

TO: City Council Work Session
FROM: Brandon Hicks, Transportation & Engineering Director
DATE: January 14, 2025
SUBJECT: R2025-001 Transportation Benefit District Solution

1) Recommended Action:

No action requested. This is an opportunity for discussion about the topic.

2) Background:

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.

To date, the TBD has generated over \$19 million for street maintenance activities. TBD funds have also been used to leverage over \$6 million in additional federal and state grant funding. Each time we are successful, the planned pavement management program grows in size and allows other transportation items to be addressed including curb ramps, audible pedestrian systems, and traffic signal upgrades.

The current 0.2% portion of sales and use tax is set to expire in 2025. Staff will discuss the TBD and present a draft resolution for the purpose of renewing and continuing to impose the sales and use tax through this Resolution in the amount of two-tenths of one percent (0.2%) pursuant to RCW 36.73.040(3)(a) and RCW 82.14.0455.

3) Policy Support:

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

4) Alternatives:

N/A

5) Fiscal Notes:

None

6) Attachments:

A. Resolution No. R2025-001