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IN THE SENATE

SENATE BILL NO. 1403

BY JUDICIARY AND RULES COMMITTEE

AN ACT

2 RELATING TO PLANNING AND ZONING; AMENDING SECTION 67-6509, IDAHO CODE, TO

3 REVISE PROVISIONS REGARDING COMPREHENSIVE PLANS; AMENDING SECTION

4 67-6526, IDAHO CODE, TO REVISE PROVISIONS REGARDING AREAS OF IMPACT;

5 AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 67-6509, Idaho Code, be, and the same is hereby amended to read as follows:

67-6509. RECOMMENDATION AND ADOPTION, AMENDMENT, AND REPEAL OF THE PLAN. (a) (1) The planning or planning and zoning commission, prior to recommending the plan, amendment, or repeal of the plan to the governing board, shall conduct at least one (1) public hearing in which interested persons shall have an opportunity to be heard. At least fifteen (15) days prior to the hearing, notice of the time and place and a summary of the plan to be discussed shall be published in the official newspaper or paper of general circulation within the jurisdiction. The commission shall also make available a notice to other papers, radio, and television stations serving the jurisdiction for use as a public service announcement. Notice of intent to adopt, repeal, or amend the plan shall be sent to all political subdivisions providing services within the planning jurisdiction, including school districts and the manager or person in charge of the local public airport, at least fifteen (15) days prior to the public hearing scheduled by the commission. Following the commission hearing, if the commission recommends a material change to the proposed amendment to the plan which that was considered at the hearing, it shall give notice of its proposed recommendation and conduct another public hearing concerning the matter if the governing board will not conduct a subsequent public hearing concerning the proposed amendment. If the governing board will conduct a subsequent public hearing, notice of the planning and zoning commission recommendation shall be included in the notice of public hearing provided by the governing board. A record of the hearings, findings made, and actions taken by the commission shall be maintained by the city or county.

(b) (2) The governing board, as provided by local ordinance, prior to adoption, amendment, or repeal of the plan, may conduct at least one (1) public hearing, in addition to the public hearing(s) or hearings conducted by the commission, using the same notice and hearing procedures as the commission. The governing board shall not hold a public hearing, give notice of a proposed hearing, nor take action upon the plan, amendments, or repeal until recommendations have been received from the commission. Following consideration by the governing board, if the governing board makes a material change in the recommendation or alternative options contained in the recommendation by the commission concerning adoption, amendment or repeal of

a plan, further notice and hearing shall be provided before the governing board adopts, amends or repeals the plan.

- (c) (3) No plan shall be effective unless adopted by resolution by the governing board. A resolution enacting or amending a plan or part of a plan may be adopted, amended, or repealed by definitive reference to the specific plan document. A copy of the adopted or amended plan shall accompany each adopting resolution and shall be kept on file with the city clerk or county clerk.
- $\frac{(4)}{(4)}$ Any person may petition the commission or, in absence of a commission, the governing board, for a plan amendment at any time, unless the governing board has established by resolution a minimum interval between consideration of requests to amend, which interval shall not exceed six (6) months. The commission may recommend amendments to the comprehensive plan and to other ordinances authorized by this chapter to the governing board at any time.
- SECTION 2. That Section 67-6526, Idaho Code, be, and the same is hereby amended to read as follows:
- 67-6526. AREAS OF CITY IMPACT —— NEGOTIATION PROCEDURE. (1) (a) The governing board of each county and each city therein shall adopt by ordinance following the notice and hearing procedures provided in section 67-6509, Idaho Code, a map identifying an area of city impact within the unincorporated area of the county. A separate ordinance providing for application of plans and ordinances for the area of city impact shall be adopted. Subject to the provisions of section 50-222, Idaho Code, an Legislative findings and intent.
 - (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.
- (2) Establishing an area of impact.

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- Following the notice and hearing procedures provided in section 67-6509, Idaho Code, and in accordance with the provisions of subsection (4) of this section, the board of county commissioners of each county shall adopt by ordinance a map identifying the area of impact within the unincorporated area of the county for each city located in the county. Written notice of the hearing to be conducted under this subsection shall be provided by the county to each owner of property located within a proposed area of impact. 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. The cost of the notice shall be reimbursed to the county by the city whose area of impact is under consideration. The board of county commissioners is not required to receive a recommendation from the planning and zoning commission prior to enacting an ordinance establishing an area of impact. An area of city impact must be established before a city may annex adjacent territory pursuant to the provisions of section 50-222, Idaho Code. This separate ordinance shall provide for one (1) of the following:
- (1) Application of the city plan and ordinances adopted under this chapter to the area of city impact; or
- (2) Application of the county plan and ordinances adopted under this chapter to the area of city impact; or
- (3) Application of any mutually agreed upon plan and ordinances adopted under this chapter to the area of city impact.

Areas of city impact, together with plan and ordinance requirements, may cross county boundaries by agreement of the city and county concerned if the city is within three (3) miles of the adjoining county.

(b) If the requirements of section 67-6526(a), Idaho Code, have not been met, either the city or the county may demand compliance with this section by providing written notice to the other of said demand for compliance. Once a demand has been made, the city shall select its representative as hereinafter provided, within thirty (30) days of said demand, and the process set forth in this subsection shall commence. The county commissioners for the county concerned, together with three (3) elected city officials designated by the mayor of the city and confirmed by the council, shall, within thirty (30) days after the city officials have been confirmed by the council, select three (3) city or county residents. These nine (9) persons shall, by majority vote, recommend to the city and county governing boards an area of city impact together with plan and ordinance requirements. The recommendations shall be submitted to the governing boards within one hundred eighty (180) days after the selection of the three (3) members at large and shall be acted upon by the governing boards within sixty (60) days of receipt. If the city or county fails to enact ordinances providing for an area

of city impact, plan, and ordinance requirements, either the city or county may seek a declaratory judgment from the district court identifying the area of city impact, and plan and ordinance requirements. In defining an area of city impact, the following factors shall be considered: (1) trade area; (2) geographic factors; and (3) areas that can reasonably be expected to be annexed to the city in the future.

- (b) If the requirements of paragraph (a) of this subsection are not met in establishing an area of impact, the city may demand compliance with this subsection by providing notice to the board of county commissioners of the demand for compliance. Once a demand has been made, a recommendation committee shall be established. The city and county shall each select a representative to participate on the committee within thirty (30) days of the demand for compliance and the process set forth in this paragraph shall commence.
 - (i) After the city and county representatives have been selected, they shall in turn select another city representative living within the applicable city and another county representative living in the county and not within any city to serve on the recommending committee. Meetings of the recommending committee may be hosted by the city or county and shall be conducted in accordance with Idaho open meetings law. These four (4) persons shall, by majority vote, provide a written recommendation to the board of county commissioners for an area of impact. The written recommendation shall be submitted to the governing boards within one hundred eighty (180) days after the selection of the recommending committee members.
 - (ii) If the board of county commissioners fails to enact an ordinance providing for an area of impact within ninety (90) days of receipt of the committee recommendation or expiration of the one hundred eighty (180) days for the committee to make its recommendation, the city may file a petition with the district court to identify the area of impact pursuant to subsection (5) of this section and in accordance with other applicable provisions of this section.
- (c) If areas of city impact overlap, the cities involved shall negotiate boundary adjustments to be recommended to the respective city councils. If the cities cannot reach agreement, the board of county commissioners shall, upon a request from either city, within thirty (30) days, recommend adjustments to the areas of city impact which shall be adopted by ordinance by the cities following the notice and hearing procedures provided in section 67-6509, Idaho Code. If any city objects to the recommendation of the board of county commissioners, the county shall conduct an election, subject to the provisions of section 34-106, Idaho Code, and establish polling places for the purpose of submitting to the qualified electors residing in the overlapping impact area, the question of which area of city impact the electors wish to reside. The results of the election shall be conclusive and binding, and no further proceedings shall be entertained by the board of county commissioners, and the decision shall not be appealable by either city involved. The clerk of the board of county commissioners shall by abstract of the results of the election, certify that fact, record the same and

transmit copies of the original abstract of the result of the election to the clerk of the involved cities.

(3) Modification or confirmation of area of impact boundaries.

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- (a) Modification or confirmation of an existing area of impact boundary may be initiated by a city or cities or the county. If a county is initiating a modification or confirmation of an area of impact, the county shall provide at least thirty (30) days written notice to the applicable city or cities of the hearing on the proposed modification or confirmation. Any modifications to or confirmation of an area of impact boundary must be adopted by an ordinance approved by the board of county commissioners of the applicable county, following the notice and hearing procedures provided in section 67-6509, Idaho Code, and in accordance with the requirements for defining an area of impact as set forth in subsection (4) of this section. At least fifteen (15) days prior to the hearing, written notice of the hearing to be conducted under this paragraph shall be provided by the county to each owner of property 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. If the county is pursuing the modification or confirmation, then the cost of notification shall be borne by the county. The board of county commissioners is not required to receive a recommendation from the planning and zoning commission prior to enacting an ordinance modifying or confirming an area of impact.
- Where areas of impact abut each other and adjustments are being proposed, or where areas of impact are proposed to abut each other, the cities involved shall negotiate boundary adjustments to be recommended to the respective city councils. The city council of each city must approve the area of impact or modifications thereto to be proposed to the board of county commissioners. These decisions by the city councils are proposals and not subject to judicial review or challenge. If the cities with impact area boundaries that abut or are proposed to abut each other reach agreement on the proposed boundaries or adjustments thereto, the requested boundaries or adjustments shall be collectively submitted by the cities to the county for consideration in accordance with paragraph (a) of this subsection. If the cities cannot reach agreement, then any or all of the cities involved may submit their requests to the board of county commissioners for consideration pursuant to paragraph (a) of this subsection. In either case, the county shall conduct at least one (1) consolidated public hearing where it considers all such requests together.
- (c) 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.

- (4) Provisions applicable to areas of impact.
- (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.
- (c) Areas of impact may cross county boundaries only by approval of the governing board of county commissioners after following the procedures and complying with the requirements for modification or confirmation of an area of impact boundary.
- (d) Areas of impact shall not overlap.
- (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.
- (f) Following adoption of an area of impact, the board of county commissioners shall provide the city with written notice at least fifteen (15) days in advance of any county public hearings held pursuant to this chapter or to chapter 13, title 50, Idaho Code, involving land within that area of impact.
- (d) Areas of city impact, plan, and ordinance requirements shall remain fixed until both governing boards agree to renegotiate. In the event the city and county cannot agree, the judicial review process of subsection (b) of this section shall apply. Renegotiations shall begin within thirty (30) days after written request by the city or county and shall follow the procedures for original negotiation provided in this section.
- (e) Prior to negotiation or renegotiation of areas of city impact, plan, and ordinance requirements, the governing boards shall submit the questions to the planning, zoning, or planning and zoning commission for recommendation. Each commission shall have a reasonable time fixed by the governing board to make its recommendations to the governing board. The governing boards shall undertake a review at least every ten (10) years of the city impact plan and ordinance requirements to determine whether renegotiations are in the best interests of the citizenry.

- (g) Areas of impact shall remain fixed until modifications are made pursuant to subsection (3) of this section.
- (h) Prior to considering a request to establish, modify, or confirm an area of impact, the governing boards may, but are not required to, submit the request to the planning, zoning, or planning and zoning commission for recommendation. Each commission shall have a reasonable time fixed by its governing board in compliance with all required timelines set forth in this section to make its recommendation to the governing board. The county and the city shall undertake a review of the area of impact at least once every five (5) years and shall consider whether adjustments are in the best interests of the citizenry.
- $\frac{\text{(f)}}{\text{(i)}}$ This section shall not preclude <u>annexation or other</u> growth and development in areas of any county within the state of Idaho <u>which</u> that are not within the areas of <u>city</u> impact provided for herein.
- (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.
- (g) (k) If the area of impact has been delimited pursuant to the provisions of subsection (a)(1) of this section properly established, persons living within the delimited area of impact shall be entitled to representation on the planning, zoning, or the planning and zoning commission of the city of impact. Such representation shall as nearly as possible reflect the proportion of population living within the city as opposed to the population living within the areas of impact for that city. To achieve such proportional representation, membership of the planning, zoning or planning and zoning commission, may exceed twelve (12) persons, notwithstanding the provisions of subsection (a) of section 67-6504, Idaho Code. In instances where a city has combined either or both of its planning and zoning functions with the county, representation on the resulting joint planning, zoning or planning and zoning commission shall as nearly as possible reflect the proportion of population living within the impacted city, the area of city impact outside the city, and the remaining unincorporated area of the county. Membership on such a joint planning, zoning or planning and zoning commission may exceed twelve (12) persons, notwithstanding the provisions of subsection (a) of section 67-6504(a), Idaho Code.
- (5) Petitions for review of establishment, modification, or confirmation of area of impact. The decisions by the board of county commissioners regarding the establishment, modification, or confirmation of areas of impact are legislative actions and are not subject to judicial review, declaratory action, or other legal challenge, except as specifically provided in this subsection.
 - (a) (i) If a county has not complied with the provisions of subsection (2) or (3) of this section, the city seeking the establishment, modification, or confirmation of an area of impact may petition the district court to establish, modify, or confirm an area of impact that meets the criteria and requirements of subsection

(4) of this section in accordance with the procedures provided in this subsection. If the modification of an area of impact boundary involves areas of impact boundaries that abut each other or that are proposed to abut each other, then any city whose area of impact abuts or is proposed to abut another area of impact boundary may file a petition challenging the county's determination regarding only those boundaries that abut or that are proposed to abut each other. Any petition regarding a proposed area of impact or portion thereof that is subject to challenge must be filed in the county in which the proposed area of impact or portion thereof is located. (ii) Before a city may file a petition for review of an area of impact decision made by the county, as provided in paragraph (a) (i) of this subsection, it must first file a request for reconsideration with the board of county commissioners. Such request must be filed within fourteen (14) days of the issuance of the written decision by the board of county commissioners and must specify deficiencies in the decision of the board of county commissioners. Filing a timely request for reconsideration is a prerequisite to the city having standing to file a petition with the district court. The county shall act on and issue a written decision on the request for reconsideration within thirty (30) days of receipt of the request or the request shall be deemed denied. A petition challenging the decision of the county must be filed by the city within twenty-eight (28) days after the issuance of a decision by the county on the request for reconsideration or expiration of the thirty (30) day period for the county to act on the request.

- (b) When filing a petition challenging the decision of the board of county commissioners with the clerk of the court, the petitioner shall pay a fee of one hundred dollars (\$100), which fee shall be in full for all clerk's fees except the regular fees provided by law for appeals. The court shall fix a time for the hearing on the petition to be held no less than thirty (30) days and no more than ninety (90) days from the filing of the petition. The petitioner shall serve or cause to be served a copy of the petition and notice of the hearing on the board of county commissioners or county clerk and the mayor or city clerk of such other city whose area of impact boundary is in question pursuant to paragraph (a) of this subsection at least twenty (20) days before the date of the hearing.
- (c) No petition, objection, or reply authorized under this subsection need be verified.
- (d) The hearing on a petition filed pursuant to this subsection shall be held within the county in which the area of impact or portion thereof is situated. The regular district court reporter shall reduce to writing the testimony and evidence introduced in the same manner as in a trial of civil actions. The judge of the court, either before or after the hearing, may view the lands pertaining to the proposed area of impact, lands on the outside of the city or cities in the same vicinity in which the lands sought to be included in the area of impact are situated, and other lands within the corporate limits of the city that might in any way be

affected by the granting of the petition. The judge may consider such modifications as the judge finds in connection with the evidence introduced at the hearing, in making and arriving at a final decision and determination of the matter.

- (e)(i) If the court finds that the board of county commissioners did not follow the notice and hearing requirements provided in this subsection, the court shall remand the matter back to the board of county commissioners to comply with the requirements and issue a new decision. If the court finds that the decision of the board of county commissioners was not arbitrary, capricious, or an abuse of discretion, the court shall affirm the decision of the board of commissioners. If the court finds that the decision of the board of county commissioners was arbitrary, capricious, or an abuse of discretion, the court may remand the matter to the board of county commissioners to correct its decision or the court may determine the appropriate boundaries of the area of impact in question before it. It shall not be necessary for the judge of the court to make written findings of fact or conclusions of law unless the court establishes the area of impact boundary. The court may award attorney's fees and costs to the prevailing party in such an action only if it finds that the other party or parties acted without a reasonable basis in fact or law.
- (ii) If the court establishes the area of impact boundary, such boundary shall become the area of impact boundary as of the date of the decree establishing the boundary. Within twenty (20) days after the filing of the decree, the petitioner shall file or cause to be filed with the county recorder and with the city clerk a certified copy of the decree. The board of county commissioners shall adopt an ordinance consistent with the court decree within thirty (30) days of the entry of the decree or be subject to contempt and other sanctions or actions deemed appropriate by the court.
- (f) Any city or county aggrieved by the decision of the court may appeal from the decision and judgment to the supreme court. The procedure of the appeal shall be the same as the procedure for appeals from final judgment in civil actions.
- (6) Cities and counties shall review their existing areas of impact and shall reestablish the areas in conformance with the provisions of this section by December 31, 2025. Failure to timely conduct such review and reestablishment shall nullify the current area of impact boundaries and require the city and county to go through the process set forth in subsection (2) of this section.

SECTION 3. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2024.