Resolution No. TBD 023

City of Tacoma | Public Works Department

Transportation Benefit District Board Meeting
December 3, 2024

1

BACKGROUND

- The Transportation Benefit District was established under RCW 35.21.225, RCW 36.73.020 and Ordinance No. 28099 to fund transportation improvements aligned with state, regional, and local plans to alleviate current and projected congestion.
- In 2015, Tacoma voters passed Proposition A, which approved a 0.1% sales tax dedicated to street and infrastructure improvements. This tax is set to expire on March 31, 2026, necessitating action to maintain funding.
- In May 2024, Council passed Ordinance No. 28965 to clarify language to enhance the usage of funds within the benefit district.
- Continuation of the 0.1% of the sales and use tax can be accomplished by a majority vote of the members of the Transportation Benefit District.

2

2

OVERVIEW

- A resolution authorizing the imposition of a one-tenth of one percent (0.1%) sales and use tax as part of the Transportation Benefit District Fund.
- Effective April 1, 2026.
- Continuation of collection of funds to be used for improvement, maintenance, preservation, and operations of the City's street and transportation system and assists in project planning for 2026.

3

3

ISSUES

- The existing 0.1% sales and use tax funding the Transportation Benefit District (TBD) will expire on March 31, 2026, if not renewed will affect ongoing street maintenance, preservation, and improvements.
- Implementation of this proposed legislation allows the Department to plan the work beginning in 2026.
- Community surveys indicate support for continued funding, with over 75% of respondents dissatisfied with arterial conditions and requesting improvements.
- The tax extension aligns with regional transportation plans and federal infrastructure standards, ensuring the City remains eligible for additional funding opportunities.

4

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OUTREACH

- Community outreach included a survey of over 500 residents, with most respondents supporting the Streets Initiative renewal after learning about its benefits.
- Transportation safety and connectivity continues to rank high on community and council priorities.
- The tax will address the community's concerns and support ongoing street improvements.
- Webpages and project updates are available through the City website and tacomastreetsinitiative.org

5

5

RECOMMENDATIONS

- The Public Works Department recommends that the Board adopt and authorize the imposition of a one-tenth of one percent sales and use tax as part of the Transportation Benefit District Fund, effective April 1, 2026, to continue to collect funds to be used for improvements, maintenance, preservation, and operations of the City's street and transportation system.

6

6

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7