



# Local Option Tax (LOT)

January 22, 2025



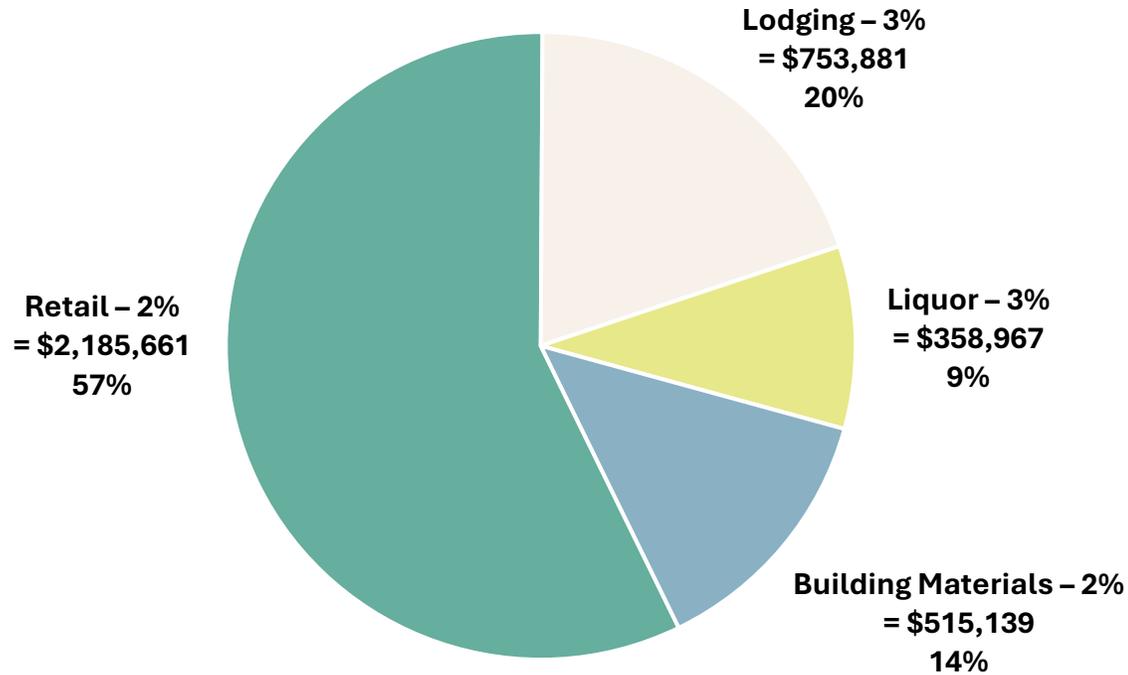
## Objectives/Direction from Council

- Recap financial impact of original LOT to city operations
- Review key milestones for placing on ballot for renewal
- Gain initial direction from the Council regarding May versus November election date

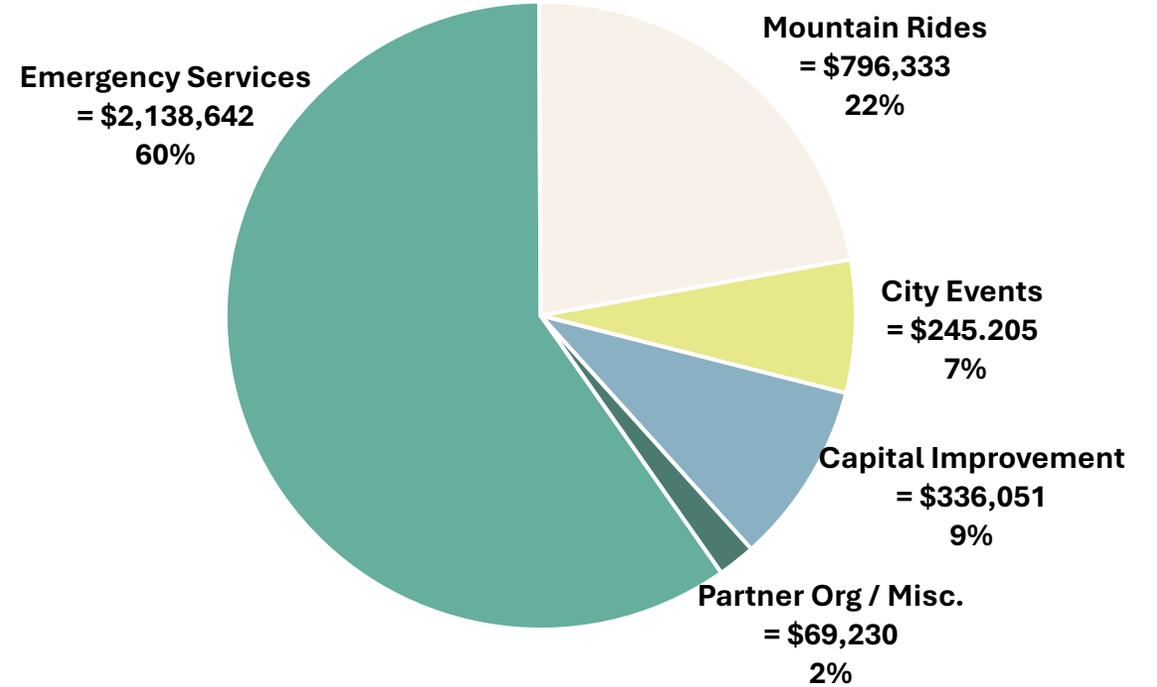


# Original LOT | 3 Year Average

## SOURCES

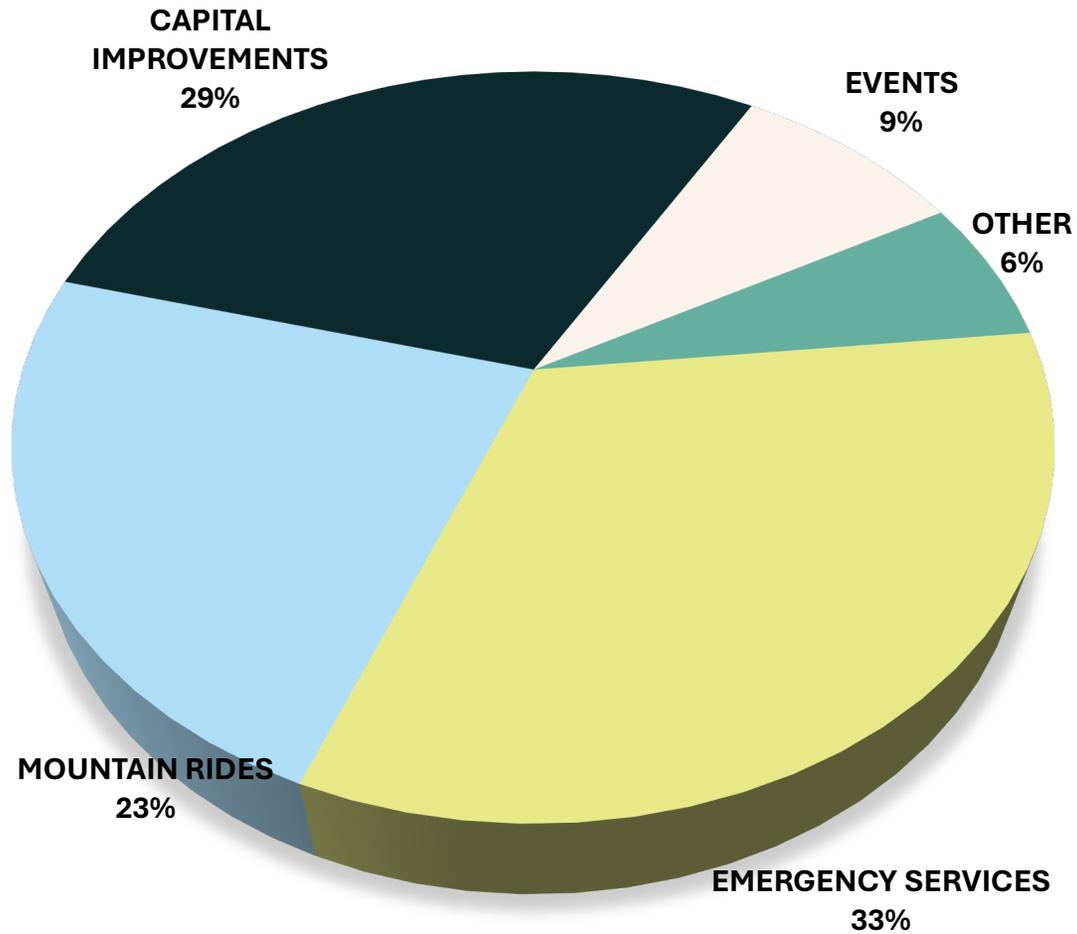


## USES





# FY 2026 LOT Allocation



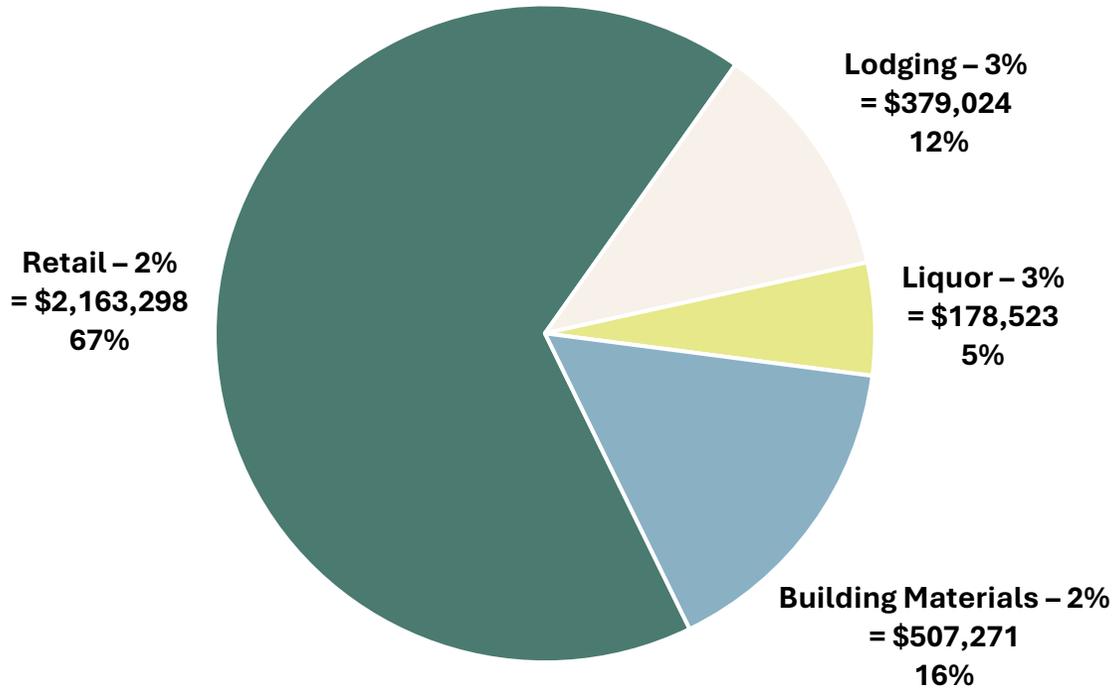
**\*OTHER**

- SVED
- Idaho Dark Sky Alliance
- Friends of the Sawtooth Avy Center
- Mountain Humane
- Deckard (short-term rental program)

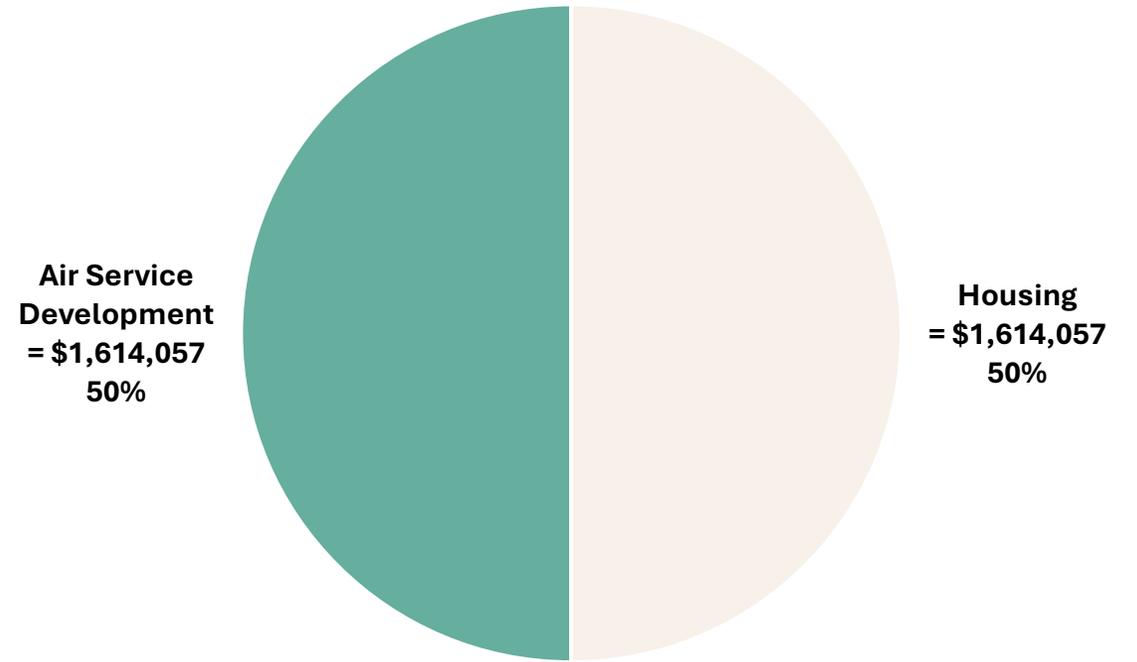


# Additional Local Option Tax (Air/Housing)

SOURCES



USES





# Consideration factors

## KEY DATES

- Original LOT expires December 31, 2027
- Additional LOT expires July 1, 2028
- Currently, Blaine County plans EMS property tax override on May ballot and BCRD property tax question in November
- May election: ballot language must be passed as ordinance by March 13th
- November election: ballot language by August 28<sup>th</sup>

→ Idaho Law requires a nine-month cooling period before placing failed item back on ballot



# Consideration factors

## **STAFF RECOMMENDATION**

- Not significantly alter Original LOT scope due to fiscal impact to city operations
- Explore additional LOT questions at later time or place a separate question on same ballot
- Shoot for November election to enable Mayor & Council proper time to weigh any adjustments and conduct robust public outreach prior to finalizing ballot language



# Funding Options

## TRADE-OFFS

- Trade-offs with the corresponding funds are researched as part of normal standard operating procedure. Identified efficiencies and cost savings will fall well short of the resources required to balance the Capital Improvement Plan.

## LOCAL OPTION TAXES

- Original LOT
  - Scenarios A & B: options changing all categories equally
  - Scenarios C & D: options changing Lodging only

## DISCUSSION AND DIRECTION

See handout #3!



# Funding Options, cont.

## LOCAL OPTION TAXES

- Additional LOT
  - Current Funding Split: 50/50 (0.5%/0.5%)
  - Alternative Funding Split: 75/25 (0.75%/0.25%)

## DISCUSSION AND DIRECTION

See handout #4!



# Funding Options, cont.

Pending...



## Direction from Council

- Questions?
- Discussion
- Support for May vs. November?