Valley County Planning and Zoning

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STAFF REPORT: McCall Impact Area

Ordinance No. 2025-06 City of McCall Impact Area Boundary
- Changes to Valley County Code (VCC) 7-1 and 6-1-2

HEARING DATE: September 3, 2025

TO: Board of County Commissioners

STAFF: Cynda Herrick, AICP, CFM

Planning and Zoning Director

BACKGROUND

In 2024, the Idaho State Code 67-6526 for impact areas adjacent to cities was changed. Valley County is currently working with each city to adjust their impact area boundaries to meet the criteria specified in Idaho Code 67-6526. The deadline for compliance with the state statute is December 31, 2025.

SUMMARY OF IDAHO CODE 67-6526 (Complete statute attached.)

The legislature finds that areas of impact are <u>properly under the jurisdiction of the county</u> because the elected representatives of citizens in areas of impact are county officials, not city officials. While cities should <u>receive notice</u> of, and may provide input on, applications brought to the county in an area of impact, <u>cities do not govern or control decisions</u> on those applications. **County commissioners make the final determination regarding area of impact boundaries** within their county.

An area of impact is where <u>growth and development</u> are expected to occur. Areas of impact should be <u>planned for growth and development</u> and should <u>not be used to stop growth</u> and development that conforms to applicable plans and ordinances. Areas of impact should be established, modified, or confirmed based on the <u>ability and likelihood of a city or cities to annex lands within that area of impact in the near future.</u>

Prior to conducting the public hearings required under this chapter to establish, modify, or confirm an area of impact, cities and counties should work together to develop a proposed area of impact to be considered at the public hearing. Decisions regarding the establishment, modification, or confirmation of areas of impact are legislative actions and are not subject to judicial review or challenge except as provided in subsection (5) of the statute. Subsection 5 refers to non-compliance in the establishment of a boundary; process for boundary challenges; lack of proper notice; or arbitrary, capricious, or an abuse of discretion.

Establishing an area of Impact requires proper noticing. The Board shall adopt by ordinance a map identifying the area of impact within the unincorporated area of the county. A recommendation is not required from the Planning and Zoning Commission. An area of impact must be established before a city may annex adjacent territory pursuant to 50-222, Idaho Code.

{IC 50-222 (5) Exceptions. (a) Annexation with consent. In the case of a prospective annexation where all landowners of the subject property have requested annexation or where consent has been given by the landowner or landowners of a contiguous parcel or parcels or where implied consent has been given, the provisions of subsections (3) and (4) of this section shall not apply. In such a case, the subject land may extend beyond the city area of impact if the land is contiguous to the city and the comprehensive plan includes the area of annexation.}

The following is the criteria that shall be considered when determining an impact area:

- (a) In defining an initial area of impact or in modifying or confirming an existing area of impact, the **criteria set forth** in this subsection shall be considered:
 - (i) Anticipated commercial and residential growth;
 - (ii) Geographic factors;
 - (iii) Transportation infrastructure and systems, including connectivity;
 - (iv) Areas where municipal or public sewer and water are expected to be provided within five (5) years; and
 - (v) Other public service district boundaries.
- (b) In addition to the criteria set forth in paragraph (a) of this subsection, an area of impact shall not exceed the areas that are very likely to be annexed to the city within the next five (5) years.
 - Except as otherwise provided in this paragraph, an area of impact shall not extend more than two (2) miles from existing city limits. An area of impact boundary shall not divide county recognized parcels of land. If only a portion of a recognized parcel falls within the two (2) mile limit, then the boundary may extend beyond two (2) miles on that parcel so that it encompasses the entire parcel. Adjustments to an area of impact may be proposed and considered at any time following the initial establishment of the area of impact.
- (e) The <u>applicable county's comprehensive plan and zoning and subdivision ordinances shall</u> apply in the area of impact. The county may adopt **individual** county comprehensive plan and zoning and subdivision ordinance provisions regarding a specific area of impact.

The statute then states that areas of impact and cross county boundaries, shall not overlap, proper noticing, review of impact areas every five years, process for making modification requests, and filling a P&Z Commission.

FULL TEXT IS ATTACHED

FINDINGS:

- 1. Joint Work Sessions between the Board of County Commissioners and the McCall City Council after IC 67-6526 became effective on July 1, 2024, were on the following dates:
 - September 27, 2024, at the City of McCall
 - March 3, 2025, at the City of McCall
 - May 5, 2025, at the City of McCall (McCall presented Work Session Packet)
- 2. [May 16, 2025] On May 16, 2025, the City of McCall, sent notice to the Board of County Commissioners requesting a modification to the existing McCall Area of Impact boundary with recommendations on the boundary, codes, and administration. The letter also put the county on notice that Idaho Code 67-6526 requires the County to make a decision on this request within ninety (90) days. The ninety (90) days gave the Board of County Commissioners until August 14, 2025, to set the new boundaries by ordinance, which expedited the process. A map of the proposed impact area was included. (attached)

The county may <u>accept, reject, or modify a city's requested modification</u> or confirmation regarding an impact area boundary, but if the county does not make a final decision on the request within ninety (90) days of submission of the request, the city may petition the court to make a determination on the request pursuant to subsection (5) of this section.

- 3. [May 19, 2025] A Board of County Commissioners (BOCC) Work Session was held on May 19, 2025, to receive input from the affected public. The Board modified the City of McCall requested boundary and set a hearing for July 7, 2025, in order to comply with the ninety (90) day timeline in IC 67-6526(3)(c).
- 4. A public hearing was held on July 7, 2025, at 2:00 p.m. Public Testimony was taken, the public hearing was closed. The matter was tabled to July 23, 2025, at 2:00 p.m. for deliberation and a decision.
 - Legal notice for the public hearing on July 7, 2025, was posted in the *Star News* on June 12, 2025, and June 19, 2025.
 - Potentially affected agencies, including the City of McCall, were notified by either an email or postal service on June 9, 2025.
 - Property owners within the current boundaries of McCall Impact Areas were notified by fact sheet through the postal service that was sent on June 13, 2025.
 - The notice fact sheet was also sent for posting at the Post Offices and City Libraries in Cascade, Donnelly, and McCall.
 - The notice was posted online at www.co.valley.id.us on June 9, 2025. Revised maps were added to the website on June 11, 2025.
- 5. On July 23, 2025, a motion was unanimously approved to reject the proposed areas of impact and modifications.
- 6. The Board approved and signed the Facts and Conclusions rejecting the request to modify the McCall Area of Impact Boundary on August 6, 2025. (Attached recorded Instrument No. 2025-003756)
- 7. On July 23, 2025, another public hearing was set by the Board of County Commissioners for September 3, 2025. Notice is in compliance with IC 67-6509.

- Legal notice for the public hearing on September 3, 2025, was posted in the *Star News* on August 7, 2025, and August 14, 2025.
- Potentially affected agencies, including the City of McCall, were notified by either an email or postal service on July 31, 2025.
- Property owners within the current boundaries of McCall Impact Areas were notified by fact sheet through the postal service that was sent on August 4, 2025.
- The notice fact sheet was also sent for posting at the Post Offices and City Libraries in Cascade, Donnelly, and McCall.
- The notice was posted online at www.co.valley.id.us on July 30, 2025.
- 8. Agency comment received for the public hearing on September 3, 2025. *Previous written comments and verbal testimony were presented at a different hearing are in the Planning and Zoning records, but not listed and summarized for this public hearing.*

Idaho Department of Environmental Quality has no comments at this time (08/04/2025)

City of McCall submitted a letter dated August 26, 2025, stating their opposition to the county-initiated McCall Impact Area boundary proposal as presented, due to the following:

- There is a lack of data-driven justification for the large decrease in the impact area.
- IC 67-6526 requires other factors beyond just what will be annexed in the next five years; there is no evidence that other criteria were applied.
- City provided a comprehensive, data-supported proposal, but Valley County did not properly analyze or weigh the material.
- Valley County has not conducted an open public outreach that would justify the proposed boundary.
- The large reduction constrains McCall's ability to manage anticipated growth in a meaningful way.
- The reduction is disproportionate when compared to the reduction in Donnelly's Impact Area and lacked details.
- McCall is expanding their water service and recently passed a bond.
- Sewer service by Payette Lake is being expanded.
- Public safety is a criteria that should be considered.
- Geographic factors have not been considered.
- McCall Impact Area is only part of unincorporated Valley County with zoning and longrange planning based on extensive community involvement; creating risks.
- Board has not clearly or publicly articulated its reasons for the dramatic shift in boundary, policies, and administration.
- If the county ignores the data driven city recommendation then at a minimum the following should be done:
 - Hire qualified people to identify how the county codes are lacking.
 - o Develop new standards with public involvement.
 - Hire qualified staff.
 - Develop a transition plan with adequate time for public and staffing planning.
 - o Ensure there is representation on the Valley County P&Z Commission.
- 9. Public comment received for the public hearing on September 3, 2025. *Previous written comments and verbal testimony are in the Planning and Zoning records, but not listed and summarized for this public hearing.*

Proponents of the Changes to VCC 7-1 and 6-1-2 – Reasons Given Include:

- Being in the city brings additional taxes without additional services. No benefit.
- City of McCall is allowing a massive amount of construction that doesn't match our community
- Would benefit local businesses and residents
- Prefers County Building Regulations; prefers all building and construction permits to be submitted to Valley County rather than to McCall
- Prevents conflicting things between the County, City, and citizens

Address within Current Impact Area:

- 1) Sean Allen, 1095 Ridge Road, 7/19/2025
- 2) Phil and JoEllen Yribar, 2280 Payette Drive, 8/11/2025
- 3) Mike Barton & Craig Wasson, Valley View 1 HOA, 8/12/2025
- 4) Ken DeAngelo, 2460 Sharlie Lane, 8/18/2025
- 5) Arlin Olson, Nordic Village Condominium Owners Association President, 8/11/2025
- 6) Lieselotte Bailey, RP18N03E053321 [TBD Cresent Rim Drive], 8/20/2025
- 7) Chanel Bailey, RP18N03E053321 [TBD Cresent Rim Drive], 8/24/2025

Address outside of City of McCall and the Current Impact Area

1) Blaine R Bergin II, 20 Francois CT, 8/08/2025

Unknown Address (not given):

- 1) C.W. Hurless, 8/08/2025
- 2) Megan Milich 8/08/2025
- 3) Sean Walker, 8/09/2025
- 4) Bill Kearns, 8/20/2025

Opponents of the Changes to VCC 7-1 and 6-1-2 – Reasons Given Include:

- People bought in, and constructed homes, in the current impact area with the expectation of zoning limits, residential zoning, and likelihood of future annexation.
- The City should be the determining body in managing its growth, not the County.
- The existing McCall Comprehensive Plan steers growth in a coordinated fashion that reduces overall costs, consolidates infrastructure, and protects shared resources.
- This proposal undermines years of planning and ignores the investment and resources the City of McCall has dedicated to responsible management.
- McCall's vision and comprehensive planning have emphasized balance, not fragmented, short-term decisions.
- Unfettered and poorly planned growth is exemplified by the "multiple use" zoning utilized by Valley County. This results in unsightly suburban sprawl and discourages community development and pedestrian-friendly zones.
- This would ignore residents' appeals to maintain some continuity of the neighborhoods, zoning, and resources.
- Zoning changes and haphazard growth could reduce property values
- Water quality would be at increased risk by removing existing safeguards.
- Payette Lake is important as a drinking water source and recreational resource.
- Are opposed to allowing commercial uses in the currently zoned residential area.
- Prefer to have their property remain within the Impact Area.
- AOI reduction is heavy-handed and inappropriate with insufficient support and analysis.
- Protects Payette Lake.
- Commissioners are more likely to be reelected if they don't change the AOI boundary
- This is an overreach and a power grab; Commissioners are biased.
- Opposed to applying a multiple-use zoning approach to the area that has had tailored zoning for decades.

- Zoning overlays preferred to performance-based land use ordinances.
- There is a need for protective zoning tools like overlay districts in the County's jurisdiction, such as Shoreline Protection, Scenic View Protection, Areas of Critical Concern, wildland-urban interface, hillside protection areas, increased setbacks from high-water line, and a vegetation buffer at water edges.
- This is not in the best interests of the citizenry
- The expectation of a 5-year timeline to annex properties appears to be in direct conflict with Idaho state law as there is no feasible mechanism for cities to compel annexation.
- Commissioners are biased to developers
- Many cities use a 10 year timeline for annexation
- The scenic byway on West Mountain RD should be extended, not removed.
- McCall City zones (R-4) and codes should continue to be applied to the Cee Way Loop and neighborhood. This area is served by McCall City water system and Payette Lakes Recreational Water and Sewer District. This area is accessed only from City Streets. Cee Way Loop is plowed by McCall through an arrangement with the County.
- The State has announced a 20-year plan to sell lots along Miles Standish Road; this area should have the same zoning as the existing neighborhoods.
- Impact areas should have similar zoning to McCall as those areas are likely to be annexed. Then changes or exceptions are not needed upon annexation.
- The Commissioners have not engaged with constituents in town halls or community forums to learn from them.
- Falcon Ridge Subdivision, with lots ranging from 5-20+ acres and surrounded by agricultural land, would lose existing protections.
- The Comprehensive Plan does not protect the Payette River Scenic Byway nor agricultural lands.
- Insufficient staff at Valley County.
- The Impact Area should extend as far as water and/or sewer services are available.

Address within Current Impact Area:

- 1) Meg Lojek, 1045 Valley Rim Rd, 7/21/2/025
- 2) John McManus, 1045 Valley Rim RD, 7/182025
- 3) Phil Tate, 2010 Shady Ln & 990 Sylvan Creek, 7/18/2025
- 4) Jeff Fereday, 1782 Gladys Lane, 8/08/2025
- 5) Dinu Mistry Wolf, 932 Brentwood, 8/24/2025
- 6) Steve Cuddy, 1076 Cee Way Loop, 8/25/2025
- 7) Linda Cuddy, 1076 Cee Way Loop, 8/25/2025
- 8) Patty Young, 793 Chad Loop, 8/25/2025
- 9) Jim and Mary Acker, 1059 Cee Way Loop, 8/25/2025
- Dean and Celeste Miller; Nick Miller and Cathy Silak; Jim and Mary Acker; Cee Way Loop, 8/25/2025
- 11) Eric Young, 7/17/2025
- 12) Scott and Rebecca Hurd, 1505 Chris Lane, 8/25/2025
- 13) Michael Wissenbach, 280 May RD, 8/26/2025
- 14) Pam Wissenbach, 280 May RD, 8/26/2025
- 15) James Wolf, 932 Brentwood St, 8/26/2025

Address within City of McCall

- 1) Robert and Tonia Ginkel, 607 Spruce ST, 7/23/2025
- 2) Michelle Blank, 744 Deer Forest DR, 7/18/2025
- 3) Sheree Sonfield, 664 Woodlands DR, 8/24/2025
- 4) Erika Schlegel, 415 Floyde ST, 8/25/2025

Address outside of City of McCall and the Current Impact Area

- 1) Terry Bartlett, 115 Finn Church LN, 7/22/2025
- 2) Kay Hummel, 420 E Crestline DR, Boise, 8/14/2025
- 3) Lea' Albright, 37314 West Mountain RD, 8/24/2025

<u>Unknown Address (not given):</u>

- 1) David Simmons, 7/23/2025
- 2) Trevor Hattabaugh, 7/21/2025
- 3) David and Kathy Richmond, 7/16/2025
- 4) Richard McChrystal, 8/25/2025
- 5) Kaylie Sly, 8/25/2025
- 6) Carol Griffin, 8/25/2025
- 7) Jessica Rawlings, 8/25/2025
- 8) Pamela McChrystal, 8/25/2025
- 9) Gwen Abbott, 8/25/2025
- 10) Randy Fox, Idaho Conservation League, 8/26/2025

Undecided or Response is Not Clear or Other:

- The current AOI zoning codes, regarding density, setbacks, vegetation buffers, and other shoreline protection, would be effective at protecting Payette Lake. What assurances would the County offer to protect Payette Lake?
- What is the rush?

<u>Unknown Address (not given):</u>

1) Laura Shealy, 7/22/2025

10. **Staff Analysis:**

- Attached is an analysis of considerations and issues prepared by staff.
- Attached is an analysis of residential codes for McCall versus Valley County.
- Attached is a <u>comparison of Valley County Impact Report</u> and the City of McCall <u>Area</u> of Critical Concern.
- Attached is the <u>annexation map for the city of McCall</u> from the State Tax Commission showing annexations that have occurred since 2002. IC 50-222 Annexation by Cities was amended and became effective on July 1, 2024; it limits cities abilities to annex.
- Attached is a **Worksheet** listing the criteria to consider.

PROPOSED IMPACT AREA BOUNDARIES AND GOVERNANCE

(Current Hearing)

Step 1 – Ordinance 2025-06 <u>DRAFT</u> will adopt the McCall Impact Area Boundary and amend Building Code:

The Board of County Commissioners have proposed modifications to the City of McCall Impact Area Boundary based on state statutes that they would like to be effective within designated timelines by amendments to Title 7 Impact Areas. The ordinance also removes the exemption in Title 6 of the Valley County Code application within all unincorporated areas. (Subject to public testimony.)

(Future Hearing)

• Step 2 – Amend the applicable Comprehensive Plan and Ordinance:

The current impact area Comprehensive Plan and Ordinances that were previously adopted in the impact area will govern until such time that amendments are made. Amendments will be a <u>separate public hearing process</u> with a recommendation from the Valley County Planning and Zoning Commission in accordance with state statutes.

Final Outcome:

The potential outcome will be adoption and application of the Valley County Comprehensive Plan and Valley County Code as the governing documents within all unincorporated areas of Valley County. All land use applications will be processed by Valley County staff as the administrators. Amendments will include enhanced standards to better protect water quality, etc.

ATTACHMENTS:

- 1. Ordinance 2025-06 City of McCall Impact Area Boundary
- Draft City of McCall Impact Area Boundary Map
- 3. Idaho State Statute 67-6526 Areas of Impact-
- 4. Idaho State Statute 50-222 Annexation by Cities
- Annexation Map
- 6. Notice Sent to Property Owners in Impact Area and Agencies for September 3, 2025
- 7. Agency Responses New
- 8. Public Responses New (Comments received for Work Sessions and Previous Public Hearing have been given to the Board and are available for review).
- 9. Facts and Conclusions Instrument # 2025-003756
- 10. Board of County Commissioner Meeting Minutes
- 11. Analysis of Considerations and Issues
- 12. Comparison of City of McCall Code and Valley County Code
- 13. Comparison of City of McCall Areas of Critical Concern and Valley County Impact Report
- 14. Worksheet

END OF STAFF REPORT