



RESOLUTION NO. TBD 024

1 A RESOLUTION relating to the City of Tacoma Transportation Benefit District's
2 budget; approving the 2025-2026 Transportation Benefit District Budget/
3 Spending Plan.

4 WHEREAS RCW 35.21.225 and 36.73.020 provide for the establishment of
5 a Transportation Benefit District ("TBD") by cities and counties to levy and impose
6 various taxes and fees to generate revenue to support transportation
7 improvements that benefit the district and are consistent with state, regional, or
8 local transportation plans, and necessitated by existing or reasonably foreseeable
9 congestion levels, and

10 WHEREAS Ordinance No. 28099, passed on November 20, 2012, and
11 codified under Chapter 10.28 of the Tacoma Municipal Code, established a TBD
12 for the purpose of acquiring, constructing, improving, providing, and funding
13 transportation improvements within the district, and,

14 WHEREAS on November 27, 2012, the TBD Board adopted Resolution
15 No. TBD 001, authorizing a vehicle license fee of \$20, and

16 WHEREAS on July 14, 2015, the Board adopted Amended Resolution
17 No. TBD 008 to place ballot measure Proposition No. 4, later referred to as
18 Proposition A, on the ballot for the General Election, and

19 WHEREAS Proposition A, approved by the voters in the November 3,
20 2015 General Election, authorized a sales tax increase of one-tenth of one
21 percent to fund street improvements, and

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WHEREAS the City's Office of Management and Budget estimates that the City will collect \$5,796,000 in authorized vehicle license fees, and \$9,493,127 from the sales tax increase of one tenth of one percent, which is a decrease in revenues of \$5,668,429 from the previous biennium, as the revenue generated from the sales tax increase of one tenth of one percent sunsets on March 31, 2026, and

WHEREAS in addition, there are anticipated investment revenues of \$51,772 and a planned use of \$364,400 of existing cash balance, for a total of \$15,705,299 of TBD revenues for the 2025-2026 biennium, and

WHEREAS the proposed TBD Budget/Spending Plan includes the regular planned transfer of \$5,800,000 to Streets Fund for street maintenance and repair, with an additional \$387,650 specifically to replace aging fleet equipment, a budgeted transfer of \$9,493,127 to the Streets Initiative Fund for street maintenance and repair, and a balancing entry of \$24,522 to the ending cash balance, for a total expense appropriation of \$15,705,299, and

WHEREAS RCW 36.73.020 states that the Board shall consider the following criteria when selecting transportation improvements: (1) reduced risk of transportation facility failure and improved safety; (2) improved travel time; (3) improved air quality; (4) increases in daily and peak period trip capacity; (5) improved modal connectivity; (6) improved freight mobility; (7) cost-effectiveness of the investment; (8) optimal performance of the system through time; and (9)



other criteria, as adopted by the governing body in Tacoma Municipal Code 10.28,
1 and

2 WHEREAS a budget/spending plan is necessary to outline the
3 transportation improvements to be funded by the TBD, appropriate funds for
4 said improvements, and coordinate with stakeholders and utilities, and
5

6 WHEREAS the TBD Board held a public hearing on October 29, 2024, to
7 allow the public to comment on the proposed TBD Budget/Spending Plan; Now,

8 Therefore,

9 BE IT RESOLVED BY THE GOVERNING BOARD OF THE TACOMA
10 TRANSPORTATION BENEFIT DISTRICT:
11

12 That the 2025-2026 Transportation Benefit District Budget/Spending Plan,
13 substantially in the form of the document on file in the office of the City Clerk, is
14 hereby approved.

15
16 Passed December 3, 2024

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19 Chair of the Transportation
Benefit District

20 Attest:

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22 City Clerk

23 Approved as to form:


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25 Deputy City Attorney
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City of Tacoma

Transportation Benefit District Board Action Memorandum

TO: Elizabeth A. Pauli, City Manager
FROM: Jake Green, Street Operations Assistant Division Manager, Public Works
Ramiro A. Chavez, P.E. PgMP, Director/City Engineer, Public Works 
COPY: Transportation Benefit District Governing Board and City Clerk
SUBJECT: Resolution - Approval of 2025-2026 Transportation Benefit District Budget and Spending Plan –
December 3, 2024
DATE: November 6, 2024

SUMMARY AND PURPOSE:

A resolution approving the 2025-2026 Transportation Benefit District Budget and Spending Plan.

BACKGROUND:

This Department's recommendation is based on RCW 35.21.225 and 36.73.020 and City of Tacoma Ordinance No. 28099, which authorized the establishment of a Transportation Benefit District (TBD) for the purposes of acquiring, constructing, improving, providing, and funding transportation improvements within the TBD, consistent with any state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels.

On November 27, 2012, the TBD Governing Board (Board) adopted Resolution No. TBD 001 authorizing the collection of a vehicle license fee of \$20.

On July 14, 2015, the Board adopted Amended Resolution No. TBD 008 to place ballot measure Proposition No. 4, later referred to as Proposition A, on the ballot for the General Election. Proposition A, which authorized a sales tax increase of one-tenth of one percent (0.1%) to fund street improvements was passed in the November 3, 2015, General Election.

The City's Office of Management and Budget estimates the City will collect \$5,796,000 (authorized vehicle license fee) and \$9,493,127 (sales tax increase of one-tenth of one percent) in the 2025-2026 biennium. This is a decrease in revenues of \$5,668,429 from the previous biennium as the revenue generated from the sales tax increase of one tenth of one percent sunsets on March 31, 2026. In addition, there are anticipated investment revenues of \$51,772 and a planned use of \$364,400 of existing cash balance, bringing the total of TBD revenues for the 2025-2026 biennium to \$15,705,299.

The proposed Budget and Spending Plan includes the regular planned transfer of \$5,800,000 to the 1065 Streets fund along with an additional \$387,650 to 1065 Streets specifically to replace aging fleet equipment. In addition, there is a budgeted transfer of \$9,493,127 to the 1085 Streets Initiative fund, and a balancing entry of \$24,522 to the ending cash balance, for a total expense appropriation of \$15,705,299.

RCW 36.73.020 states the Board shall consider the following criteria when selecting transportation improvements: reduced risk of transportation facility failure and improved safety; improved travel time; improved air quality; increases in daily and peak period trip capacity; improved modal connectivity; improved freight mobility; cost-effectiveness of the investment; optimal performance of the system through time; and other criteria, as adopted by the governing body in Chapter 10.28 of the Tacoma Municipal Code.



COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The TBD Budget and Spending Plan provide maintenance of the City’s street system and affects all of Tacoma’s residents. Maintenance projects are selected primarily upon the pavement condition of the City’s street system and the Department uses the City’s Equity Index to help guide selection of maintenance in underserved or underrepresented communities. A public hearing was held on October 29, 2024, which provided residents the opportunity to learn about and testify on the 2025-2026 TBD Budget and Spending Plan.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The proposed 2025-2026 TBD Budget and Spending Plan will provide maintenance and repair of residential streets and the construction of new ADA accessible curb ramps at various locations throughout the City, as identified in Exhibit A, entitled “2025-2026 Transportation Benefit District Budget and Spending Plan”. Maintenance projects are selected using best asset management practices and the City’s Equity Index.

Economy/Workforce: *Equity Index Score:* High Opportunity

Increase the number of infrastructure projects and improvements that support existing and new business developments.

Explain how your legislation will affect the selected indicator(s).

The TBD Budget and Spending Plan will provide maintenance of the City’s arterial and residential street system; improve safety, travel time, and air quality; increase in daily and peak period trip capacity; improve modal connectivity; and affect all of Tacoma’s residents and businesses.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Do not approve the TBD Budget and Spending Plan.	There are no positive impacts of not approving the TBD Budget and Spending Plan.	The City will continue to collect the TBD revenue; however, without an approved Budget and Spending Plan the City cannot appropriate the funding for transportation improvements nor coordinate with stakeholders and utilities.

EVALUATION AND FOLLOW UP:

The Department tracks the expenses and the amount of maintenance performed and provides the Board with annual and biennium reports of work completed.

STAFF/SPONSOR RECOMMENDATION:

The Public Works Department recommends the Transportation Benefit District Board approve the 2025-2026 Transportation Benefit District Budget and Spending Plan.



FISCAL IMPACT:

The authorized vehicle license fee of \$20 will generate an estimated \$5,796,000 (authorized vehicle license fee) and the sales tax increase of one-tenth of one percent will generate an estimated \$9,493,127 (sales tax increase of one-tenth of one percent), for a total of \$15,289,127 of TBD revenues in the 2025-2026 biennium. In addition, there are anticipated investment revenues of \$51,772 and a planned use of \$364,400 of existing cash balance, bringing the total of TBD revenues for the 2025-2026 biennium to \$15,705,299.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1070 Transportation Benefit District Vehicle Fee	663000	4317600	\$6,212,172
1070 Transportation Benefit District Sales Tax	663001	4313270	\$9,493,127
TOTAL			\$15,705,299

What Funding is being used to support the expense?

The Transportation Benefit District Funding is being used.

Are the expenditures and revenues planned and budgeted in this biennium’s current budget?

No

The proposed Budget and Spending Plan is for the 2025-2026 biennium.

Are there financial costs or other impacts of not implementing the legislation?

YES

Will the legislation have an ongoing/recurring fiscal impact?

No

Will the legislation change the City’s FTE/personnel counts?

No

ATTACHMENTS:

- Exhibit A - 2025-2026 Transportation Benefit District Budget and Spending Plan

EXHIBIT A

2025-2026 TRANSPORTATION BENEFIT DISTRICT BUDGET AND SPENDING PLAN

PROGRAM	BUDGET	PROGRAM PURPOSE
Street Maintenance and Repair	\$ 14,505,299	<p>The purpose of the Street Maintenance and Repair program is to maintain Tacoma's roadways, both residential and arterial. Repair and maintenance of the right-of-way promotes safety, enhances mobility, and protects the environment.</p> <p>Through the Transportation Benefit District funding, Public Works anticipates completing the following work:</p> <ul style="list-style-type: none"> Residential Surface Treatment – 250 to 270 Blocks Residential Street Paving – 90 to 110 Blocks Residential Preventative Maintenance – 255 to 275 Blocks Arterial Street Pavement Repair – 3 to 5 Lane Miles <p>Replacement of aging equipment used for street maintenance and repair.</p>
ADA Accessible Curb Ramps	\$ 1,200,000	<p>The purpose of the ADA Accessible Curb Ramp Program is to construct ADA Accessible Ramps to improve the walkability of residential streets repaved by City forces.</p> <p>Through the Transportation Benefit District funding, Public Works anticipates completing the following work:</p> <ul style="list-style-type: none"> Construct ADA Accessible Curb Ramps – 140 to 180 Ramps
TOTAL BUDGET	\$ 15,705,299	

Resolution No. TBD 024

Adopted: December 3, 2024

Maker of Motion: Walker

Seconded: Daniels

Voice Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
CM Bushnell	✓			
CM Daniels	✓			
CM Diaz	✓			
DM Hines	✓			
CM Rumbaugh	✓			
CM Scott	✓			
CM Sadalge	✓			
CM Walker	✓			
Mayor Woodards				✓

Roll Call Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
CM Bushnell				
CM Daniels				
CM Diaz				
DM Hines				
CM Rumbaugh				
CM Scott				
CM Sadalge				
CM Walker				
Mayor Woodards				