

# Transportation Benefit District

City Council Transportation  
Committee Presentation

August, 10, 2010

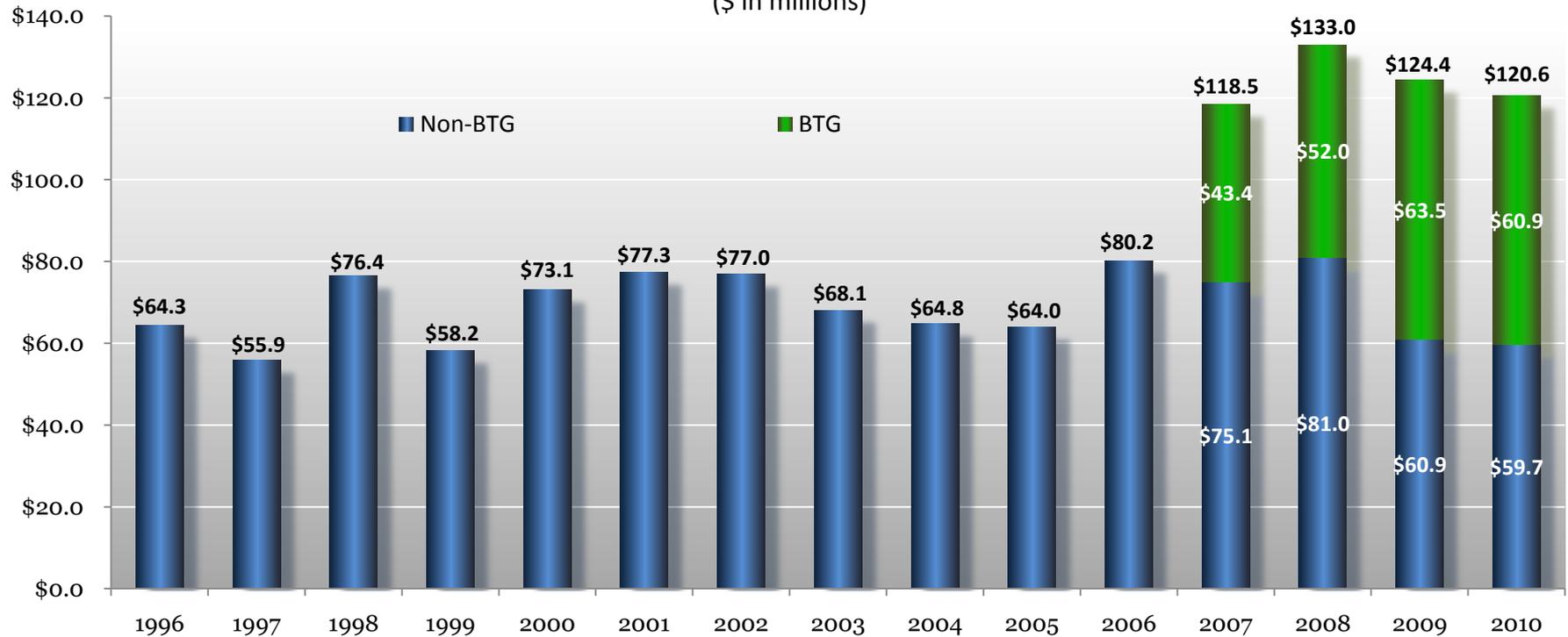
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# SDOT Budget Considerations

- Mid-year reduction of \$7.8M (\$4.9M ongoing). Without new revenues, additional reductions likely as part of 2011-2012 biennium budget.
- SDOT's non-Bridging the Gap (BTG) revenues (adjusted for inflation) have declined from \$81 million in 2008 to \$59.7 million in 2010. A decline of 26%.
- Significant shortfall in funding to implement Bike and Pedestrian Master Plans.
- Decline in General Fund, Gas Tax and other revenues diminish BTG's ability to eliminate basic infrastructure maintenance backlog. Estimated at \$500M in 2004.

# SDOT Revenue Considerations

SDOT Budgeted Revenue – BTG & Non-BTG  
Real Dollars - 2010 Base (Seattle CPI-W)  
(\$ in millions)



# Local Authority for TBD

- 36.73 RCW allows any City or County to create a TBD
- TBD may impose or ask voters to approve fees and taxes
- Revenues may be used for transportation improvements consistent with any existing state, regional and local transportation plan and necessitated by reasonable or foreseeable congestion levels.
- Legislative authority proposing the TBD is the TBD's governing board.

# TBD Revenue Options

- Not subject to voter approval:
  - \$20 annual Vehicle License Fee (VLF)
  - Transportation impact fees on new commercial and industrial buildings.
- Subject to voter approval:
  - Property taxes
  - Up to 0.2% sales and use tax
  - Up to \$100 annual VLF
  - Vehicle tolls

# \$20 Vehicle License Fee Option

- Six cities in Washington State have imposed \$20 VLF in their districts – Des Moines, Edmonds, Lake Forest Park, Olympia, Prosser and Shoreline.
- Generate an estimated \$6.8M in annual revenues.
- Cannot be collected until 6-months after enacted.
- Collected by the Department of Licensing when vehicle owner renews license tab.
- Few exemptions: farming vehicles, off-road/non-highway vehicles and snowmobiles.

# Proposed Legislation

- **TBD Ordinance – Council Action**
  - Creates the district
  - Summarizes use of funds
  - Designates Councilmembers as Governing Board
  - Establish geographic boundaries
- **TBD Advisory Committee Resolution – Council Action**
  - Creates an advisory committee for prioritizing projects - \$20 VLF investments and for potential future ballot measure
  - Request full recommendations on projects and spending plan by January, 2011 (\$20 VLF) and April, 2011 (potential ballot measure)
- **\$20 VLF Resolution – TBD Board Action**
  - Formally imposes the \$20 VLF by the district
  - Delineate parameters for the use of funds

# Proposed Schedule and Process

