

CHAPTER 17

MISCELLANEOUS PROVISIONS OF LAW

POWERS OF COUNTIES

1. Power to sue and be sued (31-604(1)).
2. Power to purchase and hold lands (31-604(2)).
3. Power to make contracts, purchase and hold such personal property as may be necessary in the exercise of its powers (31-604(3)).
4. Power to levy and collect taxes (31-604(5)).
5. Power to enter into joint contracts and agreements for the apportioning of expenses (31-1006).

TAXING DISTRICTS

Airports, Regional, Authority. 21-801 to 21-814

"A regional airport authority may be established by the vote of the electors of such region." A petition, signed by not less than five per cent (5%) of the electors from each voting precinct county in the region, must be filed with the Idaho Transportation Department (21-805). Upon the approval of the petition, a date for election will be decided and notice of the election shall be published (21-805). Contiguous counties may be annexed to existing airport authorities by a subsequent election (21-805(A)). A board of trustees for the airport authority is elected at the next succeeding primary election by the electors of each participating legislative district (21-806). The powers of the board of trustees are established by section 21-807. The requirement for an annual audit is required in section 21-810.

Ambulance District. 31-3901 to 31-3910

"Providing ambulance service is a government function." The board of county commissioners is authorized to provide an ambulance service to areas which do not have an existing ambulance service readily available; and to levy a special tax, not to exceed two hundredths percent (.02%) of market value for assessment purposes, to support the same (31-3901). This may be inter-county (31-3906 and 67-2332) or it may embrace cities and the counties (31-3901). Upon petition signed by not less than fifty (50) qualified electors, the commission must initiate procedures as set forth in the *Idaho Code*, section 31-3908. The petition is filed with the county clerk and recorder, the board of county commissioners shall publish said petition along with a notice of meeting of the board of county commissioners to consider the petition (31-3908). After hearing all testimony, the board of

county commissioners shall issue an order either denying or approving said district (31-3908). If an ambulance district is established, the board of county commissioners serves as the governing board of the district. A separate tax levy is authorized for the operation of the district. The levy is not to exceed four-hundredths per cent (.04%) of market value for assessment purposes, except as authorized by section 31-3908(4a). A board of county commissioners may submit a question to the electors of the district to increase the levy authorized by section 31-3908(4a) may be increased to six-hundredths percent (.06%) of market value for assessment purposes with a two-thirds vote during May or November.

Auditorium District. 67-4901 to 67-4931

"An auditorium or community center district is one to build, operate, maintain and manage for public, commercial and/or industrial purposes" an auditorium or community center (67-4902). The district court of any county has the power to establish an auditorium district (67-4903). The organization of an auditorium district is initiated by filing a petition with the clerk of the district court (67-4904). Immediately after filing of the petition the court shall set a time for hearing of the petition (67-4906). After said hearing, the court shall enter an order for an election, and upon said election the judges shall certify the returns of the election to the district court, and if a majority of the vote is in favor of the district, the court shall declare the district organized (67-4907). Also see section 67-4909 for organization of the board of directors of the district; section 67-4912 for powers of the board of directors; and section 67-4914 for levy and collection of taxes. The tax levy is not to exceed four hundredths per cent (.04%) of market value for assessment purposes (67-4913). The board has the power and authority to levy a hotel/motel room sales tax on the receipts derived by hotels and motels within the district (67-4917B).

Cemetery Maintenance District. 27-101 to 27-128

Cemetery maintenance districts are created for "the maintaining, improving and beautifying of cemeteries" (27-101). A petition is presented to the board of county commissioners and filed with the clerk of the board of county commissioners (27-104). The board then sets a time for hearing the petition at which time public testimony may be given (27-105). After taking into consideration the testimony, the county commissioners enter an order either denying or granting the petition (27-105).

A notice of election on the proposed district is then published and an election held (27-106 to 27-108). The outcome of the election shall decide whether the district is void, or is organized. See *Idaho Code*, section 27-103 for joint county cemetery maintenance districts. The cemetery maintenance district board of commissioners, their term of office, and the election of the commissioners, respectively are found in sections 27-109 through 27-111.

Cities/Municipal Corporations. (Title 50, Chapters 1 through 10)

Cities are bodies corporate and politic and have the following powers: to sue and be sued; to contract and be contracted with; acquire, hold, lease, and convey property, real and personal; have a common seal, which they may change and alter at pleasure; may erect buildings or structures of any kind, needful for the uses or purposes of the city; and exercise all powers and perform all functions of local self-government in city affairs as are not specifically prohibited by

or in conflict with the general laws or the constitution of the state of Idaho. (50-301)

Community/Junior College Districts. 33-2101 to 33-2144

The State Board of Education shall approve only one junior college district per junior college area (there are six areas) (33-2101). A junior college district may be organized by the vote of the school district electors provided the proposed district meets the minimum requirements (33-2103) and the signatures of not less than 1000 petitioners can be verified (33-2104). Section 33-2106 provides for a board of trustees of the junior college district. See also, general powers of the board of trustees, 33-2107; tuition, 33-2110 and 33-2110(A); residency, (33-2110B); and taxes and other financial support, 33-2111.

Drainage Districts. 42-2901 to 42-2981

Drainage districts may be organized for any portion of a county requiring drainage or dikes, or both. A petition for formation shall be presented to the clerk of the district court (42-2905). At the time of filing of the petition, the petitioners must also file a bond in the sum of \$500.00 (42-2906). The court will then set a time for hearing of the petition, and after said hearing, the judge of the district court shall issue an order either declaring the district organized, or denying the same (42-2907 through 42-2909). The judge of the district court shall appoint three (3) drainage commissioners (42-2910). Vacancies are filled in accordance with section 4-2912, Idaho Code. See also, duties of engineer and surveyors, 42-2916; general powers of the district, 42-2939; duties of planners and sub dividers (42-1102; 42-1208, 1209); and district court may enforce 42-2933.

Fair Districts. 22-301 to 22-310

A fair district may be formed by two (2) or more counties within the state (22-301). Petitions shall be submitted to the respective boards of county commissioners, and the clerk of each board shall give notice by publication that the petitions will be heard by the respective boards (22-301). At the hearing of the petitions, providing that the petitions are in due form, the county commissioners shall issue an order proclaiming that it is the desire of the voters of the county to form a fair district (22-302). A joint meeting of the involved boards of county commissioners follows (22-302). A board of directors is established (22-303). The board of directors is vested with certain powers and duties (22-304). Revenue for fair purposes is discussed in section 22-307.

Fire Districts. 31-1401 to 31-1437

A fire protection district is established for "the protection of property against fire and the preservation of life." "Any portion of a county not included in any other fire protection district may be organized into a fire protection district." A petition is filed with the clerk of the board of county commissioners (31-1403), the board sets a time for hearing of the petition, and after said hearing they issue an order of determination and set the boundaries of the district (31-1404). A notice of election is published (31-1405) and an election of qualified voters is held, the outcome of which determines the existence of the fire protection district (31-1406). Also see *Idaho Code*, section 31-

1407 for the canvassing of elections by the board of county commissioners. The commissioners of a fire protection district may levy up to twenty-four hundredths of a percent (.24%) of market value for assessment purposes for equipment and maintaining the district (31-1420). The budget and hearing requirements are established in section 31-1422, Idaho Code. Additional provisions are made for fire protection districts "adversely impacted by abnormally low levies at the time of enactments of section 63-802" (31-1423). The handling of district funds is located in section 31-1426, Idaho Code.

Flood Control Districts. 42-3101 to 42-3128

Flood control districts are established for "the protection of life and property from floods" and to promote "the conservation and wise development of our water resources" (42-3102). A flood control district is established by a petition signed by one-third (1/3) or more of the qualified voters of the proposed district, and filed with the director of the Department of Water Resources (42-3105). Public notice of the submission of the petition is published (42-3107), and a hearing is held on the petition before the director of the department of water resources (42-3108). No election is required (42-3108). The board of commissioners of the flood control district have the power, among others, to levy a tax on real property within the district, not to exceed six hundredths percent (.06%) of market value for assessment purposes; to establish the fiscal year of the district; to have the power of eminent domain; and to "construct, operate and maintain structural works of improvement for the prevention of flood water and sediment damages" (42-3115).

Forest Protective District. 38-110

Forest protective districts are created for the purpose of "adequate, effective and economical protection of forest and range lands therein" (38-110). Districts are established by the director of the Department of Lands (38-110). See *Idaho Code*, section 38-102 for the duties of the director of the Department of Lands. The director shall appoint one (1) fire warden for each district to serve at the pleasure of the director (38-110). Also see sections 38-105 and 38-107. See also, Reforestation Districts, this chapter.

Ground Water Management Districts. 42-5101 to 42-5132

Ground water management districts are created "to provide for financing of repair or abandonment of wells in aquifers which have experienced or are experiencing declines in water level or water pressure." Creation of a district may be initiated by submitting a petition to the Department of Water Resources (42-5102). The director of the Department of Water Resources shall hold a hearing on the matter and, after considering all relevant data and testimony, the director shall enter an order either establishing or denying the district (42-5103). The director of the department of water resources shall appoint the first board of directors of the new district, thereafter, members shall be elected (42-5104). The powers and duties of the board are established in section 42-5112. See also section 42-5113 for proportion of assessments to water users. A lien of assessment is located in section 42-5121, Idaho Code.

Ground Water Districts. 42-5201 to 42-5276

When fifty (50) or a majority (whichever is less) of the groundwater users in a geographic area decide to organize a district they may present a petition to the county commissioners (42-5202 and 5203). The district shall determine the assessments necessary to cover expenses and provide for such collection (42-5232). Election requirements, (42-5218 (A-D)); Lien of assessment, (42-5232); Dissolution provisions, (42-5261 through 5272).

Herd Districts. 25-2401 to 25-2409

The board of county commissioners in each county has the power to create, modify or eliminate herd districts (25-2401), upon the submission of a petition to the board of county commissioners (25-2402). A hearing of the petition is held at which public testimony is taken (25-2403). After said hearing the board of county commissioners shall issue an order to either create, modify or eliminate the herd district (25-2404). "On and after January 1, 1990, no county shall regulate or otherwise control the running at large of horses, mules, asses, cattle, sheep or goats within the unincorporated area of the county unless such areas of the county unless such regulation or control is provided by the creation of a herd district pursuant to the provisions of this chapter" (25-2401). "The provisions of this chapter shall not apply to any herd district or herd ordinance in full effect prior to January 1, 1990, but shall apply to any modification thereof" (25-2401). A panel is created to administer the herd district (25-2401). The board of county commissioners may designate trails and highways to be used by livestock (40-2313), but they may not prohibit the trailing or driving of livestock from one place to another on public roads or recognized livestock trails (25-2404). Refer to *Idaho Code*, section 25-2402(6) for the counties power to levy tax. The tax levy is not to exceed six hundredths per cent (.06%) of market value for assessment purposes. (For information regarding confined animal feeding operations and other livestock issues, see chapter 10.)

Highway and County-wide Highway Districts. 40-1301 to 40-1337; 40-1401 to 40-1418; and 40-1701 to 1714

Idaho Code, section 40-1301 provides for good road districts to be re-designated as highway districts. Joint highway districts are established by section 40-1302. The districts are organized as provided for in Chapter 6, Title 40, *Idaho Code*. Three (3) highway commissioners are elected for each district (40-1305), unless the district is new and there have not been any previous commissioners (40-1303). Alternative elections for highway district commissioners may be used (40-1305). The highway district has corporate powers (40-1309), including the power to levy taxes. The commissioners are also vested with powers and duties (40-1310). Records kept, (40-1336); Classification and retention of records (40-1337). Chapter 14, Title 40 establishes single county-wide highway districts, and grants them powers and duties. Voters of any county in which a countywide highway district may authorize the countywide highway district to adopt a resolution by a majority vote of the countywide highway district commissioners to implement and collect a motor vehicle registration fee not to exceed two (2) times the amount established in section 49-402, *Idaho Code*.

See also sections 40-601 through 40-619, county commissioners and highway officers, duties and powers; the county highway reorganization chapter, sections 40-1701 through 40-1714; authorization and procedure for levies (40-801); apportionment of highway users' moneys (40-710); and 40-1821, no district shall be dissolved until succeeding operational unit is in existence. Chapter 15 provides for the consolidation of highway districts. The dissolution of a single county-wide highway district can occur if 10% of qualified electors petition from each subdistrict, and a vote is then taken at the next general election (40-1418; 40-1801).

Hospital and Joint City-County Hospital Districts. 39-1301 to 39-1395

Hospital districts are created "to furnish general hospital services...to the general public...for the care of the injured, maimed, sick, disabled or convalescent patients" (39-1319). A hospital district is organized by submitting a petition to the board of county commissioners (39-1320). The commissioners shall set a hearing, take public testimony, and make an order either denying or granting the petition (39-1322). The matter is then put to the voters by way of an election (39-1323 to 39-1325). Hospital districts may also be dissolved by using the procedure outlined in 39-1325a, or by the county commissioners if the hospital has not been in operation for two consecutive years. Hospital districts are empowered by petition and election to annex contiguous territory that does not have a tax supported hospital (39-1354). Existing tax-supported hospitals may consolidate according to the specifications outlined in sections 39-1355 through 39-1357. See also, canvassing of election results by the county commissioners (39-1325); joint city-county hospital bond elections (31-3702); and county commissioners, powers and duties, and lease of city property (31-836).

Irrigation Districts. Title 43, Chapters 1 through 25

An irrigation district is organized by first submitting a petition to the board of county commissioners (43-102). The board of county commissioners shall then set a hearing of the petition and give notice through publication, at which time public testimony may be given (43-106). The board of county commissioners then enters an order either denying or granting the petition (43-108) and gives notice of an election (43-110) so that the electors may decide the issue. Voter qualifications are listed in Section 43-111, Idaho Code. Chapter 2 provides for the election of directors for the irrigation district. Chapter 3 establishes the powers and duties of the board of directors of the irrigation district. Chapter 7 provides the procedure for levying and collecting assessments, refer to section 43-701(A - I) for the variation in assessment rates. Chapter 13 defines the procedure for dissolving and modifying the districts. Other important chapters include; Chapter 10, annexation of lands to district; Chapter 17, cooperation with state under Carey Act; Chapter 18, cooperation with federal government; and Chapter 19, domestic water rights systems, contracts with the United States; Chapter 25, Local Improvement Districts.

County-Based Intermodal Commerce Authority, 70-2201-2213

The county-based intermodal commerce authority, hereinafter referred to as the intermodal authority, is hereby authorized to acquire, construct, maintain, operate, develop and regulate rail, truck, and other on-land transfer and terminal facilities, buildings, warehouses and storage facilities, manufacturing, industrial and economic development facilities and services, reasonably

incident to a modern, efficient and competitive land-based port (70-2201). Other functions include: Purposes of intermodal authority (70-2202); General Powers (70-2206); Supplemental Powers (70-2208); Bonds and obligations (70-2211).

Levy Districts. 42-4401 to 42-4418

A levee district is established for "the storage of winter flows and excess waters for irrigation purposes" (42-4402). The district court of any county has the power to establish levee districts (42-4407), upon the submission of a petition to the clerk of the district court of the county with jurisdiction (42-4405). A levee district is established by sections 42-4405 through 42-4411, beginning with submitting a petition with the clerk of the district court, followed by a hearing on the petition. Nominees for the board of commissioners of the district are taken (42-4410). An election is then held. The voters vote for or against the district, and for three (3) electors to serve as the board of commissioners of the levee district (42-4411). If a majority of the votes are in favor of the district, the district court declares the district to be organized (42-4412). The district commissioner's powers and duties are found in Section 42-4416.

Library Districts. 33-2701 to 2740

Library districts are established to help an informed electorate by integrating, extending and adding to existing library services and resources in such a manner that free local library service may be available to children in their formative years and to adults for their continuing education (33-2701). Upon submission of a petition (33-2704) to the board of county commissioners, a public hearing is held and the board will make their determination based on the public hearing (33-2704(A)). The library district shall be governed by a board of trustees (33-2709 through 33-2711). The trustee's duties and powers are established in *Idaho Code*, section 33-2720. Taxes to support the district are found in Section 33-2724; budget, hearing and notice requirements (33-2725). See also 33-2703, 33-2722 and 63-802(g). For the purposes of improving or expanding public services, library districts may partner with non-profit corporations or work closely with other public agencies (33-272).

Local Improvement District. 50-1701 to 50-1772

Local improvement districts have the authority to make many different types of improvements, through powers conferred to the governing body of any municipality, as established by section 50-1703. District organization is initiated by a petition (50-1706), followed by a resolution (50-1707). A public hearing on the matter is held (50-1708 and 50-1709) and the council, as defined in section 50-1702, shall issue an ordinance establishing the local improvement district and providing for the improvements (50-1710). See also 50-1724, bond and interest funds; 50-1728, consolidated local improvement districts; and 50-1755, duties of the officers of local improvement districts.

Mosquito Abatement District. 39-2801 to 39-2814

A mosquito abatement district is created for "the abatement of mosquito and/or other vermin of public health importance, in any area of the state" (39-2801 and 2801A). The district is formed by

submitting a petition to the board of county commissioners (39-2802). The petition will be published, and provided there are no objections, an election will be held (39-2802). *Idaho Code*, section 39-2803 provides for the selection of a board of trustees, and section 39-2804 establishes their powers and duties. See also section 39-2805 for financing information. Contiguous land may be annexed into the mosquito abatement district either by petition from citizens or by a written request from ALL county commissioners in an area requesting annexation (39-2806). Other sections include Hearing of petition for withdrawal (39-2811); Interim abatement districts (39-2812); Operation of district by county (39-2813).

Pest Control District. 25-2601 to 25-2613

The board of county commissioners of each and every county of this state is hereby granted full power and authority to declare any predatory animal to be agricultural pests, and to take all steps that they may deem necessary to control such pests (25-2601-2603). A pest control district may be created by the board of county commissioners of any county (25-2604). However, a district cannot be formed until a petition is filed with the clerk of the county commissioners and a public hearing is held (25-2604). In the event there is a petition of protest filed, the county commissioners shall call a special election so that the electors may decide whether a pest control district shall be created or not (25-2604). Upon the establishment of a pest control district, the board of county commissioners may appoint three (3) commissioners to govern the affairs of the district and levy a tax for the district (25-2604). The tax is not to exceed two-hundredths per cent (.02%) of market value for assessment purposes. The procedure of the board of directors of the district is as established in section 25-2612.

Port Districts. Title 70, Chapters 11 through 21

Port districts are created for "the acquirement, construction, maintenance, operation, development and regulation of harbor improvements,...and other developments". A petition for formation of a district shall be filed with the clerk of the county (70-1104) and the board of county commissioners shall submit the proposition at the next general election or, by resolution, call a special election (70-1105). After such election the board of county commissioners shall canvass the returns; and, if a majority of the vote is in favor of the district, the board shall declare the district organized (70-1108). See also, Chapter 12, election of the port commission; Chapter 15, powers; Chapter 17, budget and fiscal matters; and, Chapter 19, industrial development in districts.

Recreation Districts. 31-4301 to 31-4333

A recreation district is established to provide "adequate recreation facilities for public use" which "materially [assist] in correcting or eliminating many social ills such as delinquency, crime, excessive use of alcohol, drug abuse and discrimination" (31-4301). A recreation district is created in accordance with *Idaho Code*, section 31-4304. The county commissioners approve or dismiss petitions for formation of recreation districts, and if a petition is approved, the county commissioners order and conduct an election upon the formation of the proposed district (31-4304). A recreation district may be dissolved through Section 31-4320(A). The board may levy up to six hundredths percent (.06%) of market value for assessment purposes to maintain and operate the

district (31-4318). Maximum tax rates must be stated on the petition approved by voters and the maximum tax rate can only be changed with approval from the district electors (31-4318).

School Districts. 33-301 to 33-357

School districts are created as provided for in Chapter 3, Title 33. Section 33-302 provides for classification of school districts; reclassification of school districts (33-303); and joint school districts (33-304). Boundaries are located in Section 33-306 and 33-307; consolidation of school districts (33-310 and 33-310A); and trustee zones (33-313). School elections are conducted pursuant to Chapter 4, Title 33, *Idaho Code*. Rural charter schools (33-319); School subdistricts (33-351-357).

Sewer and Water Districts. 42-3201 to 42-3239

Water districts supply water for domestic, commercial and/or industrial purposes (42-3202). Sewer districts provides for sewage disposal (42-3202). The organization of the district is initiated by a petition filed with the clerk of the court having jurisdiction (42-3204). A hearing on the petition is held in the district court, and nominees for positions on the board of directors of the district are taken (42-3207). An election is held and the voters must vote for or against the petition and also for five (5) qualified electors to serve on the board of directors of the district (42-3207). Terms of office and general powers of the board are found in Sections 42-3211 and 42-3212. The board determines what to levy and the amount of taxes to be collected (42-3214). Budget and hearing (42-3228); Merger procedures (42-3233-3237).

Soil Conservation District. 22-2714 to 22-2735

The purpose of a soil conservation district is to "provide for the conservation of soil and soil resources, . . . for the control and prevention of soil erosion, and for the prevention of floodwater and sediment damages" (22-2715). A soil conservation district is established through the process of submitting a petition with the state Soil Conservation Commission (22-2719). The Soil Conservation Commission shall give notice of a proposed hearing, and if the Soil Conservation Commission determines after such hearing that a soil conservation district is desirable, the soil conservation commission shall make and record such determination (22-2719). A referendum upon the proposition of the creation of the district shall be held and the results published (22-2719). The commission shall thereafter make their determination, taking into consideration the outcome of the referendum (22-2719). The powers of the districts and supervisors are established in Section 22-2722, and Section 22-2727 provides for allocation of funds to the districts. See also 22-2726.

Solid Waste Districts. 31-4901 to 31-4921

The 1990 Idaho Legislature created a new Chapter to provide for solid waste disposal districts. A solid waste disposal district "is an efficient and cost-effective method of meeting the state's solid waste disposal needs" (31-4901). Section 31-4903, Idaho Code, provides for "any two (2) or more counties within the state [to] establish an independent public body corporate and politic to be known as a regional solid waste district." The districts shall be managed by a district board of directors as

provided for in section 31-4904. The board has the power, among others, to acquire, hold, lease and dispose of solid waste disposal and resource recovery sites and equipment as deemed necessary; to fix, increase or decrease rates, fees, tolls or charges; and to expend funds received (31-4906). The board has no power to tax (31-4909). In 1993, the legislature imposed on counties the "primary responsibility for the development and operation of a solid waste management system." In addition, health districts were given the primary responsibility for review of operations plans and enforcement (39-7401). Counties can also contract these services, or provide it non-exclusively (31-4403).

TV Translator Districts. 31-4101 to 31-4121

Translator districts shall be established "to serve the public interest, convenience and necessity in the construction, maintenance and operation of translator stations". A petition to form a translator district must be presented to, and filed with the county clerk/auditor/recorder (31-4105 and 31-4106). The petition shall be published (31-4107) and a hearing on the petition shall be held. After hearing such testimony as may be given, the board of county commissioners shall adopt a resolution either creating the district or denying the petition (31-4108). The board of county commissioners shall appoint a board of not less than five (5) nor more than nine (9) trustees to administer the district (31-4110). Refer to section 31-4114 for powers and duties of the board of trustees and section 31-4118 for meeting requirements. See also, section 31-4112 for special budget assessment.

Watershed Improvement District. 42-3701 to 42-3717

A watershed improvement district is established to protect lands from damage by floods, for "the orderly development, wise use, conservation and protection of the water resources of the state by the considered and proper use thereof" (42-3702). The district is created by way of a referendum vote, submitted to the qualified electors of the district, upon a properly prepared and submitted petition to the state soil conservation commission (42-3705). The *Idaho Code*, section 42-3707 provides for the appointment of directors and section 42-3708 establishes the powers and duties of the directors, which includes the power to levy assessments on real property within the district. The tax is not to exceed six hundredths percent (.06%) of market value for assessment purposes for general administration and operation of the district, and not to exceed twenty hundredths percent (.20) of market value for assessment purposes for structural improvements.

Weather Modification Districts. 22-4301 to 22-4302

Weather modification districts are created by the board of county commissioners. A petition to form a district must be presented to the county clerk/auditor/recorder. The board of county commissioners shall give notice of an election (22-4301). The election shall be held, and the judges shall certify the returns to the board of county commissioners. An annual election of the district shall be held thereafter (22-4301). The board of county commissioners may levy a tax annually, not to exceed eight hundredths percent (.08%) of market value for assessment purposes, to be apportioned to the "weather modification" fund (22-4302).

Urban Renewal. (Title 50, Chapters 20 and 29)

With the passage of the Local Economic Development Act in 1988, the Idaho Legislature authorized the use of revenue allocation (or tax increment) financing for urban renewal agencies and competitively disadvantaged border communities. Tax increment financing is a popular method of financing improvements for urban renewal and economic development. When a revenue allocation area is formed, the county assessor establishes the current value for property in the area (referred to as the “base” value). Over time, public and private investment in the area causes property values to increase. This increase over the base value is referred to as the “increment,” and the property tax revenues generated by the increment are allocated to the urban renewal agency for infrastructure and other investments in the revenue allocation area.

An urban renewal agency is an independent public corporation authorized by a local government’s legislative body to undertake urban renewal projects. Urban renewal agencies benefit local governments by attracting new businesses and development, resulting in job creation and increasing the local tax base.

A number of Idaho cities have used tax increment financing to revitalize their community and enhance economic development. This section will detail the necessary steps for successful use of tax increment financing, from creation of the urban renewal agency to financing urban renewal projects (the process for creation of a competitively disadvantaged border community is virtually the same). The steps for creating an urban renewal agency are outlined below.

NOTES