

**A CONTINUED MEETING OF THE
COEUR D'ALENE CITY COUNCIL
DECEMBER 13, 2004**

The City Council of the City of Coeur d'Alene met in a continued session of their regular City Council meeting on December 13, 2004 at the Kootenai County Administration Building in Rooms 1A and 1B.

Ron Edinger) Members of Council Present
Dixie Reid)
Ben Wolfinger)
Deanna Goodlander)
Woody McEvers)
Al Hassell, III)

CALL TO ORDER: The meeting was called to order by Mayor Bloem.

SHERMAN AVENUE PROJECT – WORKSHOP: Mayor Bloem called the meeting to order. The Mayor welcomed the residents in attendance tonight. She noted that the purpose of a workshop is to gather information. This meeting is a workshop and therefore will not be a time when the council debates or discusses the issues before them tonight. They will be able to ask questions of the presenters; however, this is not a time for the public to comment. There will be future times for the public to comment through public hearings. She noted that the Council can ask questions during the process or following a presentation.

Duane Hagadone, Stanley Hill, explained the decision that was made to eliminate the possibility of a tower on the Johnson site. The Hagadone Corporation has now gained two locations on the south side of Sherman Ave that will be available to them a tower to be constructed in two to three years. Currently, placement of a tower can either be at 1st and Sherman at the location of the A.G. Edwards building and the second site right on the shore line by the Casco Bay room. What this means is that tonight's meeting does not impact the construction of a tower on the current Hagadone property site. Tonight, is strictly to talk about the Gardens. He believes that the concept is a great plan and, if the City sees this as a good project, then he will proceed with plans for the development of this gift to the community which he believes is in the best interest of this community.

Jim Coleman, President and Chairman of the Board of J-U-B Engineers, provided the history of the downtown project, noting that the concept for the original downtown project was a three-street grid which included Lakeside, Sherman and Front Avenues. It needed to be recognized that downtown is a destination and not simply a route through town. Additionally, it was also determined that the Resort would be the anchor for the downtown area. He believes that transportation can be eliminated from Sherman Avenue

and have the design work for the benefit of the downtown area. The alternatives his group explored were: do nothing, close Sherman Avenue to motor vehicles, and reducing the width/limited access to 2-way and 1-way flow on Sherman Avenue. In order to meet the need for the Gardens to be void of traffic in order to achieve the goals of the Gardens, the only alternative was to close Sherman to motor vehicles. Because of this, they looked at various alternatives to re-routing traffic through downtown. Some of the ideas that were explored were going up Government Way, using tunnels and then going down 2nd and 3rd Street, but finally going from Sherman to Lakeside and then down 2nd back to Sherman was the best alternative that was developed. Factors considered included vehicle access as a destination, vehicle access as an arterial; access to businesses; future parking, pedestrian access (safety, access to downtown, access to the waterfront); views and vistas.

Councilman Edinger asked about the access to Independence Point which the map indicates that it comes off Northwest Blvd. to the north of the Museum Building. Mr. Coleman responded that the reasoning behind this access design was to avoid all the traffic conflicts with today's design; however, with the abandonment of the railroad tracks, it would create a right-in/right-out design for parking in the Independence Point parking lot.

The next point of proposed change to traffic flow was from Northwest Blvd. onto Lakeside Ave. By eliminating that intersection and designing a curve into the roadway along with left-turn lanes at 1st and 2nd and eliminating parking on this portion of roadway allows for transition of traffic and getting them headed into the right direction on Lakeside. By eliminating 1st Street between Lakeside and Sherman, and providing for parking for the Chamber it provides a better view of the lake. At 2nd and Lakeside, they eliminated the bulb out at this intersection which opens up the radius for an open-free right turn onto Sherman. They believe this makes a very smooth transition back onto Sherman Avenue. For Sherman Avenue, the design forces traffic back onto Sherman Avenue, unless they really want to go down to Front Street. Additionally, they are eliminating parking in this area unless the public feels that it is absolutely necessary to have these 6-10 parking spaces on 2nd Street.

Councilman Wolfinger noted that oversized loads currently use Sherman Avenue and wanted to know how this would affect routing through the downtown. Mr. Coleman noted that the over-sized loads should not be using Sherman in the first place and they this would conflict with the design being proposed. The current oversized route is on Appleway.

Council President Reid addressed the elimination of parking on Lakeside, 2nd Street and probably eliminating in from Sherman to Front. With parking being a large issue for the downtown area, she wanted to know how would he proposed plan compensate for this loss. Mr. Coleman responded that with the Chamber parking and the parking on the

abandoned railroad tracks, there will be a net gain of parking in this area. Mr. Coleman also noted that by narrowing 2nd Street, making Front Street a one-way east-bound lane, this would eliminate a very congested area on Front Street. He also believes that the best access to the City's 3rd and 4th St. parking lot is down 3rd Street and not on Front Ave.

Mr. Coleman summarized that he believes that the transition onto Sherman Avenue is a good plan. He believes that it improves the views of the Lake and this is a great opportunity to enhance the downtown area with the Gardens. The goal was to make downtown more accessible and he believes this makes the traffic flow much better.

Council President Reid asked that on Lakeside Avenue, if can you see the lake, and what about the proposed Chamber building. Mr. Coleman's response was "you can see the lake from parts of it".

Councilman Edinger asked if there would be a problem with the parking lot at Independence Point. Mr. Coleman noted that other than events, there is not a significant problem coming in and out of this parking lot. Mr. Edinger noted that a report from the Police Department revealed that there have been seven non-injury accidents in this location in the last five years and at 2nd and Sherman there have been 11 non-injury accidents. He noted that some comments he has received is that traffic will simply continue on Lakeside and will not make the s-turns back onto Sherman. He believes that this would be a hindrance to the Sherman Avenue businesses. Mr. Coleman responded that by doing the re-design as proposed, traffic flow and the placement of the Garden would create the safety in this area. He reiterated that the goal of this plan was to create the Gardens and re-routing traffic flow. Councilman McEvers asked that he address the parade route. Mr. Coleman noted that the parade would turn up 2nd and then onto Lakeside which would add 200 feet to the parade route.

Del Hatch shared the proposed design plan for the Gardens. Their focus was to work on a project that would be an enhancement to the community. He presented six major elements for the proposed gardens. Area No. 1 was the sweep where Northwest Blvd. enters into Lakeside Avenue. He noted that signage was a major issue in order for people to be able to find their way downtown. He believes that a monument sign welcoming people to the Downtown area is needed. Area No. 2 was another area for incorporating views and vistas. He believes that there are trees that could be eliminated and others pruned to enhance the view in this area. Area No. 3 is signaling the intersection at 2nd and Lakeside. Area No. 4 shows a wide sweep at the intersection of 2nd and Sherman that guides people into the downtown area. He also noted that this becomes the core of the downtown. Area No. 5 is an area of pedestrian safety as well as Area No. 6 which creates a pedestrian flow around the block abutting 2nd, Sherman, Front and 3rd Streets. He believes that this project creates a fully pedestrian accessible area from 3rd and Front through Northwest Boulevard at not cost to the public. He noted that this plan should not be looked at as the final garden design but as an illustration of the concept for the Gardens. He reviewed the hierarch of pathways throughout the garden area ranging form

8 ft wide to 4-5 ft. wide paths. He presented the proposed design plan for the Wilma Theatre site and the intersection at 2nd and Sherman.

John Mueller, HatchMueller Architects, commented that he believes this project is a mutual gain and not a compromise with the closure of Sherman Avenue and the botanical gardens gift of the City. The Hagadone Corporation would eliminate the proposed greenhouse restaurant that could have been constructed in front of the Hagadone Corporate Building. The Hagadone Corporation has also agreed to pay for all the improvements on Lakeside, 2nd Street, Sherman and Front Street with the closure of Sherman Avenue, the creation of a pocket park on the Wilma Theatre, and the construction and maintenance of the garden grounds that would be constructed on the closed portion of Sherman Avenue. He challenged the Council to think creatively and believes that it can be done.

In closing, Mr. Hagadone stated that he has been working on this project for quite some time and he believes that this project is best for the community. He recalled the challenges that he has faced over time, beginning with the construction of the corporate headquarters, the boardwalk and golf course in presenting new projects. He stated that if this project did not pass the test that it is best for the community, he would not be presenting his proposal tonight. He noted that he believes that the major problem with the community is the elimination of Sherman Avenue. He noted that he will be continuing these presentations for the community through this week. He noted that this project has created a large volume of phone calls from the community. He wants to get his message out to the community and the minimal impact his proposal has on the Downtown area. He believes that the issue isn't the gardens, but rather the traffic on Sherman Avenue. He announced that next Thursday and Friday, at the Coeur d'Alene Resort Convention Center area, he and his staff will be present to answer any questions that the community may have of this project. He noted that the only way to get people to spend money in the downtown area is to get people out of their cars. He added that Northwest Blvd. is only one of seven ways into the Downtown area and the community also needs to do a better job of advertising the 3rd and 4th Street parking area. He believes that if Sherman is not closed for the gardens, the traffic noise would destroy the ambiance of the gardens. On a final note, he believes that this is a win-win whereby he can create the gardens that he has wanted to create and the public would receive improvements to the traffic flow. The plan is, that some time in October 2005, he would close Sherman Avenue with a grand opening of the new gardens in 2006. He stands behind what he has done in the past for this community and that this project will be as equally a great project. The gardens would be a world-renown, spectacular showplace that will enhance the downtown and eliminate a number of traffic problems in existence today. He believes that if there Sherman is left in its present state, that he would not proceed with this project as he will not compromise on this project. He noted that this is not a joint project, but it is his \$20,000,000 donation to the community and it will be impeccably maintained in perpetuity. He wants this project for the citizens of this community that will be open to

the public seven days a week and it will always be free to the public. He added that he will be paying the total cost of this project without one dollar being spent by the public.

Councilman McEvers, he asked if there was any tax increment financing in this project. Mr. Hagadone responded that he will be paying entirely for every part of this project.

RECESS: Motion by Wolfinger, seconded by McEvers to take a 10 minute recess. Motion carried. The recess began at 7:50 p.m. The meeting reconvened at 8:05 p.m.

Rod Stevens, representing the Leland Group, was retained by the Coeur d'Alene Downtown Association. In the past his group had some work for the Lake City Development Corporation. They were retained to see how the closure of Sherman Avenue would help or hurt the downtown area. He noted that his group focused on "place making" with a focus on business. He believes that over the next twenty years, Coeur d'Alene will be the place where people will want to move to. He reviewed the focuses of the downtown association that consists of: 1: Connection; 2: Vibrancy (vitality); and, 3: the lake. His key finding is that although the gardens are great, Sherman Avenue must stay open. This is the post card sense of arrival to the City. He believes that the sweep around Northwest Boulevard onto Sherman Avenue is key. It provides an important access and exposure for downtown retailers. He summed up the needs to access, exposure and parking for a successful downtown. He believes that by rerouting traffic off Sherman we are asking people to come in the "side door" instead of the "front door". The problem of moving traffic from Sherman to Lakeside would permanently move some traffic from Sherman to Lakeside. If the traffic goes to Lakeside, merchants will migrate to Lakeside. He believes that 30% of the merchants will migrate off of Sherman. A final comment regarding the 2-3 block rule - in any town there is only a 2-3 block area that is the best area for retail. If the traffic is rerouted, you will find your retail move to area on 2nd Avenue between Lakeside and Sherman. The prime retail zone is 500-600 feet long. When talking about downtown areas, one used to think in a cooperative sense, a place where one grew up. But with today's means of transportation, each retailer is competing for their customers' time, attention, money and loyalty. Issues that need to be addressed by retailers include "I am an easy place for my customers to get to". One of the biggest competitors to the downtown area is Riverstone, which is located just off the freeway. He believes that by the end of phase two of Riverstone there will be 20-30 new stores in this complex. As a competitor in the downtown area, you have to compete against the 100% intersection area of Riverstone. So, the downtown area has to be easily accessible to shoppers. People come to Coeur d'Alene because of its small town atmosphere. That is the trend that today's population is looking for. Downtown needs to stay connected, not only to the rest of the City but to the region, and its connection is Northwest Boulevard. He asked if we really want to tell people coming from Spokane, that after they have driven 40 minutes to get to downtown area, they are going to be asked to enter through the "side door". He noted that downtown can be a place to live, work shop and play. Right now people are shopping and playing, but not very many people are living in the downtown area. This is really the future of the

downtown. Looking ahead 5-10 years, this is where the city can grow. Downtown can be sold as a place to live and do business. There is a certain quality that draws people to live in the downtown area. The future people that come here and come back here will want a nice small downtown. People come to Coeur d'Alene who want to feel what it feels like to live in such a town. If Coeur d'Alene is positioned right, the 45-50 year age group will migrate to the Coeur d'Alene area. He believes that the goal for the downtown area is to attract a Kinko's to the downtown area. He said that businesses need to be attracted to downtown area other than government offices. This garden could be a great addition to the City. This garden could create a great civic place. He asked if there is still a place where people gather. He believes that this garden is a great asset. He found it challenging to write about the downtown and the resort. He believes that currently these areas are functioning as two places. The garden can bring both areas together. Mr. Hagadone's proposal brings the lake to the downtown area. In order for the gardens to work there must be a vista through the gardens to the lake. You want to bring the visitor experience to the gardens but you want to keep the business experience between 3rd and 4th Streets. The downtown area does need a civic gathering place. Other Northwest towns that have a great park next to traffic are Bend, Oregon, Ashland Oregon, and the one place that has a park at the 100% corner is in Victoria, B.C. – it is also the place where traffic, water, and business have come together and work well. It is a great example of where streets work for both people and cars. He believes that the gardens will be a great asset to the City. You need to see how to create the gardens and keep the traffic flow. This would get visitors off of I-90 and into the downtown. The gardens would also attract restaurants to the downtown area. The location of the Bonsai restaurant would be a good location if the gardens were across the street. How could we make Sherman Avenue for both pedestrians, cars and the gardens. He believes that all could work if everyone worked together and by having people get out and walk the area, not just by using aerial photos. It also means dealing with cruising and parking. These are perceptions that need to be addressed. He believes that the cruising issue could be managed but it will take the City government to address this issue. He believes that the details need to be hammered out before getting the public involved. He believes that the garden creates an opportunity for the Resort and the City to work together. He believes that creating a walking loop throughout the downtown area between the garden, Tubbs Hill and shoreline would benefit the area. The city needs to create a task force to work with Mr. Hagadone. The process for this dialogue to work is that the process needs to be headed by a person that has the public's trust. The City also needs to make a commitment that this project be accomplished in a relatively short period of time. He believes that Sherman Avenue and the gardens can co-exist. He believes that the prize is the gardens and a vital downtown.

Mark Hinshaw, LMN Architects, reported that of all the communities that he has worked with, the one thing that has impressed him is the passion that this community has. He noted that you must be very careful when a bold new idea comes about in order to protect the small town atmosphere. He believes that the garden can be a world class draw with a few modifications. One thing that is imminently a good idea, is reconfiguring the L-shaped segment on 2nd and Front. The notion of closing a portion of Sherman and re-

designing Lakeside Avenue is a very precarious idea. He believes that it has taken a great deal of time to create the success of Sherman Avenue and it would be very risky to change things that would damage that atmosphere. By re-directing to Lakeside you are sending the message that Lakeside is the main street in Coeur d'Alene which would add to the confusion for visitors. No town has enough demand to support two main streets. The sweeping entrance of Sherman is a visually stunning and a very symbolic statement of the vitality of Coeur d'Alene. No matter how brief the view of the lake is as you enter the downtown area, it is vital to the vitality of the downtown. A true botanical garden is like a museum, a living museum of living plants, which needs to be protected. He believes that the idea now is that it will not be a botanical garden but a beautiful display garden. A botanical garden does require a fence, and it requires security because it is like a museum. The reason for closing Sherman is for the gardens, but he does not recommend closing Sherman. He would recommend narrowing the streets and adding trees with some re-design of the intersection at NW Blvd and Lakeside. He believes that the street should including unique planting and lighting to enhance the garden.

Council President Reid asked about the eastern entrance into Coeur d'Alene, does that not have any impact or is just the western entrance to the city the only impact for our town. Mr. Hinshaw responded that all the entrances into the downtown area could be improved and enhanced so every entrance into our city is a wonderful experience.

Councilman McEvers asked if he had seen the plans prior to coming up with his conclusions. Mr. Hinshaw stated that he had met with Mr. Hagadone prior to coming to his conclusions. Councilman McEvers recalled that his previous work for the City was to revitalize downtown and he was wondering that when he comes to a place like this, are his recommendations going to have this city ending up the looking same as every other city. Mr. Hinshaw responded that people will move to a place that seems very special to them. Once they find that place, they tend to stay in that community. His challenge is to make places that have such a blend of attributes even stronger and make them clearer, sharper, crisper so they do not become confused with other communities. He believes that most towns are floundering but this town has its future in the Council's hands and we are working towards this end. Councilman McEvers remarked that, twenty five years ago, the waterfront did not look like it does today. He asked that although today we are doing a good job, are you saying that the street cannot go away. Mr. Hinshaw responded that he believes that the street that is out there today is a mistake, he believes that it needs to be reconfigured to make it a very gracious street design enhancing the character of the downtown.

Mayor Bloem asked if a "100% corner" is a historical place or a created place. Mr. Hinshaw stated that it is not just a place where people gather. An example is, when someone says they are going to meet you at the center of town, you know where exactly that that location is. It is where the center of the center is.

Councilman Edinger commented that coming down Northwest Blvd. and making that left hand curve and looking out at the lake is very unique. What he is hearing from the general public is that they would like to keep that uniqueness as it is today.

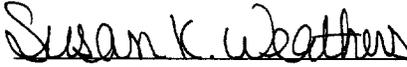
Mayor Bloem thanked everyone for their presentations and the graciousness of the audience.

ADJOURNMENT: Motion by Edinger, seconded by Wolfinger to adjourn the meeting. Motion carried.

The meeting adjourned at 9:17 p.m.


Sandi Bloem, Mayor

ATTEST:


Susan K. Weathers, City Clerk