



**City of McCall  
City Council**

**AGENDA  
Special Meeting  
JUNE 25, 2024 at 9:00 AM  
Legion Hall – Below City Hall  
216 East Park Street  
McCall, ID**

**ANNOUNCEMENT:**

American with Disabilities Act Notice: The City Council Meeting room is accessible to persons with disabilities. If you need assistance, please contact City Hall at 634-7142 at least 48 hours prior to the meeting. Council Meetings are available for in person and virtual attendance. Any member of the public can join and listen only to the meeting at 5:30 pm by calling in as follows:

Dial 208-634-8900 when asked for the Conference ID enter: 782 151 612#

Or you may watch live by clicking this link:

<https://youtube.com/live/je8UM3XZ9W0?feature=share>

**OPEN SESSION ROLL CALL**

**WORK SESSION**

AB 24-124 Title 3 and Title 4: Short-Term Rental (STRs) Program Review

**ADJOURN**

**McCALL CITY COUNCIL  
AGENDA BILL**

216 East Park Street  
McCall, Idaho 83638

**Number AB 24-124**  
**Meeting Date June 25, 2024**

**AGENDA ITEM INFORMATION**

<b>SUBJECT:</b>		<b>Department Approvals</b>	<b>Initials</b>	<b>Originator or Supporter</b>
<b>Title 3 and Title 4: Short-Term Rental (STRs) Program Review</b>		Mayor / Council		
		City Manager	GRK	
		Clerk		
		Treasurer		
		Community Development	MG	Originator
		Police Department		
		Public Works		
		Golf Course		
		Parks and Recreation		
		Airport		
<b>COST IMPACT:</b> n/a		Library		
<b>FUNDING SOURCE:</b> n/a		Information Systems		
<b>TIMELINE:</b> ASAP		Grant Coordinator		

**SUMMARY STATEMENT:**

To improve health and safety and improve neighborhood impacts, it was determined the regulations and permitting of STRs needed to be modified. The City of McCall and Valley County last updated codes for regulating and permitting STRs occurred in January 2020. The McCall City Council held two work sessions on this topic. The updates to the city code occurred in Title 3 and Title 4.

The City of McCall hired a consultant to develop code language with the City and partner agencies, research other communities, and provide draft language to improve the current regulatory and permitting standards. The code was reviewed by all staff, and then the City Attorneys, to develop draft code language to bring to the McCall Area Planning and Zoning Commission and ultimately the City Council adopted STR codes, fees and an inspection checklist after several meetings.

After implementing the latest STR Program in the last year, key staff from Planning, Building, Clerks, City Manager, McCall Police, McCall Fire discussed the STR Program and evaluated what worked, what could be improved, and ultimately provided recommendations for the STR program moving forward. The attached memo summarizes the findings and will be presented at the work session.

**RECOMMENDED ACTION:**

Provide direction to staff on recommendations to make modifications to the STR Program.

**RECORD OF COUNCIL ACTION**

<b>MEETING DATE</b>	<b>ACTION</b>
December 17, 2021	Work Session on Short-Term Rentals
February 25, 2022	Work Session on Short-Term Rentals
August 25, 2022	Public Hearing on Short-Term Rentals Title 3 and Title 4
September 8, 2022	Continued Public Hearing Ordinance Adoption
September 22, 2022	Ord Summary Adoption



# City of McCall

COMMUNITY DEVELOPMENT

[www.mccall.id.us](http://www.mccall.id.us)

216 East Park Street  
McCall, Idaho 83638

**Phone 208-634-7052**

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**Subject:** Short Term Rental Program Review, Title 2, Title 3, and Title 4  
**From:** Michelle Groenevelt, Community & Economic Development Director  
**Date:** June 25, 2024

The intention of this Memorandum is to provide a summary of the short-term rental (STRs) program, an evaluation of the program, and recommended modifications to the program.

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## Summary of Short- Term Rental (STRs)

Over time, the City of McCall has developed STR programs that comply with 67-6539 to *reasonably regulate and safeguard the public health, safety and general welfare in order to protect the integrity of residential neighborhoods in which STRs operate*. This intent of the McCall City STR ordinance is outlined in the Purpose section and is the same as this state statute.

The City has implemented a STR program with regulations, permitting, and inspection process to address healthy and safety and neighborhood concerns while balancing the property rights of residential homeowners and STR operators. The goal was to manage the secondary impacts for health and safety and neighborhood integrity. STRs provide necessary accommodations for visitors, and the City receives Local Option Tax (LOT) that contributes to important programs and infrastructure necessary for the community.

The process to develop this program involved numerous meetings both internal and external, significant public input, work sessions with the City Council, focus groups with STRs owners, research of peer communities and input from health and safety organizations McCall Fire District and McCall Building Official and expertise from a planning consultant.

The following is a summary of STR Program:

### 1. Permits

All STRs operating in the McCall city limits are required to have an annual STR Permit. The application requires basic information about the property, notification to the neighbors, and a local contact for the property. The application fee is \$225.

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## 2. Regulations

All STRs need to comply with following standards related to:

- Access
- Safety (smoke alarms, etc.)
- Parking
- Occupancy
- Noise
- Posted rules for guest
- No events without a CUP
- If two dwellings on the property one must be owner occupied or a local housing unit
- Trash service
- Exterior must look like a residential unit
- Pass the health and safety inspection

STRs that have an occupancy of 11 or more people must obtain a Conditional Use Permit. This land use entitlement goes to the Planning and Zoning Commission then to the City Council for the final determination. The fee for a CUP is \$3,200, which is the standard CUP application fee to cover the administrative cost of processing the application and the associated costs.

## 3. Health and Safety Inspections

The McCall Fire District conducts the Fire, Health and Safety inspection of all STR. The fee for the annual inspection is \$270. The fee includes the initial inspection and one follow-up inspection if the rental does not pass the initial inspection. Follow-up inspections need to be completed within 30 days of initial inspections. Inspections in addition to the first two will cost an additional \$75.

### Existing STR Data

- 377 current STR Permits
- 8 pending permits
- 24 STR addresses have received complaints
- 5 of those addresses have received more than one complaint
- 9 Conditional Use Permit Short Term Rental Applications in 2023.
  - 5 CUPs for large STRS withdrew prior to the Planning & Zoning Hearing
  - 2 CUPs for large STRS withdrew after recommendation for denial by Planning & Zoning (did not appeal nor go to City Council for final decision)
- 2 CUPs for large STRS were presented to City Council and both approved.

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## **Enforcement**

Another component of the STR program is enforcement. Enforcement follows the procedures of Title 4 and is administered mostly by the Clerks Department. Violation of the permit will result in \$300 fine for a first offense in twelve (12) months; b) for a second violation of the same offense within a twelve (12) month period of the date of the first offense, a misdemeanor fine in an amount not to exceed \$750 and the suspension of the permit for a term of two (2) years. No permits have been suspended to date.

## **Evaluation of the STR Program**

After implementing the latest STR Program in the last year, key staff from Planning, Building, Clerks, City Manager, McCall Police, McCall Fire discussed the STR Program and evaluated what worked, what could be improved, and ultimately provided recommendations for the STR program moving forward.

The group determined that regulations, permitting and inspections seemed to be working well to mitigate health and safety concerns and minimize neighborhood impacts. The first year was a learning experience for the staff implementing the STR Program as well as the STR owners or property managers. There was a lot of effort put into informing and educating about the new STR Program, and it was agreed that moving forward everyone will be more familiar with the STR Program.

There was discussion about could be improved and the following topics were identified:

- Inspections: Consider moving from an annual inspection to less frequent inspection like every other year, once every 3 years, etc.
- Fees: There were complaints about fees so McCall Fire, Clerks and Planning will conduct a fee review to ensure fees commensurate with the time to perform the service.
- Administrative Determination to decommission bedrooms: This was developed to provide guidance for property owners who did not want to go through the CUP process by reducing occupancy. Ultimately, the administrative determination was repealed as it did not meet the health and safety objective of the program.
- Occupancy: Bedrooms are the standard to determine occupancy= 2 person per bedroom plus 2 additional persons even though people can be organized differently in the structure. There was discussion about the concept of allowing STRs to “self-limit” occupancy. It was suggested by the City Manager that a certificate of insurance with identified occupancy was another standard to limit occupancy.
- Review of Conditional Use Permit for large STRs: This seems to be the regulation that has received the most push back from large STR owners. However, the neighborhoods

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and general public appreciate this land use control mostly because large STRs have more impacts on neighborhoods and generally do not function as a “residential use” or similar to a single-family neighbor.

### **Recommendations**

The following is a list of staff recommendations to modify the STR Program moving forward and provide a basis for Council discussion and direction:

1. Health and Safety Inspections: The McCall Fire District currently performs the inspection process. They are recommending a reduction in the frequency of inspections from an annual inspection to an inspection to occur every other year with self-certifications for the in between years.
2. Evaluation of fees: Fees for McCall Fire and the City of McCall will be evaluated based on data since implementation of new STR Program. At this time, McCall Fire is not planning to change fees. The City of McCall is currently still in the process of reviewing fees. Note: fees charged are based on the cost to administer the service.
3. Occupancy of the STR: Currently, the occupancy is based on the formula based on the number of bedrooms. The recommendation is to allow for the STR to self-limit occupancy with a signed affidavit.
4. Additional requirement: Require that a certificate of insurance for the STR with the stated occupancy is added to the application checklist