



Transportation Benefit District Overview

A Transportation Benefit District is an independent taxing district that can be formed by cities and counties in Washington. They can be used for acquiring, constructing, improving, providing, and funding transportation improvements within the area of the district. Projects may also include operations, preservation and maintenance of transportation facilities.

Chapter 36.73 RCW contains the rules and regulations for forming and operating the district. Bellevue's Transportation Benefit District is governed by Bellevue City Council, shares the same boundaries as the city, and any funds raised by the district would be used within the city.

Establish

Under Chapter 36.73 RCW, cities may establish a TBD through ordinance after holding a public hearing. The ordinance sets district boundaries and identifies improvement projects.

Bellevue City Council adopted [Ordinance No. 6748](#) to form a Transportation Benefit District on July 17, 2023

Govern

Most TBDs share boundaries with the establishing jurisdiction and are governed by the jurisdiction's legislative body acting as a separate board. Districts spanning multiple jurisdictions require an interlocal agreement establishing shared governance.

Assume

State law allows a city to absorb its TBD when the district boundaries match city limits. After a public hearing, the council may assume the district's powers, dissolving the independent TBD entity while maintaining required reporting for the year of assumption.

Funding

Washington State law provides several revenue tools for TBDs, including vehicle license fees, sales and use taxes, bonds, impact fees, fuel taxes, and tolling.



Material

TBDs must adopt a material change policy outlining how significant project changes will be managed. At minimum, the policy must require a public hearing when revised project costs exceed the initial estimate by more than 20%.

Reporting

Districts must submit yearly financials to the State Auditor's Office and publish an annual transportation improvement report summarizing revenues, expenditures, and project status.

Dissolve

A TBD must conclude operations within 30 days of completing identified transportation improvements but may continue collecting revenue until all debt obligations are satisfied. Final dissolution must occur within 30 days after all debts are paid.

Source material adapted from MRSC's Transportation Benefit Districts guidance (2019)