



## FREQUENTLY ASKED QUESTIONS (FAQ'S)

1. Can a City regulate STRS?
  - a. **Idaho Code provides the regulations that the City must follow:**  
***I.D. 67-6539. LIMITATIONS ON REGULATION OF SHORT-TERM RENTALS AND VACATION RENTALS. (1) Neither a county nor a city may enact or enforce any ordinance that has the express or practical effect of prohibiting short-term rentals or vacation rentals in the county or city. A county or city may implement such reasonable regulations as it deems necessary to safeguard the public health, safety and general welfare in order to protect the integrity of residential neighborhoods in which short-term rentals or vacation rentals operate. A short-term rental or vacation rental shall be classified as a residential land use for zoning purposes subject to all zoning requirements applicable thereto.***
2. Were Stakeholders included in current discussions?
  - a. "Stakeholders" include all persons with an interest in their neighborhood. Until non-permitted STR owners became identified, they couldn't be included. Hoteliers, service providers, neighborhood organizations, neighbors of STR's, tourism groups and others are also stakeholders who will be invited to give comment. The City has initiated 13 media stories since August 2022, and held 7 public meetings, 4 of which included opportunities for public input. Outreach has included updates to the website, presentations, and direct emails to over 400 people. Over 160 written comments have been received to date.
3. What are the penalties for non-compliance?
  - a. The penalties are set by the Municipal code. The first violation subjects the owner to a civil penalty of \$100.00 each day there is a violation of the code. A second violation may subject the owner to a misdemeanor citation, which carries a fine of up to \$1,000.00 and/or imprisonment up to six (6) months. The City's process is to notify the property owner and provide an opportunity for correction before violation penalties are assessed. However, if a violation is egregious, the owner may face an immediate fine or misdemeanor citation.  
[https://codelibrary.amlegal.com/codes/coeurdaleneid/latest/coeurdalene\\_id/0-0-0-12797](https://codelibrary.amlegal.com/codes/coeurdaleneid/latest/coeurdalene_id/0-0-0-12797)
4. What are the permit fees?
  - a. Current fees are: \$285 for a first-year permit and \$180.00 for renewal. Fees are established to cover administrative costs associated with the processing of the application for a permit, as well as the issuance of the permit. The City does not require a general business license in addition to the permit as many cities do.
5. Why did the City hire Granicus?
  - a. Granicus is in the business of STR compliance and has the staff, technical capabilities, and experience and technology that was not available locally. There are no City staff available to do the work of researching over 70 rental sites for compliance, nor does the City have access to search all of the online platforms for STR listings. The services provided by

Granicus will be much less expensive than hiring additional City staff. Additionally, Granicus will run the 24/7 complaint hotline and work with the City, including the Police Department, to verify if it is a valid complaint and then works to notify the Responsible Party to ensure complaints can be addressed in a timely manner. This step will help the City to track complaints and provide the data that the STR operators have been requesting.

6. How accurate and reliable is the Granicus data and what will the City do with it?
  - a. This company has been in business with successful reports from other cities for a number of years. Data provided will include occupancy data, identification of STR's that have not pulled a permit, and will provide us a method to engage the owners and neighbors in a fair regulatory process. Additionally, there will be a 24/7 hotline to take complaints from neighbors, track data, and work with STR owners to seek speedy resolution to issues that require police involvement.
7. Where does the tax go that is paid by the STR owner?
  - a. The City does not charge or collect any taxes from STR properties. The State has a lodging tax that online STR platforms collect and forward to Idaho State Tax Commission. This tax is distributed throughout the state on a competitive basis and is used to promote tourism that benefits local economies, including lodging properties. Online STR platforms also collect sales tax. The State Tax Commission distributes sales tax throughout the state using a formula. The lodging and sales tax dollars collected from STRs in Coeur d'Alene do not come back to our community on a 1:1 basis and are not available for the City to use. Unpermitted or self-managed STRs may not be paying the required State taxes. Ensuring that all operating STRs are permitted will help ensure that all parties are paying their fair share of required sales and lodging tax.
8. Why can't the City impose a local tax on STRs to cover associated costs of enforcement?
  - a. The State of Idaho only allows cities with a population under 10,000 to enact a Resort City Tax.
9. What is the City doing to track statistics of concerns/complaints in STR neighborhoods?
  - a. The initial Short-Term Rental Code called for neighbors to contact the responsible party for the property directly. Most nuisance complaints do not escalate to a police call. In the future, the 24/7 hotline will be used to track all comments and complaints for the record.
  - b. Many neighbors have expressed concerns of retaliation by STR owners and assume the nuisance will end the following day when the renter leaves, so they don't pursue any action. The City has received complaints from neighbors, verbally, online, and during Public Comment. There was a petition signed about two years ago by a neighborhood group. Many complaints come to Council and staff verbally.
10. Why shouldn't the Permit go with the house when it sells?
  - a. Permits are issued in one-year increments to the owner of the STR. Issuing transferable permits could be considered a "windfall" that may affect the valuation of permitted units. This inequity only would only be exacerbated if limitations are placed on the number of STRs in parts of the City, as this would deny others the opportunity to participate. In addition, the owner has to file an application, sign the application assuming responsibility, complete and file a self-inspection checklist, and identify a responsible party. These all have to be

completed when there is a new owner and involves the same staff time as an original application.

11. Is a moratorium prohibiting STR's legal?
  - a. At this time the City Council has voted against a moratorium. However, the City can legally pass a moratorium pausing the permitting of new STRs in order to allow the City time to work with the stakeholders and community to update regulations. Idaho Code § 67-6523 authorizes an emergency moratorium upon the issuance of selected classes of permits if there is "an imminent peril to the public health, safety, or welfare." Idaho Code § 67-6524 also provides for an interim moratorium upon the issuance of selected classes of permits when the comprehensive plan is being amended and there is an imminent peril to the public health, safety, or welfare. However, these statutes do not provide the *exclusive* authorization for moratoria. For example, the Idaho Department of Water Resources issued a moratorium on processing applications for new surface or groundwater diversions without any express statutory authority and the State Board of Land Commissioners imposed a moratorium on the issuance of permits for encroachments on the beds or waters of Lake Coeur d'Alene, also without express statutory authority. Like the State agencies, the City has inherent police powers to issue moratoria on any City-issued licenses or permits for reasons which seem necessary for the protection of the public welfare.
  
12. Why can't you limit out of state owners?
  - a. States and cities generally cannot enact laws that impair interstate commerce. A residency requirement may discriminate against interstate commerce because it treats in-state and out-of-state economic interests differently.
  
13. Why should a permit be required when the City doesn't come inspect or verify the property?
  - a. Idaho Code § 67-6539 provides, in part: "A county or city may implement such reasonable regulations as it deems necessary to safeguard the public health, safety and general welfare in order to protect the integrity of residential neighborhoods in which short-term rentals or vacation rentals operate." The permitting process is an accepted and common means of safeguarding the public health, safety and general welfare in order to protect the City's residential neighborhoods.
  
14. Why is the City considering STR code amendments?
  - a. When the initial Short-Term Rental Code was passed in 2017, Council's intent was to review the Code after a few years. COVID delayed this review and, at the same time, the number of units spiked. In August 2021, there were only 223 permits, approximately half were held by local owners and the rest by out-of-state owners. In February 2023, there were an estimated 645 STRs, with 883 in summer months. Many were unpermitted. The large number of illegal rentals necessitates amendments to the Short-Term Rental Code so that the purposes of the Code can better be fulfilled.
  
15. Why propose the elimination of the "Ironman exemption" (14-day no permit required)?
  - a. The way it is written, the Code is not specific to Ironman dates. Therefore, anyone can rent for 14 days in a calendar year without a permit. Neither the City nor Granicus can

track these rental without a tremendous amount of time or cost and/or a separate permitting effort. This would result in higher fees for permitted STRs. Further, it would be difficult for neighbors to differentiate between a 14-day rental and a standard STR stay, and the good neighbor policies in the Short-Term Rental Code do not apply.

16. Do STRs add to the tourism economy?
  - a. Coeur d'Alene has been a tourist destination for over 100 years. Over the last 30 years, the City's economy has shifted even more dramatically from the logging/mining industries of the past to tourism. Short-term rental are a recognized as a part of the tourist economy, similar to hotels and B&B's. However, tourism is only one part of what makes Coeur d'Alene the community we all enjoy. It is not reasonable or fair for one sector of the economy to take precedence over the health of the community as a whole.