

Legislation Text

File #: RS 17 2208, **Version:** 1

RESOLUTION NO. 2208 - SET PUBLIC HEARING AND DECLARE INTENT TO ASSUME LONGVIEW TRANSPORTATION BENEFIT DISTRICT

COUNCIL INITIATIVE ADDRESSED:

Improve transportation systems
Continue effective financial management

CITY ATTORNEY REVIEW: REQUIRED

SUMMARY STATEMENT:

The Longview Transportation Benefit District (TBD) was formed on December 15, 2016, by the City Council pursuant to Ordinance No. 3334, effective January 19, 2017. On January 26, 2017, the TBD and the City authorized an interlocal agreement for the City to provide all administrative and technical support necessary for the TBD to function, with the TBD reimbursing the City for all costs incurred providing that support, except for certain overhead and higher level management support.

Revised Code of Washington (RCW) Chapter 36.74 authorizes a city that formed a transportation benefit district with the same boundaries as the city to abolish the governing board of the district and assume all rights, powers, immunities, functions, and obligations of the district. Approximately one-half of all transportation benefit districts formed by cities have been assumed by their city.

Because the TBD is a separate legal entity with support provided by City elected officials and staff, it would be more efficient and reduce costs for the City to assume the TBD. Some of the benefits and disadvantages are as follows:

Benefits

- Eliminate additional meetings for City elected officials and staff.
- Eliminate advertising and record keeping related to the separate meetings.
- Reduce staff time spent on separate TBD business.
- Eliminate need for separate insurance for the TBD.

Disadvantages

- City must assume and pay all debts of the district, including outstanding general obligation bonds and revenue bonds.
- District bonds and debt count against the City's overall debt capacity.

Next Steps

Should the City Council decide to initiate the process to assume the TBD, the following actions must be taken:

1. Adopt a resolution declaring the City's intent to conduct a public hearing to consider assuming the TBD and setting the date and time for the hearing to obtain public input on the matter.
2. Publish the resolution at least two times during the two weeks preceding the public hearing.
3. Conduct the public hearing and consider testimony, protests, and objections to assumption of the TBD.

4. After considering testimony and comments, if the City Council determines the public interest and welfare would be satisfied by assuming the rights, powers, immunities, functions, and obligations of the TBD, adopt an ordinance assuming the TBD and abolishing the governing body of the TBD.

FINANCIAL SUMMARY:

An interlocal agreement between the TBD and the City provides for the City to be reimbursed most costs incurred providing administrative and technical support for the TBD. In consideration of the benefits received by the City for TBD-funded improvements to City infrastructure, the interlocal agreement specified that certain overhead and higher level management staff costs would be absorbed by the City. No additional costs would be incurred by the City after assuming the TBD.

RECOMMENDED ACTION:

Motion to approve Resolution No. 2208.

STAFF CONTACT:

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