

MINUTES OF A CONTINUED MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,
HELD AT THE LIBRARY COMMUNITY ROOM

April 13, 2026

The Mayor and Council of the City of Coeur d'Alene met in a continued session with the Planning and Zoning Commission at the Coeur d'Alene City Library Community Room on April 13, 2026, at 12:00 p.m., there being present the following members:

Dan Gookin, Mayor

Amy Evans) Members of Council Present
Dan Sheckler)
Dan English) (Left at 12:45p.m.)
Kiki Miller)
Christie Wood)
Kenny Gabriel)

Tom Messina) Members of Planning and Zoning Commission Present
Jon Ingalls)
Mark Coppess)
Sarah McCracken)
Phil Ward)
Kris Jamtaas)
Lynn Fleming) (Arrived at 12:05p.m.)

STAFF PRESENT: Ron Jacobson, Interim City Administrator; Randy Adams, City Attorney; Renata McLeod, City Clerk/ Municipal Services Director; Hilary Patterson, Community Planning Director; and Barbara Barker, Associate Planner.

CALL TO ORDER: Mayor Gookin called the meeting to order.

Mayor Gookin noted that the purpose of the meeting was to provide an opportunity for the Council and Planning and Zoning Commission to discuss planning and zoning codes.

LOCAL LAND USE PLANNING: City Attorney Randy Adams and Community Planning Director Hilary Patterson provided a presentation regarding the local land use planning Code, highlights included the duties of the Planning Commission; legal requirements and terms; description of the Comprehensive Plan, zoning and subdivision codes, and new legislation impacts. Additionally, they provided education regarding Planned Unit Developments, Special Use Permits, Variances, Development Agreements, and Written Decisions.

DISCUSSION: Councilmember Sheckler asked whether conflict-of-interest procedures apply only when the Council is acting in a legislative or quasi-judicial capacity. Mr. Adams responded

that a conflict of interest applies in both quasi-judicial and legislative proceedings; if an economic interest exists, the Councilmember or Commissioner must recuse themselves.

Councilmember English requested clarification regarding whether it is permissible to view information on a phone, such as pictures, during a public hearing. He noted that there are times when he looks at his phone during hearings and wanted to understand if that was allowed. Mr. Adams explained that any information a Councilmember reviews during hearings could influence a decision, and both parties in favor of or opposed to the matter have a right to know and address any evidence being considered. Reviewing information that is not presented publicly denies those parties a fair opportunity to respond. While such material could be disclosed, doing so may not provide adequate notice or time for the parties concerned to address it.

Commissioner Ingalls asked about the use of the Comprehensive Plan (Comp Plan) in decision-making, specifically in relation to findings. He noted that for actions such as zone changes, annexations, and planned unit developments (PUDs), the Commission considers whether the proposal is supported by the Comp Plan. He questioned why the Comp Plan is not reviewed in the same way for subdivision applications. Ms. Patterson explained that subdivisions are governed by a different provision of Idaho Code. Mr. Adams added that the Comp Plan primarily addresses land use, whereas subdivision review is a procedural process that assumes the permitted uses of the property. Because the property is already zoned, there is no need to determine whether the subdivision is consistent with the Comp Plan. Commissioner Ingalls noted that on subdivisions, people often articulate their arguments on what the Comp Plan says. Mr. Adams responded that both state and city code on subdivisions set out what the city must find in order to approve a subdivision and those are the technical aspects of what subdivision looks like and that does not include the Comp Plan.

Councilmember Evans inquired about the timeframe for updating the Comp Plan to comply with current legislation. Ms. Patterson explained that while some legislative provisions are taking effect immediately, others provide a grace period for compliance. Mr. Adams added that if the Commission has a proposed amendment to the Comp Plan and makes significant changes to that amendment during a public hearing, a second public hearing is required. He also noted that any citizen may request or petition the Commission to amend the Comp Plan. The only limitation is that if the Council has established, by Resolution, a minimum interval between consideration of requests to amend the Comp Plan, that interval may not exceed six months. Councilmember Gabriel asked whether such amendments would go to the Commission before coming to the Council, and Mr. Adams confirmed that the Commission would review the amendment first.

Commissioner McCracken noted that for some hearings, the Commission does not always receive a report from the school district as part of the staff report. She asked whether this should be a required component. Mr. Adams explained that staff contact the school district, but if the district does not respond, staff does not require a response. Ms. Patterson added that school districts typically do not respond; however, if a letter is provided, it is included in the meeting packet. Mr. Adams further stated that the meeting packet is posted online, making any submitted correspondence available to the public. Because these materials are part of the official record, they are considered evidence and part of the hearing.

Mayor Gookin asked for clarification on zone change requests being not allowed by right. Mr. Adams explained that constitutional takings law is complex and that a property owner is not entitled to the highest and best use of their property. Instead, zone change requests are evaluated through a balancing analysis that considers the nature of the request, the impacts on neighboring properties, and the economic effects on the applicant, so it may or may not result in a taking if a request is denied.

Councilmember Miller asked how a takings analysis is affected when allowable uses under an existing zone are changed. Mr. Adams responded that the loss of a use that was not previously permitted is one factor in a takings analysis. He explained that if a use was never allowed, the property owner had no reasonable expectation of using the property in that manner and therefore changing that use would likely not constitute a taking. He noted, however, that changes affecting density could present a different issue. Councilmember Miller gave an example in which the Council designates a property as C-17, outlines all allowable uses, and a purchaser relies on those allowed uses when acquiring the property. If the Council and Commission later remove several allowable uses without a request from the applicant, she asked how that would be treated. Mr. Adams replied that such an action could constitute a taking without just compensation.

Commissioner Fleming referenced a recent rezoning of a small property where the question arose as to whether the rezoning could be conditioned on the applicant entering into a development agreement. She asked whether the Commission could require that a rezoning not proceed unless a development agreement was in place. She noted that many properties are rezoned with the owner's intent to sell rather than to develop the property. In such cases, she questioned whether it would be appropriate to bind the property to a development agreement, potentially through escrow, so that future owners would be subject to the same conditions. She specifically referenced development agreements that include affordable housing requirements, such as a 5% or 8% component, and asked whether the Commission could require the applicant to agree to such a development agreement before approving the rezoning. Councilmember Miller clarified that her request is for a negotiation to occur, rather than a development agreement being contingent on the approval of the zone change. She stated that the option of entering into a development agreement should be discussed with every annexation or zone change request but not necessarily executed or tied to the property as a condition of approval. Mr. Adams explained that if a development agreement is recorded as it should be, it would be binding on future purchasers of the property.

Regarding new legislation, Councilmember Sheckler asked about House Bill 707 related to the land division process. He questioned how the process would work if a mortgage were divided, specifically asking whether foreclosure on a mortgage tied to an accessory dwelling unit (ADU) would result in a division of ownership. Mr. Adams responded that it could, noting that the process is still considered a subdivision. While the land division would create two lots, it would be for limited purposes only. He added that once a foreclosure occurs, the outcome becomes uncertain, as the bank could sell the property to a third party for other reasons. Councilmember Sheckler added that if there were a separate mortgage on an individual unit, it is foreseeable that, over time, ownership could become divided.

Regarding Senate Bill 1354 concerning ADUs, Councilmember English commented that he appreciated the provision preventing homeowners' associations (HOAs) from prohibiting ADUs.

Councilmember Wood asked whether the legislation would allow anyone to construct a 1,000-square-foot ADU in their backyard. Ms. Patterson explained that, as written, ADUs must be located within the building envelope of the principal dwelling or in the rear yard. She noted that many ADUs are constructed above garages, and because the City does not count garage space or common areas toward square footage, an ADU can appear nearly twice the size of the primary residence. Mr. Adams noted that single-family units must still comply with setback requirements and that City code currently limits ADUs to 800 square feet, with the new legislation increasing that up to 1,000 square feet. Commissioner Ward asked what regulatory authority the Commission retains under the new legislation. Ms. Patterson responded that the City has limited ability to regulate ADUs under the new law, except in cases involving historic districts or historic properties as defined by Idaho Code.

Mayor Gookin asked about the potential consequences if the City is unable to amend its Comp Plan by February 1, 2027. Mr. Adams explained that without an adopted or compliant Comp Plan, the City's zoning authority would effectively be invalid. He stated that the State would likely take the position that if the Comp Plan is not updated in accordance with statute, the City could not rely on it and therefore could not zone property. As a result, the City would be in a state of limbo, unable to process new zoning actions, rezonings, or annexations.

On Senate Bill 1352, Mayor Gookin asked for clarification regarding the provision that the City cannot require front or rear setbacks exceeding 15 feet or side setbacks exceeding 5 feet for a primary residential structure on a lot. Ms. Patterson explained that this applies to starter home subdivisions on at least 4 acres that are designed to provide attainable homeownership opportunities with single-family detached dwellings on smaller lots that are no greater than 1,500 square feet per lot. The City can still enforce building codes, fire codes, and laws related to water, sewer, and stormwater drainage, road access, and steep slopes. Commissioner McCracken referenced the City of Post Falls' use of cottage zoning and asked whether the City would be allowed to adopt a zoning category such as green space requirements while incorporating additional positive design elements. Ms. Patterson responded that the City would need to review the applicable statutory language to determine whether requirements such as green space could be included. She added that there is not much land in the City that has the 4 acres to even allow stater home subdivisions.

Commissioner Ingalls asked whether House Bill 800, concerning manufactured homes, would limit the authority of HOAs. He cited an example in which a homeowner's residence was destroyed by fire and the HOA did not allow the owner to place a modular home on the property. Ms. Patterson explained that manufactured or modular homes must be placed on a permanent foundation. HOAs may impose certain requirements to comply with applicable design guidelines, as well as setback and height requirements.

Commissioner Fleming asked whether the City is responsible for notifying HOAs about new legislation and suggested that information regarding legislative changes be published in the newspaper for awareness.

Councilmember Evans sought confirmation that House Bill 582 would end the City's role in issuing and monitoring short-term rental (STR) permits, which Ms. Patterson confirmed. Ms.

McLeod reported that a survey on a proposed Voluntary Recognition Program received 156 responses, with interest varying based on potential fees. She explained that the City is considering a voluntary, self-certification program focused on safety features, which would primarily serve as a marketing tool for STR owners. Future discussions with interested STR owners will help determine whether the program includes features such as a help line or a low-cost certification option. Ms. McLeod added that the City has purchased a software platform for a one-year term and that approximately 360 short-term rental owners have renewed their licenses, which are valid through July. She stated that this demonstrates strong interest within the community in being good neighbors and participating in the program; however, the City currently lacks a legal mechanism to require participation.

Commissioner McCracken raised concerns about the inability to identify STR owners when complaints occur late at night, noting that many STRs are owned through layered LLCs. Ms. Patterson stated that without voluntary participation, there is no mechanism to track ownership. Councilmember Miller noted that legislators expect to revisit the STR legislation next session and emphasized the importance of proactively gathering data, such as geographic concentration of complaints and call frequency, to provide meaningful feedback. Ms. McLeod explained that tracking STR-related complaints will be challenging without permits, as residents often complain informally; however, she noted that coordination with the Police Department (PD) could help improve tracking if calls are properly documented. She added that communication is currently limited to owners who previously obtained permits and are in the City's email database, and that staff are assessing interest through the STR survey. Commissioner McCracken suggested encouraging voluntary opt-in participation through a "good neighbor" approach to at least collect contact information and generate usable data. Councilmember Wood noted that for PD to provide helpful data, STR-related calls would need to be coded differently in the system. Ms. McLeod responded that such tracking had been done previously but would require renewed conversations. Councilmember Sheckler asked whether enforcement through the noise ordinance could be an alternative, but Ms. McLeod explained that without a permitting or mapping system, PD may not know whether a property is an STR, limiting the City's ability to track and analyze STR-related issues moving forward.

Ms. Patterson explained that several housing bills tracked this session did not advance, including three proposals that would have allowed multifamily and mixed-use developments, including group homes, on property owned by religious organizations. Councilmember Wood asked what was driving the legislation politically and Ms. Patterson said the primary motivation is affordable housing and increasing options for people to rent or buy. Councilmember Sheckler expressed optimism that the added density and flexibility could increase housing supply and improve affordability, while Mayor Gookin and Councilmember Wood emphasized concern over the loss of local control and impacts to established neighborhoods, arguing these decisions should be made locally rather than through a one-size-fits-all state mandate. Commissioner McCracken raised concerns about state preemption conflicting with the Local Land Use Planning Act and questioned whether the legislature was fully considering these overlaps or local planning needs. Commissioner Fleming described frustration with the legislative process, noting limited time for testimony and Commissioner McCracken mentioned lack of responsiveness from local representatives. Mr. Adams explained that the legislature views these changes as amendments within the Local Land Use Planning Act and, under Dillon's Rule, retains authority to limit local

powers. Councilmember Gabriel stated that legislators were aware of the concerns and credited AIC for extensive advocacy that helped mitigate impacts and delay legislation for further refinement, acknowledging that while affordable housing is a shared priority, the balance with property rights and neighborhood impacts remains difficult. Commissioner Fleming warned that increasing housing density without addressing transportation is unrealistic, stressing that residents still rely on cars while parking is being removed and transit options are insufficient. She added that this disproportionately affects workforce housing, worsens congestion and unsafe driving, and ignores climate realities that limit biking, urging legislators to address parking and transit together rather than adding density alone.

During discussion on Subdivisions, Commissioner McCracken asked for clarification on the process for short plats of fewer than four units, using the Coeur Terre project as an example where a short-platted portion went directly to City Council and bypassed the Planning Commission. She noted that the Planning Commission often learns about these actions after the fact and asked whether there could be courtesy notification especially when a short plat is tied to a development agreement so Commissioners can stay informed and avoid confusion when projects return later and appear different from what was previously reviewed.

Mayor Gookin raised a question received by email regarding why appeals of PUDs are not automatic, noting concerns that the appeal process requires a \$1,000 fee and limits appellants to 10 minutes, while only the PUD itself, not related development agreement issues, is considered. Ms. Patterson explained that automatic appeals or additional required hearings would significantly slow the process, noting that most jurisdictions rely on a single Planning and Zoning Commission hearing with an optional appeal, and that code changes would be required to add hearings or alter time limits. Commissioner McCracken suggested that for large projects with development agreements, it may make sense to align PUD and development agreement reviews at the City Council level to reduce confusion and improve public understanding, as separation of the two has caused frustration and misunderstandings about when and where public input is effective. Mr. Adams emphasized that the current structure reflects the Planning Commission's technical expertise, with appeals intended as an option rather than a default. Commissioners McCracken and Coppess discussed concerns about appeal process, appeal costs, and limited speaking time, while Mr. Adams noted that Council has discretion to allow additional time when requested. Ms. Patterson clarified that appeal fees are based on actual administrative costs, and that appeals of PUDs are relatively rare.

Councilmember Evans asked why it is so important for the Planning Commission to provide a thorough explanation when denying an application, recalling past guidance that emphasized clearly stating the reasons for denial. Mr. Adams responded that written decisions must clearly document the rationale for any denial. He explained that a "denial without prejudice" allows an applicant to reapply immediately with a new application, but it is not a continuation of the same application, and emphasized that there is no such thing as an "approval without prejudice."

Chair Messina asked how the Planning and Zoning Commission can terminate a development agreement through a public hearing when the Commission does not review or approve development agreements, particularly when those agreements are approved by City Council. Mr. Adams clarified that the Commission does not deny development agreements but may be involved

in terminating an existing agreement if the matter is brought forward by staff or the public. Chair Messina asked what happens if City Council approves a development agreement, but the applicant later disagrees with the terms, specifically whether the applicant can go back to the Commission with a new application to request termination. Commissioner Coppess added another scenario, questioning how termination would work if, months after approval, concerns are raised during public comment that led to a desire to terminate the previously approved development agreement, and what role the Commission would have in that process. Ms. Patterson explained that the Commission's role in termination is advisory, with the Commission holding a public hearing and making a recommendation to City Council.

In response to Commissioner Coppess question, Mr. Adams explained that termination of the development agreement is a formal, structured process rather than something done arbitrarily. The Commission first determines whether a development agreement is advisable, and at the termination stage it must make findings that circumstances have changed enough that the agreement no longer makes sense and that terminating it is in the City's best interest. If the Commission makes those findings, the agreement can be terminated unless it is appealed. If there is an appeal, the matter goes to City Council, which then reviews the decision. In short, termination requires documented changed circumstances and Commission findings, not simply a request by an applicant or member of the public.

Commissioner Fleming raised concerns about applicants being blindsided by development agreement requirements late in the process, and Ms. Patterson noted that discussion of development agreements typically depends on project size.

Councilmember Miller explained that staff should consistently raise the possibility of a development agreement for all projects, regardless of size, as a key tool for advancing attainable housing. She emphasized that development agreements are negotiated by staff and should be used to ensure that requests for increased density tied to claims of affordable housing result in enforceable commitments rather than unenforced promises. She argued for a more uniform, possibly regional, approach so developers clearly understand that such discussions will occur, helping align public expectations, hold developers accountable, and strengthen the credibility of affordable housing commitments before projects reach Planning and Zoning Commission or City Council.

Chair Messina stated that he agrees with the points raised by both Council and fellow Commissioners, noting that developers can be unintentionally blindsided when development agreements are introduced late in the process. He emphasized that development agreements should be discussed earlier and in a way that allows the Planning and Zoning Commission to have at least some input, not necessarily approval authority, but awareness and discussion. He expressed concern that references to affordable housing are often used as general verbiage without enforceable or lasting commitments, which can change over time. He stressed that applicants should be informed up front when a development agreement may be required so expectations are clear.

Commissioner McCracken discussed ongoing process challenges that can extend project timelines and create confusion, noting that applications often face delays between hearings, followed by

additional months required to draft and review development agreements. She suggested that if development agreements were addressed earlier and aligned with PUD reviews, projects could move forward as a coordinated package, streamlining approvals and improving consistency. She then emphasized that better staff-level coordination, earlier discussion of expectations, clearer definitions and a more integrated review process would help avoid applicants feeling blindsided and improve outcomes for all parties involved.

During discussions on written decisions, Councilmember Sheckler asked how the Council and Commission should handle situations where proposed written findings do not fully reflect the Council or Commissioners' own observations or credibility determinations from the hearing, and whether revisions, executive sessions, or additional steps are needed to make those findings defensible. Mr. Adams explained that this should be handled within the motion itself: Commissioners should clearly state the criteria, Comprehensive Plan elements, or factual bases they are relying on when making a motion to approve or deny, even if they differ from the draft worksheet. Staff will then prepare written findings that accurately reflect what was said and decided on the record. He clarified that this type of deliberation does not qualify for an executive session and must occur in public, emphasizing the importance of discussion before the motion so everyone is aligned. Once the vote is taken, staff finalize findings consistent with the motion before it is signed.

Ms. Patterson pointed out that when completing findings worksheets, the Commission and Council can add additional findings beyond those already listed to address new or clarifying evidence presented during the hearing. Commissioner Coppess inquired how public comment fits into this process, particularly whether statements made during testimony can be treated as facts. Mr. Adams clarified that public comments are considered testimony, but they are evidence the Council and Commission may weigh. When there is conflicting testimony, it must be explained on the record why the Council and Commission find one source more credible than another.

Councilmember Evans commented that while the new findings worksheet is helpful, the Council's motion process feels repetitive and clunky. Mr. Adams responded that each decision has three distinct parts: findings of fact, conclusions of law, and the decision itself. And while they overlap, each serves a separate role. He added that standard, undisputed findings in the worksheet do not need to be read aloud individually; the Council can simply adopt them as being undisputed and presented in the staff report.

Councilmember Wood stated concern that recent Council discussions about development agreements have left staff without clear direction, noting that while individual Councilmembers support a development agreement, Council as a whole has not established direction for when they should apply. Ms. Patterson explained that development agreements were intended for unique or large-scale projects, not routine zone changes, and that staff struggle without clearer guidance. Councilmember Evans asked whether other cities have successfully used development agreements in a way that works well. Ms. Patterson stated that the City is actually one of the few actively using this tool.

Councilmember Miller explained that this workshop is the right forum for addressing how development agreements should be used and for developing clearer policy directions. She noted

that definitions such as “attainable housing,” price points, and formulas already exist, but what’s missing is guidance on thresholds like project size and when development agreements should apply. She stressed that by raising the issue now, Council can have a meaningful discussion, establish parameters, and then refer those to Planning and Zoning Commission for input based on their experience, along with feedback from the development community and housing partners. Her goal is to improve communication and a more effective, consistent use of development agreements as a policy tool. Mr. Adams noted that development agreements are meant to be a tool to address situations that are causing issues or could cause issues with the City raised by particular developments, it is not supposed to be intended to be the norm.

Councilmember Sheckler asked whether development agreements are typically requested by applicants to resolve issues or whether they are more often imposed as a condition of approval to address mitigation concerns. Mr. Adams explained that under the ordinance, development agreements are usually initiated by the Planning Director or the Commission, not by the applicant. Staff may raise the idea early in discussions with an applicant if it seems appropriate, or the Commission may identify during review that a project warrants a development agreement. In either case, the agreement is suggested as a tool to address specific issues related to the development and is then brought formally before the Commission.

Chair Messina noted that the Commission has previously held hearings where it recommended a development agreement without specifying detailed terms, leaving those broader criteria to City Council, and expressed support for continuing the discussion now that it has begun. Councilmember Wood agreed that further discussion between Planning and Zoning Commission is preferable and expressed hesitance in having the Council impose new requirements late in the process without sufficient expertise. Commissioner Ingalls added that even before development agreements, the City has effectively addressed project-specific concerns through conditions of approval, especially in PUDs, annexations, and special use permits. He noted the value of flexibility and real-time problem-solving during hearings. He cautioned against rigid thresholds for triggering development agreements, noting that many issues can be resolved efficiently through added conditions without the need for a formal agreement. Commissioner McCracken stated that smaller projects are often handled well through added conditions, but clearer procedures around development agreements would help create consistency. She also noted that affordable housing lacks a shared definition or structure, leading to different perspectives. She suggested continuing the discussion in a smaller group with staff in more detail and identifying straightforward improvements, rather than trying to resolve everything during meetings involving active applicants.

Councilmember Sheckler asked whether development agreements aimed at producing attainable housing could be structured as incentives rather than imposed conditions, such as offering density bonuses or flexibility to encourage applicants to voluntarily participate. Councilmember Miller responded that this concept has already been explored through a developer incentive list created by the Housing Solutions Partnership, which includes options like increased density or variances in exchange for providing deed-restricted attainable housing. She explained that development agreements can serve as a negotiation tool that protects both the City and developers by ensuring affordability is maintained over time. She added that while specific thresholds have not been defined, the broader goal is for the community and development industry to collaboratively use

incentives to create sustainable, long-term attainable housing. Commissioner McCracken stated that incentives for attainable housing should be communicated early so developers can plan accordingly rather than encountering new requirements after investing in engineering and design. Councilmember Sheckler noted putting incentives in the code will make them see the benefits if they meet the goals for attainable housing. Councilmember Miller added that many developers are already aware of a growing push for attainable housing and that regional incentive frameworks already exist. She mentioned that a detailed spreadsheet outlining what different cities such as Post Falls, Rathdrum, and Coeur d'Alene would allow as development incentives. She suggested forming a smaller ad hoc committee to review this information and develop clearer parameters. Those parameters could then be forwarded as guidance to staff and as a recommendation for consideration by both City Council and Planning and Zoning Commission.

Mayor Gookin thanked Mr. Adams and Ms. Patterson for their presentation. He asked everyone to keep their packets for their reference.

Councilmember Sheckler made a motion to schedule an Executive Session and add an action item to the April 21 Council meeting agenda to consider acceptance of the City Administrator's recommendation to appoint a Police Chief. Mayor Gookin ruled that the Motion was out of order. Councilmember Sheckler asked why. Mayor Gookin said that Councilmember Sheckler's motion was not on the agenda. Mayor Gookin requested clarification from the City Attorney and Mr. Adams stated that motions to add a matter to a future agenda have traditionally been allowed without being noted on the current agenda as the matter is procedural rather than substantive. Mayor Gookin then asked the City Clerk and Ms. McLeod explained that, at prior Council meetings, Councilmembers have made motions to add an item to a future agenda without objection and the item would then be scheduled to be heard at the next meeting. Mayor Gookin stated that the Executive Session and action item would be added to the Council meeting agenda for April 21.

ADJOURNMENT:

MOTION: Motion by Miller, seconded by Evans, that there being no further business of the City Council, this meeting be adjourned. **Motion carried.**

MOTION: Motion by Fleming, seconded by Ingalls that there being no other business of the Planning and Zoning Commission, this meeting be adjourned. **Motion carried.**

The meeting adjourned at 2:12 p.m.