

CITY OF SUGAR CITY, ID
PLANNING & ZONING PUBLIC HEARING MEETING MINUTES
Thursday, December 18, 2025, 7:00 P.M.

Commissioners in attendance: Drew Eager, Rick Robertson, Chandler Lessing & Spencer Haacke

Others in attendance: P&Z Administrator Kurt Hibbert, City Deputy Clerk Vickie Robertson, Developer Dawson Klingler, Citizens Reese Butikofer, Sandra Powell, Shellie Powell, Gaye & Scott Ercanbrack

7:02 p.m. The meeting was called to order by P&Z Chairman Spencer Haacke

Prayer by: Chandler Lessing

Pledge of Allegiance led by: Drew Eager

Amended the Agenda:

P&Z Chairman Spencer Haacke amended the agenda to add Public Comment during regular meeting following the hearing.

Public Hearing on Teton Island Estates Plat Amendment & Phase 3 & 4 Zone Change from R1 to R2:

Kurt Hibbert was asked to give an overview; he turned it over to developer Dawson Klingler with Teton Island Estates. Mr. Klingler has been working on this project with the city for a couple of years now and is just trying to move it along. October of 2024 was the last time they talked about changing zones. Bigger lots are not moving as well and Teton Island Estates is wanting to change it from an R1 zone to R2. That would change it from four dwelling units per acre to five. It would allow them to change their frontage a bit, and they have had some success with that. They would keep building single family homes like they have been doing. There has been discussion about building a bridge from E 5th S over the canal to N 7th E/Digger Dr. Teton Island Estates have been in discussions about having Teton Island Estates build the bridge in exchange of having the zone changed to allow more houses per acre and allowing them to build on the green space that was going to go to the City for a park that would help cover the cost of building the bridge. The Planning & Zoning Administrator believes this bridge is critical because it is a major grid line to connect future growth in the city. He also believes that the smaller lots will help fill the middle housing gaps with more affordable housing.

Chairman Haacke asked Mr. Hibbert to explain what an Accessory Dwelling Unit is. An Accessory Dwelling Unit can be part of a single-family dwelling. It cannot be bigger than the main dwelling unit, but it also can be detached from the main unit. Most ADU's will be attached to a single-family unit in a R2 zone because there needs to be enough space for setbacks and parking. The Development Agreement will need to be amended to include the bridge. ADU's have been mandated by state legislature for single family residential areas.

Verbal Testimony:

Against: Two against –

- Gaye & Scott Ercanbrack (own a home on Appaloosa but live out of city limits).
 - They are concerned about who will be buying the smaller lots.
 - They don't like the idea of spec homes the contractors are building.
 - They want to know who would be benefiting from smaller lots.
 - They want to know why it needs to be changed from the original zone of R1.
 - They do not believe Sugar needs to be denser with more homes per acre with the ADU's.

Neutral: None

For: None

Written Testimony:**For: Three for –**

- P&Z Chairman Haacke received a letter from the Planning Administrator for Madison County, Gary Armstrong, saying he supports the zone change because it will benefit Sugar City and those who choose to live there.
- Joe & Paula Stewart sent in a letter stating they are for the zone change because more housing needs to be built.

Neutral: None**Against: None****Rebuttal by Applicant:**

Contractor Dawson Klingler addressed what had been said. Growth is coming to the city. Contractors get a construction loan which is hard for a first-time home buyer. To buy the land, then to get a construction loan to build, banks are making that harder. Mr. Klingler says that contractors building and selling these spec (speculation) homes makes it easier for a first-time home buyer to finance them. There are also starter programs for these first-time home buyers to help them with financing an already-built home.

Close Public Hearing: 7:38 pm

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PLANNING & ZONING REGULAR MEETING MINUTES
Thursday, December 18, 2025

Discussion on Teton Island Estates Phase 3 & 4 – Public Hearing:

Chairman Haacke stated that the committee appreciates public input. The committee's shared their thoughts which included the following points:

- Like the idea of another "product" or option for home buyers or for people being able to rent an ADU which is currently allowed in all residential housing developments (R1 & R2).
- This density change is minimal, going from four units to five units per acre.
- People do not want bigger yards and gardens anymore.
- This allows slightly more affordable housing.

Motion made by: Chandler Lessing to propose approval to City Council of Teton Island Estates Plat Amendment on Phase 3 & 4 Zone Change from R1 to R2

Second by: Rick Robertson**All were in favor. Motion Carried****Public Comment:**

Salem Townsite people: Sandra Powell from Salem commented on P&Z's public hearing held on October 2nd regarding zone change to Salem Townsite from Trans-Ag to Rural Ranchette. She read from the minutes of that meeting how many were for, neutral and against the proposal and restated the concerns already shared at that hearing which were that the community wanted to keep 2-acre lots, not going down to one acre with issues regarding wells and septic systems and sub-water. They also do not want the new height limit of 65-foot structures instead of thirty-five feet and asked who requested this zone change. Chairman Haacke appreciated her comments and asked her to stay and listen to the upcoming discussion concerning the rural Ranchette Zone.

Approval of 11-20-2025 Minutes:**Motion to approve minutes made by:** Rick Robertson**Second by:** Chandler Lessing**All were in favor. Motion Carried.**

Discussion on the Rural Ranchette Zone:

Committee Member Rick Robertson commented on this item as he is the representative for Salem on the P&Z Committee. Most people did not know and understand that you can have two houses on one acre in Madison County townsites, people thought that in the county you had to have two acres to build on. The city was not trying to change things, but they made the decision to go in this direction because Rexburg was trying to acquire Salem and Salem would not have any say in it. City Engineer Dick Dyer shared a 20-year plan to get water and sewer to the Salem area. Rexburg said we would not be able to accommodate this for the Salem area, which isn't the case. The main difference between Trans-Ag and Rural Ranchette is the height restriction going from 35 to 65 feet, setbacks were made smaller, number of livestock changed and lot sizes. There was a lot of misinformation circulating. State law prohibits Salem from becoming its own city because of the proximity of the area to Rexburg and Sugar City. Chairman Haacke suggested changing the Rural Ranchette name to something including Salem and views this as a work in progress. He suggested leaving the height restriction to thirty-five feet and change the setbacks. They originally wanted to protect Salem and make a zone that fit the Salem area better than Trans Ag. They wanted to protect the property owner's rights. This was to be for our impact area, not just the Salem townsite. This discussion will continue at our next meeting, and we will produce proposals for the suggested changes.

Discussion on Verizon Project:

Mr. Hibbert stated that Verizon is wanting to locate equipment on the water tower. He felt that the tower is not structurally capable for more equipment. City code does require co-location facilities. Let's get two locations in town for towers. He proposed a couple of locations to Verizon on city property to build a tower. Currently there are 20-year leases on the tower from other entities. They will further this discussion at a future meeting.

P&Z Sub-Committee Updates:

- **Parks and Paths** – Drew Eager attended a meeting to discuss parks and pathways with Public Works Director Arlynn Jacobson. Mr. Jacobson is working on some grants due at the end of January and wants P&Z input on what to prioritize.
- **Downtown Committee** – Chandler Lessing will now be on the Downtown Committee. He would love downtown Sugar City to be a destination. He suggested sidewalks all around Heritage Park.
- **Urban Renewal** – will meet at least quarterly in 2026. It will be two years before receiving funding from increment taxes, but we need to come with ideas for the Fort Henry area to the north.
- There were no other sub-committee updates.

Discussion on Downtown Blueprint:

Mr. Hibbert shared some of the possibilities for opportunities to create a downtown where we can eat, work, sleep and play in our downtown area. We want to make improvements to our community. We need a committee with local business owners. Federal grants may be available in a couple of years to help with the project.

Agenda items for meeting on January 15, 2026:

- Development of Agenda for Joint Meeting with Council in February
- Discuss Possible Location for a New Communication Tower/Verizon Project/Presentation by Administrator Hibbert
- Discussion for a Letter of Support for Paths & Sidewalks Grants from P&Z Chairman.
- Rural Ranchette Discussion (need to develop definition and suggest changes to accommodate Salem citizens' wishes)
- Comprehensive Plan Discussion

9:11 p.m. Motion to adjourn the meeting by: Rick Robertson

Second by: Drew Eager

All were in favor. Motion carried.