

BOISE, FRIDAY, JANUARY 10, 2025, AT 10:00 A.M.

IN THE SUPREME COURT OF THE STATE OF IDAHO

**JOHN AND MICHELLE TAYLOR, a)
marital community, and the IDAHO)
ASSOCIATION OF REALTORS, INC.,)
an Idaho non-profit corporation,)
)
Plaintiffs-Appellants,)
)
v.)
)
CITY OF LAVA HOT SPRINGS, an)
Idaho municipality.)
)
Defendant-Respondent.)
_____)**

Docket No. 50888

Appeal from the District Court of the Sixth Judicial District of the State of Idaho, Bannock County. Robert C. Naftz, District Judge.

Risch Pisca, Boise, attorneys for Appellants.

Hall, Angell, & Associates, Idaho Falls; Cooper & Larsen, Pocatello, attorneys for Respondent.

John and Michelle Taylor and the Idaho Association of Realtors appeal from the district court’s grant of summary judgment in favor of the City of Lava Hot Springs. The City regulates short-term rentals based on whether they are occupied by the owner or manager. A non-owner/manager occupied rental is only permitted in a commercial neighborhood while owner/manager occupied rentals are permitted in commercial and residential neighborhoods. The City denied the Taylors application for a business license to operate a non-owner/manager occupied short-term rental within the City’s residential zone.

The Taylors and the Realtors sued alleging that the regulatory scheme violated the Short-term Rental and Vacation Rental Act (“Act”) which prohibits a city from enforcing any ordinance “that has the express or practical effect of prohibiting short-term rentals or vacation rentals.” I.C. §67-6539. However, municipalities may enforce reasonable regulations to “safeguard the public health, safety and general welfare in order to protect the integrity of residential neighborhoods.” The district court granted the City’s motion for summary judgment because it found that the City’s regulations did not have the direct or practical effect of prohibiting short-term rentals and that the regulations were necessary to safeguard the welfare of the City’s residential neighborhood. The Taylors and the Realtors appeal.