

Minutes of Meeting
Commissioners' Status Update
March 2, 2020
11:00 a.m.

The Kootenai County Board of Commissioners: Chairman Chris Fillios, Commissioner Leslie Duncan and Commissioner Bill Brooks met to discuss the following agenda items. Also present were Clerk Jim Brannon, Finance Director Dena Darrow, Senior Staff Accountant Melissa Merrifield, Staff Accountant – Budget Michelle Chiaramonte, Administrative Assistant Ronnie Davisson, Treasurer Steve Matheson, KCSO Captain Andy Deak, BOCC Administrative Supervisor Leighanna Keiser, BOCC Senior Business Analyst Nanci Plouffe and Deputy Clerk Tina Ginorio. Also present were Kootenai County Residents Brenda Grace, Barbara Hedden, Ruben Miranda, Summer Bushnell, Elizabeth Jacobsen, Elaine Price, Brent Regan, Jeff Tyler, Warren Mueller, C. L. Hanely, Charlene Baron and Mary J. White.

A. Call to Order: Chairman Chris Fillios called the meeting to order at 11:00 a.m.

B. Changes to the Agenda (Action):

Chairman Fillios suggested that item three from the agenda be addressed first. There were no objections.

C. Business:

Ballot Language Regarding Urban Renewal Districts (Action)

Chairman Fillios explained that the purpose of the meeting was not to express opinions on URDs (Urban Renewal Districts) in general or how to change them. He said the only area over which the BOCC had authority was whether to place something on the ballot as a nonbinding advisory vote. He stressed this would not affect the structures of URDs, how they operated or their expiration periods because those were all decided by the State Legislature.

Chairman Fillios said that Treasurer Steve Matheson had wanted to know what the results of the poll on the County Facebook page had been. He said about 1,600 people had viewed the poll, with about 400 people actually voting. He noted that 87% had been against the Health Corridor URD and 13% in favor of it.

Chairman Fillios listed the four areas of a tax bill that a resident living in the unincorporated portions of the County could see affected by an URD were County tax, EMS (Emergency Medical Services), Highway District and NIC (North Idaho College).

Chairman Fillios announced that he would invite public comment at this point.

Kootenai County Resident Jeff Tyler asked whether the language on the advisory vote would focus on present or future URDs. He noted there were new URDs proposed in Post Falls, Rathdrum and Hayden. He stated that County citizens were paying about \$3.5 million per year toward City URDs. He asked that the Commissioners provide citizens with

information on the burden URDs placed on the County as a whole. He also confirmed that there was an informational meeting planned at the Coeur d'Alene Library on Thursday, March 5, 2020 at 6 p.m.

Kootenai County Resident Brenda Grace stated she was against URDs and thanked the BOCC for offering the advisory vote on the upcoming ballot.

Kootenai County Resident Brent Regan stated that URDs did not have a direct impact on people's taxes if they lived outside the URD's district, but did have an indirect impact. He explained that money that would have been used for growth was diverted into the URD, and thereby affected the County Budget. Mr. Regan also remarked that an advisory vote was essentially a political vote and urged the Commissioners to choose language that reflected that fact. He pointed out that the people who want the advisory vote were having their taxes impacted by City Council Members, but they did not live in the City so they had no direct way to influence the Council. He noted that this equaled taxation without representation.

Summer Bushnell of Post Falls asked that the Commissioners use numbers that would be easy for citizens to understand when explaining the impact of the URDs.

Commissioner Leslie Duncan stated she would like to use the Health Corridor URD as an example because they were a taxing entity, with eminent domain power. She said she did not think it was reasonable or proper for them to go through a URD process and it lacked transparency. She added that she would be in favor of using the language originally proposed and mentioning the \$46 million in property taxes that would go to Ignite CDA.

Coeur d'Alene Press Reporter Jennifer Passaro entered the meeting at 11:14 a.m.

Chairman Fillios reminded those present that a vote was taken by the BOCC last week to use generic language and not call out a specific URD. He noted that three possible versions had been discussed and asked if Commissioner Duncan were still in favor of the third option.

Commissioner Duncan read the proposed language from the third option: "Do you support the use of Urban Renewal Districts in Kootenai County which effectively increases the actual property tax rate Countywide? Project Examples: East Post Falls, Center Point, Atlas Mill, Health Corridor and West Rathdrum." She said she would accept that wording.

Chairman Fillios stated he had examined a number of different individual tax bills, including his own and Treasurer Matheson's. He reviewed the breakdowns of the tax bills to illustrate how difficult it was to determine how much money was coming out of the tax bills for the URDs. He concluded his personal contribution had been about \$76, based on his calculations. He pointed out that his contribution would have been higher had he lived in the specific URD district.

Treasurer Matheson stated that those calculations did not take into account the other taxing authorities that had been impacted.

Chairman Fillios said that there were no additional URDs planned for the City of Coeur d'Alene for the next four or five years. He noted that Post Falls, Rathdrum and Spirit Lake were considering URDs in that period.

Chairman Fillios said he would be willing to accept Commissioner Duncan's preferred language, if a minor change could be made. He suggested that the words "actual property tax rate" be replaced by "a portion of a resident's property taxes, County-wide." He explained that while this would be more general, he felt it would be more accurate.

Treasurer Matheson explained the reason that he had used a specific URD was that actual numbers calculated by the City itself could be quoted. He indicated he felt this increased the comprehensibility of the point being made.

Chairman Fillios reported that a legal opinion had been received that if a single, specific URD were targeted, the Board would be stepping outside the spirit of the statute that allowed them to put the item on the ballot.

Treasurer Matheson acknowledged that he had not seen the legal opinion, but that it did not reflect the opinion of the Chief Elections Officer of Kootenai County or the Chief Elections Officer of the State of Idaho.

Clerk Jim Brannon commented he had spoken to Idaho Secretary of State Lawrence Denney who had been very clear that the language used had not been illegal under 31-718. He said Secretary Denney had written an opinion to that effect. In response to a question from Chairman Fillios, Clerk Brannon confirmed that Secretary Denney had commented specifically on the language Treasurer Matheson had presented.

Chairman Fillios acknowledged that he had not seen Secretary Denney's opinion, but felt he had to adhere to the advice of the County's Legal Department.

Commissioner Bill Brooks voiced his opinion that any process that resulted in taxation without representation was wrong. He added that he disliked URDs in general.

Kootenai County Resident Ruben Miranda asked that the Commissioners do their best to assure that voters understood that the nonbinding advisory vote would not halt the Health Corridor URD.

Clerk Brannon voiced his agreement and urged that public education be stressed. He said the wording on the ballot should make it very clear it was an advisory vote only.

There was general agreement that the Board would use its social media platform to educate the voters regarding the effect of an advisory vote.

Clerk Brannon pointed out that there was a deadline approaching for items to be added to the ballot. He asked if he could be included in the meeting with Legal when the ballot's language was reviewed.

Commissioner Leslie Duncan moved that the following ballot language be submitted for the May Primary Vote, "Do you support the use of Urban Renewal Districts in Kootenai County which effectively increases a portion of property taxes Countywide? Project examples: East Post Falls, Center Point, Atlas Mill, Health Corridor and West Rathdrum. Yes/No." Commissioner Brooks seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Brooks: Aye

Commissioner Duncan: Aye

Chairman Fillios: Aye

The motion carried.

Chairman Fillios underlined that this was for the May 19, 2020 Primary Election.

Kootenai County Residents Brenda Grace, Barbara Hedden, Elaine Price, Brent Regan, Jeff Tyler, Warren Mueller, C. L. Hanely, Charlene Baron and Mary J. White exited the meeting at 11:34 a.m.

Americans with Disabilities Act (ADA) Voting Machines (Discussion)

Clerk Brannon reported that he had received an updated quote for forty-six more Express Vote machines from ES&S (Election Systems & Software). He provided copies of the quote to the Commissioners and said these were superior for their portability as well as ease of use. He added that Secretary Denney had confirmed that about \$87,000 would be sent to the County from the Help America Vote Act.

Clerk Brannon noted that the County also received reimbursement from the State for running elections in the amount of about \$300,000 per year, depending on the number of elections held. He pointed out that the money went directly into the General Fund, rather than to the Clerk's division.

Clerk Brannon concluded that the forty-six machines requested would provide every polling location with a new Express Vote machine.

Commissioner Duncan remarked that, if the new machines were not put in place, more personnel would be required to manage the upcoming elections. She reminded those present that then the old machines were tested, a number of them failed.

Clerk Brannon confirmed that about 20 of the old machines failed in the recent testing.

Commissioner Duncan suggested the item be placed on the March 3, 2020 Business Meeting agenda. She asked Clerk Brannon to submit a memo outlining the \$87,000 coming to the County. There was general agreement.

Clerk Brannon and Administrative Assistant Ronnie Davisson exited the meeting at 11:42 a.m.

Jail Expansion Fund (Discussion)

Commissioner Duncan stated that the Jail Expansion Project was coming to a close. She noted that the Compton Building Sewer Project had been an unforeseen expense. She explained that the Auditor's Office had suggested taking \$100,000 from the remaining Jail

Expansion Fund and putting it into the Compton Sewer Project Fund. She pointed out that the bids for the new project had been less than \$60,000.

Commissioner Duncan said that the remaining bills for the Jail would be covered by what was left in the Jail Expansion fund and any remaining amount would be transferred to the General Fund once the project was closed.

Chairman Fillios remarked that this would keep use of the funds consistent with the statutory requirements.

Finance Director Dena Darrow confirmed that this would be an item on the March 3, 2020 Business Meeting, marked Resolution 2020-21.

KCSO Captain Andy Deak exited the meeting at 11:43 a.m.

Establish Official Name for 627 N Government Way (Action)

Commissioner Duncan reported that BOCC Administrative Supervisor Leighanna Keiser had received a question from a citizen regarding the name of what was generally called the Romer Building. The citizen had apparently pointed out the name of the building had previously been Hamilton House.

Commissioner Duncan suggested that the Board officially designate the building's name for clarity's sake and to enable anyone researching the County's actions to find records without confusion.

Commissioner Brooks agreed.

Commissioner Duncan moved that the Board establish the official name for 627 North Government Way as The Romer House. Commissioner Brooks seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Brooks: Aye

Commissioner Duncan: Aye

Chairman Fillios: Aye

The motion carried.

Pending Items Status Review List – Attached (Discussion)

Commissioner Brooks stated that he had nothing new to report on his projects.

Chairman Fillios suggested that they address only the items on the list that had changes. Commissioner Duncan reminded those present that Bill 409, which would restrict all taxing entities in the State to a 0% property tax increase, had passed the Idaho House and was in a Senate committee.

Ms. Darrow pointed out that Bill 409 would not hold schools or URDs at 0%. She commented that these were two of the biggest drivers of property tax and would not be held to 0.

Coeur d'Alene City Council Member Dan Gookin entered the meeting at 11:48 a.m.

Commissioner Duncan said she attended the City of Hayden Chamber of Commerce's State of the City Address. She remarked that they have had the same number of full-time employees, thirty-six, for the last ten years, while their population had doubled. She added that the other item of interest was that they had managed to reduce their codes by five hundred.

Chairman Fillios stated that he and Commissioner Brooks needed to decide on their topics for the State of the County Address by March 4, 2020.

He reminded the other Commissioners that a meeting had been scheduled with Legal this week regarding the Spokane River wake issues. He acknowledged there would have to be a public hearing held on that.

Chairman Fillios reported that he had attended the Real Estate Market Forum. He explained that it reviewed the entire real estate market in the Inland Northwest. He listed some of the topics addressed: population growth percentages in different Counties, demographics, median house prices, tax rates and URDs.

Chairman Fillios said he had a meeting last week with the Joint Powers Board for EMS (Emergency Medical Services). He noted that revenues were up.

D. Public Comment (Discussion): This section is reserved for citizens wishing to address the Board regarding a County-related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There was no public comment.

E. Adjournment (Action): Chairman Fillios adjourned the meeting at 11:53 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN

BY: _____
Tina Ginorio, Deputy Clerk
