

# Transportation Benefit District

Public Hearing  
February 21, 2017

# What is a Transportation Benefit District?

(Authorized by RCW 36.73)

- A TBD is a quasi-municipal corporation and taxing authority
  - locally funded, locally controlled
- Richland's TBD will be governed by the City Council

## Purposes of a TBD

(RCW 36.73)

- A TBD may fund
  - Projects contained in the City’s transportation plan
  - New or existing principal arterials of regional significance
  - High capacity transportation
  - Public transportation
  - Operation, preservation and maintenance of such facilities or programs

# General Powers of the District

in accordance with RCW 36.73.040

- To carry out the purposes of the TBD, a district is authorized to impose the following taxes, fees, charges and tolls:
  - A sales tax
  - A property tax
  - A vehicle license fee
  - A traffic impact fee on commercial development
  - Tolls
  - Local Improvement District with property assessments

## **What will Richland's TBD Accomplish?**

- Increase annual funding to the City's Pavement Preservation Program
- Fill the remaining funding gap for the Duportail Bridge

## 2017 Street Budget

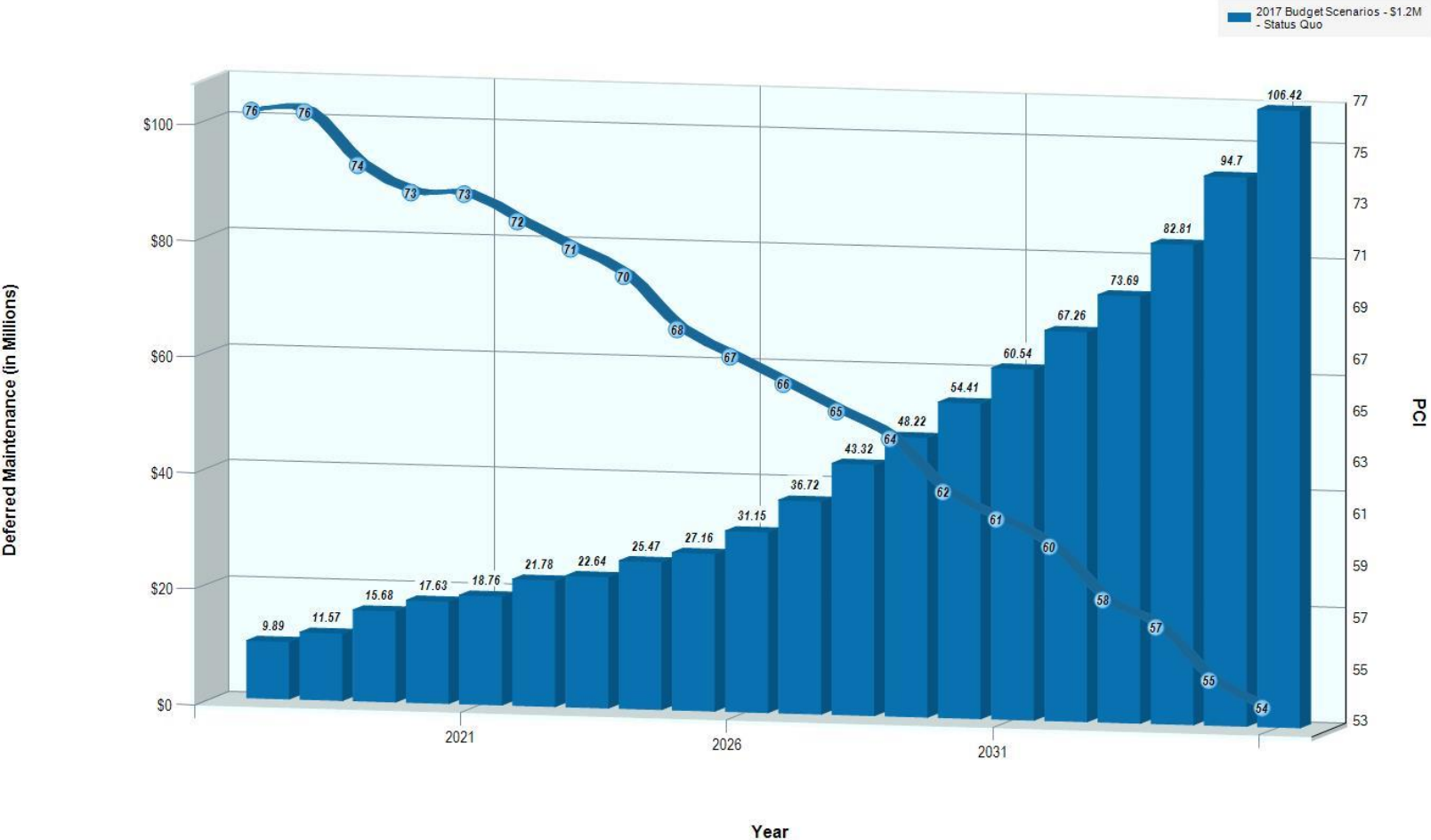
(does not include capital improvements other than Pavement Preservation)

- Revenues
  - \$1,162,000 – City share of State gas tax
  - \$1,151,000 – Transfer from General Fund
  - \$683,000 – Dedicated fraction of Utility tax
  - \$430,000 – Carry forward reserves
  - \$354,000 – Street utility charge to businesses
  - \$210,000 – Billed services to utilities
  - \$300,000 – Real Estate Excise Tax
- \$4,290,000 total

# Street Maintenance and Operations Expenses

- Pavement Preservation
  - (currently funded at \$1,200,000 per year)
- Street lighting
- Traffic signals operations and maintenance
- Signs and pavement markings
- Crack sealing
- Pothole and City Utility Trench Patching
- Snow and Ice control
- Vegetation Control
- Curb, gutter and sidewalk repairs

## Scenario Comparison - Deferred Maintenance and PCI





# Duportail Bridge

(2017 Capital Improvement Plan)

- Funding Sources
  - \$20,000,000 – Connecting Washington Fund
  - \$7,000,000 – Transportation Imp. Board
  - \$2,500,000 – WSDOT
  - \$1,898,480 – Federal Funds
  - \$1,613,081 – Previous City investments
  - \$4,450,000 – City bond issue (TBD)
- Total - \$37,461,561

## Duportail Bridge Schedule

- Summer 2017 – State Funding Agreements
- Winter 2017 – Hire Contractor
- Summer 2020 – Open to Traffic

## Revenue – Spending through TBD

- \$20 annual car tab fee will result in an estimated \$850,000 in new revenue
- Estimated \$510,000 will contribute to the City's Pavement Preservation Program
- Estimated \$340,000 will contribute to the Duportail Bridge bond repayment

## What's the Plan?

- February 2017, Public Hearing
- March 2017, Ordinance to establish TBD
- April 2017, Ordinance to fund TBD
- January 2018, revenue collection begins
- Mid 2019, bonds sold for Bridge
- December, 2039, bonds retired for Bridge
  - Fee sunsets

## Public Input – What have we heard to date?

- Mixed input on funding the Duportail Bridge through car tabs
  - Some favor tolling
  - Some favor seeking federal funds (i.e. President Trump’s infrastructure program)
  - Some favor more regional contributions
  - Car tabs not a perfect fit for Bridge
- Some favor a referendum
- Some favor General Fund as source
- Some concerned about fairness, affordability