

CITY COUNCIL REGULAR SESSION

Public hearing on the proposed formation of a Transportation Benefit District and associated new Bellevue City Code Chapter 4.22 – Transportation Benefit District.

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EXECUTIVE SUMMARY

At the June 12, 2023 Study Session, staff introduced the concept of a Transportation Benefit District as a tool to restore funding for the transportation maintenance that was reduced as a result of the COVID-19 pandemic impacts included in the Adopted 2021-2022 Budget. These reductions were carried into the Adopted 2023-2024 Budget. The first step in creating a Transportation Benefit District is the “formation” of the district. A public hearing is required per RCW Chapter 36.73.050 before Council can approve the formation of the district.

RECOMMENDATION

Hold the public hearing on the formation of the Transportation Benefit District and, following the public hearing, direct staff to return at a future meeting with an ordinance establishing a citywide Transportation Benefit District and adopting a new Chapter 4.22 to the Bellevue City Code entitled Transportation Benefit District.

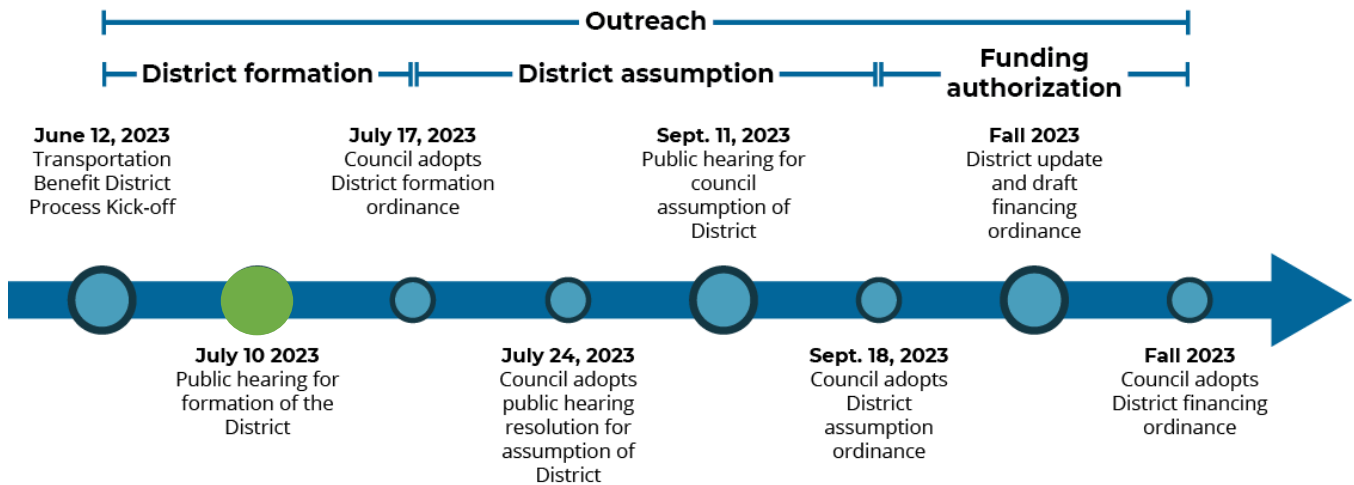
BACKGROUND/ANALYSIS

The concept of forming a Transportation Benefit District was presented to Council at Study Session on June 12, 2023. During that presentation, staff described how a Transportation Benefit District could be used to fund the restoration of budget reductions to transportation maintenance that were initially implemented in the 2021-2022 budget cycle to address citywide impacts of the COVID-19 pandemic. Staff also described the growing backlog of work across all reoccurring capital investment programs as another need that could be addressed.

Attachment C to this agenda memo provides a response to a question Council asked during the June 12 Study Session about how Transportation Benefit Districts are being used by other cities in the area. Attachment D provides information regarding comments and questions asked through the outreach process.

Creating a Transportation Benefit District is a multi-step process that begins with the formation of the district. The district will encompass the entire city limits of Bellevue. The complete process is shown in the graphic below and described in more detail in Attachment B. The larger circles represent presentations that will be made to Council throughout the process. The smaller circles are milestones

that will be completed through consent or Other Ordinances, Resolutions and Motions. The green circle represents the current step in the process. Attachment A provides the draft code language for new Chapter 4.22 - Transportation Benefit District of the Revenue and Finance Code.



POLICY & FISCAL IMPACTS

Policy Impact

Creation of a Transportation Benefit District supports multiple Transportation policies, including TR-55 – “maintain and enhance safety for all users of the roadway network,” and TR-56 – “ensure that maintenance of the existing transportation system be given priority consideration.”

Creation of a Transportation Benefit District would also support Council’s “High-Quality Built and Natural Environment” strategic target area vision for “a clean, high-quality environment and excellent and reliable infrastructure that supports our vibrant and growing city.”

Lastly, Section XI.I “Preserve Existing Capital Infrastructure Before Building New Facilities” of the *Comprehensive Financial Management Policies* states “it is the city’s policy to ensure that adequate resources are allocated to preserve the city’s existing infrastructure before targeting resources to build new facilities that also have operating and maintenance obligations. This policy addresses the need to protect the city’s historical investment in capital facilities and to avoid embarking on a facility enhancement program, which when coupled with the existing facilities requirements, the city cannot afford to adequately maintain.”

Fiscal Impact

There is no fiscal impact in the formation of a Transportation Benefit District. The formation of the district would be first of many steps toward creating a new revenue stream that could fill the deferred maintenance budget for Streets and Signals Maintenance. This was reduced in the fiscal year 2021-2022 budget by \$1.7 million and \$1.8 million, respectively, to address COVID-19 pandemic impacts. This budget cut was continued in the 2023-2024 fiscal year budget due to competing needs in the City. Reoccurring capital investment programs could also be enhanced to meet the needs of our growing city.

OPTIONS

1. Hold the public hearing on the formation of the Transportation Benefit District and, following the public hearing, direct staff to finalize the associated ordinance for adoption at a future meeting.
2. Hold the public hearing and, following the public hearing, provide alternative direction to staff.

ATTACHMENTS

- A. Draft Bellevue City Code Chapter 4.22 – Transportation Benefit District.
- B. Transportation Benefit District Detailed Timeline
- C. Response to 6-12-2023 Study Session Question
- D. Comments and Questions Received Through Outreach Process

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N/A