

**City of McCall**  
**Housing Advisory Committee**  
**Minutes**  
**May 9, 2022, 4-5:30 pm**  
**TEAMS/McCall Library**  
**218 E Park St**  
**McCall, ID 83638**

**CALL TO ORDER AND ROLL CALL**

*Members Nick Zello, Pat Hill, Robert Lyons, and Toni Curtis were present. Member Diane Kushlan was absent. Michelle Groenevelt (CED Director), Meredith Todd (Assistant Planner), and Brian Parker (City Planner) were also present.*

**CONSENT AGENDA**

- Approve April 11, 2022 HAC Minutes

*Member Hill made a motion to approve the April 11 Minutes, Member Lyons second. All members voted aye and the minutes were approved.*

**OLD BUSINESS**

- Housing Action Plan Update – (Toni)
  - Meeting #5

Member Curtis updated the group on the progress and events at the fifth Housing Action Plan Steering Committee Meeting and described the activities conducted in forming a timeline for actions and a spectrum for easiness/difficulty of execution and efficacy/small effect. These timelines and spectrums will be included in the Action Plan document as a road map. Ms. Groenevelt mentioned that the Action Plan will be released in draft form on the 20<sup>th</sup> of May for input prior to its presentation to City Council.

- Lot Fund Application Update – (Michelle/Meredith)
  - “Toaster” ADU Donation
  - Local Housing Deed Restriction Incentive Program
  - Expected Housing Action Plan Recommendations

Ms. Groenevelt described the three LOT applications submitted for 1) Toaster Project, 2) Deed Restriction Incentive Program, and 3) Housing Action Plan recommendations that were decided by the Housing Advisory Committee. While the total amount across all initiatives will likely not be funded due to the limited LOT funds, the application of this scale does show that the need for housing dollars is present, and that more funding opportunities will be a critical mission in the future. LOT committee has yet to review the applications for funding recommendations.

Members discussed an open position existing on the LOT Committee, and the need to get an HAC member seated on the committee to emphasize the importance of funding housing programs. Member Curtis mentioned she would be comfortable submitting a Letter of Interest.

- Housing Solutions Brainstorm (*chronologically at the end of meeting*)
  - Short Term Rental Conversion Concepts

Kelly Hill from DoneRight Management who has represented the STR/Property Management coalition will be coming to the HAC with a 2<sup>nd</sup> Home Conversion program/pro-forma in June to get feedback and input on ideas she and her husband Joe have been working on to make a Landing Locals type concept part of the equation in the McCall community. They likely won't have a fully formed concept, but they will be hoping to learn how to tune their program to speak to the Housing Action Plan recommendations and incorporate their property management knowledge as well.

- Sweat Equity (Toaster Test-Run)

Ms. Groenevelt provided an update on Toaster progress and mentioned the move would be happening once the snow stops flying. Ms. Todd mentioned that she had asked the Project Manager to put together a "Sweat Equity Punchlist" of tasks that can be done by volunteers/laymen once the house is settled into its new location. He added it to his to-do list and said he would try to make that list/general descriptions as detailed as possible so that a community effort can be organized to finish out the busy work of Phase 2. Members discussed wanting to revisit this Sweat Equity/Volunteer effort when the time period for work comes closer so the group can encourage marketing/seek recruits in an organized fashion (Fall-Winter?).

#### **NEW BUSINESS**

- State Housing Trust Fund – (Meredith)
  - What we know/do not know at this point

IHFA (Idaho Housing and Finance Association) will be administering the State Workforce Housing Trust Fund Dollars (\$50M) that were allocated in this year's legislative session. IHFA is currently collecting comment from the development community including local-governments and housing groups to better understand what a fair and equitable allocation program would look like in different contexts around the state. A minimum of either 10-20% of the funds are to be reserved preliminarily for rural locations. While not "low-income" or "disadvantaged," McCall is still considered rural for these purposes. If by 2025 the rural dollars are not fully spent, they will be re-allocated to the general project fund to be distributed based on points/merit, regardless of location. Their call for letters is included in the Meeting Packet and Ms. Todd will send members a summary of talking points the HAC has had regarding barriers to receiving funding following the meeting.

Members discussed each submitting a letter based on their own expertise and offering advice/commentary for the IHFA team on ways to be reflexive of existing housing initiatives that have been created out of necessity in McCall over the last 15-20 years.

- IHFA/HUD Income Levels/Limits 2022 Update – (Meredith)

Ms. Todd summarized the newly released annual area income information provided by HUD to the group. The information was published on April 28, a bit later than most years which trend towards early April. The Federal Department of Housing and Urban Development that is administered by IHFA in the state of Idaho has updated the Income Levels for Valley County

and McCall, these updated Income disclosures are included in the meeting packet. The Median Family Income or Area Median Income for Valley County/McCall increased by about \$16,000 this year for a 2 person household to \$86,600, which is a leap in bringing federal financing to projects in McCall based on actually having enough qualified income earners for a project to be constructed. Because the HUD numbers usually track 2-3 years behind the labor market itself, we expect to see a couple more years of drastic increases to income limits for the area, as well as some likely significant Home Purchase Price increases for Down Payment Assistance programs that have lagged behind the most recent spike in the real estate market. The Home Purchase price information has not yet been released for the year.

- Placer County Locals Program – (Diane)

Ms. Todd presented and summarized a powerpoint presentation that Member Kushlan had provided from an Urban Land Institute gathering in April. The Presentation reviewed local housing conversion in Placer County, California, as well as made clear the mix of housing uses in the area to distinguish vacant vacation homes from short-term rentals to help the public understand that there is not just one reason (tourism) for the housing market to be out of reach for the workforce. This presentation content and style are helpful for McCall in contextualizing the complexity of our housing supply as there in increasing debate about Short-Term Rentals and regulations as a ‘silver-bullet’ solution. Ultimately, STRs are a small, but growing piece of the list of challenges in this region. It is wise to talk about 2<sup>nd</sup> homeownership on a broader scale to effectively identify the scope of housing scarcity in McCall.

The group discussed how McCall is currently ‘winning’ in a slough of categories that aren’t really great to be winning if you have a housing conundrum. We have the highest number of Short Term Rentals per capita/per total housing mix (~1 in every 4-5 housing units in McCall is an STR, for a current total of almost 700 (licensed) STRs. We also are the highest proportion County/City of “housing cost-burdened” households, with 64.8% of residents paying more than 30% of take home income on housing (either mortgage or rent) (Idaho Policy Institute Analysis, 2015-2019). The group discussed wanting to shed those painful “winning numbers” or at least bring the housing burden figure back into a balance, whether that process changes the number of STRs or not remains to be seen.

**NEXT MEETING**

Next Regular Meeting – June 13, 2022

**ADJOURN**

*Member Hill made a motion to adjourn the meeting. Member Curtis seconded. All members voted aye and the meeting adjourned at 5:04pm.*

Date:

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Nick Zello, HAC Chair

July 13, 2022 | 3:23 PM PDT

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Michelle Groenevelt, CED Director

July 13, 2022 | 4:45 PM MDT