



# OUR TOWN

*Sustaining Hailey's Community*

April 2015  
Issue No. 139

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[www.haileycityhall.org](http://www.haileycityhall.org)

## Message from the Mayor

### Essential Hailey - Local Option Tax

Hailey officials are in the process of identifying funding opportunities to meet our community's needs, in an effort to increase our investment in essential maintenance and infrastructure that enhances our quality of life. Diverse sources of revenue will enhance our success. In February we published a report on property taxes. This report focuses on local option taxes as an important financial source for Hailey's underfunded maintenance and services.

**Local Option Tax Funding Analyses:** Local option taxes are allowed by Idaho statute in resort cities with population under 10,000. It is important to keep in mind that Hailey's population, currently over 8000, will eventually exceed the population limit.

**History and Timeline:** Hailey began the process of instituting a local option tax over 10 years ago.

**2006** A four-year "trial" term was requested of voters when the city brought forth its first LOT ordinance. Voters approved the measure with a 67% margin. The products that could be taxed were limited to:

- 1% tax on restaurant food
- 2% tax on alcohol by-the-drink
- 3% tax on car rentals and lodging

**2009** In late 2009, the City of Hailey brought a 20 year term to voters, who approved it at 84%. The term, through June 30, 2030, was the only element that changed; the same taxable products and uses of the tax remained.

**2012** An effort to increase the local option tax by 1% on lodging and car rentals for the purpose of funding the promotion and development of air service failed with 58.7% of Hailey voters in favor. A 60% approval margin was needed.

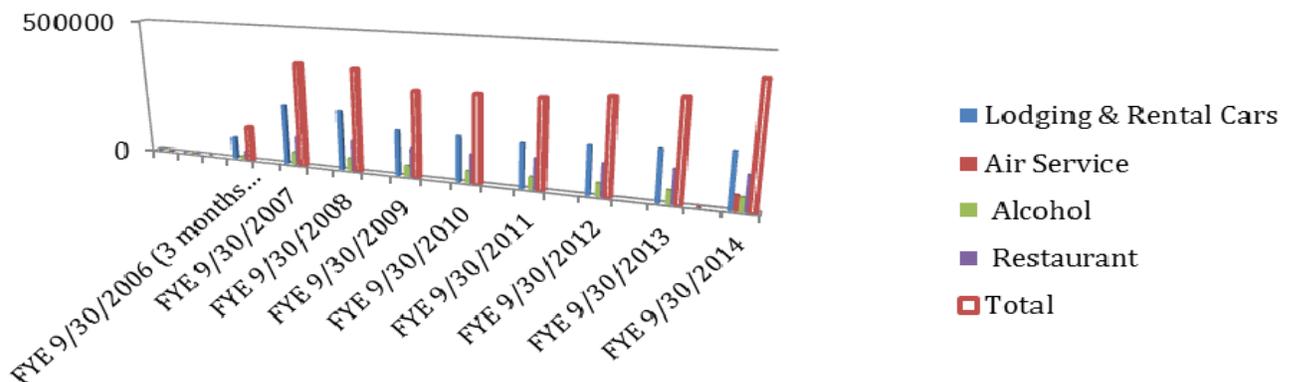
**2013** The measure was brought back again in 2013, and was approved at 66%. The additional 1% tax for air service is in place for five years, through 2018.

The amount of tax received by Hailey from each of the taxable categories is shown in the table below for the years 2006-2014. A total of \$2.9 million was received, with the average per year from each category being:

- \$ 111,200 - Restaurant Food taxed at 1%
- \$ 45,800 - Alcohol Drinks taxed at 2%
- \$ 185,500 - Car Rentals & Lodging taxed at 3%
- \$ 55,800 - Car Rentals & Lodging tax for Air at 1%

**\$342,500** Average Annual Total without 1% for Air

**\$398,300** Average Annual Total with 1% for Air (2014 only)



**City of Hailey LOT Receipts by Category (2006-2014)**

(continued from page 1)  
Message from the Mayor

## Essential Hailey - Local Option Tax

### Purpose of the Local Option Tax

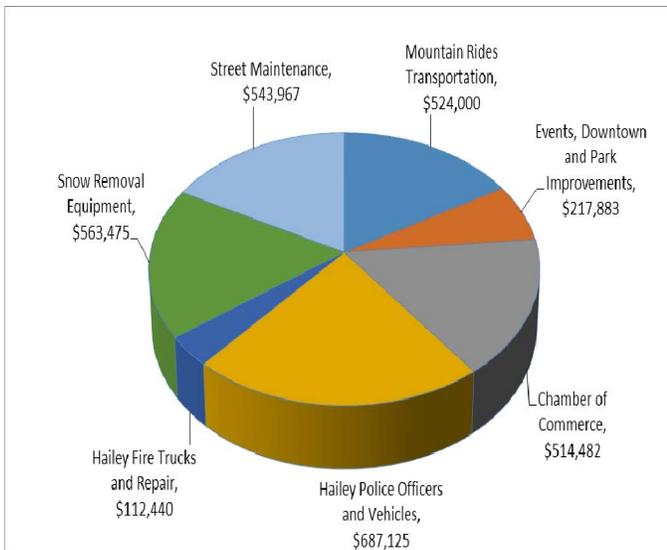
The purpose of the tax is clearly defined. The tax has been used in all of the allowed categories:

- Emergency services (rapid response, life-safety, traffic enforcement, training, staffing, equipment, vehicles, etc.)
- Maintenance, improvement and acquisition of parks;
- Road repair, transportation enhancements, snow removal;
- Public transit and related improvements;
- City promotion, visitor information, special events and economic development;
- Town improvements (library modernization, sidewalks, town square, etc.)
- Direct cost to administer and enforce the tax

### Hailey's Use of the LOT:

The City of Hailey and partners such as Mountain Rides and the Hailey Chamber of Commerce have become quite dependent upon local option tax revenue, from which we have budgeted \$3.16 million in expenses over 9 fiscal years. These expenses are shown in the chart below. If the community wants our local option tax to remain a future funding option, Hailey should consider instituting a lengthy term, such as a 50 year term, before Hailey's population exceeds 10,000. (Continued on Page 3)

### City of Hailey LOT Expenses (2007-2015)



## Hailey Public Library April Events

*April showers bring... wait, I already see flowers!*  
 HaileyPublicLibrary.org

**Story Time-** Fridays at 10am.

**Teen Craft Night-** April 2<sup>nd</sup> and 16<sup>th</sup>, 5-6pm

**TNT Thursdays-** Every Thursday 4-5pm

**Lego Club-** Wednesday, April 15th from 3-4pm.  
 Ages 8-12

**All About Mushrooms- Tuesday, April 7th, 6-7:30pm.** Amateur Mycologist Kathy Richmond will give you the rundown on these peculiar bits of nature.

**Idaho Child Care Reads Workshop- Saturday, April 11th, 9am-12pm.** In partner with the Community and Bellevue libraries. Presented by Julie Armstrong of the Idaho Commission for Libraries.

**Hailey's Got Talent- Tuesday, April 14<sup>th</sup> from 5:30-7:30pm.** A fun jam session where Hailey's musicians can get together and share their talents. Open to all ages and skill levels.

**Passive Board Games-A-Thon, A Stash Your Cash Event- Saturday, April 18<sup>th</sup>-Saturday, April 25<sup>th</sup>.**

**Finances for Children- Tue. April 21st, 3-4pm.** Children from 2<sup>nd</sup>-4<sup>th</sup> grade are welcome to stop by and learn all about money.

**Avoiding Identity Theft- Tuesday, April 21st, 6-7:30pm.** Presented by Lee Flinn, AARP.

LIBRARY EVENTS

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## Kiwanis Annual Home & Garden Show at Hailey Armory

Saturday May 16th 10am to 4 pm  
 Sunday May 17th 11 am to 3 pm

**This is a rain or shine event!**

**Vendors: Contact 720-6674 for 10x10 Booth Space**

Kiwanis of the Wood River Valley is hosting a Home & Garden Show to raise funds to support Hailey Parks. This is a fabulous spring showcase



**Essential Hailey - Local Option Tax**

**2014 Sales from Hailey Area:** We have obtained information from the Idaho State Tax Commission about the types of taxable sales generated from the 83333 zip code. These reports should be qualified in that they include sales from areas outside the City but within the zip code, and they do not include corporate stores which pay their tax from another zip code (examples could be businesses such as ColorTyme, Radio Shack, Avis).

The total volume of sales reported in calendar year 2014 from zip code 83333 is more than \$246 million. Of this, \$149 million, or 60%, is subject to state sales tax.

Local option tax is allowed on any item that is subject to state sales tax.

An additional 1% LOT tax on all taxable sales from this area could generate \$1.5 million.

An additional 1% LOT tax on all taxable sales excluding the items already taxed within Hailey could generate \$1.3 million.

Below is a summary of various types of activities, showing the amounts an additional 1% would bring in each category.

**Summary:** Over the next several months, the city and community will discuss whether adding a local option tax to any of these sales categories would be a viable funding option for Hailey. Some categories, such as State and Local Government, which largely includes schools, may not be deemed appropriate by the community for a local option tax.

Total Sales	Non Taxed Sales	Net Taxable Sales	Amount to be Generated by 1% LOT Tax	Business Type
11,447,064	9,144,292	2,302,772	23,028	Construction/General Contractor
2,951,172	2,354,597	596,575	5,966	Manufacturing
11,904,164	9,324,359	2,579,805	25,798	Warehousing
4,314,398	2,580,104	1,734,294	17,343	Wholesale
35,551,099	28,321,034	7,230,065	72,301	Building Materials, Construction; He.
105,615,470	20,223,238	85,392,232	853,922	Retail
2,443,248	1,288,896	1,154,352	11,544	Services
5,307,650	1,580,151	3,727,499	37,275	Automotive, electrical, bike repair
7,468,354	418,654	7,049,699	70,497	Recreational Facilities, Movies, Am
21,465,758	3,664,253	17,801,505	178,015	State and Local Government

**Important Dates**

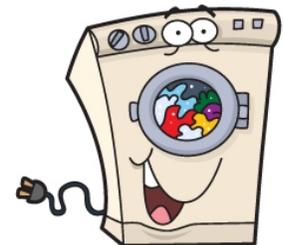


- City Council.....04/06/15, 04/20/15
- Art & Historic Preservation Commission.....04/09/15
- Parks & Lands Board .....04/08/15
- Planning & Zoning Meetings.....04/13/15
- Public Library Board .....04/15/15
- Tree Committee .....04/09/15
- Urban Renewal Agency.....04/08/15

Public Works

**Soapy's Makes a Splash with Water Savings**

Soapy's Laundromat has reduced its winter water use by approximately 15,000 gallons per month. How did they do it? By replacing old washing machines with energy-efficient models. Nice job, Soapy's!



According to [energystar.gov](http://energystar.gov), ENERGY STAR certified washers use about 25% less energy and 40% less water than regular washers. For the average American family, that equates to an annual water savings of about 3,000 gallons and a \$40 annual savings on the power bill.

If every clothes washer purchased in the U.S. was ENERGY STAR certified, we could save more than \$4 billion each year and prevent more than 19 billion pounds of annual greenhouse gas emissions, equal to the emissions from 1.8 million vehicles.

# ArborFest Mud Run

## Hop Porter Park, Hailey

### May 9, 2015

#### WHAT IS THE ARBORFEST MUD RUN?

A Mud Run is a race with the objective to conquer obstacles while getting muddy and having fun! We are proud to be hosting the 3rd annual ArborFest Mud Run in the Wood River Valley. Our objective is clear (unlike mud): create a fun and challenging event to draw mud-loving extreme sports enthusiasts into our area with proceeds to benefit trees and local businesses in Hailey.



Family members, friends and other people not interested in competing in the race challenge are invited to the site for the day to cheer on their muddy loved ones and enjoy a festival atmosphere with food, beverages, and live music. The ArborFest opens at 11:00 am and ends around 3:00 pm.

#### WHAT RACE CATEGORIES ARE THERE?

Participants will be grouped into race categories as they sign up. Categories may include groups of boys and girls, costume groups, adult groups, and competitive groups. Heats will start at 1:30 p.m., with prizes for the winners of each heat.

#### DO I HAVE TO SIGN A WAIVER?

Yes. Understand our course is challenging and the mud is thick. You or your kids should not participate if you have concerns. You must complete a waiver prior to participation; kids waivers are required to be signed by parents or legal guardian. The waiver also allows your photograph to be taken and possibly used in news stories, Our Town, ArborFest facebook page, and other websites.

#### WHAT IS THE MINIMUM AGE TO PARTICIPATE?

The minimum age is 10, with permission from a legal guardian. Anyone who is 10 years old or older by the day of the event can participate. Participants under the age of 18 must have adult check-in and sign waiver.

#### WHAT TIME DOES THE MUD RUN EVENT START?

Forerunners will demonstrate the course at 1:30 p.m. Plan to be with us for the day to enjoy all the festivities! Registration has already opened at Hailey City Hall, come on in and sign up!

Event Day Registration is on Saturday from 11 am – 1:00 pm.



#### IS THERE PARKING?

Yes, there is parking at Hop Porter Park, and also at the parking lot on River Street. The park is in easy walking distance from downtown and the Mountain Rides bus stop.

#### WILL THERE BE ACTIVITIES FOR KIDS AND SPECTATORS?

Absolutely! We will have a fun festival in full swing all day, starting with Arbor Day celebrations at 11:00 a.m. and continuing with food, beverages, live music and a kids play area, tree planting, seedling give-aways, environmental education for kids and adults, Smokey Bear, a bouncy house, fire truck, vendors, and music. Remember the event is free.... come and enjoy. Bring coin for purchase from vendors.



#### THE PROCEEDS FROM THE MUD RUN

Entry fees may be charged for the Mud Run to offset the event costs and to benefit the Hailey Tree Committee. Their mission is to promote sound arboricultural practices and tree diversity, and to promote public education about the importance of trees. Trees Are Good!

#### WHAT SHALL I WEAR FOR A MUD RUN?

We recommend you wear old comfy clothes that will help protect you from cuts & bruises (long pants or running tights a great choice). Stay away from thick cotton materials that will absorb water and add weight to a difficult run (like cotton socks or sweatpants). Wear shoes with lots of traction to get you through the mud. Creative team costumes, while not speed efficient, are a crowd favorite!

#### WHAT SHOULD I NOT WEAR?

Everything will get filthy, and possibly torn or lost, so nothing valuable should be on your body – no rings, earrings or jewelry of any kind – or anything else you really care about! Goggles or glasses are not recommended. AND, do you wear contacts?? What are you going to do if mud gets in your eyes? Either bring a backup pair or go without.

WHAT IF THE WEATHER IS BAD? The event is intended to be 'all-weather' and will proceed unless extremely bad weather develops.

