



City of Tacoma

## Transportation Benefit District Board Action Memorandum

**TO:** Elizabeth A. Pauli, City Manager  
**FROM:** Matt Fengler, Street Operations Assistant Division Manager, Public Works  
Ramiro A. Chavez, P.E. PgMP, Director/City Engineer, Public Works  
**COPIES:** Transportation Benefit District Governing Board and City Clerk  
**SUBJECT:** Resolution - Setting Public Hearing Date for the 2025-2026 Transportation Benefit District Board Budget and Spending Plan – October 15, 2024  
**DATE:** September 30, 2024

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### SUMMARY AND PURPOSE:

A resolution setting Tuesday, October 29, 2024, at approximately 5:30 p.m., as the date and time for a public hearing on the proposed 2025-2026 Transportation Benefit District Budget and Spending Plan and directing the City Clerk to prepare and circulate proper notices of the time and place of such hearing.

### BACKGROUND:

This Department's recommendation is based on RCW 35.21.225 and 36.73.020 and City of Tacoma Ordinance No. 28099, which authorized the establishment of a Transportation Benefit District (TBD) for the purposes of acquiring, constructing, improving, providing, and funding transportation improvements within the TBD, consistent with any state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels.

On November 27, 2012, the TBD Governing Board (Board) adopted Resolution No. TBD 001 authorizing the collection of a vehicle license fee of \$20.

On July 14, 2015, the Board adopted Amended Resolution No. TBD 008 to place ballot measure Proposition No. 4, later referred to as Proposition A, on the ballot for the General Election. Proposition A, which authorized a sales tax increase of one tenth of one percent (0.1%) to fund street improvements, was passed in the November 3, 2015, General Election.

The City's Office of Management and Budget estimates the City will collect \$5,796,000 (authorized vehicle license fee) and \$9,493,127 (sales tax increase of one tenth of one percent). This is a decrease in revenues of \$5,668,429 from the previous biennium as the revenue generated from the sales tax increase of one tenth of one percent sunsets on December 31, 2025. In addition, there are anticipated investment revenues of \$51,772 and a planned use of \$364,400 of existing cash balance, bringing the total of TBD revenues for the 2025-2026 biennium to \$15,705,299.

The proposed Budget and Spending Plan includes the regular planned transfer of \$5,800,000 to the 1065 Streets fund along with an additional \$387,650 to 1065 Streets specifically to replace aging fleet equipment. In addition, there is a budgeted transfer of \$9,493,127 to the 1085 Streets Initiative fund, and a balancing entry of \$24,522 to the ending cash balance, for a total expense appropriation of \$15,705,299.

RCW 36.73.020 states the Board shall consider the following criteria when selecting transportation improvements: reduced risk of transportation facility failure and improved safety; improved travel time; improved air quality; increases in daily and peak period trip capacity; improved modal connectivity; improved freight mobility; cost-effectiveness of the investment; optimal performance of the system through time; and other criteria, as adopted by the governing body in Chapter 10.28 of the Tacoma Municipal Code.



**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

The TBD Budget and Spending Plan provides maintenance of the City’s street system and affects all of Tacoma’s residents. Maintenance projects are selected primarily upon the pavement condition of the City’s street system and the Department uses the City’s Equity Index to help guide selection of maintenance in underserved/underrepresented communities. The public hearing provides residents the opportunity to learn about and testify on the 2025-2026 TBD Budget and Spending Plan.

**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility:**

The public hearing provides residents with the opportunity to comment on the proposed TBD Budget and Spending Plan, which includes maintenance and repair of residential and arterial streets and the construction of new ADA accessible curb ramps.

**Civic Engagement:** *Equity Index Score:* High Opportunity

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.

**Explain how your legislation will affect the selected indicator(s).**

A public hearing provides residents the opportunity to learn about and testify on the 2025-2026 TBD Budget and Spending Plan.

**ALTERNATIVES:**

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Do not conduct a Public Hearing. Neither RCW nor TMC requires a public hearing be held prior to the Board adopting the proposed Budget and Spending Plan.	By forgoing the public hearing, it saves staff time and does not require the Board to convene a meeting.	Public hearings provide residents the opportunity to learn about and testify on the 2025-2026 TBD Budget and Spending Plan and provides transparency of the Board and the Public Works Department actions.

**EVALUATION AND FOLLOW UP:**

Testimony at the public hearing will provide the proposed TBD Budget and Spending Plan for 2025-2026, which will be followed by a resolution adopting the proposed Budget and Spending Plan at a later date.

**STAFF/SPONSOR RECOMMENDATION:**

The Public Works Department recommends the Board approve this request to set Tuesday, October 29, 2024, at approximately 5:30 p.m., as the date for a public hearing before the Board. A resolution to adopt the TBD Budget and Spending Plan will be forthcoming to the Board at a later date.

**FISCAL IMPACT:**

There is no fiscal impact. This action only sets the date of the public hearing before the Board.