

An aerial photograph of a city street intersection, showing multiple lanes, crosswalks, and surrounding greenery. The image is dimmed to serve as a background for the text.

# Transportation Benefit District (TBD)

City of Camas

2023-2024 Budget Preparation



# What is a Transportation Benefit District?

Quasi-municipal corporation or independent taxing district that can raise revenue for specific transportation projects, usually through sales tax or vehicle license fees.

TBDs may be used for transportation improvements included in the local, regional or state transportation plan. Construction, maintenance, and operation costs are eligible.

RCW 36.73

# Formation

Council forms a TBD by ordinance following a public hearing. (RCW 36.73.050)

- *must include the boundaries (city limits or UGA with an interlocal)*
- *identify transportation improvements to fund*
- *if either needs to change, a public hearing must be held prior to the amendments*

# Governance

Governance is by the legislative body but acting as a separate legal entity.

- meetings are held separately
- Mayor is not part of the legislative body therefore is not on the TBD board

As of 2015, if the boundaries are city limits, the City may absorb the TBD and assumes all the “rights, powers, functions, and obligations” of the TBD. The TBD ceases to exist as a separate entity. (RCW 36.74)

# Funding Options – Vehicle License Fees

Fee Amount	Conditions
\$20	Vehicle License Fee can be implemented with Council vote.
Up to \$40	Only if a \$20 fee has been in effect for at least 24 months
Up to \$50	Only if a \$40 fee has been in effect for at least 24 months but is subject to a potential referendum
Up to \$100	Subject to a simple majority of voters but voters have rejected this effort every time with the exception of Seattle

RCW 36.73.040(3)(b) and in 2020 *Garfield County Trans. Auth. Et al. v. State et al*

Year & License Fee	Household Estimate	Vehicle Estimate (2.28 per household)	License Fee Revenue Estimate
2023 - \$20	9,926	22,261	\$452,626
2024 - \$20	10,451	23,828	\$476,566
2025 - \$40	10,711	24,421	\$976,843
2026 - \$40	10,961	24,991	\$999,643
2027 - \$50	11,191	25,515	\$1,275,774
2028 - \$50	11,421	26,040	\$1,301,994

# Funding Options – Vehicle License Fees

# Funding Options – Sales Tax

Year	Sales Tax Collected on .20%
2023	\$989,703
2024	\$1,019,394
2025	\$1,049,976
2026	\$1,081,475
2027	\$1,113,919
2028	\$1,147,337

RCW 36.73040(3)(a)

# Other Funding Sources

Voted General Obligation Bonds (RCW 36.73.070)

Impact Fees (RCW 36.73.040(3)(c) RCW 36.73.120)

Excess Property Tax (RCW 36.73.060)

Local Improvement Districts (LIDs)





# Other Considerations

Materials Change Policy addressing changes and Council's involvement. At a minimum, public hearing if the revised costs exceeds the original estimate by 20% (RCW 36.73.160(1))

- cost
- scope
- schedule

Budgeting is not required but is best practices

RCW 36.73.020(4)

Required Annual Reporting to the SAO

RCW 43.09.230

Dissolution must occur within 30 days after improvements are complete, but revenue can be generated for remaining debt or financing.

RCW 36.73.170



Questions