



AGENDA REPORT

City Council Meeting

TODAY'S DATE: February 23, 2026

MEETING DATE: March 4, 2026

TO: MAYOR AND CITY COUNCIL

FROM: Holly Ellis, Public Works Director; Bill Dean, Deputy Director/City Planner, Community Planning and Development Department.

SUBJECT: PS20-0003 / PFP25-0002: University Park Place Subdivision - Phase 4 - First Amendment to Development Agreement (Instr. No. 991044) and Phase 4 Final Plat

APPLICATION DESCRIPTION AND BACKGROUND:

The applicant, M&W Holdings, LLC, requests City Council approval of (1) a First Amendment to the Development Agreement recorded as Instrument No. 991044, and (2) the University Place Subdivision, Phase 4 Final Plat. The Final Plat cannot be found compliant unless the Development Agreement is first amended to align the recorded conditions with the current development status and the improvements constructed for Phase 4. This item was previously scheduled for Council consideration but was removed from the agenda to allow staff and the applicant to resolve Development Agreement compliance issues prior to returning to Council.

On November 4, 2020, City Council approved with conditions the preliminary plat for the University Place Subdivision (PS20-0003). On December 2, 2020, City Council approved a development agreement to formalize conditions of approval, including required infrastructure improvements. The development agreement originally applied jointly to two property owners; subsequent to approval, the agreement was separated as applicable to each owner and their successors. The development agreement applicable to the Phase 4 property was recorded on September 3, 2021 (Instrument No. 991044).

University Place Phase 4 is a 4-lot subdivision located on the east side of North Boyer Avenue, south of the recently platted University Place Phase 2A and north of and abutting the BNSF rail line. Phase 4 was originally within the broader University Place preliminary plat approval. Subsequent to preliminary plat approval, the Phase 4 area was rezoned from Residential Single-Family (RS) to Residential Multi-Family (RM) on November 2, 2022. The PUD and preliminary plat that were later approved for Phase 4 expired; the original preliminary plat remains valid, and the RM zoning does not expire. The Final Plat for Phase 4 has been reviewed by City staff and determined to be in substantial conformance with the approved preliminary plat.

Public infrastructure for Phase 4 was constructed under Infrastructure Permit P2021-0729, which authorizes roadway, curb, sidewalk, and related right-of-way improvements for Phase 4 and incorporates approved-for-construction plans by the Engineer of Record.

The Engineer of Record provided certification dated November 17, 2025 that water, sewer, roadway, curb, gutter, and sidewalk improvements were constructed in accordance with the approved plans.

The recorded Development Agreement included infrastructure and frontage improvement obligations that were premised, in part, on a proposed Planned Unit Development and higher-density development scenario that did not ultimately proceed. Additionally, after updated traffic analysis and a reduced improvement scope were accepted administratively, the Development Agreement was never amended by City Council to reflect that updated scope and timing. As a result, staff previously could not recommend Phase 4 Final Plat approval because the Final Plat must be consistent with the recorded Development Agreement conditions.

The proposed First Amendment aligns the original Development Agreement with the approved preliminary plat and the current development status for Phase 4. In summary, the amendment clarifies that CC&Rs and HOA formation are not required for Phase 4 because the approved plat does not include shared private facilities; confirms that the North Boyer Avenue frontage improvements completed to date satisfy obligations associated with the trip generation under the approved preliminary plat; removes PUD-based assumptions that are no longer applicable; and preserves the City's authority to require additional mitigation if future development applications increase density or trip generation beyond what was contemplated under the approved preliminary plat. All other terms of the original Development Agreement remain in full force and effect.

Because the Final Plat must be consistent with the recorded Development Agreement, Council action is requested on the amendment first, followed by Final Plat approval contingent upon execution and recordation of the Development Agreement amendment.

PROCEDURAL REQUIREMENTS AND STANDARDS FOR FINAL PLATS:

The Local Land Use Planning Act (LLUPA) requires local governments to adopt local ordinances providing "for standards and for processing of applications for subdivision permits under Idaho Code Sections 50-1301 to 50-1329." In accordance with LLUPA, the City of Sandpoint's subdivision regulations are codified in Title 10 of Sandpoint City Code. The City follows a two-step subdivision review process - a preliminary plat review and a final plat review. This process ensures that proposed subdivisions comply with local, state, and federal standards and that all required public infrastructure is properly designed and constructed before new lots are created and sold.

Preliminary plats generally set forth the basic information (layout) to determine if the subdivision plan generally complies with the applicable requirements. Public comments and deliberation regarding a proposed project's layout occurs during the preliminary plat process and during public hearings. Once a preliminary plat is approved, developers are permitted to apply for and obtain a Public Infrastructure Permit that details and implements the engineering plans and specifications related to the conceptual infrastructure shown on the Preliminary Plat. The Public Infrastructure Permit is the city's administrative permit used to manage the review and approval of the improvement plans related to public infrastructure required by SCC 10-1, Subdivision and New development Standards and Regulations. Upon approval of the Public Infrastructure Permit, the developer may begin constructing required public infrastructure, including streets, utilities, and drainage improvements, consistent with the approved plans.

Upon completion of constructing the required public infrastructure, the property owner engages a licensed professional surveyor to generate the final plat. The final plat serves as the legal document to be recorded with Bonner County and reflects the as-constructed conditions of the subdivision, including lot boundaries, easements, and dedications. Property owners are required to return to City Council for approval of the final plat which serves as a confirmation and verification step that the subdivision was constructed in accordance with the preliminary plat. Upon approval by City Council a final plat can be recorded. Once approved, the streets and utilities are accepted by the City and become publicly-owned, and the developer may sell lots and property owners/contractors may apply for building permits on the new legal lots.

To be eligible for recordation, the face of the final plat must contain the following certificates and approvals:

- Certification by owner, including a legal description, certification of ownership of the property, dedication of easements shown on the plat (if applicable), and reference to any Conditions, Covenants, and Restrictions (CCRs) (if applicable).
- Certification by the professional land surveyor that the plat drawing is correct and in compliance with applicable state and local laws.
- Certification by the local health district describing sanitary restrictions on the new lots.
- Certification of approval from the local highway district of public streets, alleys and easements for public maintenance (the Independent Highway District retains jurisdiction over public rights-of-way within the City of Sandpoint, while the City is responsible for maintenance under a memorandum of understanding agreement).
- Certification of approval by the City Engineer and City Planning Director.
- Certification of approval by the Bonner County Surveyor.
- Certification by the Bonner County Treasurer of the tax status of the property.

Prior to bringing a final plat before City Council, City staff inspect the completed construction (under the public infrastructure permit), review the surveyor's final plat, and verify compliance with the conditions of approval placed on the preliminary plat approval, and any development agreement (if applicable). City Code requires that the final plat be in substantial conformance with the preliminary plat. The definition of the term "substantial" means "*essentially; without material qualification; in the main; in substance, materially; in substantial manner. About, actually, competently, and essentially.*" The final plat is also reviewed against the preliminary plat to ensure that the number of lots, general size of the lots, right-of-widths, and similar standards are consistent with that proposed during the preliminary plat process.

Additionally, the public infrastructure must be substantially complete, as determined by the City Engineer. City staff review the improvements to ensure that (a) City services (water, sewer, storm drainage, etc.) are fully functioning in conformance with the approved plans, and (b) the right-of-way is code and standards-compliant, providing adequate access for the public and emergency services. It is common that a portion of the work is not 100% complete by the City at time a property owner seeks approval of a final plat; such infrastructure typically includes sidewalks, removal of temporary erosion measures, planting of trees, etc. So long as the above criteria is met, as determined by the City Engineer, and the remaining work is bonded for in compliance with SCC Chapter 10, a final plat may be approved on the basis it is "substantially" conforming and complete.

The University Place project has a development agreement, which establishes additional requirements prior to approval of any final plat, as described in the staff report below

COMPLIANCE WITH CITY CODES AND DEVELOPMENT AGREEMENT REQUIREMENTS:

Preliminary Plat Compliance and Status of Development at University Place:

The Preliminary Plat was approved by City Council on November 4, 2020 (Application PS20-0003). The 75-acre, 152-lot development approved with the Preliminary Plat contemplated several phases of development: Phases 1, 2, 3, and 4. Lotting for individual home sites for Phases 1-3 were known at the time of Preliminary Plat approval. Phase 4 was shown as creating 4 lots, and the record (staff report page 2 from 11/4/2020 public hearing) characterizes a developer intention to pursue commercial development on one (Lot 1) of the four lots on Phase 4, while pursuing multifamily development in the future on the balance of Phase 4. At the time of Preliminary Plat approval, the record does not indicate specific, small-lot home sites for Phase 4.

Phase 1 has been developed, Phase 2 has proceeded in sub-phases 2a and 2b with a portion of Phase 2a developed. Phase 3 Final Plat was approved by City Council on December 3, 2025 and applications for building permits are pending for a portion of Phase 3. Subsequent to approval of the Preliminary Plat, the Phase 4 area was rezoned from Residential Single-Family (RS) to Residential Multi-Family (RM) on November 2, 2022 by City Council. At the same time, a Planned Unit Development (PUD)

permit and a Preliminary Plat were approved. Such involved small-lot development and multi-family development with public park amenities within the Phase 4 area. The PUD and Preliminary Plat specific to Phase 4 expired, leaving the original Preliminary Plat in place (has not expired) as well as the RM zoning, which does not expire. The final plat for Phase 4 has been reviewed by City staff and determined to be in substantial conformance with the approved Preliminary Plat approved by City Council on December 2, 2020.

Zoning Compliance:

The final plat has been reviewed by City staff and determined to be in substantial conformance with the RM zone district lot dimensional standards. Each of the four (4) lots being created exceeds the Residential Multi-Family (RM) Zone district minimum lot size of 5,000 square feet and 50 feet of frontage on a public street.

University Place Phase 4 Final Plat		
Block/Lot Number	Lot Size	Lot Frontage
Block 1/Lot 1	6.38 acres	765 ft
Block 2/Lot 1	1.01 acres	240 ft
Block 2/Lot 2	4.26 acres	307 ft
Block 2/Lot 3	1.26 acres	396 ft

All lots front either on North Boyer Avenue or the newly installed streets E. Ebbett Way and Herring Avenue. While development on any of these sites may occur on the lot sizes being created with this final plat, provided such development meets the land use and development standards of the RM zone district and other city regulations related to land development, such as provision of utilities and compliance with storm-drainage requirements, the property owner has indicated to staff that further subdivision of these lots may occur. Further subdivision, however, is not required (e.g multi-family development on one or more lots configured as rental/apartment units).

Compliance with The Preliminary Plat (PS20-0003) Conditions of Approval:

The conditions of approval placed on the Preliminary Plat were approved by City Council as contained within the development agreement; they are listed within the development agreement under section 12 and referred to as the "Required Infrastructure Improvements". Following is a summary of each condition of approval from the DA (Instrument # 991044) and a compliance statement.

12 a) Detailed analysis to occur throughout the subdivision process, which may result in revisions necessary at the time of construction improvement (infrastructure) plans.

Compliance: Completed during Public Infrastructure Permit review; plans prepared and stamped by licensed engineers Sott Brown and Ryan Luttmann; infrastructure constructed under and P2021-0729.

12 b) The 20' wide utility and emergency exit easement shown on the preliminary plat (sheet 4) shall also contain a publicly dedicated pedestrian easement which shall include a minimum 10' wide paved path to provide connection between what is shown to be both legs of S. Sand Creek Lane. If final utility plans necessitate access for maintenance, the access shall be capable of accommodating City maintenance vehicles.

Compliance: This is a requirement (unmet) for Phase 2 because the land involved with this pathway is on Phase 2, not in Phase 4.

12 c) An updated trip generation letter is required for any future rezone, and any mitigation beyond that stated in the DA may be required, including northbound right onto N. Boyer from the project entrance and/or from E. Ebbett Way.

Compliance: Rezoning took place in 2022; no further mitigation is necessary in order to approve this Final Plat.

12 d) Developer shall make improvements to N. Boyer as follows:

- 1) Eastern portion of N Boyer right of way along frontage to be improved under a City-issued permit prior to certificates of Occupancy for Phase 2, but no later than 12/21/25 (part of Phase 2).

Compliance: In 2022, the developer provided updated traffic analysis supporting a reduced improvement scope, which was accepted administratively. The proposed First Amendment formally aligns the Development Agreement with this revised scope by stating that the requirement to reconstruct the eastern portion of the North Boyer Avenue right-of-way is now satisfied for the trip generation associated with the approved preliminary plat. The City accepts the improvements completed to date as sufficient for Phase 4 approval.

- 2) Frontage Improvements to include a 6-foot tall non-vinyl fence along N. Boyer block 8, lots 1-3 (part of Phase 2).

Compliance: No Final Plat has been submitted for block 8, lots 1-3, nor have building permits been sought for these lots. The proposed First Amendment clarifies that this requirement is not applicable to Phase 4.

- 3) The City is responsible for the snow removal on the shared pathways.

Compliance: This is an ongoing operational commitment by the City.

12 e) All lots subject to all current requirements in place at time of permit application.

Compliance: Ongoing compliance, City ensures necessary permits are required and fees paid in accordance with City regulations.

12 f) Developer shall maintain compliance with United States Environmental Protection Agency's Construction General Permit (CGP) throughout development.

Compliance: Compliance verified under permit no.P2021-0729. Site is stabilized.

12 g) Developer and/or owner shall pay development impact fees in place at time of permit issuance, prior to issuance of building permits.

Compliance: Ongoing compliance, City ensures necessary permits are required and fees paid in accordance with City regulations, including recently updated development impact fees.

12 h) In event developer does not move forward with a Final Plat, developer shall provide the City with a 30-foot wide utility easement in order to maintain any functionally complete and accepted Required Public Infrastructure.

Compliance: Developer applied for and obtained a Final Plat for Phase 1 and a portion of Phase 2.

12 i) Developer shall not be responsible for additional off-site improvements beyond the terms of this development agreement unless the actual or estimated average daily trips (ADT) (weekday or weekend) exceeds the number of trips included in the developer's final Trip Generation and Distribution letter; future land use actions may require submission of a current TGDL.

Compliance: No exceedance has been identified.

12 j) Developer shall maintain all stormwater conveyance and treatment systems, in accordance with the Stormwater Permit issued by the City, in perpetuity, and shall transfer such maintenance to future, individual property owners and/or another entity by executing subdivision CCRs.

Compliance: Phase 4 has no shared stormwater facilities. The proposed First Amendment clarifies that because the approved plat lacks shared conveyance systems, the requirement to execute CCRs is not applicable to Phase 4. Future development must meet Title 11, Chapter 3

12 k) Developer shall confirm capacity to City of existing sewer lift station and upgrades as specified below:

- 1) Upsizing not anticipated to be necessary, but developer shall be responsible in event upsizing is deemed necessary, as determined by the City Engineer.

Compliance: City Engineer has determined compliance to date.

12 l) Developer shall demonstrate compliance with wetland requirements.

Compliance: Wetland delineated on Preliminary Plat adjacent to Phase 1-3. Wetlands study dated April, 2020 does not indicate a wetland on Phase 4, demonstrating compliance.

12 m) Developer shall apply for and obtain street names from Bonner County.

Compliance: Developer has obtained street names from Bonner County for Phase 4.

12 n) Prior to any Final Plat, developer shall demonstrate the creation of a Homeowner's Association (HOA) to ensure long-term maintenance of private park, path, structure, and storm drain facilities. Such demonstration shall include Articles of Incorporation, By-laws, and CCRs for the HOA.

Compliance: The proposed First Amendment establishes that this section is not applicable to Phase 4. The developer is not required to demonstrate the creation of an HOA for approval of the current plat. Final plat will be updated with a note as such.

As demonstrated above, The required Public Infrastructure Improvements for Phase 4 have been substantially completed, as of November 17, 2025 (Attachment 2 – Certification Letter).

The name of the preliminary plat and development agreement were approved as "University Park Subdivision." Bonner County determined that this name is not available and therefore, the final plat (Attachment 3) has been renamed "University Place Subdivision, Phase 4." Bonner County Surveyor review comments have been incorporated into the final plat.

The substantial completion and acceptance of the Required Infrastructure Improvements enables final plat approval.

Upon approval of the final plat by City Council and prior to recording of the final plat, the following shall be completed:

1. Obtain required signatures;
2. Record utility easement; and,
3. Acceptance of two-year warranty bond by the City;

STAFF RECOMMENDATION:

Approve the First Amendment to the Development Agreement (Instrument No. 991044) as presented; and approve the University Place Subdivision, Phase 4 Final Plat, contingent upon execution and recordation of the Development Agreement amendment and completion of standard plat recordation requirements described above.

ACTION:

Per City Code, Title 10, Chapter 1-8(E), "The council may hold a public hearing on a final plat if requested by the planning director, mayor or city council. The city council shall approve, approve with conditions, refer the matter back to the planning commission, or deny the final plat. A written reasoned decision shall be prepared reflecting the city council's decision."

The City Council hereby finds that the First Amendment to the Development Agreement (Instrument No. 991044) is consistent with the approved Preliminary Plat, applicable provisions of Sandpoint City Code, and the public interest, and therefore approves the Amendment.

The City Council further finds that, upon approval of the Development Agreement Amendment, the University Place Subdivision, Phase 4 Final Plat conforms with all applicable standards of the Sandpoint City Code and the terms and conditions of the approved Preliminary Plat and the Development Agreement noted above and attached and is therefore approved without further comment or conditions. The Final Plat is therefore approved, contingent upon execution and recordation of the First Amendment to the Development Agreement and completion of all standard plat recording requirements.

WILL THERE BE ANY FINANCIAL IMPACT? Yes; the City of Sandpoint is responsible for the maintenance of the public infrastructure. The additional revenues associated with future development of the new lots will be incorporated into future annual budgets (revenue and expenses). **HAS THIS ITEM BEEN BUDGETED?** N/A

ATTACHMENTS:

1. Proposed First Amendment to Development Agreement (Instrument No. 991044)
2. Development Agreement (Instrument No. 991044)
3. Request for Revision Letter - Development Agreement (Instrument No. 991044)
4. Public Infrastructure Permit P2021-0709
5. Engineer of Record's Certification Letter
6. University Place, Phase 4 Final Plat