001 to 4,500 square feet = $150.00
4,500 square feet and over = $300.00 plus $50.00 for each additional 1,000 square feet.
Maximum Residential Building Fee = $500.00

Commercial Buildings
Does Not Require Fire Sprinkler or Fire Alarm System
A $150.00 fee will be assessed on all projects. In addition to the $150.00 fee, a factor of .0003 will be multiplied by the Project Value to determine the total fee amount. The total fee amount shall not exceed $675.00.

Requires Fire Sprinkler or Fire Alarm System
A $250.00 fee will be assessed on all projects. In addition to the $250.00 fee, a factor of .0005 will be multiplied by the Project Value to determine the total fee amount. The total fee amount shall not exceed $1,500.00.

The new fees are necessary to offset the costs associated with fire plan review and inspections.

At this hearing all interested persons may appear and show cause, if any they have, why said proposed new fee should not be adopted.

Dated this 21st day of May 2020

Publish Dates June 1, 2020 & June 8, 2020

RESOLUTION NO. ______

A RESOLUTION OF THE TWIN FALLS RURAL FIRE DISTRICT ("DISTRICT"), ESTABLISHING FEES RELATED TO FIRE PLAN REVIEWS AND INSPECTONS.

WHEREAS, Pursuant to Idaho Code §63-1311 and 63-1311A the District would like to establish a fee schedule for processing fire plan reviews and fire inspections; and,

WHEREAS, Pursuant to Idaho Code Section 63-1311A the District must hold a public hearing prior to creating and imposing a new fee; and,

WHEREAS, Notice of the Public Hearing was properly given pursuant to Idaho Code Section 63-1311A; and,

WHEREAS, A Public Hearing was held on June 15, 2020 at 9am MST.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR THE TWIN FALLS RURAL FIRE DISTRICT THAT THE FOLLOWING FIRE PLAN REVIEW AND INSPECTION FEE SCHEDULE IS CREATED AND IMPOSED WITHIN THE DISTRICT:

Section 1: Residential Buildings

Residential Buildings include single family dwellings, duplexes, townhomes, outbuildings, and similar buildings.

Fees will be assessed based on the building's square footage that is subject to review or inspection as follows:

0 to 3,000 square feet = $75.00
3,001 to 4,500 square feet = $150.00
4,500 square feet and over = $300.00 plus $50.00 for each additional 1,000 square feet.
Maximum Residential Building Fee = $500.00

Section 2: Commercial Buildings

Commercial Buildings include multi-family dwellings (three or more units), businesses, industrial, manufacturing, and similar buildings.

Commercial fees shall be based on the projected Project Value as determined by the contractor using the appropriate locality's guidelines for valuation.

Commercial fees vary dependent upon whether a fire sprinkler or fire alarm system is required.

Does Not Require Fire Sprinkler or Fire Alarm System

A $150.oo fee will be assessed on all projects. In addition to the $150.00 fee, a factor of .003 will be multiped by the Project Value to determine the total fee amount. (See Example Below). The total fee amount shall not exceed $675.00.

Example: Project Value is $1,000,000

150.00 + [Project Value $1,000,000 x .003 ($300)] = Total fee: $450

Required Fire Sprinkler or Fire Alarm System

1 $250.00 fee will be assessed on all projects. In addition to the $250.00 fee, A factor of .0005 will be multiplied by the Project Value to determine the total fee amount. (See Example Below). The total fee amount shall not exceed $1,500.00.

Example: Project Value is $2,000, 000

$250.00 + [Project Value $2,000,000 x .0005 ($1,000)] = $1,250.00

Section 3: Effective Date: - Upon passage of this Resolution, collection of the Fees pursuant to the resolution will begin July 1, 2020.

PASSED BY THE TWIN FALLS RURAL FIRE DISTRICT Date: 6-15, 2020.

SIGNED BY THE CHAIRMAN Date: 6/15, 2020

James [signature]

CHAIRMAN

ATTEST:

[signature] Hawkins

Secretary

<u>AMENDMENT TO THE</u>
<u>GOVERNMENTAL FIRE SERVICES AGREEMENT</u>

THIS *AMENDMENT TO THE GOVERNMENTAL FIRE SERVICES AGREEMENT* made this **___** day of July 2020, by and between the City of Twin Falls, Idaho, a municipal corporation ("City"), and the Twin Falls Rural Fire District, a political subdivision ("District");

<u>WITNESSETH</u>

WHEREAS, on October 1, 2018, the City and the District entered into a Governmental Fire Services Agreement ("Agreement"), attached and incorporated herein, as Exhibit A, and

WHEREAS, the Agreement authorized the City to provide fire protection, emergency medical (EMS), and rescue services ("Services") to the District; and

WHEREAS, on June 15, 2020 the District passed a fee resolution establishing fees for the services provide under the Agreement; and

WHEREAS, the District wishes the City to provide additional fire review and inspection services; and,

WHEREAS, the parties wish to amend the Agreement clarifying the nature of the services provided under the contract and identifying the process for the collection of fees assessed by the District; and

WHEREAS, an amendment to the Agreement is authorize in section 5 of the Agreement.

NOW, THEREFORE, it is agreed between the City and the District as follows:

A. Section 1.2 of the Agreement is replaced by the following language:

1.2 Applicable Laws: All inspections and fire reviews authorized herein shall ensure compliance with International Fire Code, National Fire Protection Association, and other applicable Federal, State, and local fire code requirements.

> 1.2.1 General Fire Inspections: The City of Twin Falls Fire Department shall have the right to perform fire inspections on the part of property owners, builders, or other persons with respect to improvements upon or other uses of the property in the District. Furthermore, the City of Twin Falls Fire Marshal and/or Inspector(s) shall have the right to enforce the fire code on all new and existing constructions within the District.
>
> 1.2.2 Plan Reviews: The City of Twin Falls Fire Marshall and/or Inspector(s) shall perform plan reviews and inspections for all new commercial and residential structures, including outbuildings.

B. A new Section 1.5 is added to the Agreement as follows:

1.5 The City of Twin Falls shall collect and retain the applicable fees assessed by the District for the services provided under this Agreement.

CITY OF TWIN FALLS

____
Mayor

ATTEST:

____
City Clerk, Deputy

TWIN FALLS RURAL FIRE DISTRICT

____
Chairman, Board of Commissioners

ATTEST:

____
Secretary

Exhibit A

GOVERNMENTAL FIRE SERVICES AGREEMENT

THIS AGREEMENT made this 1st day of October, 2018, by and between the City of Twin Falls, Idaho, a municipal corporation (hereinafter referred to as the "City"), and the Twin Falls Rural Fire District, a political subdivision (hereinafter referred to as the "District");

WITNESSETH

WHEREAS, the District is a duly created fire protection district pursuant to Idaho Code Title 31, Chapter 14; and

WHEREAS, the parties wish to enter into an Agreement under which the City will provide fire protection, emergency medical (EMS), and rescue services ("Services" herein) to the District and further, the City will house and store the firefighting apparatus of the District; and

WHEREAS, the Idaho Code, Section 31-1415 and 31-1430, provide the authority for such a governmental service contract between the District and the City.

NOW, THEREFORE, it is agreed between the City and the District as follows:

1. The City shall provide the Services to the District as set forth in this Agreement.

1.1 The City will provide the Services for incidents within the boundaries of the District, upon dispatch, the ranking Twin Falls Fire Department Official shall be the sole person in authority and in charge of the organized personnel, techniques, procedures and direction of all portions of fire suppression. The City's obligations are subject to allocation of firefighting equipment and availability of personnel as determined at the sole discretion of the Twin Falls Fire Department Fire Chief (the "Fire Chief" herein) to insure comparable fire response service coverage to the City, its other contract service obligations, and the District.

1.2 The City shall not be responsible for performing fire inspections in the District or for insuring or overseeing compliance with applicable Fire Codes on the part of property owners, builders or other persons with respect to improvements upon or other uses of the property in the District. Provided however, that the City in its discretion may perform plan reviews and inspections to ensure compliance with International Fire Code requirements for commercial buildings. The City may also review new residential structures to ensure they comply with Fire Department access and fire flow requirement in accordance with the International Fire Code and National Fire Protection Association requirements. Furthermore, the Fire Department inspector shall have the right to make recommendations regarding fire safety in all new constructions in the District.

1.3 Fire trucks and other firefighting equipment will be provided by the District for use by City personnel as provided herein. Upon mutual consent, the City will provide a facility to house the District's firefighting equipment and supplies and will maintain and repair the fire trucks supplied by the District. The fire trucks and equipment of both the City and District may be used by the City when providing Services in both the City and the District.

1.4 The cost of acquiring additional firefighting equipment in the future may be the subject of negotiations between the City and the District and no obligation to share in such costs is intended to be created by this Agreement.

2. In the event the District is dissatisfied with the general level of service being provided by the City under this Agreement, the District shall have the right to petition the Fire Chief for review and modification thereof, subject to the approval of the Twin Falls City Council. If the District is not satisfied with the decision of the Fire Chief, it may appeal same to the Twin Falls City Council. The procedures provided for herein shall be in addition to any other right or remedy available at law or in equity.

3. The District, in consideration for the services rendered by the City, shall pay the City the previous year's contract price, adjusted by the March municipal cost index. (MCI). The MCI is published by American City & County. The FY 2018 contract price was \$504,795. The March 2018 MCI was 247.79, a year over year change of 4.471%. The contract price for FY 2019 shall be \$527,365. (\$504,795 x 4.471% = \$527,365). The contract price will be updated annually with the corresponding MCI figures.

3.1 The annual payment, as calculated above, shall be paid by the District to the City in two equal installments each calendar year. The first payment shall be made by the District to the City on February 1st of each year and the remainder of the amount due shall be paid by the District to the City on August 1st of each year.

3.2 Any revenues generated by the District in excess of the amounts owed to the City hereunder shall be retained as the property of the District, for its own purposes, and such excess funds shall not be deposited into the City's General Fund.

4. The District shall obtain, at its cost, insurance coverage for any vehicles and other equipment it owns, supplied by it under this Agreement. The insurance coverage shall insure against physical damage to District owned vehicles and other equipment, and insure against liability of the City and/or the District arising from the City's response to fires in the District. The limits of such liability insurance shall be no less than the liability of a governmental entity as established in the Idaho Tort Claims Act and all future amendments thereto.

4.1 The District shall defend, indemnify, and hold harmless the City, its agents, officials, and employees, from and against any and all actions, claims, demands, damages, and costs whatsoever that may arise out of or be made against the City: (1) for injury or damage to persons or property by reason of performance of the City under this Agreement in any way relating to the City not having portable water tankers or adequate water storage capacity on its fire vehicles, the inadequacy of water, water flows and/or water pressures available to respond to a fire; and (2) for injury or damage to persons or property arising from the actions or decisions of the District's Commissioners. The District's obligation under this paragraph to indemnify and hold the City harmless shall be limited to the sum, that exceeds the amount of insurance coverage, if any, available for the protection of the District and the City.

5. This Agreement shall continue in force from October 1, 2018, until September 30, 2021, unless sooner terminated or modified by mutual agreement of the parties.

6. This Agreement is intended as a governmental service contract between the District and the City and is not intended by the parties to be a third party beneficiary contract; nor does it create any rights, obligations, or duties to any party other than the District and the City.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written

CITY OF TWIN FALLS

Mayor

ATTEST:

City Clerk, Deputy

TWIN FALLS RURAL FIRE DISTRICT

Chairman, Board of Commissioners

ATTEST:

Secretary

Date:	Monday, July 13, 2020
To:	Mayor and City Council
From:	Travis Rothweiler, City Manager

Request

A request authorizing the City of Twin Falls to opt in to Governor Little's proposal to use CRF dollars to provide tax relief for those cities and counties that agree to not take the three-percent statutory allowed increase or any portion of the City's Forgone balance for the FY 2021 Budget.

Time Estimate

The estimated amount of time this item will take is 10 minutes plus time to answer questions.

Background

Statutorily under Idaho Code, cities and counties are permitted to collect 3% more property tax revenue than the previous fiscal year, plus the value of new construction and annexation, and recover any portion of the City's forgone balance.

In May 2020, the City Council and the City Manager made the decision not to assess the statutorily allowed three percent (3%) property tax increase as provided for in Idaho Code §63-802. More than a month later, the Governor created a tax relief program that diverts $200 million on Federal CARES funding directly to Idaho property taxpayers if cities and counties elect to not take the three percent (3%) property tax increase. For those that elect to participate, the CARES funding will be proportionately divided among those Idaho cities and counties using a formula based on the actual cost of public safety personnel salaries (police, fire, animal control, dispatch, etc.).

The exact amount of tax credit received will not be known until October 2020 when all cities and county budgets are certified, and all public safety salaries are calculated. Based on the initial guidance supplied by the Governor's Office, we are estimating that our citizens will receive $3,529,398 in total property tax relief from the CARES funds equal to the three percent property tax, or $697,681. This will cause the City's functional tax rate to decrease to approximately $5.87/$1,000. This will save an estimated $111.29 in city property tax savings for our taxpayers who own and live in a home valued at $208,050, which is the median home value per Zillow.

At this time, there are several questions surrounding the Governor's program, as currently drafted. Several County Prosecutors have questioned if the Property Tax Relief Proposal is allowable under the CARES Act regulations. We do not believe these issues will be resolved before the deadline to opt into the program.

Because the recommended budget does not require the need to increase property tax revenue by 3% of the greater of the previous 3 years' tax levy to balance, we are recommending the City Council opt in to the program with the caveat that we have the option of opting out if it is determined this is an inappropriate use of CARES Funding by the United States Department of Treasury. The Governor has asked the Treasury Department to provide a letter of eligibility for the current program.

Approval

Each participating local government entity is required to submit a notice of intent to participate. Additionally, we are required to provide a copy of the actual payroll data for the months of March

2020 through June 2020 as well as the estimated payroll data for the months of July 2020 to December 2020 to the Division of Fiscal Management no later than July 17, 2020.

Budget Impact:

By agreeing to participate, the City agrees the total amount of property taxes collected in FY 2021 will not increase by more than the new construction rolls and annexation. Simply, the City agrees that it will not take the 3% statutorily allowed increase or any portion of its unused forgone balance.

For the City of Twin Falls, the 3% increase would equate to approximately $697,681 in new property tax revenue to the City. The current forgone balance of the City is $1,416,284.

Regulatory Impact:

- Idaho Code Section 50-811 states the City Manager shall "...keep the council fully advised of the financial condition of the city and its future needs..." and "…prepare and submit to the council a tentative budget for the next fiscal year."
- Idaho Code §50-235 empowers each city council of each city to levy taxes for general revenue purposes
- Idaho Code §50-1002 requires the city council of each city in the State of Idaho to pass a budget, referred to as an annual appropriation ordinance
- Idaho Code §63-802 sets limitations on all taxing district budget requests on the amount of property tax revenues that can be used to fund programs and services. This section also states that taxing entities can only increase property tax collections by a maximum of three percent (3%) annually, plus value of new construction and annexation added during the previous calendar year, and forgone taxes that have been accumulated and reserved in prior fiscal years

Attachments

Governor's Program Description: Leveraging the CRF to Cover Qualified Payroll Costs if Local Governments Pass Savings on in Form of Property Tax Relief

Date: Monday, July 13, 2020

To: Mayor and City Council

From: Travis Rothweiler, City Manager

Request

A presentation of the City Manager's Recommended Budget for FY 2021 followed by citizen input.

Time Estimate

The estimated amount of time this item will take is one hour plus time to answer questions.

Background

The State of Idaho defines city government as a municipal corporation. It is with that mindset this budget has been developed. We are pleased to present to you the recommended Budget for Fiscal Year 2020-2021 (FY2021). This budget represents hundreds of hours of thoughtful work by dozens of people in developing the spending plan for our organization for the coming fiscal year.

We found ourselves dealing with a tremendous amount of uncertainly as we developed the budget for the upcoming fiscal year. We do not know what a "new normal" will look like when, and if, it arrives. To this day, we remain concerned about the long-term economic, health, psychological and societal effects of the novel coronavirus disease (COVID-19) will have on our community and our ability to provide public services. Equally, we are concerned about the societal unrest occurring in many communities across the nation. Lives tragically lost in other states and communities impacted members of our community, just as it did in many hometowns across the United States and the world. The events of the spring of 2020 were further proof our world is shrinking.

The City of Twin Falls is a municipal corporation with over 50,000 shareholders, 313.25 full-time employees and a taxable value of nearly $3.4 billion. The City's taxable value excludes the taxable value of the properties located in the Twin Falls Urban Renewal Agency revenue allocation areas, which have a total value of $622,600,619, which is an increase of $61,047,371. Collectively, the taxable values for both the City of Twin Falls and Twin Falls Urban Renewal Agency totals $4,032,586,340. To put these values into perspective, the City of Twin Falls' taxable value in FY 2012 was $2.152 billion.

The FY 2021 budget has been created with following philosophies in mind:

- Create a nimble, agile, adaptable budget that allows the City of react in this dynamic, uncertain and ever-changing local economy;
- Develop a budget that is sensitive to our operating environment and local economic conditions;
- Connect all expenditures directly to the City's 2030 Strategic Plan;
- Limit tax collections by considering not taking 3% and preserve the entirety of the $1,416,284 foregone balance;
- Minimize all utility rate increases;
- Place a high level of value on our employees.

<u>PUBLIC INPUT AND TRANSPARENCY</u>

The City of Twin Falls strives to communicate, operate, function, and conduct the business of the people in an open and transparent manner. Equally, we recognize the value and importance of honoring and upholding our fiduciary duties and responsibilities. Because openness and transparency are part of our organizational culture and values, we have taken several steps designed to afford our citizens and stakeholders several opportunities to actively participate and contribute to the budgeting process.

The City of Twin Falls has taken additional steps designed to illustrate our commitment to effective community involvement in the annual budget process. The Council provided an opportunity for our citizens and stakeholders to communicate their thoughts about specific programs, strategic initiatives and priorities for the upcoming fiscal year prior to the more customary, internal staff conversations.

A summary presentation of the proposed budget has been placed on the City's website. On August 10, 2020, the City Council will adopt the preliminary budget for FY 2021, with a public hearing and final adoption scheduled to occur on August 24, 2020.

CONNECTION TO THE CITY'S 2030 STRATEGIC PLAN

Twin Falls is a vital, growing, and changing city. We have constructed processes and policies that help us in shaping growth while taking advantage of opportunities as they are presented. We continue to focus on the focus areas contained in the City's 2030 Strategic Plan, just as we have for the past seven budget cycles. The current Strategic Plan was updated in March 2018 after an extensive open, citizen-driven process. The City's FY2021 budget allocates funds for needed projects and critical services collectively designed to help the City take the "next step" in realizing the community's 2030 vision of Twin Falls.

SIGNIFICANT ISSUES DRIVING BUDGETARY CONSIDERATIONS

The four main drivers that influenced the development of the City Manager's Recommended Budget for FY 2020-2021 were:

- **Novel coronavirus (COVID-19)**
  Like many cities across the country, the sudden onset of the novel coronavirus (COVID-19) and the resulting disruption to local economies interrupted a period of growth and prosperity that had not been seen since before the Great Recession. What remains to be seen is how the economy, on both a national and local scale, will respond to the disruption and what the trajectory of that recovery will look like.

- **Health Insurance and Compensation**
  Health insurance continues to be a difficult subject to navigate in our budgeting efforts. We recognize that offering quality and affordable health insurance is critical in our efforts to be an employer of choice. However, health care cost inflation continues to outpace the Consumer Price Index and the Municipal Cost Index. In addition, some members of our employee family have also had to deal with serious and costly health challenges. These factors have caused dramatic increases in health insurance costs year over year. The cost of our insurance monthly premium to cover an employee and his/her family has almost doubled in the last ten years.

  With no changes to the current plan, the proposed increase in cost of health insurance in FY 2021 is 10%. When considering options to reduce this increase, we compared our offering to what other public employers are offering their employees. We feel that our health care benefit is still market competitive, but further changes to our plan could affect that competitive position. An increase in insurance premiums when the compensation adjustment is 2% and/or with a 2% table move will prevent our employees from seeing a net decrease in their take-home pay in the coming fiscal year.

- **Becoming a CDBG (Community Development Block Grant) Entitlement Community**
  The City of Twin Falls accepted the status of an Entitlement Community through the U.S. Department of Housing and Urban Development (HUD) in September 2019. With its population estimated to be in excess of 50,000 residents, Twin Falls is now considered small urban and is subject to additional federal requirements. The CDBG program provides annual formula grants based on population to states, cities and counties to develop programs to provide decent housing and suitable living environments and expanding economic opportunities for low and low-

moderate income persons. The City's allocation will be approximately $342,000 annually. In response to COVID-19, an additional allocation of $200,000 was made to the city. Staff is working with a consulting firm to develop the planning documents required in order to expend the funds.

- **Property Tax Reform by the State Legislature**
  In Idaho, property taxes are the primary source of revenue for local governments. The method for calculating property taxes applies individual tax rates for each taxing entity against the assessed value of the property. When home values are increasing at a faster rate than income levels, the result is a significant increase in property tax burden to homeowners. Prior to COVID-19, housing prices in Idaho were increasing between 8% and 10% each year. Even with a reduced tax rate, an increase in assessed value equates to an increase in property taxes. In addition, in 2016 the Idaho Legislature replaced the index that drove the homeowners' exemption with a cap of $100,000. As home values increase, the exemption provides less and less relief to homeowners.

  Multiple bills were introduced during the 2020 legislative session meant to address property tax reform. These bills varied in method, but all would have resulted in a reduction in our ability to capture property tax revenue: eliminating the statutory 3% increase local governments can take over the previous year's budget, eliminating new construction, and eliminating foregone balances. Due to the sudden onset of COVID-19, the session recessed without any significant changes to property tax collection, but there remains considerable interest in pursuing reform in the upcoming session.

  The City will continue to bring forward a balanced budget regardless of the actions at the State level, with the understanding that if our revenues from property taxes are significantly decreased, there will be a resulting decrease in services the City can provide.

ECONOMIC INDICATORS CONSIDERED IN THE RECOMMENDED BUDGET

To produce a conservative and sustainable budget, the FY 2021 budget reflects a decline in some revenue categories as the overall strength of the state and national economies remain uncertain. Our robust and growing economy, overall real estate market stability and desirability, long-term growth management strategy, and dedication to superior services will make it possible for the City to remain on strong financial footing. While we know we will recover, we remain uncertain as to "when."

The swift and destabilizing effects of COVID-19, however, have created a level of economic uncertainty not seen since the Great Depression. It is this uncertainly that will influence budgetary decisions for the foreseeable future.

National

- U.S. house prices rose 1.7% in the first quarter of 2020 according to the Federal Housing Finance Agency (FHFA) House Price Index (HPI). House prices rose 5.7% from the first quarter of 2019 to the first quarter of 2020. The impact of COVID-19 has yet be reported in the housing market.
- Nationwide, unemployment rates remained low throughout 2019. According to the Bureau of Labor Statistics, the national unemployment rate was less than 3.7% every month of 2019, getting as low as 3.5% in February 2020. With the sudden shutdown of the U.S. economy due to COVID-19, the unemployment rate rose to 4.4% in March and 14.7% in April, then falling slightly to 13.3% for May 2020.
- The Dow Jones Industrial Average hit an all-time high of 29,551 on February 12, 2020 as a result of the longest bull market in history. On March 20, 2020, the market closed at 19,173 point, a loss of 10,378 point in a two-month period.
- Prior to COVID-19, consumer confidence was up from last year. The University of Michigan compiles a consumer sentiment rating. The rating for May 2019 was 100 and grew to a 12-month high of high of 105.8 in early March 2020, before beginning a steady and rapid decline. The April

2020 rating was 69, which shows a 36% decrease in consumer confidence as a result of COVID-19. The decline illustrates a major collapse in economic optimism across all population subgroups defined by income, age, education, and region of residence. Half of all consumers surveyed mentioned they were postponing purchases of household durables due to uncertainty about future job and income prospects.

State of Idaho

- Home prices rose in all 50 states and the District of Columbia between the first quarter of 2019 and the first quarter of 2020. Boise, Idaho realized one of the highest levels of annual appreciation in the nation at 9.3%.
- Home prices rose in 97 of the 100 largest metropolitan areas in the U.S over that four quarters. Annual price increases were the greatest in Boise, Idaho at 12.7%.
- The median home value in Idaho is $298,257 and increase of 9.5% over the past year. The median list price per square foot in Idaho is $173. The median price of homes currently listed in Idaho is $334,895. The median rent price in Idaho is $1,400. Prior to COVID-19, Idaho home values were predicted to rise 10-15% within the next year. However, the impact of the virus has created a softening of the real estate market and values are expected to decrease by .2% within the next year.
- Statewide unemployment was 2.6% in March 2020. Following the shutdown of the economy as a result of the stay-at-home order to combat COVID-19, the rate rapidly rose to 11.5% for the month of April 2020 but fell to 8.9% in May 2020.
- Per capita personal income (PCPI) continues to grow, but at a slower pace than in previous years. PCPI in Idaho grew by 3.6% from 2018 to 2019. At $45,642, Idaho is ranked 44th in the United States and was 80 percent of the national average of $56,623.Idaho was sixth in the nation for real personal income growth, which takes into account the cost of living, measured by regional price parity (the average price paid by consumers for the mix of goods and services in each region). Idaho's real personal income growth was 4.1% for 2018-19.
- The May 2020 revenue projections for the State of Idaho were 59.8% lower than anticipated, due large in part to the extension of the income tax filing deadline from April 15 to June 15. Idaho General Fund tax collections were coming in above the forecasted levels prior to April 2020. Receipts were $77.7 million more than expected for February and $30.6 million more for March. Even with receipts coming in higher than predicted for the first 9 months of the fiscal year, to-date revenues (through May 2020) show a $312.7 million shortfall, which is 8.7% under projections.
- Sales tax receipts for May 2020 were 9.9% lower than projected ($13.5 million), but of all revenue streams, sales tax is closest to projections through May 2020 (1% lower).

City of Twin Falls

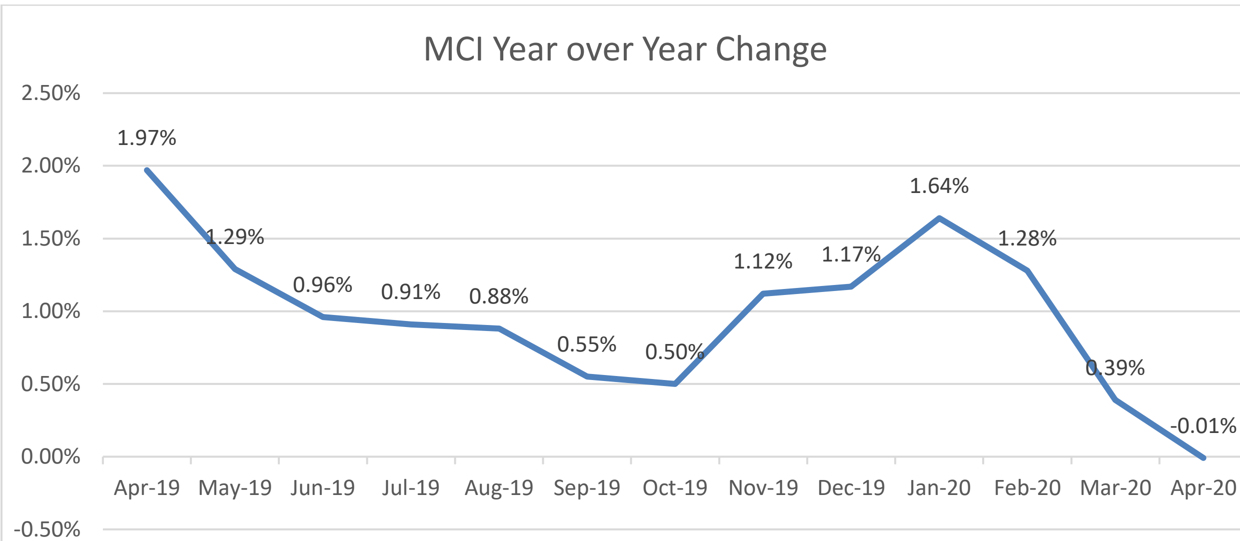
- According to the Idaho Department of Labor's Twin Falls County Workforce Trends report, Twin Falls County had an unemployment rate of 2.6% in March 2020. This compares to the State of Idaho unemployment rate of 2.5% and a national unemployment rate of 3.5%. The unemployment rate for Twin Falls County has dropped continuously for several years, from 5.6% in 2013 to 2.4% in 2019. The impact of COVID-19 on the local economy mirrors that of the State and national economies – unemployment in Twin Falls was 11.2% in April 2020, and this figure was based on March data when social distancing had only been in place for a few weeks. May unemployment dropped to 8.2%, which is better than anticipated but similar to the statewide effects to the economy.
- Construction activity for Twin Falls continued on a similar pace in 2019 in terms of single-family building permits issued. There were 326 single family permits issued in 2019, which was the highest level since 2006. There have been 313 permits issued to- date in FY 2020, which exceeds the same period in 2019 by 102 permits and is 96% of total FY2019 permits with four months left in the fiscal year. It remains to be seen what, if any, long term impacts COVID-19 will have on the housing market and if the pace of construction will be affected.

- There were 78 new commercial building permits issued in FY2019, far surpassing the high of 61 in 2008. To-date there have been 37 new commercial building permits issued in the first eight months of FY2020.

COST OF DOING BUSIENSS – MUNICIPAL COST INDEX

The economy has been improving on many fronts, the cost of offering public services and programs has also increased. The Municipal Cost Index (MCI) is designed to show the effects of inflation on the cost of providing municipal services.

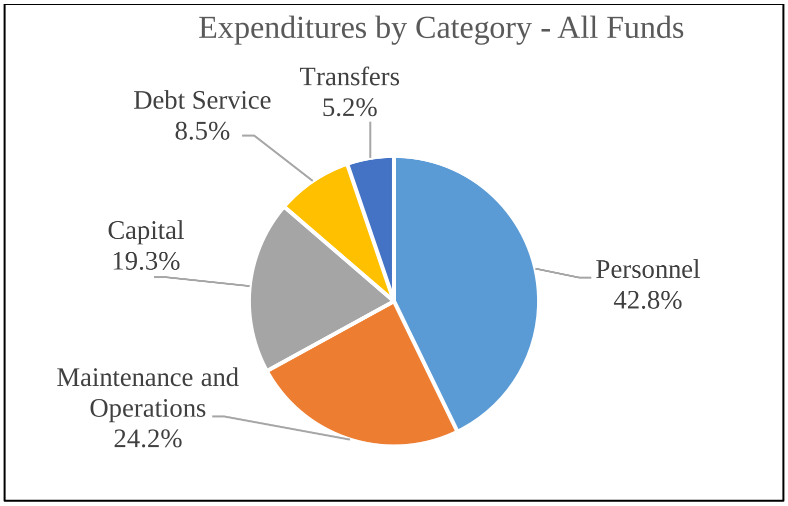
The MCI draws on the monthly statistical data collected by the U.S. Departments of Commerce and Labor as well as independently compiled data to project a composite cost picture. From April 2019 to April 2020, the most recent data available, the MCI decreased 2.19 points or -.86% to 251.13. The Consumer Price Index fell -0.4 in March 2020 and -0.8 in April 2020.



2021 FISCAL YEAR BUDGET SUMMARY

The combined expenditures and transfers total $73,651,704, which is $1,581,416 (2.19%) more than the FY 2020 budget of $72,070,288. Governmental Fund-Type expenditures, or expenditures from funds that receive property tax or shared revenue, total $42,407,832 (decrease of $2,301,311, or 5.15%). Of this amount, $583,219 is for one-time capital initiatives funded with cash reserves. Enterprise and Other Major and Non-Major Non-Tax Supported Fund expenditures total $31,243,872 (increase of $3,882,727, or 14.19%), which includes $2,444,000 for capital projects funded with cash reserves. The "net budget," or total budget less transfers is $69,801,197 for FY 2021. This is $2,055,823 (3.03%) more than the FY 2020 total of $67,745,374. It is important to note that net overall spending (total less transfers) in the tax supported funds is $1,742,010 (4%) less than the budget adopted for FY 2020.

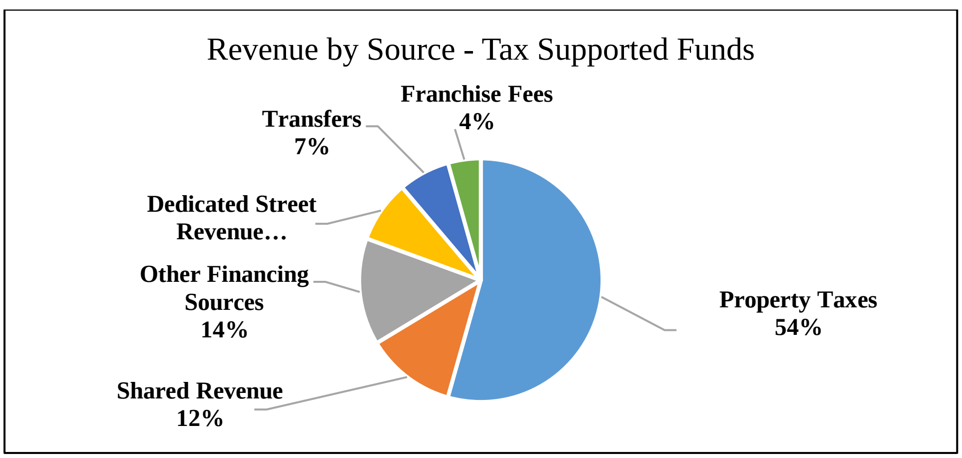
Expenditures in this budget are classified under one of five major categories – Personnel, Maintenance and Operations, Capital, Debt Service and Transfers. The graph below shows the relative percentage of FY 2021 budget expenditures for the five major categories in all funds combined.



In most government agencies, personnel costs (salaries, wages and benefits) normally represent the largest of the expenditure categories. While municipal governments also devote a large amount of their resources to personnel, the significant investment in infrastructure drives the percentage of the budget devoted to operating and capital costs higher than most other government agencies.

<u>REVENUES</u>

Most commonly recognized government activities are conducted through Government Funds. The Government Fund umbrella includes the following funds: General, Street, Street Light, Airport, Library, Capital Improvement, Pool, Golf, Insurance, and Fireworks. Revenues in these funds are derived from property taxes, licenses and permits, intergovernmental grants, shared revenues from the state of Idaho (sales tax, gas tax, etc.), and federal entitlements. The government funds include funding to support personnel, maintenance and operations, contractual services, equipment acquisitions, and capital construction projects.



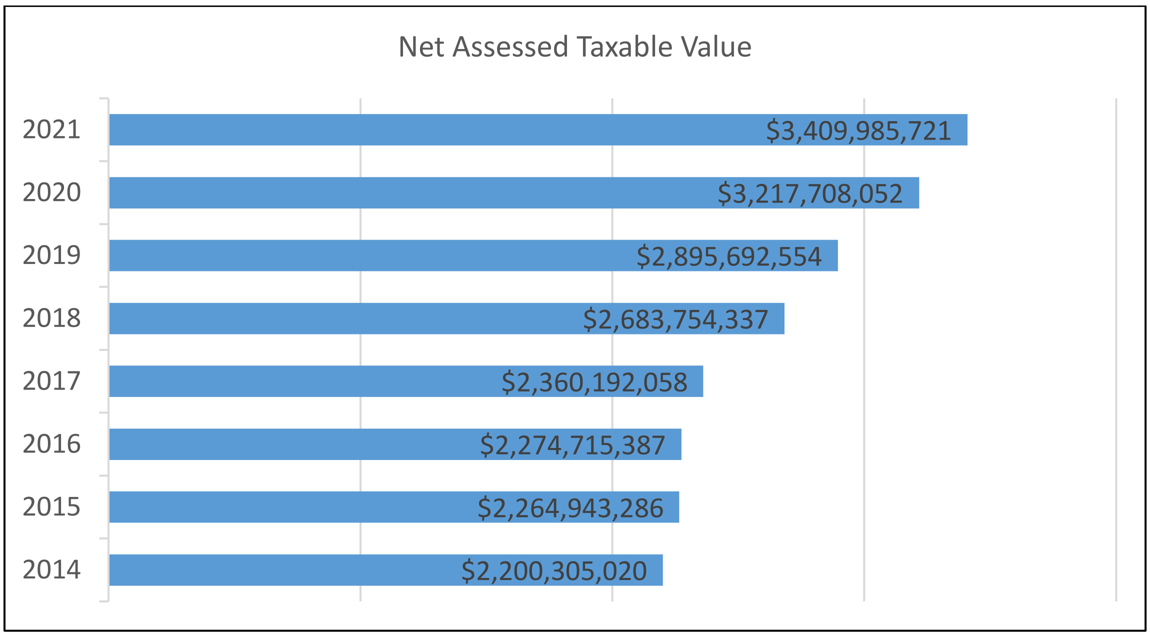
Enterprise Funds account for services financed through the assessment of user-fees. The main goal or purpose of these business-like funds is to provide services to customers at a price that will cover both the current cost of operations and the purchase and maintenance of necessary capital assets. Net income/loss (revenues less expenditures) at the end of each fiscal year either adds to or reduces the fund's residual equity, which is commonly referred to as the net assets of the fund. The residual earnings captured by a particular Enterprise Fund may not be co-mingled with any other fund or spent for any purpose other than the one it has been collected or reserved for without direct and specific action by the City Council.

The City has five separate and distinct Enterprise Funds, which include the City's Water (supply, distribution, irrigation and utility services), Wastewater (collections and treatment), Sanitation, Dierkes/Shoshone Falls, and Common Area Maintenance Funds. This section of the budget message focuses on the City's three largest enterprise funds: Water, Wastewater, and Sanitation. The other funds constitute a small portion of the Enterprise Fund picture and are not specifically addressed in this message; the specific budgeted amounts can be viewed within the budget document.

TOTAL ASSESSED VALUATION

According to the Twin Falls County Assessor's Office, from FY 2020 to FY 2021, the City of Twin Falls' total taxable valuation increased by $192,277,669, or 6%, from $3,217,708,052 to $3,409,985,721. This growth is on top of the $322,015,498 that was realized in the prior fiscal year.

As illustrated in the table below, the taxable value used to calculate the FY 2021 tax rate for the City of Twin Falls is the largest in its history

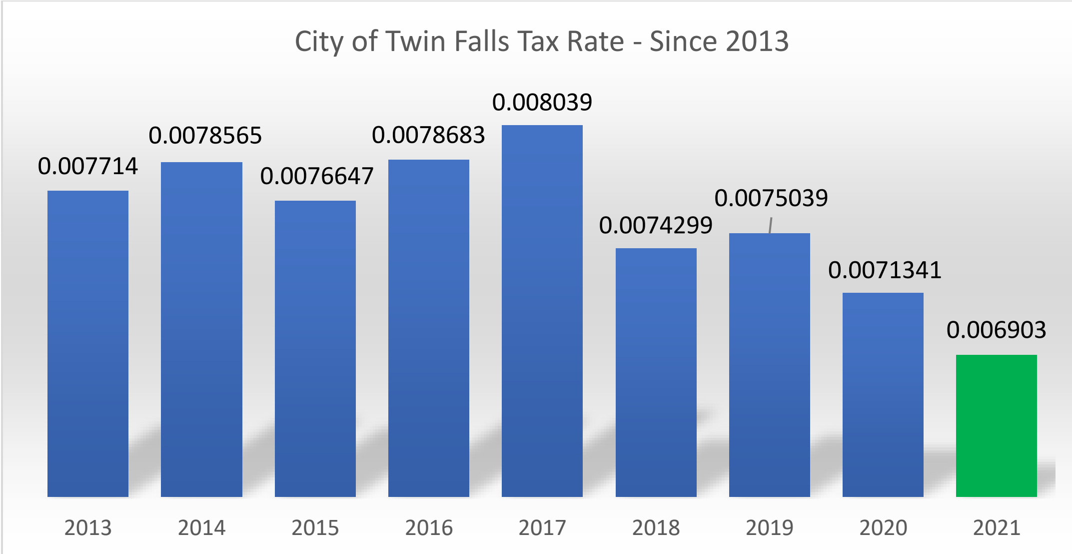


It is important to note the City's taxable value excludes the taxable value of the properties located in the Twin Falls Urban Renewal Agency revenue allocation areas. The entirety of the URA's properties are located in the City and have a value of $622,600,619. Collectively, the taxable values for both the City of Twin Falls and Twin Falls Urban Renewal Agency total $4,032,586,340. There are many factors that influence the City's total taxable value. Some of the larger factors include an increase in the base value from reappraisals performed by the Twin Falls County Assessor's Office, growth from new construction, and property incorporated into the City through annexation.

PROPERTY TAXES

Cities in Idaho have control over their annual expenditures in all funds, as well as the rates they assess in the enterprise funds. Statutorily under Idaho Code, cities and counties are permitted to collect 3% more property tax revenue than the previous fiscal year. The FY2021 budget does not include the statutory allowed 3% increase in property tax revenue.

Cities in Idaho do not have control of and cannot determine their community taxable value. That responsibility is assigned to the County Assessor's Office. Based on the taxable value presented above, the City's tax rate for FY 2021 will be $6.90 per $1,000 (0.0069038) in taxable value. The tax rate for FY 2020 was $7.13/$1,000 (0.0071341) of taxable value. As illustrated in the graph below, the FY 2021 tax rate is the lowest issued by the City over the last eight years.

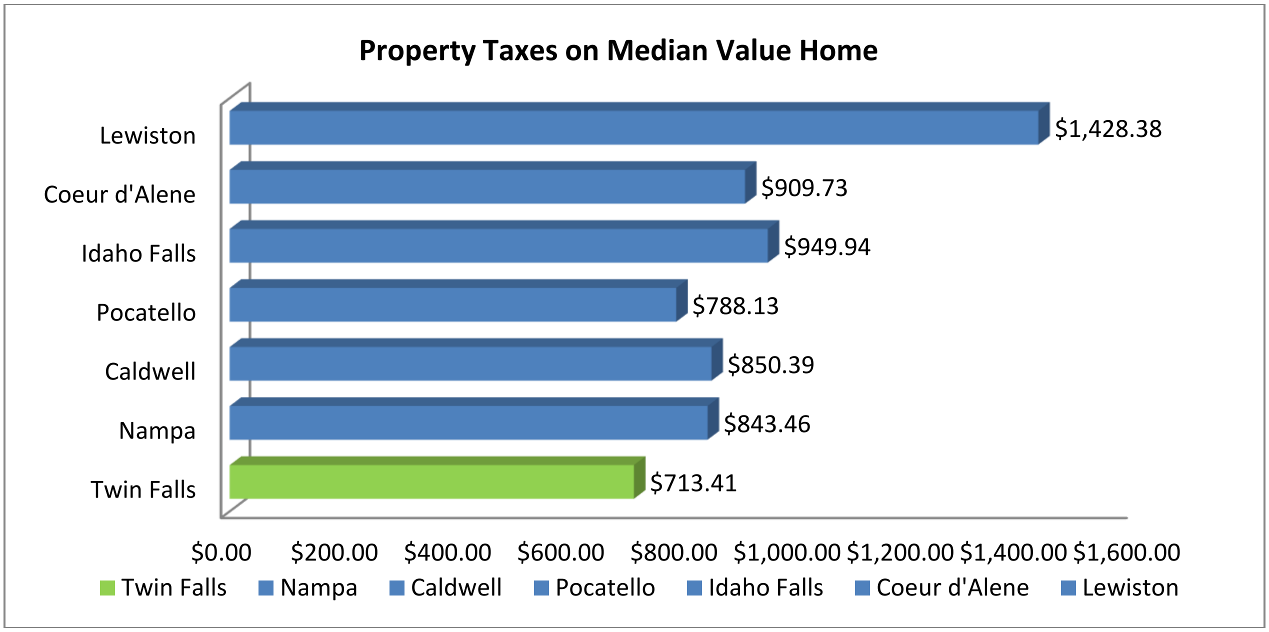


<u>How does our Tax Rate compare to the other, large full-service Idaho cities?</u>

We are often asked the question, "how does our tax rate compare?" The table and graph provided below are intended to provide an approximate answer to that question. Although only intended to be a rough illustration, the table and graph represent the amount of property tax paid on a median-valued, owner occupied home in each of the larger, full-service cities in Idaho. The information used in the table was collected from the Associated Taxpayers of Idaho's 2018 Levy Book (tax rate) and Zillow.

	Total Taxes	**2019 Median Property Value**	**FY 2020 TR**
Lewiston	$1,428.38	$245,000	0.0098509
Coeur d'Alene	$909.73	$311,000	0.0043115
Idaho Falls	$949.94	$208,000	0.0087957
Pocatello	$788.13	$166,000	0.0094956
Caldwell	$850.39	$215,000	0.0073947
Nampa	$843.46	$227,000	0.0066414
Twin Falls	$713.41	$200,000	0.0071341

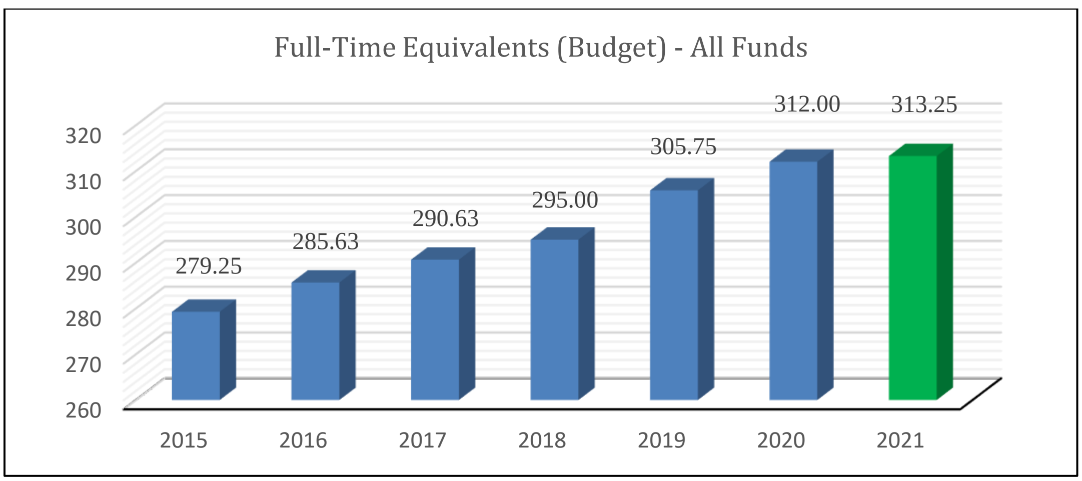
Note: Idaho's median value of an owner-occupied home for this same period of time was $267,000.



For the purposes of this analysis, the cities of Boise and Meridian were intentionally excluded because they are not directly responsible for the transportation systems in their communities; that responsibility lies primarily with the Ada County Highway District (ACHD). ACHD is an independent taxing authority specifically created for the purpose of maintaining the transportation system in these communities. For FY 2021, the Street Fund budget for the City of Twin Falls is $5,108,540, or approximately 12% of the total for tax supported funds.

PERSONNEL

The City of Twin Falls has a philosophy of adding full-time employees only when “need” and “sustainability” can be demonstrated. The City of Twin Falls has an estimated population of 50,529. Based on that estimate, the City of Twin Falls has six employees per 1,000 of population. However, as the regional and urban center for a geographic area having a population of approximately 250,000, the City’s daily census population grows to an estimated population of 85,000. This causes the number of City employees per 1,000 of population to drop to less four.



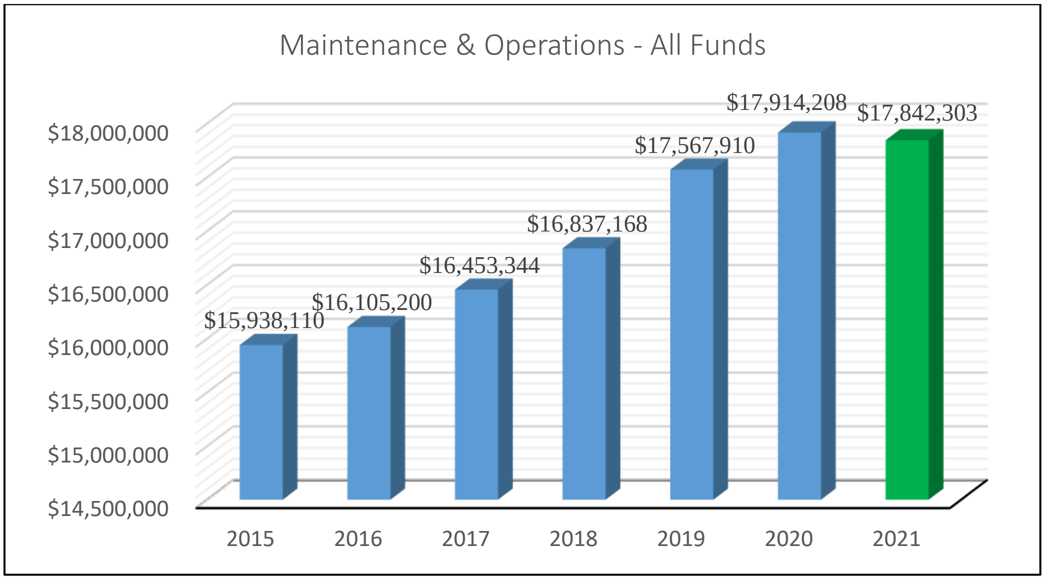
The City of Twin Falls currently has a total of 312.00 full-time professionals working to deliver services to the citizens of Twin Falls For FY 2021, a net total of 1.25 FTEs were added to the budget, a majority of which are offset by existing revenue. The new positions bring the City of Twin Falls total FTE count to 313.25.

The other expenditures associated with personnel in the FY 2021 budget:

- Provides for performance-based adjustment for all employees (2%) and/or Table Movement (2%)
- Increased funding for health care insurance (10%)

MAINTENANCE AND OPERATIONS EXPENDITURES IN ALL FUNDS

This category includes funding for a wide-range of typical activities, including: office supplies, fuels, electricity, travel, training, uniforms, routine repairs to equipment and expenditures for durable goods. The City makes allocations in these areas that are based on actual expenditures from previous fiscal years, economic trends, and the municipal cost index. The FY 2021 budget allocates a total of $17,842,303 to cover expenses associated with maintenance and operations. In comparison, the allocation for FY 2020 was $17,914,208. This is a decrease of $71,905 (.40%) across all funds.



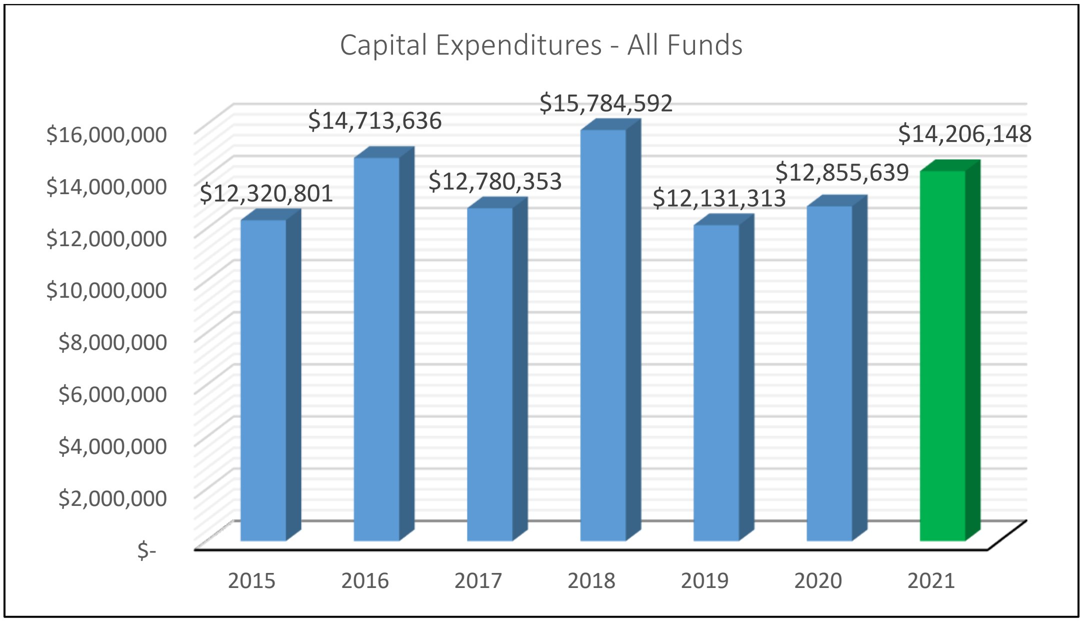
CAPITAL FUND AND TOTAL CAPITAL INVESTMENT

The City of Twin Falls owns and maintains a diverse collection of assets and facilities, which include:

- 103 buildings and structures throughout Twin Falls, ranging from the Magic Valley Regional Airport to administrative buildings; from police and fire stations to water delivery and treatment structures;
- 1,476 acres of open spaces and developed park lands, including world-class amenities such as Auger Falls, Shoshone Falls and Dierkes Lake;
- 640 lane miles to maintain.

A small sampling of the capital initiatives that have been funded in this budget include: making improvements to our water, wastewater and transportation systems; improving our trail systems; making miscellaneous park improvements; rotating our fleet, vehicles, machinery and equipment; improvements to the city's golf course; and repair and replacement of sidewalks.

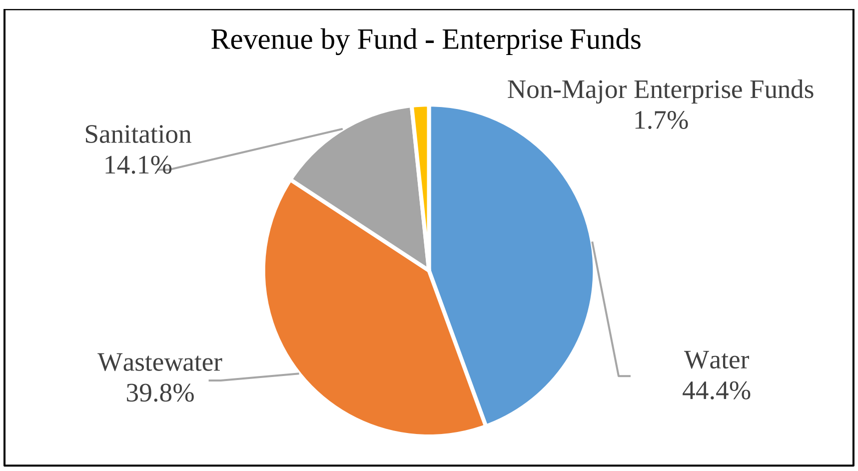
As demonstrated by the partial list above, the ongoing development, expansion, maintenance, and repair of these capital assets is necessary, recognizing the critical value of civil infrastructure to the economic, aesthetic, and functional viability of the City. For accounting purposes and based on best practices recommendations of the Government Finance Officers Association (GFOA), the City of Twin Falls capitalizes acquisitions and improvements that are durable and in excess of $5,000. In total, the FY 2021 budget allocates $14,206,148 to fund needed, critical and desired capital improvements and community amenities. In FY 2020, the City of Twin Falls budgeted a total of $12,855,639 for capital improvements. The FY 2021 allocation is an increase of $1,350,509, or 10.51%.



As illustrated in the graph above, the City of Twin Falls has budgeted $94,792,482 for capital improvements since 2015. In addition (not included in graph), since 2012, $57,328,257 has been spent on the Wastewater Treatment Plant Improvement ($45,570,000), City Hall ($7,594,150), and Public Safety Complex ($4,164,107) projects.

MAJOR ENTERPRISE FUND REVENUES

Enterprise and Other Major and Non-Major Non-Tax Supported Fund expenditures total $31,243,872 (increase of $3,882,727, or 14.19%), which includes $2,444,000 for capital projects funded with cash reserves.



Water Fund
The Water Fund supports the following water-related activities: water supply, water distribution, pressurized irrigation, and utility billing. For FY2021, water user rates remain the same as they were in FY 2020. Revenue projections estimate $11,101,938 in the Water Fund, which combined with reserves of $1,800,000 equals $12,901,938 in total funding. This is an increase of $1,168,200 (10%) compared to the FY 2020 total of $11,733,738.

Wastewater Fund
The Wastewater Fund is used to support all wastewater services provided by the City of Twin Falls, namely wastewater collection and wastewater treatment. For FY 2021, wastewater user rates remain the same as they were in FY 2020. Revenue projections estimate $9,951,795 in the Wastewater fund, which compared to FY 2020 funding of $9,904,742, is a decrease of $47,053 (.48%).

Sanitation
The City's Sanitation Fund supports the City's sanitation and recycling programs. For FY 2021, sanitation user rates also remain the same as FY 2020. Revenue projections estimate $3,522,406 in the Sanitation Fund, which compared to FY 2020 funding of $3,428,969, is an increase of $93,437 (2.7%).

DISCUSSION ON THE CITY'S FOREGONE BALANCE

Over the past several years, considerable time has been spent illustrating the cost-benefit analysis of using the City's foregone balance. Section 63-802 (e) of the Idaho Code states, "...In the case of a non-school district for which less than the maximum allowable increase in the dollar amount of property taxes is certified for annual budget purposes in any one (1) year, such a district may, in any following year, recover the forgone increase by certifying, in addition to any increase otherwise allowed, an amount not to exceed one hundred percent (100%) of the increase originally forgone." Each year the City has elected not to take the statutory maximum increase has impacted the amount of revenue available in the following fiscal year. Simply, the base by which the three percent is calculated is smaller.

The City's forgone balance is only permitted for as long as the laws on this topic remain unchanged. State legislators have discussed the need to change foregone balance laws in each of the last several legislative sessions. For now, recovering past foregone increases is still an option for cities in Idaho. The decision to incorporate all, or a portion, of the City's forgone balance remains with the City Council.

The table below illustrates the changes to the City's forgone balance since FY2010.

	Amount by Year	Cumulative Amount
FY 2010	$539,902.00	$539,902.00
FY 2011	$476,376.00	$1,016,278.00
FY 2012	$463,422.00	$1,479,700.00
FY 2013	-$1,123.00	$1,478,577.00
FY 2014	$8,630.00	$1,487,207.00
FY 2015	$395,464.00	$1,882,671.00
FY 2016	$266,548.00	$2,149,219.00
FY 2017	$37,034.00	$2,186,253.00
FY 2018	$0.00	$2,186,253.00

FY 2019	-$770,000.00	$1,416,284.00
FY 2020	$0.00	$1,416,284.00
FY 2020	$0.00	$1,416,284.00
FY 2021	$697,681.00	$2,113,965.00

The FY 2021 budget does not include the recovery of any additional forgone balance. However, the $770,000 that was recovered in FY 2019 has been set aside in the FY 2021 budget to fund additional Council priority capital projects. During the creation of the FY 2021 budget, the Council will discuss various capital projects and provide direction regarding their priorities for the $770,000.

HOW MUCH MORE WILL CITY SERVICES COST?

Over the last ten fiscal years, the City's tax rate fluctuated significantly, ranging from a high of $7.86 per $1,000 (FY 2014 and 2016) of taxable value to a low of $6.59/$1,000 (FY 2010) of taxable value. The average of the tax rate assessed over the course of the last seven fiscal years (2013-2019) is $7.72/$1,000 in taxable value. It is important to recognize the tax rate does not necessarily indicate an individual's tax burdens. The tax rate is simply a multiplier used to determine a property owner's proportionate share of property tax liability. It is a fraction of a local government's total property tax collections divided by the total taxable value of that local government unit.

In May 2020, the City Council and the City Manager made the decision not to assess the statutorily allowed three percent (3%) property tax increase as provided for in Idaho Code §63-802. More than a month later, the Governor created a tax relief program that diverts $200 million on Federal CARES funding directly to Idaho property taxpayers if cities and counties elect to not take the three percent (3%) property tax increase. For those that elect to participate, the CARES funding will be proportionately divided among those Idaho cities and counties using a formula based on the actual cost of public safety personnel salaries (police, fire, animal control, dispatch, etc.).

	FY 2020 Adopted Budget	FY 2021 Recommended Budget	Variance	Additional Variance for Potential CRF Tax Relief	Total with Potential CRF Tax Relief
Property Tax	Tax Rate: $7.13/$1,000 of taxable value	Tax Rate: $6.90/$1,000 of taxable value	Tax Rate: -$.23/$1,000 of taxable value	Tax Rate: -$1.03/$1,000 of taxable value	Tax Rate: $5.87/$1,000 of taxable value
Median Valued Home of an owner-occupied home: FY 2020 - $200,000 (as of January 2019) FY 2021 - $208,050 (as of January 2020)	**$713.00** *(annual)* **$59.42** *(monthly)*	**$745.55** *(annual)* **$62.13** *(monthly)*	**$32.55** *(annual)* **$2.71** *(monthly)*	**-$111.29** *(annual)* **-$9.27** *(monthly)*	**$634.25** *(annual)* **$52.85** *(monthly)*
Utility Bills					
Average Residential Customer Consumption of:					
Water - 18,000 gallons	$49.89	$49.89	$0.00	$0.00	$49.89
Sewer - 12,000 gallons	$27.27	$27.27	$0.00	$0.00	$27.27
Sanitation & Recycling	$17.79	$17.79	$0.00	$0.00	$17.79
Total Utility Bills	$94.95	$94.95	$0.00	$0.00	$94.95
Monthly Total of Property Tax and Utility Bills	**$154.37**	**$157.08**	**$2.71**	**-$9.27**	**$147.80**

The exact amount of tax credit received will not be known until October 2020 when all cities and county budgets are certified, and all public safety salaries are calculated. Based on the initial guidance supplied by the Governor's Office, we are estimating that our citizens will receive $3,529,398 in total property tax relief from the CARES funds equal to the three percent property tax, or $697,681. This will cause the City's functional tax rate to decrease to approximately $5.87/$1,000. This will save an estimated $111.29 in city property tax savings for our taxpayers who own and live in a home valued at $208,050, which is the median home value per Zillow.

Approval

There is no approval process at this point in the process. The City Council will be holding a series of public hearings prior to adopting the Appropriations Ordinance for the 2020-2021 Fiscal Year. The public hearings are scheduled for August 10, 2020 (rate and fees) and August 24th (preservation for forgone balance and appropriations ordinance). Final adoption of Appropriations Ordinance is also scheduled for the evening of August 24, 2020.

Budget Impact:

There are no current budgetary or financial impacts from the conversation. From this process, we will establish the budget for FY 2021.

Regulatory Impact:

- Idaho Code Section 50-811 states the City Manager shall "...keep the council fully advised of the financial condition of the city and its future needs..." and "…prepare and submit to the council a tentative budget for the next fiscal year."
- Idaho Code §50-235 empowers each city council of each city to levy taxes for general revenue purposes
- Idaho Code §50-1002 requires the city council of each city in the State of Idaho to pass a budget, referred to as an annual appropriation ordinance
- Idaho Code §63-802 sets limitations on all taxing district budget requests on the amount of property tax revenues that can be used to fund programs and services. This section also states that taxing entities can only increase property tax collections by a maximum of three percent (3%) annually, plus value of new construction and annexation added during the previous calendar year, and forgone taxes that have been accumulated and reserved in prior fiscal years

Attachments

Recommended Budget for FY 2021 can be found online.

Citizen Input can be made after the presentation in person or by calling: 1-208-939-6718, Conference ID: 895 455 173#. In addition, by email to Citizeninput@tfid.org.

Date: Monday, July 13, 2020

To: Planning and Zoning Commission

From: Jonathan Spendlove, Planning and Zoning Director

ACTION ITEM

Request:

ACTION ITEM: Request for Annexation with a Zoning Designation of R2 for property located at the 400-600 block of Hankins Road c/o EHM Engineers, Inc. c/o Ruth Rahe. (PZ20-0057) On June 9, 2020, the Planning and Zoning Commission recommended approval of the Zoning Designation of R2, as presented.

Time Estimate:

Five (5) minutes for staff and applicant presentation; Ten (10) minutes for the public hearing; Ten (10) minutes for commission questions, discussion, and decision.

Background:

NA

Approval Process:

§10-15-2: Annexation: The Commission shall conduct at least one public hearing, to send a recommendation to City Council for the proposed plan and zoning designation. Interested persons shall have an opportunity to be heard at the commission and council hearings. The Planning & Zoning Commission hearing shall not consider comments on annexation and shall be limited to the proposed plan and zoning changes. (Ord. 2012, 7-6-1981)

Budget Impact:

Regulatory Impact:

NA

History:

Per City and County records the subject properties have been both historically and currently used for agricultural purposes. The subject properties are currently vacant / undeveloped.

Analysis:

Currently the parcel is zoned R-2 (Residential Single Household or Duplex District). The applicant is requesting to be Annexed, and retain the current R-2 Zoning District designation.

The current zoning of the property is similar to surrounding development to the South and West. Modifying the zoning district from R-2 would require compliance with the Comprehensive Plan and Future Land Use Map.

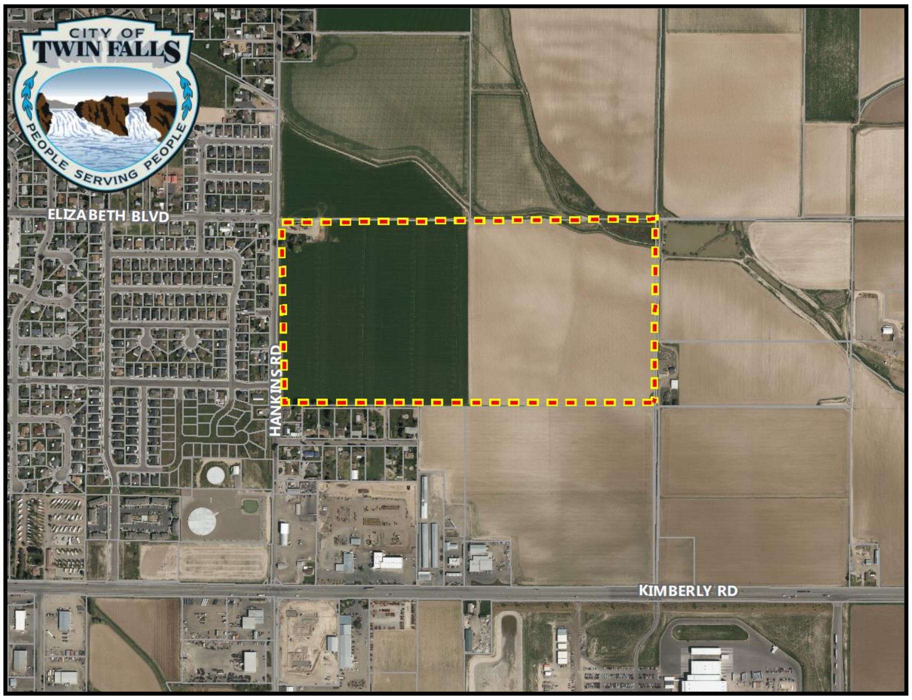
Conclusion:

The Planning and Zoning Commission unanimously forwarded a positive recommendation for this property to have a zoning designation of R-2.

The City Council is tasked with making a final decision on this item. The Council may approve the request as presented, approve the request with modifications, deny the request, or table the request for more information.

Attachments:

1. Staff Report PZ20-0057
2. 1 - Vicinity Map
3. 2 - Future Land-Use Map
4. 3 - Property Exhibit
5. 4 - Narrative
6. 5 - Photos
7. 6 - Letter of Opposition
8. 6 - Letter of Opposition 2
9. Portion of PZ Commission Minutes from 06-09-20 Public Hearing



Comprehensive Staff Report

To: Planning & Zoning Commission
Presenter: Jonathan Spendlove, P&Z Director
Request: Annexation with a zoning designation of R-2 for approximately 80 (+/-) acres currently zoned R-2 and located at 400 – 600 Block of Hankins Road.
Application: PZ20-0057
Applicant:
Ruth Rahe c/o
Dave Thibault, EHM Engineers, Inc.
621 N College Road, Suite 100

Public Hearing: June 9th, 2020

Analysis

Currently the parcel is zoned R-2 (Residential Single Household or Duplex District). The applicant is requesting to be Annexed, and retain the current R-2 Zoning District designation.

The current zoning of the property is similar to surrounding development to the South and West. Modifying the zoning district from R-2 would require compliance with the Comprehensive Plan and Future Land Use Map.

Approval Process

§10-15-2: Annexation

The Commission shall conduct at least one public hearing, to send a recommendation to City Council for the proposed plan and zoning designation. Interested persons shall have an opportunity to be heard at the commission and council hearings. The Planning & Zoning Commission hearing shall not consider comments on annexation and shall be limited to the proposed plan and zoning changes. (Ord. 2012, 7-6-1981)

Regulatory Impact:

If annexed, fall under all regulatory codes and standards of the City of Twin Falls. Further, the subject property will be eligible to receive City utilities. As a result, it would allow the property to develop according to the standards of the R-2 Zoning District.

History

Per City and County records the subject properties have been both historically and currently used for agricultural purposes. The subject properties are currently vacant / undeveloped.

Applicable Regulations or Codes

City Code 10-15; Annexation Regulations

City Code 10-4-15: Residential Single Household or Duplex District

Comprehensive Plan Compliance

The 2016 Comprehensive Plan "Grow With Us" designates the subject properties area as "Town Neighborhood" (Approx. 5.8 Acres) and "Mixed Use" (Approx. 74.8 Acres).

Typically, the purpose of the Future Land Use Map is to give approximate, not exact locations of future land uses.

Attachment 2 illustrates the subject properties relationship to the entire region. Staff has identified that the development pattern immediately adjacent to the subject property to the west has been typical single family residential. Continuing the single-family residential pattern as requested by the Applicant would be harmonious and consistent with current development.

However, future annexations in this area will need to consider the overall Future Land Use Map for the area. This could include future projects containing a transition from residential to commercial land uses as we grow closer to Kimberly road.

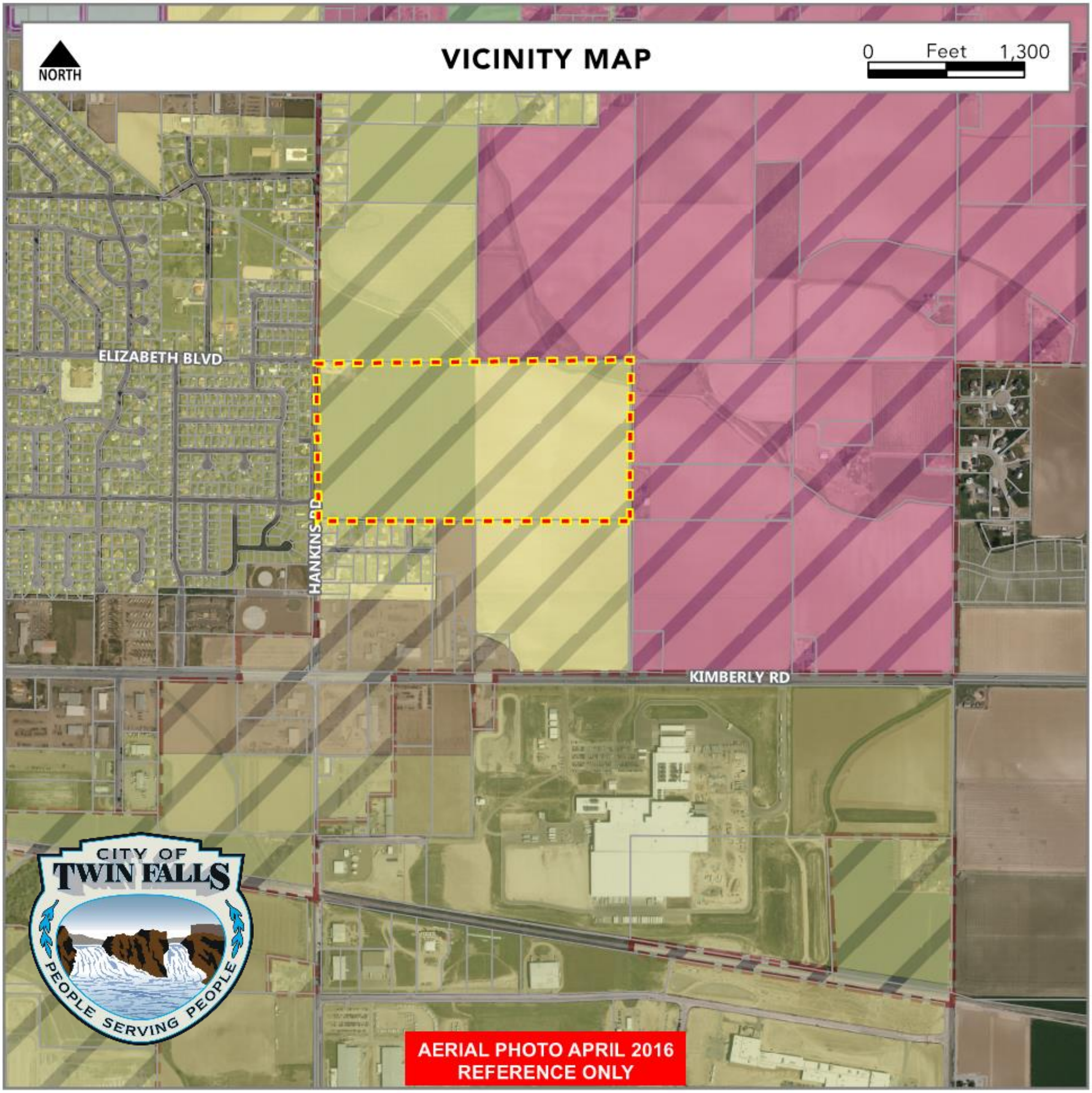
Conclusion

The Commission is tasked to make a recommendation to the City Council on the appropriate zoning designation for the property. The Commission's recommendation may be to, approve the request as presented, request a different zoning designation, or table the request in order to acquire additional information.

Attachments

1. Vicinity Map
2. Future Land Use Map
3. Property Exhibit
4. Narrative
5. Photos

Public Hearing: June 9th, 2020



PUD
C-1
M-2
R-1 VAR
R-2
SUI
AOI

Current Zoning: R-2, AOI

Existing Land Use: Vacant

Surrounding Zoning Designations & Land Use(s)

North: R-2 & R-1 VAR, Vacant

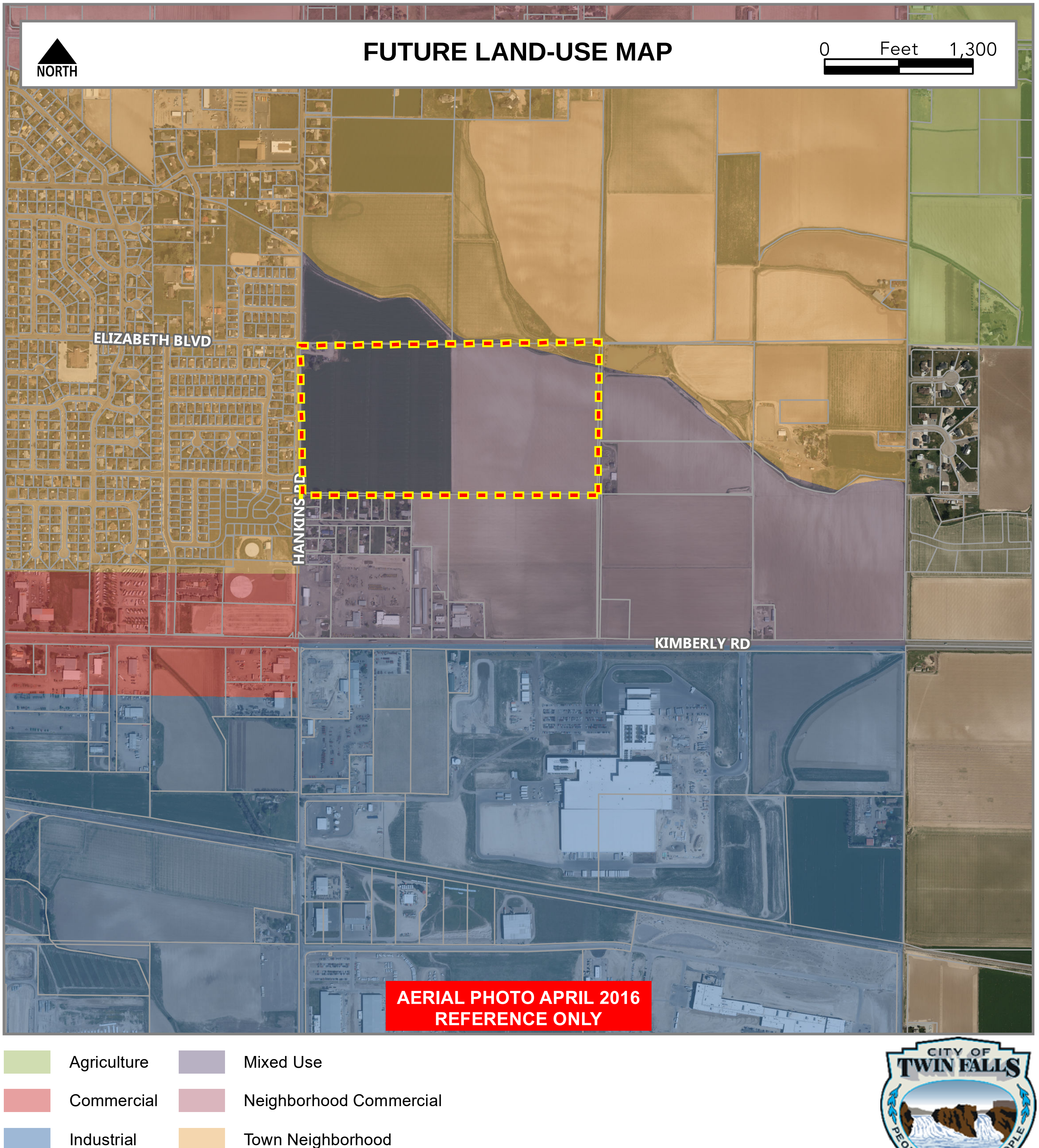
East: R-1 VAR, Vacant

South: R-2 & C-1, Residential & Storage

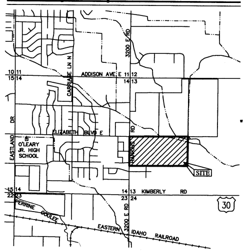
West: R-2, Residential

Applicable Regulations

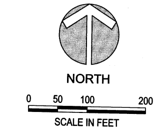
10-4-15 & 10-15

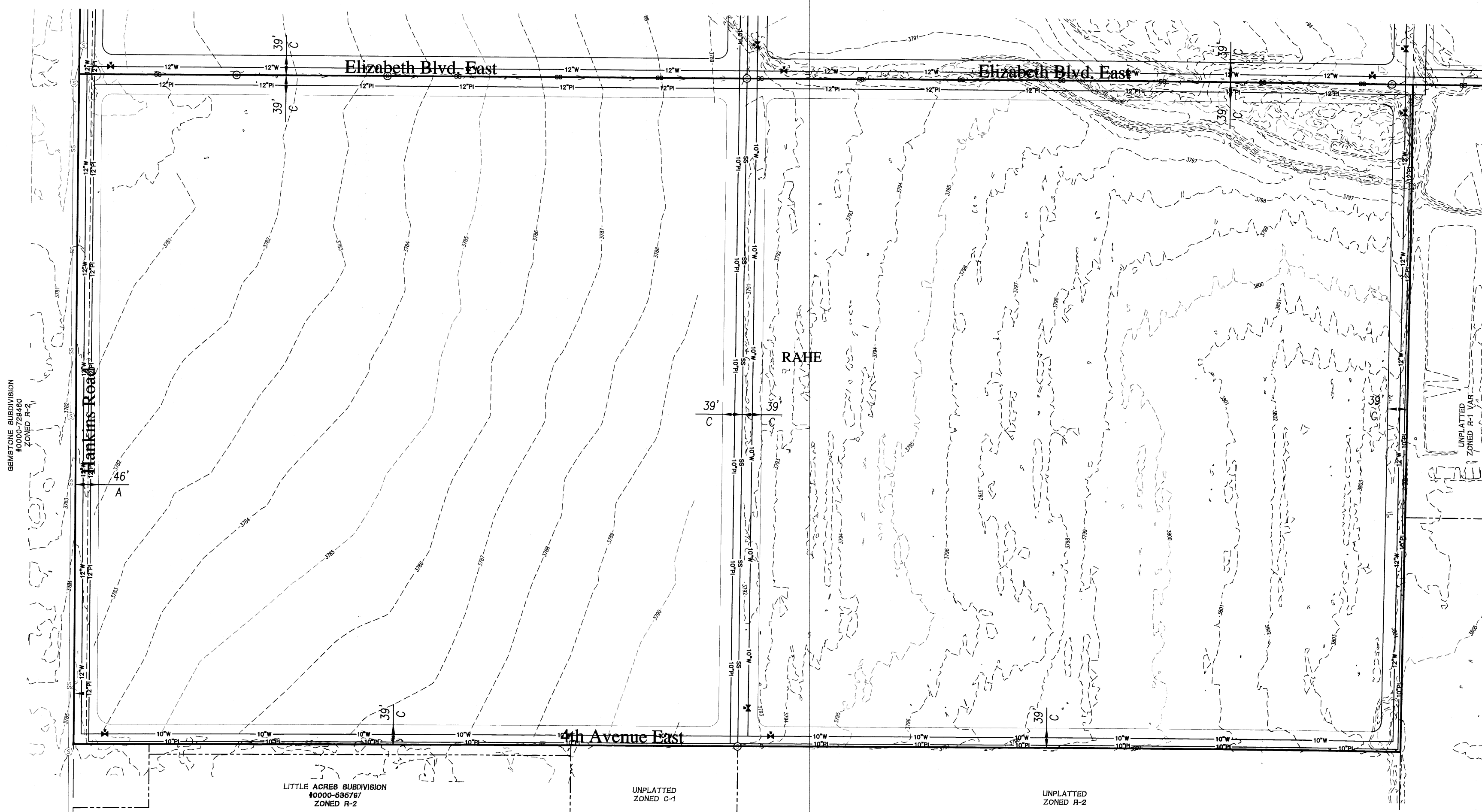

FUTURE LAND-USE MAP
NORTH
0 Feet 1,300
ELIZABETH BLVD
HANKINS RD
KIMBERLY RD
AERIAL PHOTO APRIL 2016
REFERENCE ONLY
Agriculture
Commercial
Industrial
Mixed Use
Neighborhood Commercial
Town Neighborhood

Vicinity Map



Located In
N 2 SW 4, Section 13
Township 10 South, Range 17 East
Boise Meridian
Twin Falls County, Idaho
2020





EHM Engineers, Inc.
BUILDING THE FUTURE ON A FOUNDATION OF EXCELLENCE
Engineers / Surveyors / Planners
621 North College Road, Suite 100 Twin Falls, Idaho 83301
p (208)-734-4888 fax (208)-734-6049 web: ehminc.com

PROPERTY EXHIBIT for
RAHE PROPERTY
TWIN FALLS, IDAHO

REVISIONS:

STAMP

JOB NO.	351-18
APPROVED	
DESIGN	
DRAWN	DJS
DATE	OCT 2019
SCALE	As Shown
	V 351-18 PP
Sheet No.:	RAHE

Supplemental Information
In Support of
A Request for Annexation

The request to annex the subject property into the City Limits of Twin Falls, is necessary to pursue further development and extension of municipal utilities (i.e. water and sewer) to the subject property. The subject property is located immediately adjacent to the City Limits which run north/south along Hankins Road. The existing zone designation for a majority of the property on the west side of Hankins road is R-2 the future land use map also recognizes that either an R-2 or R-1 Variable zoning designation is appropriate for the property which is requested to be annexed into the City Limits of the City of Twin Falls. The future land use map recognizes that Town Neighborhood uses would be appropriate for the future land use.

The property is extremely proximate to the existing City Limits with the western boundary of the subject property being located along Hankins Road and abutting to the City Limits. The north, east, and south sides of the boundary to not matchup with the existing City Limits boundary and are removed approximately 1,000 feet from the City Limits.

The subject property is proposed to be annexed into the City Limits and designated with an R-2 zone designation. The land will continue to be utilized in pursuit of agricultural crop production for the near term. However, the land owners are working on plans to develop the property into residential subdivision lots with municipal water and sewer service. These plans extend out a period of approximately 4-7 years depending upon market consumption. Each of the permitted land uses and the special use permit options identified within the R-2 zone are requested to be potentially pursued upon the property.


NW Corner looking SE


NE Corner looking SW

SW Corner looking NE

CITY OF TWIN FALLS
Planning & Zoning Department
203 Main Avenue East
P.O. Box 1907
Twin Falls, ID 83301-1907

Phone: 208-735-7267
Fax: 208-736-2256
www.tfid.org

NOTICE OF PUBLIC HEARING

Dear Property Owner:

The Planning & Zoning Commission for the City of Twin Falls will hold a public hearing at 6:00 p.m. on **Tuesday, June 9, 2020** in the City Council Chambers, located at 203 Main Avenue East, Twin Falls, ID to discuss the following request. Any and all persons desiring to comment may appear and be heard at the appointed time.

Ruth Rahe
c/o EHM Engineers, Inc.
(app. PZ20-0057)

No they want little lots size & houses

Request for Annexation with a Zoning Designation of R2 for property located at the 400 – 600 block of Hankins Road.

Staff Analysis of this request will be available for review on the City Website within 48 hours of the regularly scheduled meeting. The following link can be used to find the Planning & Zoning Commission Agenda Packet **https://www.tfid.org/514/Agendas-Minutes-Videos**

In Person Public testimony will be allowed at this meeting, with Social Distancing guidelines in place, only if the State is in Stage 3 of Governor Little's Rebound Idaho plan. While in person testimony will be allowed, we are encouraging the public to provide public testimony/input/comments regarding the request, in the following two ways:

Written Comments

- **Written comments may be sent by mail, email to keebersole@tfid.org, or by posting a comment online by going to https://www.tfid.org/514/Agendas-Minutes-Videos and filling out the Public Hearing Comment Form.**
- **Written comments received prior to 12:00 PM on the date of the hearing shall be either read into the record or displayed on the overhead projector upon completion of the public comment period. Written comments received after 12:00 PM on the date of the hearing will not be accepted for consideration by the hearing body.**

Calling In

- **To call in to the Meeting, call 208-939-6718, Conference ID: 298 833 634#. Calls must be received between 6:00 pm – 6:10 pm on June 9, 2020 and will be put in to a queue to speak during the Public Hearing portion of the meeting.**
- **The Chairperson may limit public testimony to no more than two (2) minutes per person.**

If you have any questions on this matter, please do not hesitate to call our office at 208-735-7267.
Si desea esta información en español, llame Leila Sanchez al 208-735-7287.

/s/ Jonathan Spendlove Planning & Zoning Director

From:	Melody Lenkner
To:	Kelli Ebersole
Subject:	Request for Annexation of the 400-600 block of Hankins Road
Date:	Tuesday, June 2, 2020 10:50:38 AM

[EXTERNAL SENDER]

Of course we would prefer that the land remain agricultural, but if it is to be developed into residences, we prefer that it be annexed to the city as long as the R2 designation is not up for a challenge. Melody and Charlie Lenkner, 3023 C East 3400 North, Twin Falls, ID 83301

Sent from my iPad

Discussion:

- Chairperson Titus clarified that in the platting process is when development will be brought back and notifications to the neighbors will go out again. She stated the roadways will be looked at by the commission at that time.
- Commissioner Hansen disclosed he was asked about the R2 designation and gave an answer to one of the neighbors, not knowing it was referring to this project.
- Commissioner Kelley reiterated that the concerns brought forward tonight are not considered as part of the commission's decision tonight. He stated he has no issue with retaining the R2 zoning designation.
- Commissioner Hansen agreed with retaining the R2 zoning designation.
- Commissioner Bolton stated there is a very specific focus tonight and is in agreement with retaining the current zoning.
- Commissioner Detweiler stated the town is growing and believes it makes sense. To not change the zoning.
- Chairperson Titus stated the zoning is cohesive with surrounding areas.
- Commissioner Hansen stated he is aware of the school boundaries being revised.

Motion:
Commissioner Bolton made a motion to recommend approval of the request for a zoning designation of R2 for property located at 700-1000 block of Hankins Road c/o EHM Engineers, Inc. on behalf of Joseph McCollum - McCollum Enterprises as presented, with staff recommendations. (PZ20-0056)
Commissioner Detweiler seconded the motion.

Unanimously approved by a vote of 7-0

e) Request for Annexation with a Zoning Designation of R2 for property located at the 400-600 block of Hankins Road c/o EHM Engineers, Inc. c/o Ruth Rahe. (PZ20-0057)

Staff Presentation:
PZ Director Spendlove presented the request for Annexation with a Zoning Designation of R2 for property located at the 400-600 block of Hankins Road c/o EHM Engineers, Inc. c/o Ruth Rahe. (PZ20-0057)

§10-15-2: Annexation: The Commission shall conduct at least one public hearing, to send a recommendation to City Council for the proposed plan and zoning designation. Interested persons shall have an opportunity to be heard at the commission and council hearings. The Planning & Zoning Commission hearing shall not consider comments on annexation and shall be limited to the proposed plan and zoning changes. (Ord. 2012, 7-6-1981)

Per City and County records the subject properties have been both historically and currently used for agricultural purposes. The subject properties are currently vacant / undeveloped. Currently the parcel is zoned R-2 (Residential Single Household or Duplex District). The applicant is requesting to be Annexed, and retain the current R-2 Zoning District designation.

The current zoning of the property is similar to surrounding development to the South and West. Modifying the zoning district from R-2 would require compliance with the Comprehensive Plan and Future Land Use Map.

The Commission is tasked to make a recommendation to the City Council on the zoning designation being requested by the applicant. The Commission's recommendation may be to, approve the request as presented, request a different zoning designation, or table the request in order to acquire additional information.

PZ/Questions & Comments:

- Commissioner Musser asked the differences between county and city zoning.
- PZ Director Spendlove stated there is no difference in the uses, just the governing body of the land.
- Commissioner Detweiler asked if still going to be used for agriculture for a while.
- PZ Director Spendlove stated he is not aware of the development timeline.
- Commissioner Bolton asked for clarification on the R2 zoning and would annexation give them access to city water and sewer services.
- PZ Director Spendlove stated if the area was to be developed, the R2 zone requires the use of city services.
- Commissioner Kelley asked for clarification on what the commission's role is tonight.
- PZ Director Spendlove clarified what the commission's role is, and they will not be part of the final decision for annexation.
- Commissioner Hansen asked if the current owners could develop the land without annexation.
- PZ Director Spendlove stated they could develop a few lots within the Area of Impact.
- Commissioner Bolton asked who owns the road currently.
- PZ Director Spendlove stated there is a maintenance agreement between the County and City with shared roads. If the annexation is approved, the City would take over maintenance of the portion of Hankins Rd.
- Commissioner Perez asked if the proposed density is the same as the developed areas around.
- PZ Director Spendlove clarified the zoning of the surrounding areas using the current zoning map.

Applicant Presentation:

David Thibault, EHM Engineers, representing applicants, presented the requests for the annexations of the McCollum and Rahe properties. He stated they would like to keep the R2 zoning designation. He stated this zoning is with comprehensive plan and consistent with the development to the west and north. He stated the annexation is the first step in the development process. He stated these properties will be part of a 4-7 year development process. With the annexation, he stated the properties will be serviced by the city for water and sewer.

PZ Questions/Comments:

- Chairperson Titus asked for clarification on the properties as part of the request and on the zoning designation recommendation and the different stages of the

development process.
- PZ Director Spendlove stated the annexation is the first step of the development process.

Public Hearing: Opened
- Citizen Barbara Bratt stated her concern that the annexation would landlock her property without an access road. She asked for a delay for annexation.
- Citizen Kevin Skinner stated he would like to see larger lots be required for the development than the minimum R2 lot size.
- Citizen Marilyn Righetti asked who pays for the sewer and water improvement with this annexation. She also asked many homes per acre would be developed and where the roads would be placed in and out of the property. She stated there are no schools in the area to serve any new families that would come to the area.

Public Hearing: Closed

Applicant Final Statement:
Mr. Thibault stated there is no plan to change the property lines and the access roads would remain the same to current properties. Any development would not be impacting existing access. He stated the roadway development or lot size would be determined at the developmental process, so he can't answer the number of lots and how the roads will be developed at this time. He also stated the developers are required to install and pay for the infrastructure to city code standards. He stated the minimum lot sizes for the R2 zoning are 6,000 sq. ft for a detached single family residence and 10,000 sq. ft. for a duplex.

PZ Comments/Questions:
- PZ Director Spendlove stated the questions are valid, but do not pertain to this commission's recommendation, as the recommendation to City Council is only for the R2 zoning designation. He reviewed the minimum lot sizes and the development process.
- Commissioner Hansen asked about "right to farm" laws.
- PZ Director Spendlove stated person who is currently farming can keep farming as long as farm with best practices as identified by the State of Idaho.
- Commissioner Perez asked for clarification as far of green space and/or parks requirements in the annexation process.
- PZ Director Spendlove that is not part of the annexation process.

Discussion:
- Chairperson Titus clarified that in the platting process is when development will be brought back and notifications to the neighbors will go out again. She stated the roadways will be looked at by the commission at that time.
- Commissioner Hansen disclosed he was asked about the R2 designation and gave an answer to one of the neighbors, not knowing it was referring to this project.
- Commissioner Kelley reiterated that the concerns brought forward tonight are not considered as part of the commission's decision tonight. He stated he has no issue with retaining the R2 zoning designation.
- Commissioner Hansen agreed with retaining the R2 zoning designation.