

## CITY COUNCIL REGULAR SESSION

Resolution setting a time and place for a public hearing regarding the City's intended assumption of the Bellevue Transportation Benefit District pursuant to the authority of Chapter 36.74 RCW.

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## EXECUTIVE SUMMARY

This resolution indicates the intention to conduct a public hearing concerning the Council assuming the rights, powers, functions and obligations of a Transportation Benefit District.

## RECOMMENDATION

Move to adopt Resolution No 10284

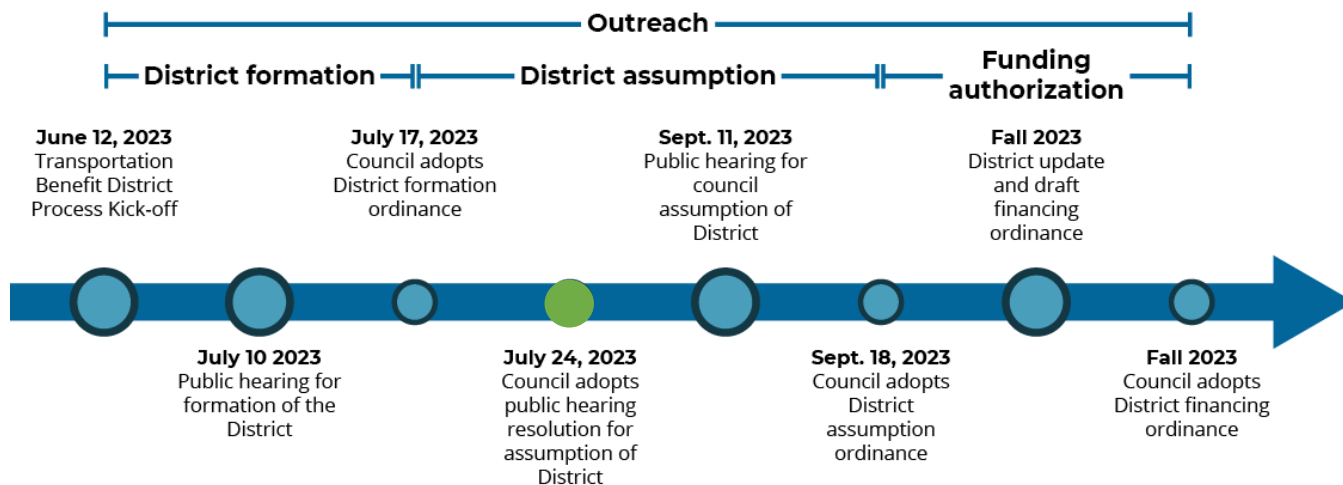
## BACKGROUND/ANALYSIS

The concept of forming a Transportation Benefit District was presented to Council at the June 12, 2023 Study Session. 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.

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. A public hearing was held at the July 10, 2023 Regular Session to receive public input on the formation of the district. Formation of the Transportation Benefit District was approved by Council through adoption of Ordinance No. 6748 at the July 17, 2023 Regular Session.

Adoption of this resolution kicks off the assumption process. If the resolution is adopted, a public hearing will be held on September 11, 2023 to gather input from the community on the Council assuming the governance of the Transportation Benefit District rather than maintaining a separate board for management of the district. While this step is not legally required, it will greatly streamline the administration and governance of the Transportation Benefit District. For example, the City could receive revenues into the City's accounts, rather than creating and maintaining a separate financial entity. Furthermore, this action would enable the project selection and appropriation to be seamlessly integrated with the City's normal budget processes and Council prioritization. The assumption process for a Transportation Benefit District is defined in RCW Chapter 36.74.

The complete process to create a Transportation Benefit District is shown in the graphic below and described in more detail in Attachment A. 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.



## 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. Adopt the Resolution setting a time and place for a public hearing regarding the City's intended assumption of the Bellevue Transportation Benefit District pursuant to the authority of Chapter 36.74 RCW.
2. Do not adopt the Resolution and provide alternative direction to staff.

### **ATTACHMENTS**

- A. Transportation Benefit District Detailed Timeline  
Proposed Resolution No. 10284

### **AVAILABLE IN COUNCIL LIBRARY**

N/A