



City of Tacoma

Transportation Benefit District Governing Board  
Action Memorandum

**TO:** Transportation Benefit District Governing Board  
**FROM:** Rae Bailey, Division Manager, Public Works Street Operations  
Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *KDK*  
**COPY:** City Manager and City Clerk  
**SUBJECT:** Resolution - Approval of 2021-2022 Transportation Benefit District Budget/Spending Plan -  
November 24, 2020  
**DATE:** November 5, 2020

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**SUMMARY AND PURPOSE:**

A resolution approving the 2021-2022 Transportation Benefit District Budget/Spending Plan.

**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 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 On November 3, 2019, passage of I-976 repealed the City's authority to collect the vehicle license fee. On October 15, 2020, the Washington State Supreme Court ruled that I-976 was unconstitutional.

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 an estimated \$5,796,000 (authorized vehicle license fee) and \$11,185,418 (sales tax increase of one tenth of one percent) for a total of \$16,981,418 of TBD revenues in the 2021-2022 biennium. The proposed Budget/Spending Plan also includes spending \$2,526,000 of cash on hand. The total proposed Budget/Spending Plan is \$19,507,418.

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 Tacoma Municipal Code 10.28.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

The TBD Budget/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. A public hearing was held on October 27, 2020, which provided residents the opportunity to learn about and testify on the 2021-2022 TBD Budget/Spending Plan.



**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility:**

The proposed 2021-2022 TBD Budget/Spending Plan will provide maintenance and repair of residential streets, construction of new ADA accessible curb ramps at various locations throughout the City, and perform upgrades and maintenance to the City’s Traffic Signal and Streetlight system as identified in Exhibit A, entitled “2021-2022 Transportation Benefit District Budget/Spending Plan”. Maintenance projects are selected using best asset management practices and the City’s Equity Index.

**Economy/Workforce:** *Equity Index Score:* High Opportunity

Increase the number of infrastructure projects and improvements that support existing and new business developments.

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

The TBD Budget/Spending Plan provides maintenance of the City’s residential street system; improves safety, travel time, and air quality; increases in daily and peak period trip capacity; improves modal connectivity; and affects all of Tacoma’s residents and businesses.

**ALTERNATIVES:**

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Do not approve the TBD Budget/Spending Plan.	There are no positive impacts of not approving the TBD Budget/Spending Plan.	The City will continue to collect the TBD revenue, however without an approved Budget/Spending Plan the City cannot appropriate the funding for transportation improvements nor coordinate with stakeholders and utilities.

**EVALUATION AND FOLLOW UP:**

This resolution approves the 2021-2022 TBD Budget/Spending Plan. The Department tracks the expenses and the amount of maintenance performed and provides the Board with annual and biennium reports of work completed.

**STAFF/SPONSOR RECOMMENDATION:**

The Public Works Department recommends the Transportation Benefit District Board approve the 2021-2022 Transportation Benefit District Budget/Spending Plan.



**FISCAL IMPACT:**

The authorized vehicle license fee of \$20 will generate an estimated \$5,796,000 in revenues and the sales tax increase of one tenth of one percent (0.1%) will generate an estimated \$11,185,418 for a total of \$16,981,418 of TBD revenues in the 2021-2022 biennium. The proposed Budget/Spending Plan also includes spending \$2,526,000 of cash on hand. The total proposed Budget/Spending Plan is \$19,507,418.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1070 Vehicle Fee	663000	4317600	\$8,322,000
1070 Sales Tax	663001	4313270	\$11,185,418
<b>TOTAL</b>			<b>\$19,507,418</b>

**What Funding is being used to support the expense?**

Transportation Benefit District Funding

**Are the expenditures and revenues planned and budgeted in this biennium’s current budget?**

No

The proposed Budget/Spending Plan is for the 2021-2022 biennium.

**Are there financial costs or other impacts of not implementing the legislation?**

YES

**Will the legislation have an ongoing/recurring fiscal impact?**

No

**Will the legislation change the City’s FTE/personnel counts?**

No

**ATTACHMENTS:**

- Exhibit A - 2021-2022 Transportation Benefit District Budget/Spending Plan