
The public is invited to attend in-person or watch via the livestream at <https://www.idahofallsidaho.gov/429/Live-Stream>. This meeting may be cancelled or recessed to a later time in accordance with law. If you need communication aids or other physical accommodation to attend or access this meeting, please contact Emily Geisler, City Clerk, at (208) 612-8414 or Lisa Farris, ADA Coordinator, at (208) 612-8323 prior to the meeting.

CITY COUNCIL WORK SESSION

Times listed in parentheses are only estimates.

Call to Order and Roll Call

**City Attorney, Municipal Services,
Community Development Services,
Public Works**

Discussion: Reasoned Statement from 12/18 Impact Fee Appeal Hearing (30)
Action: Council Direction to Staff (or take other appropriate action)

**Municipal Services, City Attorney,
Community Development Services,
Public Works**

Discussion: Impact Fee Credit Process, Development Agreements (30)
Action: Council Direction to Staff (or take other appropriate action)

Mayor, City Council

Mayor and Council Reports: Calendars; Announcements; Events; Reports; Updates; Concerns; Questions; Discussion; Proclamations; Notes from Boards and Commissions (30)
Action: Council Direction to Staff (or take other appropriate action)

Dated the 31st day of December 2025



Emily Geisler, City Clerk

REASONED STATEMENT, FINDINGS OF FACT, AND CONCLUSIONS OF LAW

**AN APPEAL FROM THE IMPACT FEE ADMINISTRATOR’S DECISION DATED
NOVEMBER 6, 2025, REGARDING IMPACT FEE ASSESSMENT APPLICATION –
BARNWOOD ESTATES TOWNHOMES AND TERRACE GATE CONDOMINIUMS**

This matter came before the Idaho Falls City Council (“Council”) at a hearing held on December 18, 2025, for an appeal from the Impact Fee Administrator’s written decision dated November 6, 2025, (“Decision”) granting an impact fee credit for one single-family residential unit and denying an impact fee credit for system improvements requested by Terrace Gate Property Fund, LLC (“Appellant”). Appellant appealed the Decision’s denial of the request for impact fee credits for the system improvements and Council affirmed. This reasoned statement sets forth the grounds for Council’s decision to affirm the Impact Fee Administrator’s Decision.

I. FINDINGS OF FACT

1. Appellant is the developer for Barnwood Estates Townhomes and Terrace Gate Condominiums, located along South Skyline Drive in Idaho Falls, Idaho (the “Property”).
2. On January 25, 2024, Appellant entered into a development agreement with the City of Idaho Falls (“City”) entitled “Development Agreement Barnwood Estates Townhomes” (the “Development Agreement”).
3. As part of the Development Agreement, Appellant agreed to perform “street section work” to expand Skyline Drive, which was part of the “Shared Work.” (Development Agreement § 11.) The City agreed to pay for the cost provided that Appellant meet certain conditions, including obtaining and delivering “to CITY three (3) independent

bona fide bids for the performance of such work from qualified and responsible contractors.” (*Id.*) The Development Agreement provided that “CITY shall have no obligation to pay for any portion of the costs of the Shared [W]ork unless prior to the commencement of the work, the parties have expressly agreed in writing to a specific amount for which CITY will reimburse the Developer.” (*Id.*)

4. The work to expand Skyline Drive commenced in the spring or summer of 2024. Prior to the commencement of this work, Appellant did not provide three bids to City and did not enter into a written agreement with the City for a specific amount of reimbursement for this work.
5. Prior to October 15, 2025, Appellant had paid all impact fees associated with the Property.
6. On October 15, 2025, Appellant applied for an impact fee credit or reimbursement. Appellant requested an impact fee credit (1) for one single-family residential unit that had previously been on the Property, but which was demolished as part of the development, and (2) for costs associated with expanding Skyline Drive as well as the value of the dedication of the right-of-way to widen Skyline Drive.
7. On November 6, 2025, the Impact Fee Administrator issued the Decision (1) granting an impact fee credit in the amount of \$5,273.50 and (2) denying Appellant’s request for an impact fee credit or reimbursement for the work and right-of-way dedication associated with Skyline Drive. Recognizing, however, “that widening Skyline Drive is part of a capital improvement plan and qualifies as a system improvement,” the Impact Fee Administrator offered an informal resolution to Appellant. (Decision 2.)

The informal resolution offered to pay for the following quantities for work done on Skyline Drive:

Additional road widening of Skyline Drive: 1500 square yards.
Standard Curb & Gutter: 722 linear feet.
6' Sidewalk: 460 square yards.
Storm inlets: 3 each.
Storm manholes: 1 each.
12" storm pipe: 77 linear feet.
Storm tech system: 1 lump sum.
7' wide landscaping of landscaping strip: 4855 square feet.

(Decision 3.) To obtain payment under the informal resolution, Appellant was asked to provide three bids, after which the City would “review and determine what amount the City should pay for the shared work and enter into a written agreement with Terrace Gate regarding the same.” (*Id.*)

8. On November 24, 2025, Appellant filed an appeal of the Decision challenging the denial of the requested impact fee credit or reimbursement for the work done on Skyline Drive and the associated dedications for the right-of-way. Appellant did not challenge the grant of the impact fee credit for the one single-family residential unit.
9. As part of the evidence submitted in support of the appeal, Appellant provided four bids pertaining to work done on Skyline Drive.
10. On December 18, 2025, Council held a hearing on the appeal and received additional evidence and argument from Appellant and City staff. At the conclusion of the hearing, Council voted to affirm the Decision and directed City staff to prepare a reasoned statement that articulates the grounds for Council’s decision.

II. ISSUE ON APPEAL

1. Whether the Impact Fee Administrator correctly denied Appellant's request for impact fee credits for system improvements to Skyline Drive based on Appellant's failure to enter into a written agreement with the City prior to the commencement of work.

III. STANDARD OF REVIEW

A fee payer has the "burden of proof . . . to demonstrate to the Council by a preponderance of evidence that the appeal should be granted." City of Idaho Falls City Code [hereinafter "City Code"] § 10-8-10(D). Given that the Appellant and City staff had the right to present additional evidence on appeal, Council's review of factual determinations is *de novo*.

The Council's consideration of legal issues on appeal "is limited to whether [Title 10, Chapter 8] was correctly interpreted, correctly applied, and the amount of the impact fee, credit, reimbursement, or refund was properly calculated." City Code § 10-8-10(F). In other words, Council's review of the Impact Fee Administrator's legal conclusions is also *de novo*. In deciding whether the Appellant or Impact Fee Administrator's interpretation is correct, Council shall consider which one "more accurately reflects the intent of [Title 10, Chapter 8] that new growth and development in the City pay its proportionate share of the costs of system improvements for Public Facilities necessary to serve new development." *Id.*

IV. CONCLUSIONS OF LAW

The Impact Fee Administrator correctly held that Appellant failed to comply with the requirement to enter into a written agreement with the City as to the amount of the impact fee credit or reimbursement prior to the commencement of work to expand Skyline Drive. The Development Agreement did not fulfill this requirement because the Development Agreement did not contain a specific amount for the cost of the work. Consequently, Appellant is not entitled to

a credit or reimbursement for the work or the value of the dedication of the right-of-way to expand Skyline Drive. However, recognizing that hewing to the letter of the law can lead at times to unequitable results, and that Appellant performed work to expand Skyline Drive, Council has instructed City staff to continue efforts to informally resolve the matter of payment with Appellant.

1. City Code Requires a Prior Written Agreement as to the Amount of the Impact Fee Credit.

City Code allows a fee payer to request a credit or reimbursement for impact fees when the payer has constructed system improvements. City Code § 10-8-9(A). However, City Code is clear that “no credit or reimbursement shall be provided for . . . [a]ny construction, funding or contribution not agreed to in writing by the City prior to commencement of such construction, funding or contribution.” City Code § 10-8-9(A)(2). This requirement is reiterated in another part of the City Code providing that, if a credit or reimbursement is due, the parties “shall enter into a written agreement, negotiated in good faith, prior to the construction, funding or contribution.” City Code § 10-8-9(D). This written agreement must “include, at a minimum, a description of how the system improvements are to be valued, and the amount of the credit or the amount, time, and form of reimbursement.” *Id.*

Here, Appellant commenced work on expanding Skyline Drive without first entering into a written agreement with the City as to the amount of the impact fee credit or reimbursement. Finding of Fact #4. Because Appellant failed to enter into a written agreement for a specific amount prior to commencing work on the construction, Appellant is not eligible for an impact fee credit or reimbursement pursuant to City Code § 10-8-9(A)(2) and 10-8-9(D).

2. The Development Agreement Did Not Constitute a Prior Written Agreement Containing a Specific Amount

Appellant contends that the Impact Fee Administrator’s Decision “fails to account for the written, pre-construction commitment in the recorded Barnwood Estates Townhomes Development Agreement.” (Notice of Appeal 1–2.) According to Appellant, “[t]he Development Agreement satisfies the ordinance’s predicate—a written, pre-construction agreement to reimburse system improvements—while the precise amount is determined through the parties’ valuation method and post-acceptance true-up.” (*Id.* 2.) In short, Appellant asserts that the Development Agreement satisfies the ordinance’s requirement for a written agreement entered into prior to the commencement of the work. But, as explained below, the Development Agreement did not provide a specific amount for the cost of the work.

Appellant is correct that the City agreed to reimburse Appellant for certain costs associated with Skyline Drive. The problem for Appellant, however, lies in the fact that the Development Agreement does not provide a *specific* amount for the work on Skyline Drive. Instead, The Development Agreement provides that “those portions of the . . . street section work (hereafter collectively referred to as the ‘Shared Work’), the cost of which CITY has expressly agreed to pay pursuant to the Special Conditions, including . . . increased line size or capacity and road width or thickness, are required because of future service needs.” (Development Agreement § 11.) Further, “DEVELOPER agrees to design and construct such facilities subject to CITY’s agreement to reimburse DEVELOPER for a portion of such costs, all as set forth in the Special Conditions.” (*Id.*) Were this the only language in the Development Agreement, Appellant’s argument might have had merit.

But this right to reimbursement comes with a catch—“[p]rior to the commencement of the Shared Work, DEVELOPER shall obtain and deliver to CITY three (3) independent bona fide bids

for the performance of such work from qualified and responsible contractors.” (*Id.*) Critically, “CITY shall have **no obligation to pay** for any portion of the costs of the Shared [W]ork unless prior to the commencement of the work, the parties have expressly agreed in writing to a specific amount for which CITY will reimburse the Developer.” (*Id.* (bolding added).)

Once again, the right to payment centers on a requirement for Appellant to enter into a written agreement with the City prior to the commencement of the work, this time with an additional requirement to provide three bids as part of the process. Appellant failed to provide three bids or enter into a written agreement with the City for a specific amount prior to commencing work on Skyline Drive. Finding of Fact #4. This means that the City has “no obligation to pay” Appellant for the work done on Skyline Drive under Section 11 of the Development Agreement. Given that there was no obligation to pay under the Development Agreement, the Development Agreement does not constitute a written agreement for a specific amount entered into prior to the commencement of the work for purposes of City Code 10-8-9. Consequently, Appellant has failed to show that it satisfied the preconditions for receiving an impact fee credit or reimbursement under City Code 10-8-9. The Impact Fee Administrator correctly denied Appellant’s request for an impact fee credit for the costs of work done on Skyline Drive, as well as for the value of the dedication of the rights-of-way.

3. Informal Resolution

Council recognizes that a denial based on procedural grounds is a harsh result, albeit one compelled by the black-letter requirements of the law. Recognizing the value that Appellant has contributed through its work expanding Skyline Drive, a system improvement, Council has instructed City staff to continue pursuing the informal resolution recommended by the Impact Fee Administrator, should Appellant wish to do so. Given that Appellant has now provided four bids

related to the work on Skyline Drive, Council gives the following guidance for the informal resolution:

Based on the bids, City staff will work with Appellant to determine the costs for the following items and quantities:

Additional road widening of Skyline Drive: 1500 square yards.

Standard Curb & Gutter: 722 linear feet.

6' Sidewalk: 460 square yards.

Storm inlets: 3 each.

Storm manholes: 1 each.

12" storm pipe: 77 linear feet.

Storm tech system: 1 lump sum.

7' wide landscaping of landscaping strip: 4855 square feet.

Brian Cunningham (BCunningham@idahofalls.gov) will be the primary point of contact during this process. After City staff ascertain a specific dollar amount for the above items and quantities, the City will offer a reimbursement to Appellant. Because this is an informal settlement, the City will request an appropriate release from Appellant as part of the offer.

V. CONCLUSION

For the reasons discussed above, the Impact Fee Administrator's Decision is AFFIRMED. This is a final decision pursuant to City of Idaho Falls City Code 10-8-10(G).

[Date and signatures on following page]

Dated this ____ day of January, 2026.

Lisa Burtenshaw
Council President

Michelle Ziel-Dingman
Council Member

Jim Francis
Council Member

John Radford
Council Member

Kirk Larsen
Council Member

Jim Freeman
Council Member

DRAFT

Certificate of Service

I hereby certify that on this ____ day of January, 2026, I served a true and correct copy of the above document to the following entity by the method of delivery indicated:

Terrace Gate Property Fund, LLC
901 Pier View Dr, Suite 204
Idaho Falls, ID 83402

Certified U.S. Mail

Emily Geisler, City Clerk

DRAFT

OCTOBER 9, 2025 SISTER CITIES ADVISORY COMMITTEE MEETING MINUTES

The October 9, 2025 2025, Sister Cities Advisory Committee meeting was held in Room 310A of Building 3 at the College of Eastern Idaho (1600 S 25th E, Idaho Falls, ID 83404).

ACTION ITEMS

5:41 PM

Roll Call and Confirmation of Quorum

- In attendance: Amanda Logan, Catherine McClure, Laura Combs, Sunny Katseanes, Julie McMurtrey
- Absent: Cindy Ozaki, Chloe Doucette, Lisa Armstrong, Jake Durtschi, Caroline Combs

Approval of September 25, 2025 Meeting Minutes

- Tabled due to lack of a quorum.

Approval of Reimbursements

- None received.

FY 2026 Budget

- The IFSCAC budget has been reduced to \$15,000 (still up from the first year, but down from last year).
- We plan to use FY26 funds as follows, but will table a formal vote until the next meeting due to a lack of a quorum:
 - Administration: \$2,500
 - Community Outreach: \$4,500
 - Hosting Costs: \$7,000
 - Visiting: \$1,000

DISCUSSION ITEMS

5:47 PM

Updates from the City: Report was given by Catherine McClure

- Open Committee Seat: No current movement on filling the seat
- Revisions to the [Idaho Falls Sister Cities Advisory Committee City Code](#)
 - On hold because the City is in the process of hiring a new City Attorney
 - Things are also on hold pending the mayoral election
- Catherine will look for additional funding to cover budget cuts and also will look into the status of reimbursements from the City that the Adult and Youth groups are waiting for from June and September.

Report from Sister Cities Adult Association: Report was given by Clarke Kido

- Clarke presented a check for \$75 to the City to pay for a participation fee from an event held while the Japanese delegation was visiting to attend a presentation by a visiting doctor
- Three new couples have expressed interest in joining the Adult Association. There are currently 33 members.
- There is some discussion of combining Idaho Falls and Pocatello/Blackfoot JACL.
- The JACL's Bento Box event is Oct. 18 at the Elk's Lodge. Spread the word!

Report from Sister Cities Youth Association: Report was given by Laura Combs

- The corn maze event went well.
- A Halloween Zoom call with Tokai students will be held on October 18.
Compass Academy is open to providing the Youth Association a meeting space when the Idaho Falls Public Library meeting rooms aren't available
- 2026 Visit Planned: July 23-August 1

Community Outreach

- **Friendship Garden Sign:** Amanda sent a letter to the Director of Parks and Rec following our discussion recommending we move forward with the sign using the Master Gardeners' suggestions and accepting their generous offer to pay for a second sign.
- **Social Media, Traditional Media, Websites:** No updates.
- **Local Educator Grants:** No updates.
- **Presence at Community Events:** Start thinking about worthwhile events in 2026.
- **Cultural Exhibits:** No updates
- **Sponsorships from and Involvement with Local Businesses:** No updates

New Business

- Date and Agenda Items for Next Meeting
 - The next meeting is November 13 at 5:30 PM in the same location,
 - Discussion Items:
 - Approval of all minutes
 - 2026 Events
 - Education efforts
 - Status of reimbursements to Associations that have been submitted to the City

ADJOURNMENT

6:35 PM



NOVEMBER 13, 2025 SISTER CITIES ADVISORY COMMITTEE MEETING MINUTES

The November 13, 2025 2025, Sister Cities Advisory Committee meeting was held in Room 310A of Building 3 at the College of Eastern Idaho (1600 S 25th E, Idaho Falls, ID 83404).

ACTION ITEMS

5:35 PM

Roll Call and Confirmation of Quorum

- In attendance: Amanda Logan, Laura Combs, Chloe Doucette, Jake Durtschi, Julie McMurtrey, Sunny Katseanes
- Absent: Catherine McClure, Caroline Combs, Cindy Ozaki

Approval of Meeting Minutes

- We will delay approval of meeting minutes until next month. We will need to approve September, October, and November.

Approval of Reimbursements

- No reimbursements submitted for this month, but we are lagging from previous months.

FY 2026 Budget

- The Committee's FY26 budget was set at \$15,000, a reduction from the prior year but higher than the Committee's first-year budget.
- Members reviewed the FY24 budget to compare spending and help determine FY26 allocations.
- The Friendship Garden sign project will cost approximately \$4,000, which will need to come from the FY26 budget. PJ mentioned verbally that Parks and Rec would be willing to let us pay \$2,000 this year and \$2,000 next year.
- *Laura moved to approve the FY 2026 budget as follows:*
 - *Administration: \$2,500*
 - *Community Outreach: \$4,500*
 - *Hosting Costs: \$7,000*
 - *Visiting: \$1,000*

Jake seconded. The Motion passed unanimously

DISCUSSION ITEMS

5:50 PM

- **Updates from the City**

- The election is heading to a runoff for the Mayor and one City Council seat. No updates on the open committee seat until after the runoff and the new Mayor and City Councilmember are in place.
- The City is still in the process of hiring a new City Attorney so revisions to the ordinance are still on hold.
- The Committee has approved reimbursements in a timely manner and Catherine has provided the required documentation to the Treasurer's office but unfortunately the reimbursements are not being issued in a timely manner. Catherine has followed up with the Treasurer's Office and the outstanding reimbursements should be issued tomorrow.

Report from Sister Cities Adult Association: Cindy Ozaki was not present, so Amanda shared some information that she had available.

- Laura asked if the Mayor is an automatic member of the Adult Association. Amanda said that Mayor Casper is a member, but she believes that she pays her own membership fees so it is likely that the mayor will be invited, but some mayors have been more excited about their involvement than others.
- Amanda mentioned that the Adult Association was planning to review the delegation's visit, what went well, what could be improved, etc. during their most recent meeting.

Report from Sister Cities Youth Association: Laura Combs provided the report.

- Winter Carnival on the 27th of December from 3-5pm at the Ice Arena.
 - TBD whether they can sell food.
 - The Youth Association is trying to scale it back and keep it pretty simple this year so that it is not such a heavy lift.
 - Laura will distribute a poster for the Committee to share.
- The Youth Association had to formally remove a parent from their group last month due to repeated issues and conflicts over reimbursement.
- The Youth Association's Halloween party (including Zoom call with Tokai) was really fun. Everyone dressed up and enjoyed Halloween activities. That is the final Zoom party of the 2025 year.
- Elise Mongiello is the secretary for the Youth Association and she has been inviting a lot of new members. Over the last little while there have been 4 or 5 new families. Jake Durtschi invited her to join initially.

Community Outreach

- **2026 Event Calendar**

- We have a verbal promise that we don't need to use \$2,000 on the sign this year, so we can determine if we have a budget to do more outreach next year.
- Catherine is going to see how many canvas bags we have left.

- Laura has already submitted tentative dates for the youth visit, so as we plan activities, make sure that we keep their schedule in mind since they're such wonderful volunteers.
- **Social Media, Traditional Media, and Website**
 - Hailey Egbert is a new communications specialist with the City who we can collaborate with on City communications.
- **Local Educator Grants**
 - There's someone new working on communication over at D91; Maybe we can discuss with Lisa how they might be able to work with us since they've been more active on social media.
 - Chloe mentioned that she has a meeting happening at MOI in February about National History Day. We might be able to pitch the youth association here.
- **Friendship Garden Sign**
 - Amanda will follow up with PJ about conversations with the Master Gardners to pay for the second sign
- **Presence at Community Events**
 - Chloe mentioned that Friends of Minidoka and JACL will be partnering on another Day of Remembrance event. She will explore getting the associations to have tables hosted there.
- **Cultural Exhibits**
 - No updates at this time.
- **Sponsorships and Local Business Involvement**
 - No updates at this time.

NEW BUSINESS

Date and Agenda Items for Next Meeting

- The next meeting will be held Thursday, December 11 at 5:30 PM in the same location
- Agenda items:
 - Meeting schedule for 2026
 - We need to decide if we should change our meeting schedule because it sometimes overlaps with the City Council meeting.
 - Outreach and Education goals
 - Plans for 2026 and general housekeeping
 - Amanda's appointment coincides with the Mayor's appointment. We do have a Vice Chair, so we can continue with our operations if Amanda's term ends and she is not reappointed/her replacement is not appointed quickly.
 - Approval of meeting minutes

ADJOURNMENT

6:03 PM