



# PATHWAYS FOR PEOPLE

## Q QUESTIONS & ANSWERS A

### FAQ's about Costs and Funding Methods:

#### **Q. How did the City identify it needs \$800,000 dollars?**

**A.** The City identified a few projects which were high priorities in both Hailey's Capital Improvement Plan and the Community Bike and Pedestrian Master Plan. These potential projects are estimated to cost \$700,000, based on a linear foot cost estimate of the different types of improvements. An additional \$100,000 was identified as necessary for maintenance to existing sidewalks.

#### **Q. Can the City pay for this out of its Capital Fund?**

**A.** At this time, there is not enough money available in the capital fund for these projects and no incoming capital revenue. Between the years 2001 and 2006 Hailey collected annexation fees from developments. The fees were put into the City's capital fund, and have all been spent or assigned to city-wide projects, including fire and library equipment and street and park projects such as:

- Grant match for Woodside Boulevard;
- Grant match for Hailey Skatepark;
- Grant match for Main to Middle School project.

The Hailey City Council does not see annexation fees as a sustainable way to meet the City's capital needs.

#### **Q. Can the City pay for these projects in another way?**

**A.** The City has no surplus revenue or idle funds with which to pay for these projects. The City could pursue a different type of funding, such as increasing local option taxes, franchise fees or general obligation bonds, all of which require voter approval. The city council has opted to ask voters to consider a 2-year tax levy as a first-step toward meeting Hailey's needs. The city will assess other revenue enhancement measures in future years.

#### **Q. What about grants, like the Woodside Blvd. grant?**

**A.** The City will pursue grants whenever possible for these projects. There is typically a higher chance of receiving grant awards if matching funds are available. Without additional revenue, the City has enough matching funds to offer up to 12% match on eligible projects. Some grants may require a higher match component.

### FAQ's about Tax Impacts

#### **Q. What are the real costs to taxpayers of Hailey?**

**A.** Homeowner's exemptions apply to some properties, but not to all. If homeowner's exemption does not apply, factor \$48 per \$100,000 of assessed value to identify your property's cost toward this measure. Otherwise, use this table, with 2015 levy rates and assessed values.

Assessed Value	Homeowners Exemption	Taxable Value	Proposed Tax Increase
\$ 100,000	\$ (50,000)	\$ 50,000	\$ 24
125,000	(62,500)	62,500	30
150,000	(75,000)	75,000	36
175,000	(87,500)	87,500	42
200,000	(94,745)	105,255	51
225,000	(94,745)	130,255	63
250,000	(94,745)	155,255	75
275,000	(94,745)	180,255	87
300,000	(94,745)	205,255	99
325,000	(94,745)	230,255	111
350,000	(94,745)	255,255	123
375,000	(94,745)	280,255	135
400,000	(94,745)	305,255	147
450,000	(94,745)	355,255	171
500,000	(94,745)	405,255	195
550,000	(94,745)	455,255	219
600,000	(94,745)	505,255	243
700,000	(94,745)	605,255	291
850,000	(94,745)	755,255	363
900,000	(94,745)	805,255	387

#### **Q. How does this compare to other cities?**

**A.** Hailey's 2015 levy is .00318. The 2-year increase would set this levy at .00368. The table below shows the 2014 levies of some similar cities as compared to Hailey.

Town	2014 Tax Rates
Hailey, ID	.00335
McCall, ID	.00511
Sandpoint, ID	.00546
Ammon, ID	.00308
Garden City, ID	.00372
Kuna, ID	.00320

## FAQ's about Maintenance:

### **Q. Why is more money needed for maintenance?**

**A.** The city currently budgets \$20,000 per year for sidewalk and drainage maintenance, which is not enough to address the maintenance backlog that has accrued. We have identified that more maintenance is required to keep deteriorating sidewalks safe and passable.

### **Q. Does the City receive any higher vehicle registration fees adopted by the State of Idaho last year?**

**A.** Yes. The Hailey Street budget increased by \$75,000 due to this change in State law. Blaine County receives a portion of that money, and cities receive a portion. That additional \$75,000 was very helpful this year with higher snow removal costs.

### **Q. Why add bike and pedestrian paths when the City is already short on maintenance dollars?**

**A.** We believe we can catch up and stay ahead of maintenance. The boost of \$100,000 from the levy will allow the City to perform critical maintenance. With the additional \$75,000 per year from motor vehicle registrations the City expects to accomplish more annual maintenance. The estimated cost of maintenance for the new bike and pedestrian paths over a 20 year period averages an annual cost of about \$3,000. This involves resealing periodically, sweeping, keeping up with shouldering and damage, restriping and snow removal.

### **Q. What is factored into those maintenance costs?**

**A.** Two of the new proposed paths are separated paths. Hailey currently has the equipment necessary for snow removal and sweeping of separated paths. Two of the bike lanes are connected to existing streets. The primary maintenance cost of these striped bike lanes is periodic restriping. Snow removal, sweeping and sealant can all be accomplished concurrently with the usual street work.

## FAQ's about the Projects:

### **Q. Why are these called "potential" projects?**

**A.** The current cost estimates are preliminary linear foot estimates. If voters approve the measure, the first task would be to notify properties along the projects and hold public workshops about how the projects will affect street-fronts. Full engineering with engineer's estimates would follow. Projects would then be put out to bid.

## FAQ's about Timing:

### **Q. Is now the right time to ask voters to increase their taxes?**

**A.** The City has been discussing for many years the need for infrastructure improvements. A focused discussion conducted over the past year and a half is on Hailey's website, at [www.haileycityhall.org](http://www.haileycityhall.org), and includes a robust discussion of all the revenue types available to cities. Feedback has been that property tax increases, as well as other types of new revenue, are needed. With the economy somewhat improved, a limited approach or baby-step was deemed by the city council more prudent now, with the goal of starting small and implementing a few good projects. Ultimately, only voters can give this answer.

### **Q. Why are these projects being contemplated now?**

**A.** These projects have been a part of Hailey's Capital Improvement Plan and the Community Bike-Ped Master Plan. At the end of 2015, Hailey conducted a study of its Main Street traffic patterns and improvements that could be made. Close to 200 people participated in that work, and the driving message was that our town needs improvements to give alternative routes to local traffic, and to increase bike and pedestrian activity and safety. The potential projects we've chosen do that, without changing Main Street.

### **Q. When will the projects be done?**

**A.** If the measure is approved, the new revenue will start to be collected in December 2016, and about half the projects will be done the summer of 2017, with the other half in 2018. If any grants are obtained, the grant funding schedule will apply to those particular projects.

### **Q. If approved, when will my tax bills go up?**

**A.** The additional tax, if approved, will be assessed against property owners beginning December 2016 and ending in July 2018.

Bids could be higher than the engineer's estimates. All of these elements could change the nature of the projects, their costs, or even their locations.

### **Q. Will the City do all the projects at once?**

**A.** Not likely. The City's approach to the order of the projects will depend on the bid amounts. We will make the money go as far as possible, to as many of the projects as possible. If we receive grants, that also will affect the priority order and number of projects we can do.