



## City Council

### Approval of an Ordinance Assuming the Olympia Transportation Benefit District

**Agenda Date:** 11/16/2021  
**Agenda Item Number:** 4.F  
**File Number:** 21-1070

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**Type:** ordinance **Version:** 2 **Status:** 2d Reading-Consent

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#### **Title**

Approval of an Ordinance Assuming the Olympia Transportation Benefit District

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to adopt on second reading an Ordinance assuming the Olympia Transportation Benefit District.

#### **Report**

##### **Issue:**

Whether to adopt an Ordinance assuming the Olympia Transportation Benefit District.

##### **Staff Contact:**

Mark Russell, P.E., Deputy Director, Public Works Department, 360.753.8762

##### **Presenter(s):**

None - Consent Calendar Item.

##### **Background and Analysis:**

Background and Analysis did not change from first to second reading.

A Transportation Benefit District (TBD) is a quasi-municipal corporation and independent taxing district. It was created for the sole purpose of acquiring, constructing, providing, and funding transportation improvements within the district.

The Washington State legislature permits local governments to establish a TBD and accompanying funding sources to provide for the preservation, maintenance, and construction of local public ways. The Olympia City Council established a TBD in 2008. The boundaries of the TBD are identical with the City limits.

Recent legislation allows the City Council to assume the authority and powers of the TBD. RCW

36.74.020 states in part that the City’s “assumption of the rights, powers, functions, and obligations of a transportation benefit district may be initiated by the adoption of an ordinance or a resolution by the city ... legislative authority indicating its intention to conduct a hearing concerning the assumption of such rights, powers, functions, and obligations.” The City Council approved a Resolution on September 28, 2021, announcing its intention to hold a Public Hearing concerning the assumption of the TBD.

On October 19, 2021, City Council conducted a Public Hearing allowing all persons interested in the proposed assumption, including those protesting or objecting, the opportunity to be heard. No comments or public testimony were received during the Public Hearing.

The assumption of the TBD by City Council would streamline administration and oversight. Several other Washington cities have already implemented this process.

**Neighborhood/Community Interests (if known):**

Cost to residents is \$40 per year for each registered vehicle within City limits. Collection of the fee is administered by the Washington State Department of Licensing (DOL) on behalf of the Olympia TBD. This \$40 fee is collected at the time of renewal for all registered vehicles within the City of Olympia.

**Options:**

1. Adopt on second reading an Ordinance assuming the Olympia Transportation Benefit District.
2. Delay action on the Ordinance to a later date. The TBD Board will still need to perform their obligations into 2022, until such time that those functions may be assumed by the City Council.
3. Do not adopt the Ordinance. The TBD Board will continue to function as they do now.

**Financial Impact:**

In 2021, revenue collected through TBD fees is estimated to be \$1,500,000 and are applied to the City’s Transportation Capital Fund for pavement resurfacing and preservation.

**Attachments:**

Ordinance