

MINUTES OF REGULAR MEETING  
SUGAR CITY COUNCIL  
THURSDAY, MARCH 9, 2017

Presiding: Mayor David D. Ogden  
Meeting Convened at 6:30 p.m.  
Prayer: Dave Ogden  
Pledge of Allegiance

Present: Mayor David D. Ogden; Clerk-Treasurer Wendy McLaughlin; Councilmen Bruce Arnell, Bruce King, Matt Garner, and Joe Cherrington; City Public Works Director Zane Baler; Vice-chairman Dave Thompson of the Planning and Zoning Commission; City Building Inspector Cliff Morris; Citizens Elaine King, Bert McLaughlin, Greg Presler, and Klassen Stoddard. Chairman Brent Barrus of the Planning and Zoning Commission was excused.

Mayor Ogden asked if there were any corrections to the minutes of the regular meeting held on February 23, 2017. Each councilman had a copy of the minutes prior to the meeting. It was moved by Councilman Cherrington and seconded by Councilman Arnell to accept the minutes; motion carried.

**RECONCILIATION REPORTS:** Wendy presented the February reconciliation reports for the General Fund. It was moved by Councilman Arnell and seconded by Councilman Garner to accept the February reconciliation reports for the General Fund; motion carried. Wendy presented the February reconciliation reports for the Utility Fund. It was moved by Councilman Arnell and seconded by Councilman Cherrington to accept the February reconciliation reports for the Utility Fund; motion carried.

Wendy presented the current bills in the amount of \$63,362.37. It was moved by Councilman Arnell and seconded by Councilman Garner to pay the current bills, together with all regular March bills; motion carried.

**PLANNING AND ZONING COMMISSION REPORT:** Vice-chairman Dave Thompson reported on the following items:

**Air BnB Business License:** Carol Lynn Harris received a business license from the city to rent her residential unit as an Air Bnb during summer months and a regular rental unit during the winter. The commission understood that Sugar City currently does not have any laws against Air BnBs, which has been a controversial topic in Rexburg and other areas locally and nationally.

**Impact Area:** The commission reported that they are ready to approach the county on extending the area of impact southwest of town. Some residents in the impact area are not ready to be annexed but favor Sugar City if they had to choose between Rexburg and Sugar City. The council does not want to forfeit any impact area to the east or south of town in order to extend the area of impact southwest of town to keep a built-out balance. The west side of town has more potential for commercial growth and impact to the city. The clerk will send an impact area map to the council for review.

**Public Hearing Zone Change Mike Stears Property:** Mr. Stears has applied for a zone change application. The public hearing will be held Thursday, March 16, 2017. The current zone, Downtown Commercial (CD), will be proposed to change to a Multiple Use 2 (MU2) on the lot planned for the four-plexes.

**Jeff Parkinson Property (Desert Gem Farms) Special Use Application:** The commission reported that Jeff Parkinson met all the requirements for his special use permit and recommended to the council that it be accepted. Mr. Parkinson is applying for a special use permit to be granted an interim period in which to pave the parking area, which will be revisited in five years.

**Proposed Land Use Revisions:** No report

**PARKINSON (DESERT GEM FARMS) SPECIAL USE PERMIT FINDINGS OF FACT:** The council adopted the Findings of Fact and recommendations from the Planning and Zoning Commission. They supported a seal/hardening process on the parking lot to keep the dust down for the next five years or sooner, until the lot can be paved.

**MOTION:** It was moved by Councilman Arnell and seconded by Councilman Garner to approve the Findings of Fact, with the paving waiver as explained; motion carried.

**AIR BnB:** Mayor Ogden presented to the council HB216, which is new Idaho legislation just passed by the House that prohibits limiting short-term rentals like Air BnBs. The bill is expected to pass the Senate next. Air Bnb is an online community marketplace that connects people looking to rent their homes with people who are looking for accommodations. There are no taxes that the city can collect. However, the city may regulate noise, light, traffic, and other nuisances. A city business license likely would be required.

**CITIZENS FOR RESPONSIBLE GROWTH INITIATIVE:** The mayor reported that the city attorney will have his reply to the growth initiative within the allotted timeframe. The mayor will hand deliver the letter to ensure it is received, if necessary.

**IDAHO COMMUNITY DEVELOPMENT BLOCK GRANT:** Economic & Community Development Manager Ted Hendricks presented the economic block grant application for Old Farm Estates and a proposed assisted-living center in Division 2 of the development. The grant would be used to help construct roads and place infrastructure in return for job creation and other items mandated by government, which could prove a bigger challenge for the developer if done without the grant. A public hearing will be held Wednesday, March 15, 2017, at 6:30 p.m., with the application due to Boise by Monday, March 20.

**SPECIAL MEETING NOTICE:** The mayor will call a special meeting for the public hearing on the economic block grant explained above on Wednesday, March 15, 2017, at 6:30 p.m. The council will be available to meet that night. The first town hall meeting about the city's proposed water tank and secondary water system will also be held that night at 7:00 p.m. following the public hearing.

**CITY FULL-TIME EMPLOYEE:** The city has need of a full-time employee to help Public Works Assistant Director Arlynn Jacobson. Public Works Director Zane Baler is due to retire in the next few years, and a trained replacement is desired. Emergency calls should be two deep, and workload demands are high.

**MOTION:** It was moved by Councilman Cherrington and seconded by Councilman Arnell to authorize expenditure and hiring of a full-time employee; motion carried.

**RESOLUTION NO. 2017-8 (Application to the Idaho Community Development Block Grant Program to assist in the Old Farm Estates Division #2 Infrastructure):** Resolution 2017-8 was introduced and read in full. It was moved by Councilman Cherrington and seconded by Councilman Garner to approve Resolution No. 2017-8. Thereupon, the clerk called roll upon said motion.

Those voting aye: Councilmen Arnell, Cherrington, Garner, and King

Those voting nay: None

Thereupon, the mayor declared the motion passed. A copy of said resolution is attached hereto marked "Attachment 1."

**INVESTING CITY FUNDS WITH TVI INC:** Mayor Ogden introduced TVI Inc. to the council as an investing avenue for the city to deposit excess funds. The company sells government-backed bonds; however, the city would be responsible for investing and tracking the funds. The council decided that it

would be better to use the state fund investment program, the Local Government Investment Pool, although the interest rate is lower.

**ECLIPSE EVENT PLANNING:** The city has mapped out several locations for RV parking and vendor booth locations in the Business Park, Heritage, and Smith Parks. The city parking and vendor information will be hosted on the Rexburg eclipse website for reservations. Elaine King was present to help coordinate with church-group volunteers. She would like to be kept up to date on the reservations.

**DEPARTMENT REPORTS:**

**COUNCILMAN ARNELL:** No report

**COUNCILMAN KING:** No report

**COUNCILMAN GARNER:** No report

**COUNCILMAN CHERRINGTON:** No report

**MAYOR REPORT:** Mayor Dave Ogden reported on the following items:

**Town Hall Water Meetings:** Wednesday, March 15, 2017, at 7:00 p.m. will be the first Town Hall Water meeting to be held at city hall. There will be a total of four meetings, to be held every other month on the second or third Wednesday. Brochures have been hand delivered, and the public has been encouraged to come.

**Old Farm Estates/River Bend Ranch:** The mayor reviewed with the council the plans for Old Farm Estates Divisions #2 and #3 with a map. A zone change application has been submitted for Division #3. River Bend Ranch has been on hold, with activity starting back up in the spring. However, Rexburg has put a temporary moratorium for 18 – 24 months or until new sewer line is installed on all new development that would affect the Kmart sewer lift station, which would include River Bend Ranch and Toscano developments.

**Sewer Study Request for Proposals:** Proposals are due to the city by Friday, March 17, 10:00 a.m. A committee of four will review the submissions. Councilman Matt Garner will help.

**Toscano:** There has been recent interest in the existing Toscano development. Developers are hopeful they can use the existing partially finished townhomes. They have 90 days to complete their due diligence.

Meeting adjourned at 10:10 p.m.

Signed: \_\_\_\_\_  
David D. Ogden, Mayor

Attested: \_\_\_\_\_  
Wendy McLaughlin, Clerk-Treasurer

**The City of Sugar City, Idaho**

**Resolution No.: 2017 - 8**

**“A Resolution to Approve an Application to the Idaho Community Development Block Grant Program and Authorizes the Investment of Cash and/or In-kind Services to assist in the Old Farm Estates Division #2 Infrastructure Project, Which Will Facilitate the Creation of Jobs in a New Assisted Living Center.”**

---

WHEREAS, the Council of the City of Sugar City, Idaho desires to partner with the developers of Old Farm Estates to provide infrastructure for their new division #2, which will facilitate the construction of a new assisted living center that will create approximately 50 jobs; and

WHEREAS, the Idaho Department of Commerce that administers this program will require the City of Sugar City to provide a cash and/or in-kind match in order to obtain their Block Grant funds in the amount of Five Hundred Thousand Dollars (\$500,000.00); and

WHEREAS, the assistance provided for this project will foster significant economic development for the City, including additional tax revenues, and future development fees;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SUGAR CITY, AS FOLLOWS:

The City Council of the City of Sugar City, Idaho hereby approves the application to the Idaho Community Development Block Grant program, authorizes the dedication of One Hundred Thousand Dollars (\$100,000.00) in either cash or in-kind services as match towards the project, and authorizes the Mayor to execute any and all documentation for the application.

PASSED by the Council of the City of Sugar City on this 9<sup>th</sup> day of March, 2017

APPROVED by the Mayor of the City of Sugar City on this 9<sup>th</sup> day of March, 2017.

\_\_\_\_\_  
David D. Ogden, Mayor

ATTEST:

\_\_\_\_\_  
Wendy McLaughlin, City Clerk - Treasurer