

TO: City Council
FROM: Brandon Hicks, Director
DATE: January 21, 2025
SUBJECT: Resolution No. R2025-001 Transportation Benefit District Resolution

1) Recommended Action:

Hold a public hearing in consideration of expanding Transportation Benefit District eligible maintenance work and adopt Resolution No. R2025-001, providing for a ballot proposition to be submitted to the qualified electors on April 22, 2025. This was taken to the January 14, 2025 City Council Work Session for discussion.

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, resolution, and planned work. The purpose is to renew and continue 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:

- Do not adopt Resolution No. R2025-001
 - Adopt Resolution No. R2025-001 with revisions
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5) Fiscal Notes:

If approved, the TBD sales tax is estimated to generate more than \$30 million for street maintenance in the next ten years.

6) Attachments:

A. Resolution No. R2025-001