

BEFORE THE VALLEY COUNTY BOARD OF COMMISSIONERS

IN THE MATTER OF:

THE CITY OF MCCALL'S REQUEST TO  
MODIFY THE MCCALL AREA OF IMPACT  
BOUDARY.

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) **DECISION REJECTING REQUEST**  
) **TO MODIFY THE MCCALL AREA**  
) **OF IMPACT BOUNDARY**  
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INTRODUCTION

On May 16, 2025, the City of McCall ("City") submitted a request to modify the McCall Area of Impact ("AOI") boundary. Included with the request was a map outlining McCall's desired AOI boundary. The request triggered a ninety (90) day decision deadline as prescribed by Idaho Code § 67-6526(3)(c), directing the Valley County Board of Commissioners ("Board") to accept, reject, or modify McCall's requested boundary modification within this timeframe. The unexpected request from the City ended what the Board believed to be an on-going collaborative process intended to comply with Idaho Code § 67-6526(1)(c) ("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." (emphasis added)). Instead, McCall's request to modify the AOI is based entirely on what the City described as "the culmination of extensive data analysis, long-range planning, and public engagement . . ." all of which was designed and orchestrated with no meaningful input from Valley County. June 30, 2025 City of McCall Letter Re: McCall Area of Impact – Public Hearing Comments at 1; See also May 16, 2025 City of McCall Letter Re: Proposed Modification of the McCall Area of Impact Boundary at 2 (McCall has "conducted significant study and analysis on the AOI . . ."). The City's resistance to working with the Board to develop a proposed area of impact boundary prior to the public hearing will not color this decision, however, its statement that "[t]he City of McCall remains committed to partnership with Valley County" is not supported by its actions at this point in the process. Id. at 2.

AUTHORITY

1. The Local Land Use Planning Act ("LLUPA") was amended in 2024 requiring cities and counties review their existing areas of impact and reestablish the areas in conformance with the provisions outlined in LLUPA by December 31, 2025. See Idaho Code § 67-6526(6).
2. The Idaho Legislature has made extensive findings and codified their intent regarding how areas of impact should be established and operated, as follows:
  - (a) The legislature finds that areas of impact are properly under the jurisdiction of the county because the elected representatives of citizens in areas of impact are county officials, not city officials. While cities should receive notice of, and may provide input

on, applications brought to the county in an area of impact, cities do not govern or control decisions on those applications. County commissioners make the final determination regarding area of impact boundaries within their county.

(b) An area of impact is where growth and development are expected to occur. Areas of impact should be planned for growth and development and should not be used to stop growth and development that conforms to applicable plans and ordinances. Areas of impact should be established, modified, or confirmed based on the ability and likelihood of a city or cities to annex lands within that area of impact in the near future. A city may adopt a comprehensive plan and conduct infrastructure, capital improvement, and other planning activities that extend beyond its current area of impact. Counties and cities shall review their area of impact boundaries at least every five (5) years to determine if modifications are needed or to confirm existing boundaries and may pursue modification of an established area of impact more frequently than every five (5) years.

(c) 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.

(d) 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 this section.

Idaho Code § 67-6526(1).

3. Public hearing notice requirements for the modification or confirmation of an area of impact boundary are as follows: The modification or confirmation of an existing area of impact may be initiated by a city or the county. If the county is initiating the modification or confirmation, at least thirty (30) days written notice to the applicable city prior to the public hearing is required. If the city is initiating the modification or confirmation, as is the case here, no notice is required to be sent to the city. However, at least fifteen (15) days prior to the public hearing, written notice of the hearing to be conducted under this paragraph shall be provided by the county to each property owner located within the portion of the area of impact that is proposed to be modified. If notice is also published pursuant to section 67-6509, Idaho Code, individual property owners may not challenge the proceeding on the basis that they did not actually receive notice by mail. If the modification or confirmation is proposed by a city, then the cost of the notice shall be reimbursed to the county by such city. See Idaho Code § 67-6526(3).
4. “The county may accept, reject, or modify a city’s requested modification 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.” Idaho Code § 67-6526(3)(c).
5. The requirements for defining an area of impact are as follows:
  - (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 applicable county's comprehensive plan and zoning and subdivision ordinances shall 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.

...

(j) The county's decision establishing, modifying, or confirming the boundaries for an area of impact shall be made in writing and shall contain the reasoning of the board of county commissioners, including application of the facts relied upon by the commissioners and the application of the pertinent requirements and criteria to establish or modify an area of impact.

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Idaho Code § 67-6526(4).

### **FACTUAL BASIS FOR DECISION**

Upon receiving a request to either modify or confirm an area of impact boundary from a city within Valley County, the Board is required to follow the applicable procedures found in Idaho Code §§ 67-6526(3), (4). Valley County's decision regarding the City's request to modify the AOI must be in writing and shall contain the facts relied upon by the Board supporting its decision. This decision is specific to the City of McCall's request to modify the current AOI boundary. The following facts are pertinent to the Board's decision below:

1. On May 16, 2025, the City submitted a written request to the Board formally requesting modification of the existing AOI. The requested modification is depicted by a map attached to the Cities request.
2. The modified AOI boundary proposed by the City expands the existing AOI boundary geographically by adding additional parcels to the existing AOI.

3. In response to the City's requested modification to the AOI, the Board set a public hearing date for July 7, 2025, to consider the request. Legal notice was published in the Star News on June 12, 2025, and June 19, 2025. Affected agencies and the City, were notified by email or mail on June 9, 2025. Property owners within the current AOI boundary were notified by mail on June 13, 2025. Notice of the public hearing was posted at U.S. Post Offices and libraries in Cascade, Donnelly, and McCall.
4. The notice invited the public and affected agencies to comment in person, by U.S. Mail or by email. Written comments were required to be submitted no later than 5:00 pm on June 30, 2025.
5. Public interest in the proposed modification of the AOI boundary was high and the Board received many written comments, both for and against the City's proposal.
6. The City submitted written comments dated June 30, 2025, that included a cover letter and the following enclosures: May 16, 2025 – City of McCall AOI Boundary Submission (Letter & Map); May 5, 2025 – City of McCall & VC BOCC AOI Work Session Packet & Methodology Appendix (Maps & Scoring System); 2018 McCall Area Comprehensive Plan; Public Comments on AOI received by City of McCall from March 5, 2025 to June 30, 2025.
7. The City describes the AOI as “an unincorporated area that the City expects to grow and develop into over time and is a requirement of Section 67-6526, Idaho Code.” Valley County Board of County Commissioners Worksheet Packet, May 5, 2025, at 2.
8. The additional parcels the City proposes to add to and expand the current AOI boundary are not contiguous with the McCall City Limit Boundary. See Proposed Modified McCall Impact Area Boundary Map.
9. The City provides municipal water services within its service area. Except for two small areas east of the City's boundary, the service area is wholly within the City and does not encompass the entire area within the City. See McCall Water System Master Plan 2018 at 2.
10. According to the McCall Water System Master plan 2018, the City forecasted the service area would expand to areas within the City's boundary but not extend into the current AOI by 2023. See id. at 5. The forecasted service area expansion has not occurred as predicted by the City.
11. In May of 2024 the City proposed a water bond to “fund necessary improvements to its water treatment plant and construct a new storage tank to meet growing demands and ensure water access for the community.” See [https://www.mccall.id.us/344/Water Bond 2024 | McCall, ID](https://www.mccall.id.us/344/Water+Bond+2024+McCall.ID). According to the City, the bond would fund “major treatment and storage enhancements” to address peak hourly demands during the summer months. See id.
12. The bond election was limited to residents residing within the City boundary because the treatment and storage enhancements will not extend into the AOI.
13. Payette Lakes Recreational Water and Sewer District (“Sewer District”) operates and manages wastewater services in the City and the area surrounding Payette Lake. See <https://plrwsd.org/>. The Sewer District is an independent governing body overseen by a Board of

Directors. See <https://plrwdsd.org/organization/>. The Sewer District has stated they have no plans to extend its service area beyond its current boundary within the next five (5) years.

14. Idaho Code § 67-2337 governs the extraterritorial authority of peace officers. Consistent with this authority the McCall Police Chief and Valley County Sheriff entered into a mutual assistance compact that outlines the authorities of the City's police officers to take enforcement action outside of the City Boundary. See Grant of Peace Officer Authority in Valley County, April 23, 2024. This mutual assistance compact is not influenced by or impacted by the AOI boundary.

15. The McCall area population growth projections performed by the City are based on a ten (10) year planning period, 2025-2035. See Valley County Board of County Commissioners Worksheet Packet, May 5, 2025, at A-38-41. The City forecasts adding 933 single-family units and 315 multifamily units by 2035. See id. at A-39. The overall study area is predicted to grow at a slower rate than within the City, adding 873 additional housing units. See id. at A-41. The City used these forecasts to estimate how much land area will be needed to accommodate projected growth for residential housing. See id.

16. The 2018 McCall Area Comprehensive Plan analyzed the undeveloped land within each zoning district, the McCall Area, including land within city limits and the current AOI, has capacity for 13,400 additional residential dwelling units. See McCall in Motion, 2018 McCall Area Comprehensive Plan at 60.

17. The McCall area employment growth projections performed by the City are based on a ten (10) year planning period, 2025-2035. See id. at A-42. The City's job growth projections estimate retail jobs will increase by 12; office jobs will increase by 33; industrial jobs will increase by 285; and institutional jobs will increase by 31. See id. The overall study area is predicted to grow at a slower rate than within the City. See id. at A-41. The City used these forecasts to estimate how much land area will be needed to accommodate projected growth for residential housing. See id. "In total, 25 additional commercial acres were projected to be needed in the study area within the next 10 years to support an additional 361 jobs. The future commercial growth was assumed to occur adjacent to existing commercial activity within the study area." See id. at A-43.

18. The 2017 McCall Area Transportation Master Plan concluded that for off-peak driving conditions "[t]here is adequate capacity for all movements and low-to-moderate delay for side-street traffic turning onto or driving across SH 55." McCall in Motion, McCall Area Transportation Master Plan, November 2017 at 20. For peak driving conditions "[t]here is adequate capacity for most movements and moderate delay for side-street traffic turning onto or driving across SH 55 at most intersections, . . ." Id. Even the projected traffic volumes out to the year 2040 forecasts adequate capacity for most traffic movements. See id. at 21.

## REASONED STATEMENT IN SUPPORT OF DECISION

The 2018 comprehensive plan is based on a concentric land use pattern, *i.e.*, high density residential and commercial areas are found within the City center and progressively moves to lower density as you move outward away from the City. The large residential zones (R-1; RE)

and lower density residential zone (R-4) are aimed at “establishing a rural setting and encourage preservation of open space and recreation areas.” See McCall in Motion pg. 100. R1, RE and R-4 zones dominate the zoning in the AOI. This concept is, arguably, in conflict with Idaho Code. “An area of impact is where growth and development are expected to occur. Areas of impact should be planned for growth and development and should not be used to stop growth and development that conforms to applicable plans and ordinances.” Idaho Code § 67-6526(1)(b). It is impossible to plan for all types of growth and development where the stated goal of the AOI in the comprehensive plan is to “establish a rural setting and encourage preservation of open space and recreation areas.” Low density development surrounding a city, often referred to as urban sprawl, results in increased costs for infrastructure development like sewer, water and other utilities. The one utility the City controls, water service, has not expanded beyond its 2018 service area and currently does not provide service for all areas within the City limit boundary. Just last year McCall voters passed a bond to expand its water treatment facility and storage capacity. This expansion is only aimed at maintaining water delivery within its current service area that is smaller than the City itself. Additionally, the Sewer District has no plans to extend its service area beyond its current location within the next five (5) years. The information available to the Board demonstrates that water and sewer will not be extended into the AOI before the next AOI boundary review deadline. If water and sewer service is a driving factor in a landowner seeking annexation into the City, and the public testimony certainly supports that notion, annexation of any parcel currently situated in the AOI is not likely in the upcoming five year period.

Idaho Code requires that counties and cities review their area of impact boundaries “at least every five (5) years to determine if modifications are needed or to confirm existing boundaries . . . .” Idaho Code § 67-6526(b). Yet, the City’s growth projections, for both residential and commercial development, are based on a ten (10) year planning horizon. This makes little sense, unless motivated by conflating growth projection numbers. Even with the City’s growth projection horizon doubling the AOI review period timeline, the City’s projected population increase for the study area anticipates 2,121 residential housing units will be required to accommodate growth in the planning area by 2035. The City’s current comprehensive plan estimated undeveloped land within the current AOI boundary to have sufficient acres for 13,400 residential dwelling units. This is more than six times the amount of needed land area to accommodate the residential dwelling units required for the expected increase in population over the next 10 years. The Board does not dispute that the population of the McCall area is growing. However, growth projections related to an AOI boundary analysis should be based on a five-year planning horizon not ten. The City’s own data and its comprehensive plan have demonstrated the availability of undeveloped land in the City’s planning area is more than sufficient to accommodate the number of residential units predicted through 2035. These data do not support an AOI expansion, instead suggests the AOI is too large as it currently exists.

The City’s proposal for its northern AOI expansion is even more confounding. It proclaims that this expansion is to “avoid splitting the large IDL parcel . . . and [e]xcludes parcels wholly beyond two miles from the City limits . . . .” See Valley County Board of County Commissioners Worksheet Packet, May 5, 2025, at A-47. However, the City’s proposed expansion to the north results in parcels completely surrounded by an Idaho Department of Lands (“IDL”) parcel that is within the AOI that do not qualify for inclusion because of its distance from the city limit boundary. Creating islands that are not included in the AOI that are wholly surrounded by the IDL parcel RP19N03E00IDA1 is a bad result.

The McCall Area Transportation Plan concluded that existing traffic infrastructure provides “adequate capacity for most movements” for both off-peak and peak traffic volumes through 2040. McCall in Motion, McCall Area Transportation Master Plan, November 2017 at 20-21. In addition, fire, ambulance, and law enforcement response times are not affected by an area of impact boundary. The City suggesting that it does is simply fear mongering. The record before the Board with respect to transportation infrastructure and first responder response times suggests an AOI expansion is not justified.

The criteria that must be considered in determining the AOI boundary, *i.e.*, (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; (v) other public service district boundaries, are good predictors of those areas that are “very likely to be annexed” by the City within the next five years. These criteria, as they relate to the City’s proposal and the data it analyzed to support its proposal does not justify an expansion of the AOI. In fact, it suggests a reduction in the AOI boundary is needed. The City’s proposed AOI expansion provided no reasonable explanation for how any new parcels would likely be annexed. From the Board’s view, these parcels are not contiguous to the City boundary and mostly have large swaths of already developed land between the expansion parcels and the City boundary offering no logical pathway for annexation.

### DECISION

The City’s Proposed Modification of the McCall Area of Impact Boundary submitted for consideration on May 16, 2025, is hereby rejected. The City’s data and analysis do not support an expansion of the current AOI boundary in light of the criteria required by Idaho Code § 67-6526 and must be rejected.

Dated this 6 Day of August, 2025.

Sherry Maupin by Katlin Caldwell  
Sherry Maupin, Chair  
Valley County Board of Commissioners

Neal Thompson  
Neal Thompson, Commissioner  
Valley County Board of Commissioners

Katlin Caldwell  
Katlin Caldwell, Commissioner  
Valley County Board of Commissioners

Attest:  
Douglas Miller  
Douglas Miller, Valley County Clerk