



City of McCall
City Council

AGENDA
Special Meeting
December 17, 2021 at 9:00 a.m.
Legion Hall – Below City Hall
216 East Park Street
McCall, ID
AND MS TEAMS Virtual

ANNOUNCEMENT:

Due to McCall's commitment to stay healthy in response to the COVID-19 Emergency and ensuring that the City's Business continues, this will be both an in person and virtual meeting. The Legion Hall's 6-foot social distancing Occupancy Capacity is **15**. The Council Members and staff who are anticipated to be in attendance is **8**. The first **7** persons who appear will be allowed to be present in the meeting location. **Social distancing will be enforced.** All other persons may be in attendance virtually. Any member of the public can join and listen only to the meeting at 9:00a.m. by calling in as follows:

Dial 208-634-8900 when asked for the Conference ID enter: 827 785 686#

Or you may watch live by clicking this link: <https://youtu.be/ytQ2wTyzBjk>

WORK SESSION

AB 21-294 Discussion Permitting and Regulating Short Term Rentals and Direction to Staff
(ACTION ITEM)

ADJOURN

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.

**McCALL CITY COUNCIL
AGENDA BILL**

216 East Park Street
McCall, Idaho 83638

Number AB 21-294
Meeting Date December 17, 2021

AGENDA ITEM INFORMATION				
SUBJECT:		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
Work Session: Permitting and Regulating Short Term Rentals		Mayor / Council		
		City Manager		
		Clerk	<i>AW</i>	Supporter
		Treasurer		
		Community Development	<i>MG</i>	Originator
		Police Department		
		Public Works		
		Golf Course		
COST IMPACT:	n/a	Parks and Recreation		
FUNDING SOURCE:	n/a	Airport		
		Library		
TIMELINE:	2022	Information Systems		
		Grant Coordinator		
SUMMARY STATEMENT:				
<p>The purpose of the work session is to review the current permitting and regulations process for Short Term Rentals (STRs). The work session discussions will be focused on how to better permit and regulate STRs based on experience from administering existing codes and looking to other communities like Sandpoint, Idaho for ideas on how to improve the process and implementation. The topics areas would ultimately affect Title 4 and Title 3 as permitting and regulating STRs is a collaboration between the Clerks Department and Community and Economic Development Department. The intent of this work session is to understand and discuss the topics areas at a high level to help inform any change in policy needed.</p> <p>Attached is a sample of the City of Sandpoint’s code regarding short-term rentals. This code is being provided as a guide to the discussion. Staff will also prepare a memo to assist with the discussion.</p>				
RECOMMENDED ACTION:				
Provide direction to staff to bring back more specific permit and regulation recommendations for another work session before ordinances are developed.				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

CHAPTER 12

SHORT TERM RENTAL OF DWELLING UNITS

SECTION:

3-12-1: Purpose

3-12-2: Definitions

3-12-3: Requirements

3-12-4: Standards

3-12-5: Violation; Infraction; Penalty

3-12-1: PURPOSE:

The purpose of this chapter is to protect the integrity of the City's residential neighborhoods and private property rights by limiting non-owner occupied short term rentals within residential neighborhoods and by regulating all short term rentals of dwelling units to safeguard the health, safety and welfare of short term rental occupants and that of neighboring residents. (Ord. 1353, 6-6-2018)

3-12-2: DEFINITIONS:

LOCAL REPRESENTATIVE: An area property manager, owner, or agent of the owner, who is readily available to respond to tenant and neighborhood or City questions or concerns.

OWNER: The person or entity that holds legal and/or equitable title to the private property. The owner may act through an agent or property manager, but the owner shall remain responsible for compliance with these provisions.

OWNER OCCUPIED: Where the owner of a dwelling unit resides on the parcel for a minimum of six (6) months out of a calendar year. Homeowner occupied tax exempt status shall be considered to be proof of homeowner occupied status for the purposes of this Code.

SHORT TERM RENTAL: The use of a dwelling unit, or a portion thereof which is rented for the purpose of overnight lodging for a period of thirty (30) days or less. Short term rentals are also commonly referred to as vacation homes, tourist homes, bed and breakfast establishments or vacation rentals. (Ord. 1353, 6-6-2018)

3-12-3: REQUIREMENTS:

A. **Permit Required:** No person shall occupy, use, operate or manage, nor offer or negotiate to use, lease or rent a dwelling unit for short term rental occupancy within the City without obtaining a short term rental permit.

B. **Compliance With Chapter:** Permits for short term rentals are allowed subject to all provisions of this chapter.

C. **Occupancy Tax:** Compliance with the requirements of chapter 10, "Hotel-Motel Occupancy Tax", of this title is required.

D. **Residential Zones:** Within residential zones, short term rentals shall have a minimum two (2) nights stay and shall be limited to one per parcel.

E. Non-Owner Occupied Short Term Rentals: The sum total of all non-owner occupied short term rentals within the entirety of all residential zones shall not exceed thirty five (35) units, except as provided below:

1. Where the short term rental unit is included in a multi-unit development with the following standards:

- a. Such development must include not less than ten (10) units.
- b. Such development must include property that adjoins the waterfront.

c. Such development must be within one thousand five hundred feet (1,500') of the downtown core defined as being within the boundaries of First Avenue, Cedar Street, Fifth Avenue and Pine Street. Developments located farther than one thousand five hundred feet (1,500') from the downtown core that meet standards in subsections E1a and E1b of this section may only be allowed non-owner occupied short term rentals at a ratio of one per ten (10) units.

2. Where approved for greater short term rental density as part of an approved planned unit development. Existing approved planned unit developments must be formally amended to be eligible for this greater density.

3. Where the short term rental was approved prior to the effective date of this chapter. (Ord. 1353, 6-6-2018)

3-12-4: STANDARDS:

A. A short term rental shall comply with the following standards:

1. Permit:

a. Commencing on the effective date hereof, any person who is permitted to engage in the rental of a dwelling for short term occupancy shall have obtained a short term rental permit. Application for such a permit shall be made upon suitable forms furnished by the City. The permit is valid for one year and must be renewed annually. Renewal of the permit requires a complete permit application and fee. If a complete application and applicable fees have not been received by the City on the annual renewal date, the short term rental shall be conclusively presumed to be discontinued and the City shall revoke the short term rental permit.

b. A short term rental permit is issued to a specific owner of a dwelling unit. The short term rental permit shall be revoked when the permit holder sells or transfers the real property. For purposes of this section, "sale or transfer" shall mean any change of ownership during the lifetime of the permit holder or after the death of the permit holder whether there is consideration or not except a change in ownership where title is held in survivorship with a spouse or child or transfers on the owner's death to a trust which benefits only a spouse or child. A permit holder may transfer ownership of the real property to: a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity and not be subject to permit revocation pursuant to this section so long as the transferor lives and remains the only owner of the entity. When the permit holder sells or transfers the real property, the new owner shall apply for and receive a short term rental permit before using the dwelling as a short term rental.

2. Issuance: The issuance of a short term rental permit shall be subject to the following requirements:

a. Inspection:

(1) At the time of application for a new short term rental permit, the dwelling unit shall be subject to inspection by the building official or their designee. Prior to the issuance of the short term rental permit, the owner of the dwelling unit shall make all necessary alterations to the dwelling required by the building official pursuant to the requirements of this chapter.

(2) For renewals, applicants shall be required to submit a statement affirming compliance with the standards set forth in this chapter by completing a City provided self-inspection checklist.

(3) Any inspections required under this chapter may be conducted by a private inspector certified by the International Code Council at the owner's expense.

b. Windows: Bedroom windows shall be operable to allow for emergency egress in accordance with the most recent building and fire codes as adopted and amended by the State of Idaho.

c. Smoke Alarms: Single or multiple-station smoke alarms shall be installed and maintained in accordance with manufacturers specification:

(1) On the ceiling or wall outside of each separate sleeping area in the immediate vicinity of bedrooms.

(2) In each room used for sleeping purposes.

(3) In each story within a dwelling unit, including basements but not including crawl spaces and uninhabitable attics. In dwellings or dwelling units with split levels and without an intervening door between the adjacent levels, a smoke alarm installed on the upper level shall suffice for the adjacent lower level provided that the lower level is less than one full story below the upper level.

d. CO Detectors: A CO detector is required on each floor if: there is a garage, solid fuel appliance or gas appliance.

e. Fire Extinguishers: The short term rental shall be equipped with one 2A:10BC type extinguisher per floor. Fire extinguisher(s) shall be mounted in visible locations with the tops of the fire extinguishers mounted between three feet (3') and five feet (5') above the floor, and shall be accessible to occupants at all times.

f. Occupancy: No recreational vehicle, travel trailer, tent or other temporary shelter shall be used as a short term rental.

g. Local Representative:

(1) Each short term rental shall list a local representative who permanently resides within twenty (20) vehicular miles of Sandpoint City limits.

(2) If the Police Department is not able to contact the local representative in a timely manner more than twice during the term of the annual permit, this shall be considered a violation pursuant to section 3-12-5 of this chapter.

(3) The designated local representative may be changed by the permit holder from time to time throughout the term of the permit. However, to change the local representative, the permit holder must file a revised permit application that includes the name, address and telephone number of the new local representative. Failure to notify the City of a change in the local representative constitutes a violation pursuant to section 3-12-5 of this chapter.

(4) For non-owner occupied short term rentals within the residential zones that do not meet the standards of subsection 3-12-3E1 of this chapter, property owners and/or residents within two hundred feet (200') of the dwelling shall be provided with the name and telephone number of the owner or the local representative. The permit holder shall provide documentation to the City of this notification and list of the owners and/or residents contacted.

h. Permit Posting: The short term rental permit shall be posted within the dwelling adjacent to the front door. At a minimum, the permit will contain the following information:

(1) The name of the local representative and a telephone number where the representative may be reached;

(2) The name and a telephone number where the property owner can be reached;

(3) The telephone number and website address of the City of Sandpoint and the Sandpoint Police Department;

- (4) The maximum number of occupants permitted to stay in the dwelling;
- (5) The solid waste and recycling collection day; and
- (6) The Sandpoint snowplowing regulations.

i. Inactivity: License issuance and continued validity for non-owner occupied short term rentals shall be contingent upon the owner's good faith effort to actively engage in the rental of the property. Failure to provide documentation of rental activity for a minimum of twelve (12) nights during a twelve (12) month period, pro-rated quarterly, prior to the short term rental permit renewal deadline shall constitute an immediate forfeiture of the license. (Ord. 1353, 6-6-2018; amd. Ord. 1380, 11-4-2020)

3-12-5: VIOLATION; INFRACTION; PENALTY:

A. The following conduct shall constitute a violation for which the penalties and sanctions specified in this section may be imposed:

1. Violations:

- a. The tenants of the dwelling have created noise, disturbances, or nuisances, in violation of this Code, or violations of State law pertaining to the consumption of alcohol, or the use of illegal drugs.
- b. The owner has failed to comply with the standards of section 3-12-4 of this chapter.

2. Penalties:

- a. For the first two (2) violations within a twelve (12) month period, the sanction shall be a warning notice.
- b. For the third violation within a twelve (12) month period, the sanction shall be a revocation of the permit.

3. Written Notice: The City shall provide the permit holder with a written notice of any violation of this section that has occurred. If applicable, a copy of the warning notice shall be sent to the local representative.

4. Appeal Of Suspension Or Revocation: Pursuant to this section, the City shall provide the permit holder with a written notice of the permit suspension or revocation and the reasons therefor. The permit holder may appeal the suspension or revocation to the City Council by filing a letter of appeal to the City Clerk within twenty (20) days after the date of the mailing of the Planning Director's order to suspend or revoke the permit. The Planning Director's suspension or revocation shall be stayed until the appeal has been determined by the City Council. The City Council shall conduct a hearing on the appeal within sixty (60) days of the date of the filing of the letter of appeal. At the appeal, the permit holder may present such evidence as may be relevant. At the conclusion of the hearing, based on the evidence it has received, the Council may uphold, modify, or overturn the decision of the Planning Director to suspend or revoke the permit based on the evidence received.

5. Application For Permit After Revocation: A person who has had a short term rental permit revoked shall not be permitted to apply for a subsequent short term rental permit for a period of two (2) years from the date of revocation.

6. Infraction: Unless otherwise provided, any person who shall commence or continue to operate a short term rental for which a permit is required by any provision of this title without first procuring the same shall be deemed guilty of an infraction and, upon conviction thereof, shall be fined one hundred dollars (\$100.00). An infraction is a civil public offense, not constituting a crime, for which no period of incarceration is imposed. A separate offense shall be deemed committed on each day during or on which a violation occurs or continues.

7. Advertisement Of Short Term Rental: An advertisement promoting the availability of short-term rental property in violation of this Code is prima facie evidence of a violation and may be grounds for denial,

suspension or revocation of a license.

Advertising that offers a property as a residential short-term rental shall constitute prima facie evidence of the operation of a residential short-term rental and the burden of proof shall be on the owner, operator, or lessee of record to establish that the subject property is being used as a legal residential short-term rental or is not in operation.

Any communication by a property owner, manager, operator, or lessee to any person where the owner, manager, operator, or lessee offers their home for rent as a residential short-term rental shall constitute prima facie evidence of the operation of a residential short-term rental and the burden of proof shall be on the owner, operator, or lessee of record to establish that the subject property is being used as a legal residential short-term rental or is not in operation.

Other evidence of the operation of a residential short-term rental without a valid permit number may include, but is not limited to: guest testimony, rental agreements, advertisements, and receipts or bank statements showing payments to the owner by a guest. (Ord. 1353, 6-6-2018)

Non-owner Occupied STRs within Residential Zones

\$210 first time applicant

\$157 yearly renewal

Owner Occupied STRs AND

Non-owner Occupied STRs outside of Residential Zones

\$157 first time applicant

\$105 yearly renewal