

# *Transportation Benefit District Board Meeting*

## Board Members

Joe Hyer

Jeff Kingsbury

Doug Mah

Joan Machlis

Karen Messmer

Craig Ottavelli

Rhenda Strub

February 3, 2008  
Olympia City Hall  
(Executive Conference Room)  
5:30 pm

## **A G E N D A**

1. [Organizational Meeting](#) (*Jane Kirkemo, Admin. Services*)

**TRANSPORTATION BENEFIT DISTRICT BOARD**  
**Olympia, Washington**  
**February 3, 2009**

**Organizational Meeting of the Olympia  
Transportation Benefit District Board (TBD)**

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**STAFF CONTACT:** Jane Kirkemo  
City of Olympia Administrative Services Director  
[jkirkemo@ci.olympia.wa.us](mailto:jkirkemo@ci.olympia.wa.us) 360.753.8499

**ORIGINATED BY:** Olympia City Council

**OTHERS NOTIFIED:** N/A

**ATTACHMENTS:** N/A

**BUDGET IMPACT/  
SOURCE OF FUNDS:** The budget impact of implementing a Transportation Benefit District is still being determined by the Department of Licensing (DOL) and will be discussed at the meeting.

**PRIOR BOARD REVIEW:** This is the first meeting of the TBD

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**BACKGROUND:** In December 2008, the Olympia City Council adopted an ordinance creating the Olympia Transportation Benefit District.

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**ANALYSIS & OPTIONS:** Once established, the TBD Board must decide the revenue option(s) they wish to implement and how the funds will be spent. The board must then hold a public hearing and allow the public to comment on the proposal.

Without a vote of the people, the revenue option available to the Board is a fee of up to \$20 per vehicle. The Board does not have to charge the full \$20. You may charge \$10, \$15 or an amount up to \$20 per vehicle per year. (In the future, if the City of Olympia ceases to use transportation impact fees, the TBD could implement transportation impact fees on commercial and industrial projects without a vote of the people.)

Before deciding on the use of revenues there are a few other facts to consider. Revenue rates, once imposed, may not be increased without voter approval. If projects costs exceed original costs by more than 20% a public hearing must be held to solicit public comment regarding how the cost change should be resolved. The TBD must issue an annual report to include the status of project costs, revenues, expenditures and construction schedules. And, a TBD must be dissolved upon completion of the project(s) or payment of debt service. The board may create a new TBD following the completion of a TBD with the appropriate notice requirements. The Board also needs to establish regularly scheduled meeting times and places. It will take six to nine months for DOL to set up a TBD. Therefore, the amount of revenue received in 2009 will be minimal.

Using information from the Thurston Regional Planning Council (TRPC) the TBD would generate approximation \$634,500 per year from a TBD with a \$20/vehicle fee. (Assumes 20,209 households and an average of 1.57 vhh).

The City of Olympia has established a 20 year pavement Management strategy. However, the strategy never had a dedicated funding mechanism. Consequently, the funding (\$1.2 million/year) came from any available year end savings from the general fund or the capital improvement fund. With the current economic conditions, there are insufficient funds for the 2010 pavement management funding. Funding from the TBD could be used for pavement management.

In addition to pavement management, the TBD funds may be used for any transportation improvement contained in any existing state or regional transportation plan that is necessitated by existing or reasonably foreseeable congestion levels. The project MUST be within the boundaries of the TBD (Olympia City limits).

There is no time limit on when the funds must be spent. Typically, funds that are collected for a specified period before being expended are used to fully fund large projects or serve as a match for state or federal funds. The public hearing on the use of the funds must estimate when the funds will be spent.

**Option 1:**

Implement a TBD with a \$20 fee and use the proceeds to fund the pavement management program.

**Implications**

1. On an annual basis this should generate approximately \$634,500.
2. The proceeds benefit all areas within the district.
3. Provides a dedicated funding source for pavement management; although not enough to fully fund the program.

4. Pavement Management Project is included in the regional transportation Plan.

**Option 2:**

Implement a TBD with a \$20 fee and use the proceeds for Boulevard Road improvements

**Implications:**

1. On an annual basis, this should generate approximately \$634,500
2. Provides a dedicated funding source for the project although it would take many years to fully fund the project.
3. Project is included in the regional transportation plan
4. Proceeds of the TBD although generated from all parts of the community would benefit only one area of town.

**Option 3:**

Implement a TBD with a \$20 fee and use the proceeds for any transportation project in the 2009 Capital Facilities Plan and the regional transportation plan. (The project would have to be identified before the public hearing.)

**Implications:**

1. On an annual basis this should generate approximately \$634,500
2. Further implications are dependent on the project selected.

**NEXT STEPS:**

Another public hearing is required and adoption of an ordinance detailing the revenue option and the project(s) to be funded with the revenue.

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