

## Legislation Details (With Text)

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**Title:** INITIATE PROCESS TO CREATE TRANSPORTATION BENEFIT DISTRICT

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**Attachments:** 1. Staff Report - Streets and Roads Initiative Committee 04.28, 2. Street and Roads Initiative Committee Workshop Report 04.28.16 Revised, 3. Street Repair Priority Projects - Staff Rec 040416 (2), 4. Additional Street Crew Funding 3.30.2016 JC (2)

Date	Ver.	Action By	Action	Result
7/14/2016	1	City Council	approved	Pass

### INITIATE PROCESS TO CREATE TRANSPORTATION BENEFIT DISTRICT

**INTRODUCED BY:** Mike Wallin  
**SUPPORTED BY:** Don Jensen

### COUNCIL STRATEGIC INITIATIVE ADDRESSED:

Improve streets and roads  
Improve transportation systems

### SUMMARY STATEMENT:

Due to the deteriorating condition of city streets, the City Council adopted a new initiative for 2016 to "Improve streets and roads." To support this initiative, the City Council included in the 2016 Work Plan a strategy to "Identify and evaluate new and additional revenues to improve streets and roads infrastructure." This work plan activity includes deliverables of identifying potential funding sources authorized by state law and proposing plans for allocating new and additional revenues to streets maintenance, repairs, and improvements.

The City Council Streets and Roads Initiative Committee (Councilors Wallin, Makinster, and Moon) met several times with staff to review the condition of city streets, current funding levels and commitments, and options to increase funding and maintenance activities. The Committee presented information on those issues to the full city council at a workshop on April 28. The council expressed a desire to increase street maintenance funding, staffing, and activities, and one mechanism to increase funding that seemed to gain support was creating a Transportation Benefit District (TBD) as allowed by state law. Attached is the staff report and presentation from that workshop.

The basic steps necessary to create a functioning TBD are as follows:

1. City Council sets a date for a public hearing to consider formation of the TBD and directs staff to prepare a draft ordinance to form the TBD.
2. City Council holds a hearing regarding the proposed TBD and directs staff to prepare a final ordinance for adoption.

3. City Council adopts an ordinance creating the TBD and adopting the TBD's transportation improvement plan.
4. City Council members thereafter act as the governing board for TBD, which is a separate municipal corporation of the state, requiring meetings and actions separate from City Council meetings.
5. The TBD board must establish a funding source if it plans to actually carry out the operation of and complete the projects of the TBD.
6. The TBD board adopts a charter/by-laws/rules of procedure to govern its operation.
7. The TBD board adopts a policy establishing how to address significant/material changes to the improvements plan funding, schedule, and costs.

In order to implement the City Council's initiative to "Improve streets and roads," existing funding must be re-allocated and/or new funding generated. Creating a TBD is an effective tool to increase funding for street maintenance.

**FINANCIAL SUMMARY:**

Creating a Transportation Benefit District requires minor expenditures for public notices, as well as dedication of staff time to prepare the ordinance, transportation improvement plan, and supporting documentation. Creating revenue source(s) for the TBD is accomplished later by the TBD governing board after formation of the TBD.

**RECOMMENDED ACTION:**

Set a public hearing date to consider formation of a Transportation Benefit District and direct staff to prepare a draft ordinance and supporting documentation to form a TBD.