TO: City Council

FROM: Brandon Hicks, Director of Transportation and Engineering

DATE: March 18, 2025

SUBJECT: R2025-005, In Support of the Tumwater Transportation Benefit District Proposition 1

1) Recommended Action:

Adopt Resolution No. R2025-005 in support of the Tumwater Transportation Benefit District (TBD) Proposition 1, Renewal of Sales and Use Tax for Transportation Improvements that will appear before voters on the April 22, 2025 Special Election Ballot.

2) <u>Background</u>:

The Tumwater City Council created the Tumwater Transportation Benefit District (TBD), a quasi-municipal taxing jurisdiction authorized by State law to fund street maintenance, in 2014. Tumwater voters approved a sales tax increase of 0.2% (two-tenths of one percent) in 2015 for a period of ten years to fund street maintenance projects in the City limits. Revenues collected from this additional sales tax levy are held in separate accounts and used only for authorized street maintenance projects. The City Council serves as the governing body of this taxing district.

City Council adopted Resolution No. R2025-001, providing for a ballot proposition to be submitted on April 22, 2025, to renew the 0.2% sales and use tax for a period of ten (10) years to fund specified transportation projects.

3) Policy Support:

C. Create and Maintain a Transportation System Safe for All Modes of Travel

4) <u>Alternatives</u>:

☐ Do not hold a public hearing in consideration of adopting Resolution No. R2025-005

5) Fiscal Notes:

None as a result of this action. If renewed by qualified electors, the TBD sales tax is estimated to generate more than \$30 million for street maintenance in the next ten years.

6) Attachments:

A. R2025-005, Resolution of Council Supporting TBD tax renewal