

Local Innovative Financing, Transportation Funding and Fiscal Diversification for a Regional Transportation Agency in Boise, Idaho

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This paper examines the methods by which a regional transportation agency, the Ada County Highway District (ACHD), has diversified its funding programs and created new initiatives to address the growing funding gap for transportation infrastructure that has proliferated at national, state and local levels. ACHD is a unique agency in that it has jurisdiction over the local public highway system within six cities and the county in Ada County, Idaho, and manages aspects of the state highway system within its jurisdiction. The multi-jurisdictional role of ACHD has fostered numerous financing strategies and partnerships among state and local government entities, as well as the private sector, to address local transportation needs in an innovative and productive manner. A series of policy statements developed by ACHD in the mid-1990s serve as the impetus for these programs, which locally projects the philosophy and intent of innovative financing programs established through Federal transportation bills.

INTRODUCTION

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) continues the precedent set by the Federal government for innovative financing through previous transportation reauthorization bills by extending programs to encourage utilization of non-traditional mechanisms for financing transportation infrastructure. Throughout most of the programs identified in SAFETEA-LU, the bill stresses innovative financing mechanisms and processes for such funding as alternatives to the historical grant-driven methods of finance. (SAFETEA-LU 2005)

Lawmakers for the Ada County Highway District, a regional transportation agency in the Boise, Idaho, region, have instituted their own set of innovative financing measures in the spirit of Federal measures.

Despite the establishment of innovative financing programs at the Federal level, the financing of transportation infrastructure is facing a crisis as the efficacy of traditional user fees continues to erode the buying power of transportation agencies. This problem is perpetuated by disproportionate growth in vehicle miles traveled when compared to the addition of lane miles. (Wachs 2006)

The State of Idaho and the Boise region have been subject to growth rates since the early 1990s that are among the fastest in the United States. In 2006, Idaho was ranked as the 3rd fastest growing state and the Boise region as the 7th fastest growing urban area in the country. The growth has impacted the amount of vehicle miles traveled in Idaho as there has been a 104% increase in vehicle miles traveled and a 93% increase in registered vehicles since 1978. Ada County, the most populous county in the six-county Boise region, has experienced a 35 percent increase in vehicle registrations since 1994. (ITD *Forum* 2006)

The Boise region, with a population of more than 500,000, constitutes more than one-third of the state's population and serves as the governmental, financial and cultural center for the state. The City of Boise, as well as the cities of Eagle, Garden City, Kuna, Meridian and Star, are located within Ada County, which is served by the Ada County Highway District (ACHD), a unique governing body within the state of Idaho and the United States. Ada County has a population of 383,000, a growth of more than 86% since 1990 (COMPASS *Population* 2006)

Idaho's population is predicted to grow by 56 percent through 2030—twice the national average—with the Boise region expected to absorb nearly 70 percent of statewide growth (COMPASS *Communities in Motion* 2006).

State and local governments in the United States have assumed responsibility for the construction and maintenance of a majority of the almost 4 million miles of the public highway system, which has stressed the nation's surface transportation network to the point that available funding can no longer address the scope of needs (DeSimone 2003).

Since 1990, ACHD has responded to the challenge by embarking on numerous innovative financing mechanisms and techniques at the local level. These include assessing impact fees on new development, establishing local vehicle registration fees, supporting greater flexibility of Federal funds through coordination with the Idaho Transportation Department and the region's Metropolitan Planning Organization, and pioneering unique funding partnerships among the entities such as cities, private developers, utility companies and redevelopment agencies.

Funding programs established since 1990 by ACHD account for more than \$25 million or 26 percent of the agency's \$95.68 million fiscal year 2007 revenues (ACHD *FY2007 Annual Budget* 2006). Projects for which ACHD has been able to obtain supplementary funding outside of these and other traditional source range in size from \$10,000 to \$20 million, and in scope from neighborhood sidewalk improvements to new multi-lane river crossings. Non-Federal contributions from partnering agencies, companies or coalitions have ranged from \$1,000 to \$4.5 million. The partnering contribution types have also varied from outright cash, to grants requiring match, to up-front payments with reimbursement contingent upon future impact fee collections.

This paper will discuss how ACHD addresses funding challenges similar to those experienced by many transportation agencies nationwide. The unique role of ACHD is outlined below followed by a discussion of funding programs and initiatives, as well as the relationships that allow for innovative financing at the local level. Six project case studies are outlined to demonstrate the breadth of projects and financing arrangements undertaken through local innovative financing. This concludes with a discussion of steps and efforts to further utilize existing financial partnerships as well as development of new funding arrays.

The paper is a revision and extension of previous published work by Levihn, et. al., (2006) for the Transportation Research Board.

WHAT IS THE ADA COUNTY HIGHWAY DISTRICT?

The Ada County Highway District (ACHD) is a unique transportation agency with full jurisdiction over all city and county roadways within Ada County, Idaho. ACHD was created by a county-wide referendum in 1971 due to inequities in maintenance between the five cities and the county roadway system, the desire to realize more efficient use of resources, and to plan on a more regional basis. The ACHD Board consists of five Commissioners, elected by sub-district.

ACHD is tasked with planning, constructing, and managing the transportation needs of Idaho's Capital City (Boise, population 211,000), and five other communities (Meridian, pop. 66,000; Garden City, pop. 12,000; Eagle, pop. 20,000; Kuna, pop. 13,000; and Star, pop. 5,000) and the unincorporated areas of Ada County (pop 56,000). The total population served by ACHD is estimated to be 383,000. This unique responsibility requires daily coordination with the six city governments, county government, the development community, the Metropolitan Planning Organization, three city urban renewal development agencies, the state department of transportation and the regional public transportation authority.

ACHD initially concentrated on routine maintenance work such as filling potholes. Over time, major new roadway projects or capacity (widening) projects were planned and built. Besides roadways, other work was done to meet ACHD's charter under state code to ensure a complete system including:

- Construction and maintenance of more than 300 bridges, necessary because of the need for roads to cross irrigation delivery and drainage systems as well as to cross the Boise River, a major feature running through three cities
- Traffic signals, signage, truck routing and operations encompassing the Idaho Transportation Department's system signals within ACHD's area of jurisdiction

- Intelligent Transportation System utilization providing fiber optic communication in a loop around the region and tying into a traffic management system, providing current status, updates on traffic conditions, and immediate response to changes in the system
- Rights-of-way acquisition
- Commuteride, a vanpool and carpool matching department promoting multi-occupancy vehicles and providing support services such as Guaranteed Ride Home, employer support services, and park-and-ride facilities
- Drainage systems for roadway surface conveyance that also address water quality requirements
- Community programs including sidewalks, bike lanes, and safe routes to school efforts

FUNDING CHALLENGES FOR THE ADA COUNTY HIGHWAY DISTRICT

The Ada County Highway District (ACHD) is funded roughly in thirds by local property taxes, the highway distribution account (motor fuels and other vehicle related taxes) and other revenues such as impact fees, partnerships, and federal funds and/or grants.

ACHD's budget for 2007 is \$95.68 million, with 55.9 percent allocated to capital projects and 44.1 percent allocated to operations and maintenance. ACHD operates with a general goal of operations and maintenance costs not constituting more than half of the annual budget. (ACHD *FY2007 Annual Budget* 2006)

In 1995, the ACHD Commission established three policies to address balanced funding for maintenance and improvement projects, allocation of funds to expand the local system and prioritization of highway and bridge improvement projects. These policies profoundly drive the budgetary goals of ACHD, including its innovative financing programs and associated prioritization and cost share policy initiatives.

The Balanced Funding for Highway Maintenance and Improvement Projects (1995) policy established a goal of a 50-50 split in operations/maintenance and capital funds by acknowledging:

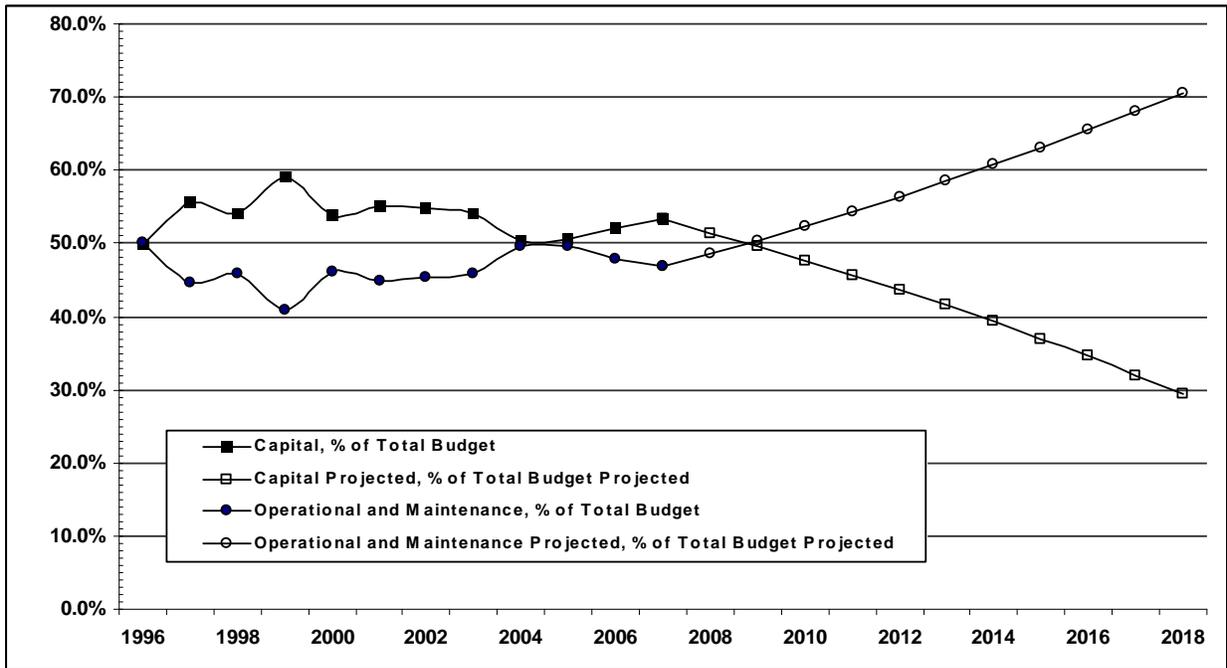
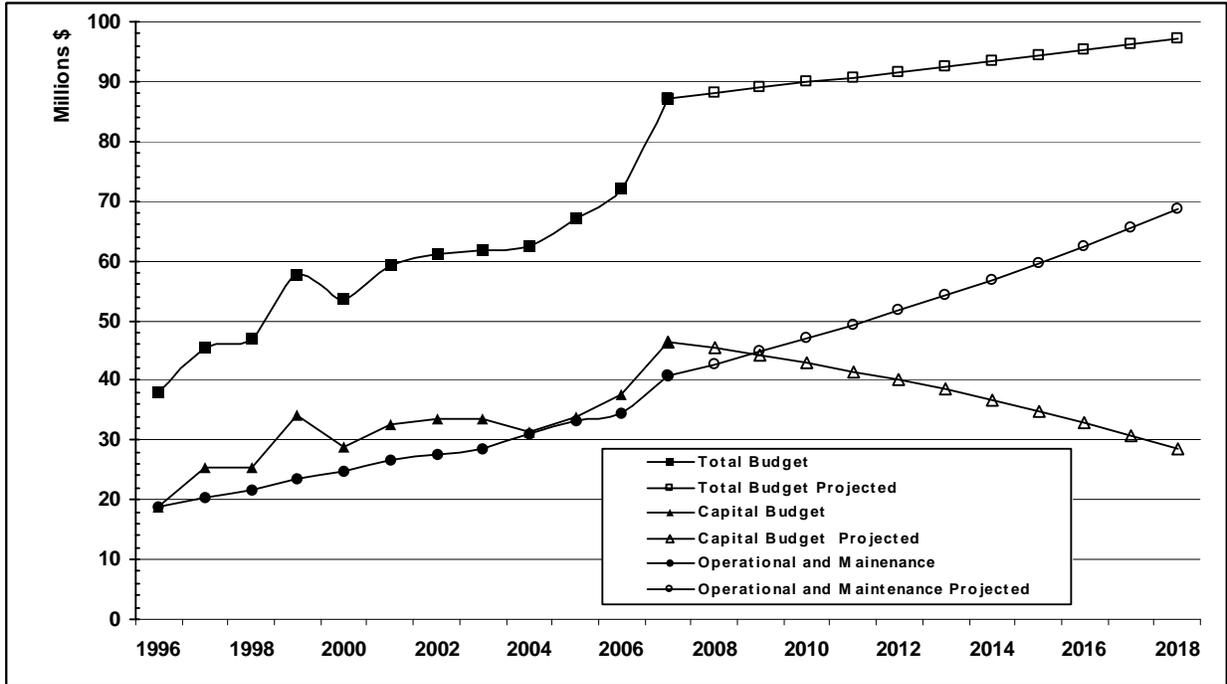
- Funding is not sufficient to maintain the highway to an acceptable overall condition
- The rate of deterioration of the system exceeds the agency's financial capacity
- Therefore, the Commission's policy is that all maintenance and improvement funds be allocated to uniformly address the deficiencies of principal components of the system

Figure 1 illustrates the proportion of ACHD expenditures for capital and operational/maintenance in terms of amount of expenditures and percentage of expenditures in relation to the agency's overall budget since the 1995 policy statement on balancing funding. This characterizes the predicted convergence of capital and operational/maintenance needs in approximately 2010. These projections set the basis for ACHD's innovative financing practices aimed at reducing the discrepancy between the two to achieve the uniformity desired in the balancing funding policy.

The Allocation of Funds to Expand the Local Highway System (1995) policy set the tone for ACHD's innovative financing practices. It stated the agency would consider the expansion of the system, both new roadways and addition lane miles to existing roadways, only if development impact fees are available or if funds are matched by a "significantly larger proportion of funds from other sources." The other sources identified were Federal funds, cost sharing with other agencies or the private sector and local improvement districts, a mechanism by which the agency bonds for specific improvements and assesses beneficiary properties for the cost of such improvements.

Recognizing the backlog of needed improvements, the Prioritization of Highway and Bridge Improvements (1995) policy ordered the backlog be arranged by "priority of importance to the community." The prioritization policy now serves as the basis for ACHD's prioritization procedures outlined later in this paper.

Figure 1: Ada County Highway District Comparison of Capital vs. Operational/Maintenance Expenditures (1996-2018)



Significant growth in population in Ada County and the Boise region, combined with associated growth in vehicle miles traveled and miles of congested roadways, have stretched ACHD's resources to the brink such that maintaining the 50-50 split is becoming increasingly difficult.

In 1999, the Metropolitan Planning Organization for the Boise Urbanized Area, in cooperation with ACHD, commissioned an analysis of local roadway finances to assess needs and resources, and determine the level of ACHD's annual revenue gap.

The *Financial Analysis for Local Roadway Needs in Ada County* report (1999) concluded ACHD costs had risen at rates equal to the rate of economic growth plus inflation, or in some cases, higher. Conversely, revenues from sources such as the State Highway Distribution Fund and development impact fees grew at the rate of economic growth without an inflation adjustment. Therefore, it was predicted that the District would be losing ground without some revenue enhancements or adjustment to revenue sources to account for inflation. The funding gap was measured to be \$7.1 million per year.

Recommendations to address the gap included tying revenue sources such as impact fees and local registration fees to inflation, taking measures to continue the local registration fees beyond a sunset year of 2010, implementing revised development impact fees that better reflect the cost of capital projects as identified in ACHD's Five-Year Work Program and considering the revival of local improvement districts, a mechanism not employed by ACHD in more than a decade. (Ada Planning Association 1999)

The Idaho Forum on Transportation Investment reported dramatic increases in the price of concrete, asphalt, steel and fuel have driven construction costs up- an estimated 11 percent in 2004 and another 16 percent in 2006. Idaho is the third (as of 2006) fastest growing state in the country. This growth created an increased strain on ACHD's highway system and its limited revenue sources.

FEDERAL GOVERNMENT AND FUNDING

The Ada County Highway District (ACHD) is acutely aware of Federal limitations in terms of funding, the mercurial nature of Congress in its appropriation of funds and the desires of donor states to re-coup their share of contributions to the Highway Trust, as Idaho historically rates as a donee state as recognized in the *Forum on Transportation Investment* (2006).

Additionally the Community Planning Association of Southwest Idaho (COMPASS), as the Metropolitan Planning Organization both for the Boise Transportation Management Area and the Nampa Urbanized Area, is re-organizing the manner in which it allocates its share of the Surface Transportation Program (STP) for improvements within the Boise region.

Despite these developments, the agency recognizes that funds are still available for improvements to the local highway system, as distributed through the Boise Metropolitan Planning Organization's status as a Transportation Management Area, the Idaho Transportation Department formula for the Surface Transportation Program and other programs.

The US Department of Transportation cites that transportation spending is divided as follows:

- Federal Expenditures 10 percent
- Federal Grants 18 percent
- State and Local Expenditures 72 percent (DeSimone 2003)

The role of the federal government in transportation financing is declining. Wachs (2006) states the building of the Interstate Highway System is now supplemented by "scattershot" system maintenance, while other transportation needs in terms of capacity, alternative modes, mitigation and federal leadership has waned. This is consistent with the findings of the *Financial Analysis for Local Roadway Needs in Ada County* (1999) and ACHD's policy statements of 1995.

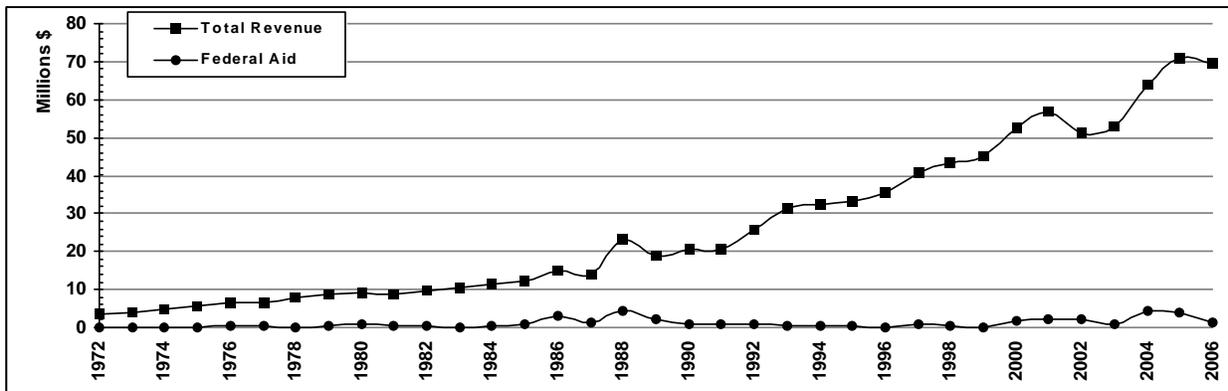
With Federal funding identified as a manner by which to fund system improvements for ACHD through the 1995 policy statement for funding allocation, the agency continues to pursue and maximize Federal funds available through the Metropolitan Planning Organization, state DOT-administered grant programs and earmarks. To this end, the ACHD 2007 to 2011 Five-Year Work Program includes 27 projects that have secured \$41 million in Federally-funded projects across seven Federal programs, including:

- Surface Transportation Program – Urban, as defined by the Idaho Transportation Department
- Surface Transportation Program – Rural, as defined by the Idaho Transportation Department
- Transportation Enhancement

- Congestion Mitigation/Air Quality
- Federal Transit Administration Section 5309
- Federal Highway Administration Scenic Byways
- Earmarks

Figure 2 illustrates ACHD's Federal funding in relation to total revenue. ACHD's trends are consistent with the US DOT's assertion (DeSimone 2006) that the bulk of transportation funding is generated at the local level.

Figure 2: Ada County Highway District Federal Funding and Total Revenue (1972-2006)



There is acknowledgement at the regional level through COMPASS that the MPO's Board of Directors should establish policies to prioritize STP and other Federal funds under its purview to address the goals, objectives and needs identified in *Communities in Motion*, the regional long-range transportation plan adopted in 2006. ACHD has historically been the recipient of nearly all of the STP funds for the Boise MPO, but the scale of needs identified in *Communities in Motion* points to greater investment through this program on both ACHD and state corridors, as well as the regional public transportation authority. (COMPASS Prioritization 2006)

The establishment of these policies is a result of a \$628 million deficit in transportation funding identified in *Communities in Motion*. The shortfall represents almost 10 percent of the more than \$6.2 billion in anticipated transportation revenues for the Boise region, including five counties other than Ada County. (COMPASS *Communities* 2006)

STATE GOVERNMENT AND FUNDING

The Idaho Transportation Department, the state's DOT, is also grappling with the same operations/maintenance and capital allocation shortcomings acknowledged by the Ada County Highway District (ACHD). Historically, some state generated funds have been available to local jurisdictions for partnering projects such as joint state/local highway intersections. This mechanism has allowed ACHD to proceed with implementation of this type of project in a manner not typically afforded a state DOT due to lesser restrictions within local implementing agencies when compared to the state-level requirements. These partnerships have been mutually beneficial to the agencies. Now, and in the future, it is projected that state funds for the Idaho Transportation Department will primarily be used for maintenance, operating costs and Federal match, with little or no allocation to local agencies.

The State of Idaho, through the Idaho Transportation Department, enabled Grant Anticipation Revenue Vehicle bonding authority (GARVEE) to finance transportation improvement projects throughout the state, but the GARVEE program is funded at levels significantly less than what needs would dictate. The *Forum on Transportation Investment* (2006) was initiated to establish an understanding of the needs and demands for transportation improvements and the available options for financing and funding Idaho's

transportation system. It also identified strategic action for consideration by the Idaho Transportation Department Board and State Legislature on how to shape future investment.

Idaho's fuel tax, currently at 25 cents per gallon has not increased since 1996 and state vehicle registration fees, ranging from \$24 to \$48 have not increased since 1997. Inflation and more fuel efficient vehicles have flattened the primary sources for funding the state's transportation improvements. Since 1998, revenue to the State's general fund has increased 85%, while funds to the State's Highway Distribution Account have only risen 15%. Idaho's 25 cent per gallon fuel tax is currently ranked 21st in the nation. Idaho does not allow a local option gas tax authority and there is increasing pressure for property tax relief. (ITD *Forum* 2006)

The *Forum* report concluded that for many years, Idaho has relied on traditional fuel taxes and a variety of fees to fund its transportation needs at the state and local levels. But, as demands and needs increase and circumstances change, it is apparent that non-traditional solutions can and should contribute in a large way to fill the looming transportation funding gap. Federal funding cannot be relied upon to solve Idaho's transportation funding challenges. In fact, the *Forum's* analysis found that multiple sources would be necessary to even come close to meeting funding requirements. (2006)

The *Forum on Transportation Investment* therefore recommended the following:

- Integrate land use and transportation planning at all levels—state/regional/local
- Provide opportunity for user-fee based systems (toll roads/high occupancy toll (HOT) lanes, congestion pricing, etc)
- Promote partnership opportunities
- Pursue future revenue opportunities and sources by transitioning from traditional revenue generating sources (fuel tax/other) to other methodologies (BTU tax, VMT tax, etc)
- Index strategies for fuel taxes, vehicle registrations, and other transportation related taxes
- Institute rental car fee
- Establish development impact fees

The Idaho Transportation Department responded by adopting a resolution to guide the agency's agenda for the Idaho State Legislature for a funding plan to cover a portion of a more than \$200 million revenue shortfall identified in the *Forum*. The agency's resolution recommends the following components of the *Forum's* findings:

- Increase the state's based fuel price tax by 6 percent
- Eliminate the state's ethanol exemption on fuel tax
- Increase state-level vehicle registration fees by 75 percent
- Assess additional rental car fees
- Increase permit fees by 75 percent
- Increase fees services
- Enact legislative changes for the assessment of development impacts fees (ITD Resolution 2006)

The resolution specifically guided the Idaho Transportation Department to pursue a partnership with ACHD for the assessment of impact fees.

METROPOLITAN PLANNING ORGANIZATION AND FUNDING

The Idaho Transportation Department (ITD) and the metropolitan planning organization, the Community Planning Association of Southwest Idaho (COMPASS), organized a state-sponsored regional balancing committee that is tasked with scheduling Surface Transportation Program (STP) funds appropriated to the Boise Transportation Management Association (TMA). The primary goal of the committee is to ensure the full-scale obligation of the Federal funding goals for the TMA without re-distribution to other MPOs within the state or other state DOTs. The committee also recommends periodic adjustments as needed to the Transportation Improvement Program for the region.

Committee membership includes those agencies actively administering Surface Transportation Projects within the TMA, including the Idaho Transportation Department, the regional public transit authority, and ACHD.

The committee was originally established by ITD to provide local autonomy to the MPOs and Local Highway Technical Assistance Council within Idaho to independently manage STP funds prescribed to cities with populations between 5,000 and 50,000. The recognition of the Boise TMA following the 2000 Census necessitated a committee separate from the other urbanized and urban areas in Idaho as a result of the guaranteed apportionment to TMAs as defined in Federal legislation.

The result of this arrangement is that the local jurisdictions, including ACHD, stress project development and delivery to avoid the redistribution of funds to other agencies. Being able to work within a state-wide framework allows for “trading” of funds among committee members when project delays threaten obligation of funding. Agencies do run the risk that funds bartered with another agency may not resurface for many years until surplus funds are available or projects experience delay.

In the Boise area, the TMA has its own separate local allocation and generally works only between the District, the MPO, the local regional public transportation authority, and the state transportation department. The TMA also has some additional flexibility in that its funds are accounted for over a three year period rather than annually, so that one project slipping a year can generally be accommodated. Since 2000, the STP-TMA funds have all remained within the TMA. There is, however, the option of “trading” with the other five MPOs should the need arise.

Through the balancing process, ACHD has netted an additional \$11 million in the past 10 years for various Ada County projects through its participation on the balancing committee, pre- and post-establishment of the committee for the TMA.

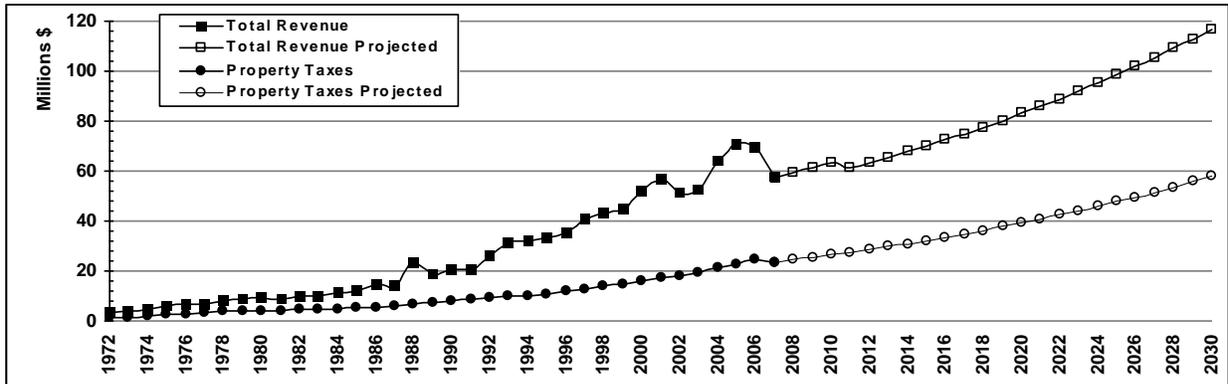
FUNDING DIVERSIFICATION AT THE LOCAL LEVEL

The fiscal constraints illustrated previously in this paper are the impetus for the paradigm shift resulting from the 1995 Ada County Highway District (ACHD) policies regarding allocation of funds, balancing funding for maintenance and improvement projects and prioritization of improvement projects.

This was followed by the Ada Planning Association’s (now the Community Planning Association of Southwest Idaho) *Financial Analysis for Local Roadway Needs in Ada County* (1999). At the time of the analysis, ACHD had already established the agency’s impact fee program, vehicle registration fee program and others. ACHD has systematically instituted numerous additional techniques leading to greater funding opportunities and ultimately accelerated project delivery. In representing transportation interests for the cities in the region, ACHD’s procedures and mechanisms for funding are critical in projecting a consistent and credible message regarding funding expectations.

The regional long-range transportation plan, *Communities in Motion* (2006), identified property taxes as the primary funding source for most of the local government agencies in the Boise region. The financial analysis for the plan showed that ACHD, however, had diversified its funding in a manner that lessens ACHD funding exposure to the machinations of property tax and associated laws. Figure 2 illustrates ACHD’s property tax revenues, past and projected through 2030 in relation to total revenue.

Figure 3: Ada County Highway District Total Revenue & Property Tax Revenues (1972-2030)



To further the financial diversification effort and lessen impacts of fluctuations in property tax collections and changes in state law related to such taxes, ACHD has introduced or expanded the following initiatives and efforts both prior to and since the *Financial Analysis* (1999) study:

- Development impact fees and extraordinary impact fees for un-planned development
- Vehicle registration fee renewal and expansion effort
- Sidewalk funding option study
- Transportation task forces
- Project prioritization system
- Funding facilitator staff position
- Development of funding and implementation plans
- Continued financial relationships and agreements with partner agencies
- Interagency cost share policy

ACHD has also established or continued partnerships with the following agencies and private interests since the inception of the policy statements and 1999 study.

- | | |
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| <ul style="list-style-type: none"> • Ada County • Boise State University • Capital City Development Corporation • City of Boise • City of Eagle • City of Caldwell in Canyon County, Idaho • City of Garden City • City of Kuna • City of Meridian • City of Star • Environmental Protection Agency • Federal Emergency Management Agency • Economic Development Administration | <ul style="list-style-type: none"> • Federal Highway Administration • Federal Transit Administration • Garden City Urban Renewal District • Hewlett-Packard • Idaho Power Company • Idaho Transportation Department • Intermountain Gas, Inc. • Local Highway Technical Assistance Council • Meridian School District • Meridian Development Corporation • Qwest Communications, Inc. • Valley Regional Transit • US Bureau of Homeland Security |
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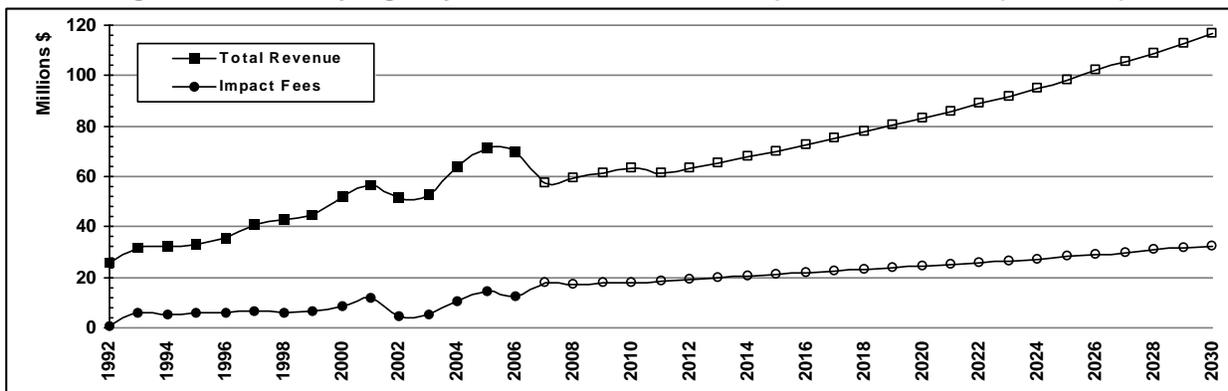
Development Impact Fees. The State of Idaho established the Idaho Impact Fee Act in 1990, following passage by the State Legislature that year. ACHD was the first agency in Idaho to enact impact fees on new development when it established its program in 1991 and has collected more than \$106 million in impact fees since collection began in 1992.

Impact fees were established for the purpose of funding system improvements costs at a proportional rate as a result of new development. Idaho law requires impact fees be based on actual costs of system improvements calculated on level of service standards. It also stipulates that fees must be expended within the benefit zone in which they are collected. For public highways, system improvements are

defined as expansion of capacity to the roadway system, such as roadway and intersection widening. The identified system improvements are required to be identified through a Capital Improvements Plan, which for ACHD, is based on the regional travel demand model produced and maintained by the MPO. Impact fee cannot be assessed for improvements identified as existing deficiencies in the system at program enactment. (Chapter 82, Title 67, *Idaho Code*)

The more than \$106 million collected through fiscal year 2006 by ACHD represents funds that would not have been available for improvements within Ada County without the passage of such legislation and proactive approach by ACHD to enact impacts fee soon after enabling legislation. Figure 4 depicts impact fees collection in relation to total revenue since 1992. Other than ACHD, only one city in Idaho has assessed impact fees for transportation purposes since passage of the Idaho Impact Fee act. The Idaho Transportation Department has not established impact fees, but in late 2006 passed a resolution for the agency to pursue a program in cooperation with ACHD (*ITD Resolution 2006*).

Figure 4: Ada County Highway District Total Revenue & Impact Fees Revenue (1972-2030)



While impact fees can only be used for system improvements, no restrictions exist regarding ACHD’s authority to expend general revenues on system improvements that would normally be eligible for impact fees. The ACHD Funding Allocation Policy (1995) stipulated, however, that the agency would not use general funds on impact fee eligible expenses. ACHD must, however, match the impact fees on system improvements projects to pay for ineligible features of projects such as sidewalks and bike lanes.

The *Financial Analysis for Local Roadway Needs in Ada County* report (1999) cited the need to index impact fees for inflationary factors. The report noted that with no provision for inflation, impact fees would increase at a rate of \$1.8 million per year through 2020, compared to annual increase of \$2.9 million by 2020 if inflationary factors were considered. The passage of ACHD Impact Fee Ordinance 202 (2006) for the first time established that impacts fees levied by the agency “shall be adjusted annually”, utilizing five-year rolling averages established by the Consumer Price Index for the West Urban region under the US Department of Labor.

The regional travel demand model established the system improvements for growth planned with in the context of the regional long-range transportation plan for the Boise Transportation Management Area. Development that occurs within the context of the plan is consistent with ACHD’s Capital Improvements Plan (CIP) for imposition of impact fees. However, the CIP does not account for growth outside of the defined system through the travel demand model. As a result, ACHD has exercised its authority to adopt an Extraordinary Impact Fee ordinance to calculate a pro rata share for system improvements that are the result of un-planned growth based on the regional travel demand model (*ACHD Ordinance 2006*).

To date, ACHD has established one Extraordinary Impact Fee zone as a result of un-planned development, but is considering establishment of additional zones as development pressure for large planned communities outside of city growth boundaries have increased.

Vehicle Registration Fees Renewal and Expansion. In Idaho, vehicle registration fees may be levied by the state or by countywide highway districts, of which ACHD is the only such entity in the state. Enactment of the fees at the local level requires a simple majority of the electorate conducted by public ballot in even-numbered years.

ACHD established its vehicle registration fee program in 1990 as the result of a public referendum to address declining conditions of bridges within Ada County. The fees will sunset following fiscal year 2010, unless renewed by another referendum. This source was initiated as part of a funding effort which also included a bond issuance. Registration fees account for approximately \$4.0 million annually.

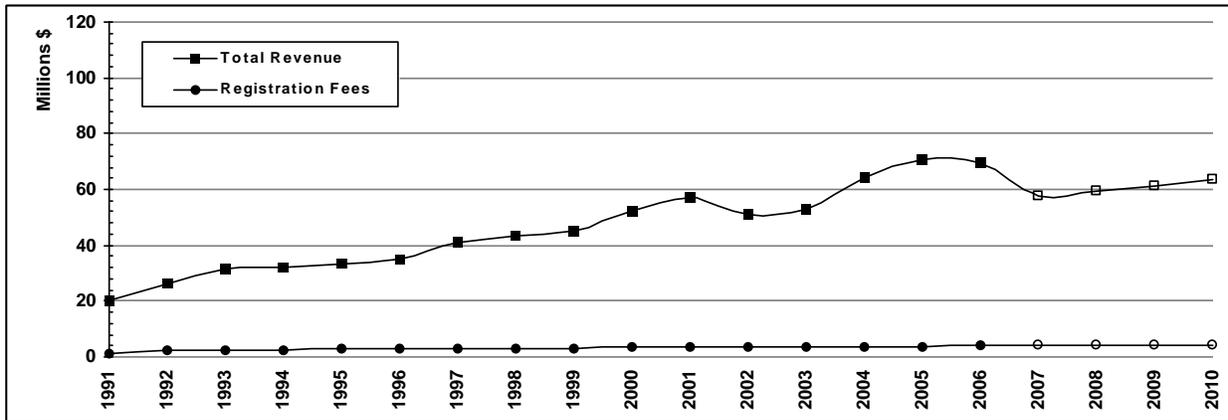
The agency is mandated to use the funds generated by the fee exclusively for the construction, repair, maintenance, and traffic supervision of the highways within its jurisdiction, and the payment of interest and principal of obligations incurred for said purposes. The establishment of vehicle registration fees was part of a three-prong approach which included impact fees and bonding for the repair of bridges.

ACHD's vehicle registration fee program was established in 1990 under the following conditions:

- Maximum fee of \$20 with no provision for inflation adjustments
- Stratified fees ranging from \$10 to \$20 based on the age of the vehicle
- A 20-year sunset, which expires at the end of 2010
- Gross vehicle weight (GVW) exemption for vehicles more than 8,000 pounds
- A focus on repairing deteriorating bridges, and improving the roadway system

ACHD is currently engaged in efforts aimed at renewing the fees following the 2010 sunset. The electorate has the opportunity in 2008 or 2010 to extend and/or increase the vehicle registration fee program if the fees are to be in place before the current term expires.

Figure 4: Ada County Highway District Total Revenue & Vehicle Registration Fees (1991-2010)



Sidewalk Funding Option Study. ACHD approved its Pedestrian-Bicycle Transition Plan (PBTP) in 2005. The PBTP provides a comprehensive plan to enhance the Ada County urban area pedestrian and bicycle system and provides for policies to address requirements of the Americans with Disabilities Act. (ACHD *Pedestrian* 2005)

The effort was initiated by ACHD with a primary emphasis on addressing federal pedestrian planning guidelines and the regulatory requirements of the Americans with Disabilities Act (ADA). ACHD is taking a proactive approach to procure grants and other funding options specifically for pedestrian enhancements. One of the funding options identified in the PBTP is Local Improvement Districts authorized by the state of Idaho.

The PBTP identifies more than \$290 million in costs to build new and improved sidewalks and curb ramps compliant with the ADA. Currently, in addition to improvements constructed in conjunction with new

development, ACHD funds improvements to sidewalks and curb ramps through three programs; its community programs through the Five-Year Work Program, an emergency repair program, and with major roadway improvements. With vast recognized needs for improvements coupled with the increasing demands on funds, the District desires discussion of funding options to make additional progress towards the identified needs in the PBTP.

ACHD is conducting a study regarding sidewalk funding options, including installation and maintenance responsibilities, as recommended by the findings of the PBTP. Aspects of this study include development and implementation of a sidewalk responsibility questionnaire for peer agencies in Idaho and the northwest United States. This questionnaire will assess how peer agencies develop and implement sidewalk funding programs and determine property owner responsibility versus jurisdictional responsibility. It also includes an outline of ordinances and programs related to sidewalk installation, replacement and/or repair.

The effort is also addressing local improvement districts (LID) as identified in the ACHD balanced funding policy of 1995. Also being examined is the feasibility and funding for a rotating maintenance cycle for sidewalks, as well as identification of funding options for sidewalk maintenance and installation, alternative designs, sidewalk utility fees, and business improvement districts for downtown and commercial areas.

Transportation Task Forces. To gauge the priorities of the cities, ACHD and the MPO have required transportation task forces within each city in Ada County, as well as the county government. These committees are tasked with generating the city's official project request list, which is endorsed by the mayor and council of each respective agency. The task forces are comprised of local citizens and elected officials with interests in transportation and neighborhood projects.

The task forces convene to review priority lists and recommend new projects for ACHD consideration. This is the naissance of many ACHD projects and funding partnerships, as some community transportation issues such as school crossings, neighborhood projects, minor roadway upgrades or projects that pursue distinct community goals are not always immediately evident within ACHD's regional perspective. Some cities utilize mechanisms such as tax increment financing or local neighborhood reinvestment grants to fully or partially fund projects with cooperation from ACHD.

ACHD uses the transportation task forces' lists to assess the following:

- Is the project within ACHD's jurisdiction, directly or peripherally?
- Does it rank high enough for inclusion in the Five-Year Work Program? (see Project Prioritization System)
- What is the appropriate funding source or combination of funding sources?
- Are there partnership opportunities, either with the city or another agency?
- What is the appropriate timeline for funding?

Project Prioritization System. ACHD prioritizes more than 300 projects for its Five-Year Work Program (FYWP) including roadways, intersections, bridges, sidewalks, bikeways and other miscellaneous programs, with approximately 180 included in the final program. To determine the projects that warrant inclusion in the FYWP, ACHD assesses technical and programmatic aspects each project. Technical measures such as accident rates, traffic volumes and pavement condition account for the majority of points available for each project, but significant weight is given to established or potential funding partnerships and standing in each city's task force request list.

Each project is prioritized on a 100-point scale, with the majority of projects receiving between 40 and 70 points. A maximum of 10 points is available under the Outside Funding Category, which measures the proportion of the total project cost supported by non-ACHD sources. Projects must meet a threshold of at least 40% of total project cost funded by outside sources to qualify for the 10-point allocation. Fewer points are awarded for lower levels of outside funding (8 points for 30%, 6 points for 20%, etc.). An additional 10 points is available if that project is the top-ranked request of the city's task force. In most

instances, a combination of funding partnership and city priority is enough to rank the project within the funding range.

An outside funding source or partnership does not guarantee inclusion in the FYWP and the subsequent budgets, as the project must show merit across the various ranking categories. Token levels of outside funding, many times directed toward projects for political reasons, generally do not make the program unless points gained through other categories place the project in the funding range of the FYWP. Table 1 displays project categories and their technical and programmatic prioritization processes and points. The bold and italicized prioritization factors are ones the cities and partner jurisdictions have direct influence. (ACHD *Prioritization 2005*)

Table 1: Prioritization Factors for Capital Programs

| | Technical (points) | Programmatic (points) |
|---|---|--|
| <u>Roadways-</u> Used to evaluate major roadway projects and rank order for improvements | <ul style="list-style-type: none"> • Effective Capacity (10) • Accidents per million Vehicle Miles Traveled (10) • Street Classification (10) • System Improvement (10) • Freeway Diversion Route (5) • Current Pavement Condition Index (10) • Project Cost/Lane-Miles (10) | <ul style="list-style-type: none"> • Funds Expended (5) • <i>Leveraging outside funds(5)</i> • <i>Public /Agency Support (10)</i> • Scheduled in previous year's Five Year Work Program (5) • Logical Sequencing (5) • <i>Development Acquisition (5)</i> |
| <u>New Intersection Signal Projects-</u> Used to evaluate new signalized intersections and provide a rank order for improvements | <ul style="list-style-type: none"> • Major Signal Warrants (20) • Minor Warrants (10) • Accident Rate (10) • Pedestrian Traffic (5) • Improvement Factor (5) • Adverse Spacing(5) • Adverse Traffic Ratio (5) • Cost (5) • Freeway Diversion Route (5) | <ul style="list-style-type: none"> • Funds Expended (10) • <i>Public/Agency Support (10)</i> • <i>Development Acquisition (5)</i> • <i>Leveraging outside funds (5)</i> |
| <u>Intersection Rebuild Projects-</u> Used to evaluate the rebuilding of signalized intersections and provide a rank order for improvements | <ul style="list-style-type: none"> • Improvement to System (30) • Volume/Capacity ratio (10) • Importance to System (5) • Peak Hour Ratio (5) • Peak Hour Volume (5) • Cost (10) • Freeway Diversion Route (5) | <ul style="list-style-type: none"> • Funds Expended (10) • <i>Public / Agency Support (10)</i> • <i>Development Acquisition (5)</i> • <i>Leveraging outside funds (5)</i> |
| <u>Community Programs</u> Used to rank curb, gutter and sidewalk projects | <ul style="list-style-type: none"> • Exposure Rate, ADT (10) • Existing Pedestrian Facilities (10) • Proximity to school, park, or other gathering place (10) • Cost per Mile of Street Improvement (10) • Drainage Factor (10) | <ul style="list-style-type: none"> • <i>Property Owner Support (10)</i> • <i>Leveraging outside funds (10)</i> • Prior Resources Expended (10) • <i>Public/Agency Support (10)</i> • Geographic Equity (5) • Development Potential (5) |

Funding Facilitator. ACHD has become increasingly aware of the growing disparity between existing revenue sources and demands on its funding. This disparity was heightened by the realization that the yearly increase in roadway miles due to rapid development was causing the maintenance portion of the agency's budget to creep close to 50 percent, in conflict with the 1995 policy statements. With no relief in sight and maintenance of existing infrastructure defined as the first priority, capital projects appeared to

be threatened at a time when even more capital projects were needed to keep up with growth. Some special means was needed to assist with this growing disparity.

In 2004, ACHD authorized the creation of a full-time funding facilitator. This position's sole responsibility is to explore funding opportunities for transportation within Ada County. The funding facilitator is responsible to secure or extend existing funding sources, and to research and increase both the variety and amount of future funding sources. The position administers the current Federal funding programs and investigates traditional and non-traditional funding sources. Other important tasks include establishing and maintaining tracking databases related to funding and coordinating legislative efforts related to revenue pursuits

For the agency, one of the major thrusts in the next two years will be tackling the renewal and expansion of vehicle registration fees. The funding facilitator also works on scanning various sources for federal financing from sources other than the Federal Highway Administration or Federal Transit Administration, for example, Department of Housing and Urban Development for sidewalks, the Environmental Protection Agency for drainage associated with roadways, Department of Homeland Security for Intelligent Transportation Systems, Department of Education for school sidewalk and bus facilities, etc.

ACHD also emphasized the importance of collaboration to stretch available dollars by offering the services of the funding facilitator to other area jurisdictions for projects that have a transportation component. Thus, for instance, the funding facilitator is working with the City of Meridian to help identify funding for its new downtown corridor, a project the city developed considering economic revitalization, aesthetic enhancement, and pedestrian accessibility. The cost of the corridor is approximately 30 percent more than a strict "moving traffic" solution would have dictated. The city's mayor and council, as well as the city's redevelopment agency, are collaborating with ACHD through the funding facilitator to identify innovative financing arrangements that can draw from sources that support economic development/revitalization, beautification of historic districts, greenways for stormwater conveyance, etc. to finance the additional \$5 million needed for the project.

Development and Implementation of Funding Plans. ACHD's funding plan (2004) describes actions to be undertaken to further the pursuit of innovative financing mechanisms at the local level, including positioning actions and new and alternative funding sources. Two of the positioning actions identified are:

- Innovation: In the future, state and Federal funding agencies will place a greater emphasis on innovation and funding partnerships. As a result it was identified that ACHD needed to build on its positive accomplishments to attract funding partners.
- Delivery emphasis: Eventually, preference points will be awarded to agencies that can build on time and within budget. It was identified that ACHD must continue to preserve its track record for fiscal responsibility and timeliness in project construction.

Current targeted funding sources include private foundations, the aforementioned Department of Housing and Urban Development funding for sidewalks, Idaho Department of Environmental Quality grant for innovative stormwater solutions, Federal Highway Administration Scenic Byways funding, Federal Transit Administration Job Access Reverse Commute funding in cooperation with the local transit authority, Department of Health and Human Services grant in partnership with local universities, and Environmental Protection Agency funding for environmental enhancements and drainage analysis. These funding sources are updated as opportunities are identified.

Recent successes from the *Short Term Funding Plan* (2004) include an EPA grant for implementation of the Blueprint for Good Growth—a regional growth management initiative, Bureau of Homeland Security funds for equipment connecting the ACHD traffic management center to law enforcement agencies, Idaho Transportation Department statewide rideshare funds for marketing ACHD's Commuteride program, and a grant from the Federal Highway Administration Scenic Byways program for shoulder widening and signage improvement along a national historic byway.

Financial Agreements. The transportation system in the United States evolved as a product of carefully cultivated partnerships of federal, state, regional and local agencies, as well as the private sector and the users of the system (Wachs 2006). The same can be said of the system in Ada County, Idaho.

Coordination and cooperation with private and public parties plays a significant role in the development and ultimate construction of many ACHD projects. Joint agreements range from inclusion of specific amenities in a project, to coordinating timing so utilities are installed before construction, thus saving agencies, and ultimately the public, time and money. The agency's financial negotiations are built upon relationships and mutually beneficial outcomes with its partner agencies.

ACHD is careful to document critical considerations to foster partnerships and ensure consistency. The following are delineated with most of the agency's intergovernmental agreements:

- Roles and responsibilities of each respective party
- Funding proportions
- Timeliness
- Responsibilities for property or easement acquisition
- Landscaping, both installation and continued maintenance
- Liability and hold harmless clauses
- Dispute resolution processes

A major concern in the procurement of such agreements is the assertion by some government agencies that binding of future mayors and councils to future year expenditures is beyond the purview of their authority. While it is important to let legal counsel battle the technicalities of this argument, ACHD has found there are ways to bind intent yet still provide escape clauses to cover disclaimers regarding fund availability, which typically allays legal concerns.

In turn, ACHD insists on clauses stipulating if funds are not available the project will not be constructed. The role of the agreement is purely to clear up misunderstanding and provide all parties the opportunity to clarify and document their understandings of the partnership. It is much more responsible to do this before the project begins rather than in the middle when fingers are pointing and the money is gone.

Interagency Cost Share Policy. ACHD is developing the basis for establishment of an Interagency Cost Share Policy to provide a clear and concise framework for cooperative funding policies. This policy will be used to guide decision-making and provide ACHD partners with transparent expectations. Full-scale development of the policy is expected to take up to one-year to complete, including a public review process conducted by both ACHD and its partner agencies.

ACHD is consistently subject to requests from agencies and private interests to incorporate additional features beyond core transportation elements into various projects. These include aesthetics, economic development, alternate designs and unique items for community identity. In most cases, the agency has amicably settled on the options desired by the city or other agency to create a project that is acceptable to most of the stakeholders involved. Oftentimes, this exercise provides an educational opportunity for elected officials and staff related to the complexity of implementing major infrastructure projects.

Trends, both nationally and locally are focusing more on aesthetics, neighborhood desires, prioritizing projects, and accelerating project delivery. Hence the lines have become blurred about funding for roadway projects when incorporating these items. ACHD's cost share policy will better delineate the role of agencies in different aspects of project planning and implementation, and the subsequent funding and maintenance responsibilities. The goal of the cost share policy will be to keep flexibility for the Commission to moderate unique features and recognize the desires of the partnering agencies for roadway features within their boundaries, as well as effective working relationships and reasonable expectations with cities regarding partnership funding strategies.

ACHD will also define how incorporation of cost-sharing should occur within its prioritization factors and programming efforts to accelerate projects. The agency will define how prioritization for the Five Year

Work Program is completed, with points awarded appropriately for funding not related to core transportation components. (Bowman and Kostelec 2006)

PROJECTS FUNDED THROUGH INNOVATIVE LOCAL FINANCING

DeCorla-Souza (2006) recognized the value of partnerships within the context of transportation projects and financing, particularly public-private partnerships, noting the advantages of such endeavors over traditional avenues of public finance. It was acknowledged that projects stemming from such arrangements commonly materialize in a manner that provides for greater stewardship of public funds and truncated project development timeframes.

This assessment of such partnership characterizes many of projects either in development or completed by ACHD in the past decade as a result of both public-private and public-public partnerships. From \$10,000 sidewalk projects to \$10 million freeway overpasses to \$20 million corridor improvement initiatives, ACHD’s approach to innovative financing of projects and the willingness of local agencies to think strategically about their community’s needs, have yielded the Boise region millions of dollars worth of improvements that may not have been possible under traditional funding paradigms.

The following sample case studies provide information on the history, funding sources, evolution of funding partnerships, and the innovative approach undertaken by ACHD and it’s partner agencies to implement a wide array of transportation projects.

Developer Cooperative Roadway Expansion Projects. \$7.5 million - Boise & Meridian, Idaho

Funding Sources:

ACHD: \$3.0 million

Developer: \$4.5 million, plus \$3.0 million advance

ACHD’s impact fee program and associated ordinances are in some regard intended to create a program that is flexible and effective for the development community while providing necessary capacity expansion of the transportation system as a result of new development. In the absence of concurrency laws at the state level, ACHD developed a method to construct capacity improvement projects at the time of development through a loan from its general fund to the impact fee program. ACHD uses this mechanism for advance construction projects through public-private development partnerships.

The development community has partnered with ACHD on four projects in the last three years, including two new arterial roadway extensions, and two intersection and roadway widening projects. In each case, the developer fronts the ACHD portion of the project in exchange for reimbursement of impact fees over an agreed upon timeframe. The reimbursement may be tied to the impact fees generated by either the service area or the development.

This mechanism allows ACHD to benefit both from a time and financial perspective by projects being constructed concurrent with development, going through an abridged right-of-way acquisition process, and recognizing economies of scale as the developer is typically constructing streets and parking facilities under the same contract.

Locust Grove Overpass of Interstate 84. \$10.8 million – Meridian, Idaho

Funding Sources:

ACHD: \$3.4 million

Surface Transportation Program:

\$3.7 million

City of Meridian \$1.0 million

Connecting Idaho (State DOT-GARVEE): \$2.7 million

Meridian, Idaho is a community of 66,000 residents that has grown from a population of 15,000 in 1990. The rapid growth has stressed the infrastructure of the city, particularly the two Interstate 84 interchanges that serve it. These two interchanges, spaced two miles apart, are the busiest in Idaho with no overpass on Locust Grove Road, a section line arterial between interchanges.

ACHD began development of the Locust Grove Overpass project in 2000 with a locally-funded design to meet Federal standards in the event that Federal funds materialized. The project was the top-ranked priority within ACHD’s roadway prioritization system. The MPO prioritized the project for Surface Transportation Program (STP) funding, but the combination of these two sources would not allow the project to be constructed until 2010. Recognizing the urgency of getting the project completed before 2010, the City of Meridian stepped up with \$1.0 million for right-of-way funding, thus opening up the designated STP sources for construction of the project.

Still limited by the availability of STP funding, ACHD, the city and the MPO strategically approached the state DOT with the three-way funding partnership already in place, and were able to convince the state to commit state and federal sources to the project. This funding boost was critical in advancing the project to 2006 construction.

Hill Road Extension. \$3.3 million – Eagle, Idaho

Funding Sources:

| | | | |
|----------------|---------------|----------------------|---------------|
| ACHD: | \$2.5 million | Private Development: | \$0.2 million |
| City of Eagle: | \$0.6 million | | |

Eagle, Idaho has emerged as a desirable community and has thus established strict design standards for its residential and commercial development. The city has similar expectations for its roadways and recognizes the need to cooperate with ACHD to include features consistent with the community’s vision.

ACHD is developing a project to construct an extension of Hill Road, a collector roadway that parallels a state highway and terminates on the eastern edge of downtown Eagle. The project is ACHD’s top-ranked collector improvement project. The city’s transportation task force and council expressed desire for ACHD to include landscaped medians and 8-foot planter strips along the project to blend with the surrounding development and a section of Hill Road previously constructed by private development.

Through a series of negotiations, ACHD and the city agreed to the following:

- ACHD will construct detached sidewalks, with appropriate planter strips, in areas where right-of-way was already sufficient or acquisition of full parcels would allow
- ACHD will construct landscaped medians in four areas along the almost two-mile project, with the city funding landscape features such as trees, irrigation and topsoil and maintaining the medians and publicly owned planter strips
- The city will construct detached sidewalks and landscaping along frontage of a new city park
- The city will secure easements from undeveloped properties for the placement of detached sidewalks and planter strips

Warm Springs Avenue Roundabout & Historic Arches. \$800,000 – Boise, Idaho

Funding Sources:

| | | | |
|-----------------|-----------|-------------------------------------|-----------|
| ACHD: | \$200,000 | Surface Transportation Enhancement: | \$450,000 |
| City of Boise: | \$50,000 | Private property owners: | \$100,000 |
| Univ. of Idaho: | In-kind | East End Neighborhood Association: | In-kind |

Warm Springs Avenue is one of Boise’s and Idaho’s most historic boulevards, fronted with mansions and lined with mature trees on the eastern edge of downtown. Warm Springs was the original route for the old streetcar system, is located near the Boise River Greenbelt, has two schools fronting its west end and abuts the Boise Foothills. Development to the east has increased the traffic demand on this historic avenue, which has caused ACHD and the City of Boise to implement an “environmental capacity” to preserve the character of the street. This led to a limit on the number of building permits for residences that feed Warm Springs until an alternate route and new bridge is constructed.

In 2003, the East End Neighborhood Association approached ACHD and the City of Boise to begin the process of constructing a roundabout and archways at the intersection of Warm Springs Avenue and Penitentiary Way (the entrance to the Old State Penitentiary and Idaho Botanical Gardens). The purpose

of the project was to enhance the entrance to the Warm Springs Historic District and the Old State Penitentiary, slow traffic on the roadway, and placement of a roundabout in lieu of a traffic signal. ACHD did not have the funding in place for the roundabout and does not undertake efforts such as construction of archways, but agreed to sponsor a project for Federal transportation enhancement funding if the neighborhood would facilitate and organize the funding package.

The neighborhood association recruited architecture students from the University of Idaho to develop a concept design for use by ACHD. The neighborhood also garnered support and letters of intent for donation of right-of-way from four property owners adjacent to the intersection.

With commitments in place, the neighborhood association then applied for a project under ACHD's Neighborhood Enhancement Program and completed a draft Transportation Enhancement application for ACHD to revise and forward to the MPO and state DOT for consideration of funding. The City of Boise also committed funds from its Neighborhood Reinvestment Program and agreed to maintain the roundabout landscaping.

Once the project was prioritized as a top-ranked project, ACHD revised the application, committed funding from the neighborhood program, and identified funds through its maintenance program from an upcoming pavement rebuild project that was slated for the intersection. The project was awarded a Transportation Enhancement grant in 2004 and is programmed for 2008 construction.

Sidewalk Projects with Urban Renewal District. \$1.0 million – Garden City, Idaho

Funding Sources:

| | | | |
|-------|-----------|-------------------------------------|-----------|
| ACHD: | \$750,000 | Garden City Urban Renewal District: | \$250,000 |
|-------|-----------|-------------------------------------|-----------|

Garden City, Idaho, the only city in Ada County completely surrounded by other cities, constructed its streets system when sidewalks were not a requirement and before ACHD had authority over the system. The city has fewer community amenities such as parks, youth programs and schools than its counterparts. The Garden City Urban Renewal District has taken the mission of creating a greater sense of place in the city and has been a willing participant in funding sidewalk projects jointly with ACHD.

The absence of sidewalk construction requirements from new development in the 1940s to the 1970s created a \$290 million backlog in sidewalk needs in Ada County (ACHD *Pedestrian* 2005). The Garden City Urban Renewal District, despite being an entity of one of the county's most cash-strapped agencies, has been the most willing partner as ACHD addresses these needs.

In 2003, ACHD rebuilt and improved 1.7 miles of Adams Streets, a collector through the middle of Garden City, to include a center turn lane and detached sidewalks. Recognizing the opportunity to connect sidewalks into the Adams Street project, ACHD and the Urban Renewal District jointly funded six additional sidewalk projects on side streets beginning when development of Adams Street project commenced in 1997. The Urban Renewal District contributed \$250,000 over a six-year period to construct these projects.

ACHD and the Urban Renewal District are planning two additional sidewalk projects in the next two years, including a connection from the major arterial through Garden City to the Boy's & Girl's Club and Boise River Greenbelt.

Federal Way Widening and Pedestrian Pathway. \$21 million - Boise, Idaho

Funding Sources:

| | | | |
|------------------|---------------|------|----------------|
| ACHD: | \$6.7 million | STP: | \$13.6 million |
| STP-Enhancement: | \$0.7 million | | |

Federal Way is an old US Highway bisecting southeast Boise, rimming the Boise River canyon, and connecting downtown to Idaho's largest employer, Micron Technology. The need to widen the roadway to accommodate existing employment and anticipated growth was recognized in the mid-1990s. ACHD

began procurement of a funding package for the roadway that would be a combination of federal and local sources to complete the project by 2001. The region's "Ridge-to-Rivers Bikeway/Pathway Plan" had identified Federal Way as a gap in connecting the region to the network of trails in the Boise Foothills.

The project involved four separate projects, including a detached multi-use pathway and pedestrian bridge funded through Federal Transportation Enhancement funds. The project was most innovative in that it combined local funds, Federal STP funds and Transportation Enhancement funds to complete the construction of more than four-miles of roadway in less than three years.

ACHD worked with the MPO and the state DOT to collectively pursue additional funding to complete the project, including utilization of the aforementioned balancing committee to fund project overruns.

CONCLUSION

Transportation systems have many demands, especially in a region with high growth and many existing deficiencies, as is the case in Ada County, Idaho. Traditional local, state and federal funding sources are coming under increased scrutiny as needs continue to outpace resources, especially in high growth states. Gas tax increases are unpopular with voters, especially with gas prices on the rise. Local funding sources have many competing parties clamoring for increases, from public transit to schools, thereby lessening the appeal to residents of an increase in tax rates for the roadway system.

The Ada County Highway District policies of 1995 have proven to be a blueprint for a regional transportation agency's innovative funding initiatives. While the jurisdictional arrangement makes ACHD a rare entity in the United States, the lessons the agency provides for other transportation agencies can serve as a test case for innovative financing practices at the local level. The agency also showcases how a comprehensive regional transportation provider can prove valuable to cities, MPOs, DOTs, transit agencies, utilities providers and various private interests.

In order to secure the future of the transportation system, funding has to increase to meet demands. No one single source will likely be found to supplement existing funding. Therefore, prudence dictates casting the net wide. Partnership arrangements require finding common ground in order to pursue joint funding opportunities, and this pursuit takes time to identify common goals, locate potential non-traditional funding sources, coordinate with a variety of coalitions to work together, follow through on grant reporting requirements, and continue on to the next project.

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