



Frequently Asked Questions

What is a Local Improvement District (LID)?

An LID is a form of financing through the city that provides property owners an economical way to pay the construction costs of upgrading various infrastructures, like sidewalks, curbs and gutters, through property assessments with a long-term payment plan and relatively low interest rates.

How is the City able to do long-term loans for so many property owners?

The actual cost for all the work done in an LID is borrowed through a bond on behalf of the property owners. A Bond Council determines the interest on the bond and property owners pay their portion of the cost and interest over ten years.

I already have sidewalk, curb and gutter. Why am I being invited to participate in an LID for construction of these same improvements?

The City of Nampa is divided into seven areas or zones for road maintenance and LID's. You were invited to participate because our records show you live within the area where the LID is being offered this year. It won't be offered again in this zone for another seven years, so we want to make sure everyone who is eligible has equal opportunity to participate. This offer allows property owners to add sidewalks, curbs and gutter, or even replace damaged sidewalks, curbs and gutters, while taking advantage of cost savings and long-term financing.

Do I have to participate?

No. This is an opportunity to take advantage of cost savings and long-term financing if you want sidewalk, curb and gutter improvements. There is one exception: if the current or previous property owner received a deferral for these improvements, then the property owner may be required to participate.

What is a deferral, and how do I find out if I have a deferral on my property?

A deferral is a signed agreement between the City and property owner at the time of development, expansion or change of use of a property, postponing certain improvements like sidewalks, curbs and gutters until a future point in time or when an LID is formed for the area. The agreement is recorded against the property and is a legal contract with the property. When a property is purchased, the title company should find a recorded deferral agreement attached to the property when it conducts a title search. If purchased directly from the original owner, the agreement should be disclosed to the purchaser.

Why would I want to participate in this LID?

If there is currently no sidewalk, curb and gutter on your property, the improvements may increase property values, and will improve safety for children and others that walk in your neighborhood. If you have sidewalks that are broken and uneven, replacing that section reduces tripping hazards for pedestrians. The LID gives the property owner the opportunity to make these improvements while taking advantage of the lower cost due to volume of work and a long-term payment plan.

If I decide I want to voluntarily participate in an LID how long do I have to change my mind?

You can be removed from the LID up until the bid is officially awarded to a contractor and the paperwork between the contractor and the City is signed.

What will happen to trees, landscaping and sprinkler systems when the sidewalk is installed?

Trees are typically protected, however, if it appears a tree needs to be removed, the City Forester will help make the final decision and if needed, help the property owner replace the tree. Restoring landscaping impacted by the work is typically a coordinated effort between the property owner, City, and contractor. Grass is usually re-seeded and sprinkler systems are adjusted and repaired as part of the project, with the property owner signing off on all the restoration before the City signs off on the contractor's work.

Will I get an estimate?

An estimate is provided prior to an official bid being accepted by the City. The estimate will be based on actual costs from the previous year's LID. Property owners are asked to review the estimate and sign the document if the price is acceptable. If the property owner decides it is too expensive, they may choose not to participate, unless it is under a deferral agreement. Once the contract is officially bid, a second estimate will be provided only if the cost will be \$300 or more than the original estimate. No work will be done unless the property owner agrees to the new estimate. Property owners who are required to participate because of a deferral agreement can bring cost estimate concerns directly to the City Engineering office.

How is the cost or assessment amount determined?

The cost is determined by the amount of work done on the property. Different lengths of sidewalks, curbs and gutters require different amounts of concrete. Your cost or assessment will be based specifically on what you have installed plus interest.

How will I be billed?

Property owners will have the opportunity to pay as much of the assessment as they would like up to 30 days after they receive the first bill from the Treasurer's Office. The remaining balance after the first 30 days will be spread out in equal amounts over ten years, which will include interest. Historically the interest rate has been about 5%; however a Bond Council actually determines the interest rate.

What happens if I do not pay my annual assessment?

A tax deed is taken on the property if it is delinquent for two years.

Who is responsible for the LID if the property sells?

The LID assessment is attached to the property. It is typically paid in full at closing but that can be decided between the buyer and seller. It is possible for the buyer to assume the assessment.

Is there a penalty for early payoff of the assessment?

Yes. If the assessment is paid in full after the initial thirty (30) day period, the principal plus an additional year's interest must be paid. This is required by State Code.

Where can I find the statutes governing an LID?

Statutes regarding LID's can be found at <http://www3.state.id.us> under Idaho Statutes – Table of Contents, Title 50 and Chapter 17.