

Potential Funding Mechanisms for Transportation

Mechanism	Description
Business Improvement District	Initiated by petition, must be signed by those owning businesses that would pay at least 50% of the proposed assessment. Miscellaneous statutory requirements for notifications, letters of intent, hearings, project list, etc. Assessment can be levied based on classification of business, including degree of benefit from the district through the establishment of zones.
Development Impact Fees	"A payment of money imposed as a condition of development approval to pay for a proportionate share of the cost of capital improvements needed to serve development." Any city, county or countywide highway district can impose fees on development. There are a number of steps to implement such a fee, form advisory committee, complete CIP, calculate fee, establish collection, expenditure, refund policy, draft ordinance, adopt impact fee ordinance
Gas Tax (excise, sales)	Idaho Constitution would have to be amended to allow this option
Local Improvement Districts (LID)	May be created to finance certain improvements that benefit property owners within the district. Improvements are financed by assessments levied on property owners within the district in relation to the benefits the owners derive from the improvements. No statutory requirement for voter approval of bond financing A number of statutory requirements exist, public notice, hearings. Requires a petition signed by 60% of property owners, resolution adopted by majority vote of city council, miscellaneous: notifications, letters of intent, project list, etc.
Local Option Sales Tax	State legislature must allow local government the ability to levy a sales tax If granted the ability to implement, it must be put to the voters
Parking Charges	Levied on commercial parking by size, or number of spaces. Could be levied only on existing paid parking or on all commercial parking. Has a potentially strong market effect but may be too technically and politically complex to implement
Tax Increment Financing	Plan, enact urban renewal agency Prepare urban renewal/revenue allocation plan Local P&Z must review & comment on consistency w/comp plan Public hearing on plan
Tire Fee/Tax	
Vehicle Registration Fee	Idaho Constitution would have to be amended to allow this option

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