



RE: Public Hearing - Sept 3 2025 - Ordinance 2025-06

From BRO Admin <BRO.Admin@deq.idaho.gov>

Date Mon 8/4/2025 10:07 AM

To Lori Hunter <lhunter@valleycountyid.gov>

Cc Jennifer Lahmon <Jennifer.Lahmon@deq.idaho.gov>

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

The Boise Regional DEQ Administration has no comments at this time.

Sincerely,



Carlene Oberg

Administrative Assistant I

Idaho Department of Environmental Quality

1445 North Orchard Street Boise, Idaho 83706

P: (208) 373-0550 | www.deq.idaho.gov



City of McCall

www.mccall.id.us

216 East Park Street
McCall, Idaho 83638

Phone 208-634-7142
Fax 208-634-3038

August 26, 2025

Valley County Board of County Commissioners
P.O. Box 1350
Cascade, ID 83611

Dear County Commissioners,

The McCall City Council respectfully submits this letter to formally state our opposition to the County-initiated McCall Impact Area boundary proposal presented in Ordinance No. 2025-06 and scheduled for public hearing on September 3, 2025.

The City of McCall is deeply concerned regarding the lack of data-driven justification for the County's proposed McCall Impact Area boundary presented for the September 3, 2005 public hearing. Idaho Code §67-6526 requires that Areas of City Impact be established using documented analysis and consideration of anticipated growth, geographic factors, transportation infrastructure, sewer and water availability, and other relevant public services. However, the County's proposed boundary and VC Staff report provides no evidence that these statutory criteria were applied. Instead, inclusion or exclusion of parcels appear to have been based primarily on informal conversations with landowners about possible short-term annexation. This approach is highly subjective, undocumented, and inconsistent with state law.

As requested by Valley County, the City of McCall provided a comprehensive, data-supported proposal grounded in GIS analysis, infrastructure planning, and adopted master plans informed by public input to develop a proposed Impact Area boundary, and areas are suitable for annexation, given that current annexation laws are essentially a voluntary process. We provided the full report and all the GIS data files we used in our analysis to the County on a USB drive when we delivered the hard copy of our proposal on May 16, 2025. In denying the City initiated Impact Area boundary, Valley County did not properly analyze or weigh this material.

Furthermore, the County failed to consider this information when it developed its own proposed McCall Impact Area, and narrowly focused on whether land is "very likely to be annexed within five years. By doing so, the County created an unreliable standard and legally indefensible. Annexation likelihood depends on dynamic and unpredictable factors such as property ownership changes, development proposals, insurance market pressures, and escalating land values. These factors demonstrate that a parcel-by-parcel prediction of annexation based on "conversations" is not appropriate in developing an Impact Area boundary. Moreover, even if the consideration of landowners desire to be annexed was a factor, Valley County has not conducted an open public outreach that would justify for this boundary.

The County's proposed boundary is only 1,079 acres—representing a 93.5% reduction from the existing Area of Impact of 16,670 acres. The City's own proposal that considered infrastructure extension, geographic factors, transportation and public service provisions, identified 20,446 acres for the McCall Impact Area. By contrast, the County's proposal constrains McCall's ability to manage anticipated growth in a meaningful way and provide coordinated services, particularly in areas where sewer, water, and transportation connectivity are already existing (around the lake), or are feasible or planned.

The proposed reduction is especially disproportionate when compared to other jurisdictions. The City of Donnelly, with a population of approximately 250, was granted an Impact Area of 1,280 acres (a ~20% reduction from the current Impact Area) by Valley County. But McCall, with a population of 4,000, would see a 93.5% reduction from the current Impact Area, resulting in a smaller AOI than Donnelly. In just the last 23 years, the land area within McCall city limits grew by 50% due to annexations.

Valley County's staff report on Donnelly's Impact Area stated the following justification:

“The City of Donnelly has determined that the areas remaining are reasonable areas for potential annexation due to the proximity of the current city limits and possibility for infrastructure expansion. Annexation is however a decision of the property owners and exact time frames can not be determined. This is the city's best projection for future expansion as a result of its comprehensive plan review and adoption that occurred recently.”

The City of Donnelly proposal was a much less detailed analysis than what the City of McCall provided, but the justification follows much the same line of reasoning that the City of McCall followed. Moreover, there is not a detailed annexation plan in Donnelly's Comprehensive Plan. Nevertheless, Donnelly's justification for the Impact Area was accepted, while McCall's was largely denied. This inconsistency belies the deeper arbitrary and capricious approach the County has taken with McCall's Impact Area.

McCall is actively expanding its public infrastructure capacity in ways that directly support the statutory Area of Impact (AOI) criteria. On the water side, City voters recently approved an 80% bond measure to double treatment and storage capacity within the next two years. This investment would enable City water to serve areas within the current Impact Area. Developers which annexed specifically to connect to the system (i.e. River Ranch) have demonstrated their willingness to fund extensions to access City water. The City's adopted Water Master Plan shows service expansion into the Impact Area, and this plan will be updated next year. Additionally, some properties around Payette Lake have already requested connections to City water, and it is anticipated more properties will request city water services given well issues, fire suppression needs, and rising insurance costs in the wildland-urban interface. Valley County has not considered these factors.

Sewer service expansion further demonstrates infrastructure readiness. While the Payette Lakes Recreation Water & Sewer District's (PLRWSD) Director has stated there are no immediate plans for expansion, the Sewer Board—who makes the final decisions—has shown willingness

to extend service when funded by developers. Large projects, such as Idaho & Ward (131 units), have received connections with off-site sewer improvements. The District will hold an annexation hearing in September for Pine Creek Ranch, a 600-home development, shortly after saying no expansion was planned by the Director. This reveals that sewer expansion is both feasible and occurring when backed by development funding. The County's claim that areas should be excluded from the Impact Area because sewer won't expand is contradicted by these facts—particularly since land with existing sewer infrastructure to the north (around the Payette Lake) is also being excluded. For planning purposes for the Impact Area boundary, existing and planned sewer services should be considered, but were not.

Public safety is another critical component of service planning that supports the City's proposed AOI. McCall Police Department routinely responds to calls in the unincorporated areas adjacent to City limits under an existing agreement with the County. This demonstrates that these areas already benefit from and rely on City services. While there has been some public confusion about how policing relates to AOI boundaries, the City's point is simple: the provision of public services, including law enforcement, is one of the statutory criteria for establishing an AOI. Eliminating the AOI would not change McCall PD's current practice of responding to calls for public safety, but it would ignore the reality that these areas are already functionally dependent on City services and therefore should be considered for inclusion within the AOI boundary.

In all the public meetings, the County Commissioners did not discuss the geographic factor criteria. Payette Lake is a central geographic factor in determining McCall's AOI. Payette Lake is the primary drinking water source for the City of McCall and provides important environmental and recreational resources for the region. Payette Lake water quality is essential for both ecological health and economic vitality.

The County initiated proposed AOI boundary is inconsistent with the Future Land Use Plan map (p. 101) in the [McCall Area Comprehensive Plan](#) (adopted by Valley County 2018) and the [Valley County Comprehensive Plan](#) (p. 71).

The McCall Impact Area is currently the only part of unincorporated Valley County with zoning and long-range planning based on extensive community involvement. Eliminating AOI zoning and replacing it with a "one zone, multi-use" approach. The County's regulations risks removing important protections for water quality, scenic corridors, and IDL-managed lands, and threatens the ability of McCall to grow in an efficient cohesive way, and the community character essential to McCall's economy and environment.

The current Valley County BOCC have not clearly or publicly articulated its reasons for the dramatic shift in the McCall AOI boundary, policies and administration that contradicts all the adopted planning and goes against the general public sentiment. Overwhelming public comment, see public record, to date supports retaining the existing framework. The adoption of Idaho Code §67-6526 to review the AOI Boundary does not require repealing zoning, changing all the policies, development standards, and administration or reducing the majority of the existing Impact Area.

Past McCall Impact Area planning efforts with the County have emphasized a collaborative process that balances County and City policy priorities and involves the public. The current

County proposal disregards this prior work and the public engagement that shaped it. Property owners in the AOI purchased land with the expectation that existing AOI regulations would guide future development and land use standards.

The September 3 public hearing includes the transition of planning and building permits administration to Valley County. It is important to note the planning/engineering standards with the County Impact Area regulations in place today require coordination with and the building department to ensure successful implementation. It would be logical to transition the building and planning administration from the City to the County at some future date to allow for a successful transition.

The City of McCall urges the Board to not adopt the County-initiated boundary map and instead encourage the BOCC to adopt an Impact Area map that:

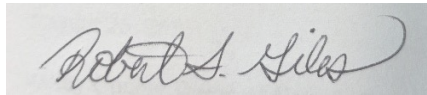
- Aligns with Idaho Code §67-6526 criteria;
- Reflects documented infrastructure capacity, transportation and public service provision;
- Maintains reasonable growth corridors;
- Concerns Payette Lake as the most significant geographic factor;
- Preserves zoning and land use protections critical to our shared natural resources and quality of life; and
- Addresses the concerns of the public.

However, if the BOCC decides to ignore the McCall Area of Impact Proposal and Analysis supported by the data, the existing McCall Area Comprehensive Plans, the Valley County Comprehensive Plan, Master Plans, all the public involvement to date/investment in planning, and the majority of McCall Area residents desire to keep a similar framework, then the County should complete, at a minimum, the following:

1. Have a third party evaluate Valley County planning and development codes to identify standards and regulations that are lacking and need to be added.
2. Develop new standards, development codes, regulations and standards with a public involvement process. Adoption of these new standards should be in place before the AOI administration transitions from the City to the County.
3. Ensure that Valley County has adequate and qualified staff to administer the planning and building regulations. (i.e. planning/engineering standards and building departments require coordination to ensure successful implementation.) Similarly, the City of McCall has also provided legal services and code enforcement at no cost to the County, so the County would have to add staff to provide the same level of service.
4. Develop a transition plan for the administration to ensure a successful transition of the McCall Impact Area and future of the community. The timelines should be adequate for the public to plan appropriately and to allow time for staff to transfer information and projects.
5. Ensure composition of the Valley County Planning and Zoning Commission is representative of population to include McCall Impact Area representatives.

The City of McCall remains committed to collaboration and believes a mutually agreed-upon AOI boundary is essential for orderly growth, environmental stewardship, and efficient public service delivery in the McCall area. The City recognizes and acknowledges that the County-City relationship is a crucial partnership with importance that goes beyond this issue – local housing, water quality, waterways management, regional transportation, economic development, police and public safety, broadband, etc. are all issues where we can work together.

Sincerely,

A handwritten signature in dark ink, reading "Robert S. Giles", is centered within a light gray rectangular box.

Robert S. Giles
Mayor, City of McCall
On behalf of the McCall City Council

Exhibits

- A. [May 5 McCall Impact Area Work Session Packet](#)
- B. Acreage Comparison of Area of Impact- attached
- C. [McCall Area Comprehensive Plan \(2018\)](#)
- D. [Valley County Comprehensive Plan \(November 2018\)](#)

Exhibit B: Acreage Comparison of Area of Impact

Acreage Comparison for Area of Impact

AOI Boundary	Area in Acres	Change from Existing AOI	Percent Change
Current AOI	16,670	—	—
City-Initiated Proposal	20,446	+3,776	+22.6%
County Proposal #1 (July 7, 2025)	684	-15,986	-95.9%
County Proposal #2 (September 3, 2025)	1,079	-15,591	-93.5%
Donnelly Current AOI	1,580	N/A	N/A
Donnelly Proposed AOI	1,280	-300	-19%