

**CITY OF LAKE STEVENS
LAKE STEVENS, WASHINGTON**

ORDINANCE NO. 1043

**AN ORDINANCE OF THE CITY OF LAKE STEVENS, WASHINGTON,
ESTABLISHING A TRANSPORTATION BENEFIT DISTRICT PURSUANT TO
CHAPTER 36.73 RCW AND ADDING A NEW CHAPTER 3.80 TO THE LAKE
STEVENS MUNICIPAL CODE.**

WHEREAS, the City Council of the City of Lake Stevens has the responsibility under the Constitution of the State of Washington for the improvement, maintenance, protection and operation of public ways within the corporate limits of the City pursuant to RCW 35A.11.020 and Chapter 35A.47 RCW; and

WHEREAS, the improvement, maintenance, protection and operation of public ways requires preserving, enhancing, constructing and reconstructing existing and future transportation improvements to avoid both catastrophic failure of the improvements which would require significant additional funds to reconstruct, as well as their gradual deterioration; and

WHEREAS, the number one priority in the “Washington Transportation Plan for 2007-2026” adopted by the Washington Transportation Commission (“State Transportation Plan”) is to preserve and extend prior investments in existing transportation facilities and the services they provide to people and commerce; and

WHEREAS, the State Transportation Plan identifies in Section II that there is no more fundamental transportation investment than existing system preservation – keeping the physical infrastructure in safe and efficient operating condition; and

WHEREAS, the State Transportation Plan on page 72 establishes unfunded high priorities of state-wide significance and includes the need to “[p]reserve, maintain and operate city streets” thereby recognizing that the shortfall in funding to preserve, maintain and operate city streets is a matter of state-wide significance; and

WHEREAS, the investment principles from the Puget Sound Regional Council “Destination 2030 Metropolitan Transportation Plan for the Central Puget Sound Region” state that the first priority should be to maintain, preserve, make safe, and optimize existing transportation infrastructure and services and Regional Transportation. Policy 8.3 identifies the importance of maintaining and preserving the existing urban and rural transportation systems in a safe and usable state; and

WHEREAS, the City has limited transportation funding to pay for necessary transportation preservation, maintenance and transportation capital projects set forth in City, County, Regional, and State transportation plans; and

WHEREAS, the funding dedicated for the preservation, maintenance, and new capital projects relating to the City’s transportation infrastructure has been dramatically reduced due to the passage of Initiative 695 in 1999 and Initiative 776 in 2002, resulting in the significant loss of Motor Vehicle Excise Taxes and Snohomish County Local Vehicle License fees; and

WHEREAS, while dedicated revenues have decreased, the ongoing annual costs to preserve, maintain and enhance the City's transportation infrastructure continue to rise leaving the City unable to continue to adequately preserve, maintain and enhance the City's transportation infrastructure; and

WHEREAS, Chapter 36.73 RCW provides for the establishment of transportation benefit districts and for the levying of additional revenue sources for transportation improvements within the District that are consistent with existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels; and

WHEREAS, RCW 35.21.225 authorizes the City Council to establish a transportation benefit district subject to the provisions of Chapter 36.73 RCW; and

WHEREAS, the City desires to form a transportation benefit district which includes the entire City of Lake Stevens as the corporate boundaries currently exist or as they may exist following future annexations; and

WHEREAS, prior to establishing a transportation benefit district, the City Council shall conduct a public hearing upon proper notice, which shall describe the functions and purposes of the proposed transportation benefit district; and

WHEREAS, the City provided notice of and conducted the public hearing on December 18, 2018, regarding the proposed establishment of a transportation benefit district in accordance with RCW 36.73.050; and

WHEREAS, the City Council of the City of Lake Stevens finds it to be in the best interests of the City to establish a citywide transportation benefit district for the preservation, maintenance and enhancement of the City's transportation infrastructure consistent with Chapter 36.73 RCW, to protect the City's long-term investments in that infrastructure, to reduce the risk of transportation facility failure, to improve safety, to continue optimal performance of the infrastructure over time, and to avoid more expensive infrastructure replacements in the future; and

WHEREAS, the City Council of the City of Lake Stevens shall be the governing body for the transportation benefit district acting in an ex officio and independent capacity;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE STEVENS, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. The purpose of this Ordinance is to establish a transportation benefit district pursuant to RCW 35.21.225 and Chapter 36.73 RCW. The City Council finds it is in the public interest to provide adequate levels of funding for the purposes of ongoing transportation improvements that preserve, maintain and enhance as appropriate, construct or reconstruct the transportation infrastructure of the City of Lake Stevens, consistent with Chapter 36.73 RCW.

Section 2. The City of Lake Stevens adopts a new chapter 3.80 to the Lake Stevens Municipal Code entitled "Lake Stevens Transportation Benefit District," which is set forth as follows:

CHAPTER 3.80

TRANSPORTATION BENEFIT DISTRICT

Sections:

- 3.80.010 Establishing Transportation Benefit District.**
- 3.80.020 Governing Board.**
- 3.80.030 Authority of the District.**
- 3.80.040 Transportation Improvements Funded.**
- 3.80.050 Dissolution of District.**

3.80.010 Establishing Transportation Benefit District. There is created a transportation benefit district to be known as the Lake Stevens Transportation Benefit District or “District” with geographical boundaries comprised of the corporate limits of the City as they currently exist or as they may exist following future annexations.

3.80.020 Governing Board.

- A. The governing board “Board” of the transportation benefit district shall be the Lake Stevens City Council acting in an ex officio and independent capacity, which shall have the authority to exercise the statutory powers set forth in Chapter 36.73 RCW. The Board shall be known as the “Lake Stevens Transportation Benefit District Board.”
- B. The treasurer of the transportation benefit district shall be the City Lake Stevens Finance Director.
- C. The Board shall develop a material change policy to address major plan changes that affect project delivery or the ability to finance the plan, pursuant to the requirements set forth in RCW 36.73.160(1). At a minimum, if a transportation improvement exceeds its original cost by more than twenty percent, as identified in the District’s original plan, a public hearing shall be held to solicit public comment regarding how the cost change should be resolved.
- D. The Board shall issue an annual report, pursuant to the requirements of RCW 36.73.160(2).

3.80.030 Authority of the District.

- A. The District may authorize a vehicle fee of up to twenty dollars (\$20) per vehicle. The District may subsequently increase this fee to forty dollars (\$40) if the twenty-dollar (\$20) fee has been imposed for at least twenty-four months, or fifty dollars (\$50) if a fee of forty dollars (\$40) has been imposed for at least twenty-four months as provided for by RCW 82.80.140.
- B. When authorized by the voters pursuant to the requirements of chapter 36.73 RCW, the District may assess other taxes, fees, charges and tolls or increases in these revenue sources for the preservation, maintenance, enhancement, construction, reconstruction and operation of city streets and ways.
- C. The District shall have and may exercise any and all powers and functions provided by chapter 36.73 to fulfill the purposes of the District.

3.80.040 Transportation Improvements Funded. The funds generated by the transportation benefit district shall be used for transportation improvements that preserve, maintain, enhance and

operate the existing transportation infrastructure of the City, and to construct and reconstruct improvements and capital projects consistent with the requirements of Chapter 36.73 RCW and may include but shall not be limited to "transportation improvements" as defined in RCW 36.73.015(4). The funds may be utilized for any lawful purpose under the Chapter; but all funds raised through the TBD shall be expended only for such preservation, construction, reconstruction maintenance and operation in accordance with the provisions of Chapter 36.73 RCW as the same exists or is hereafter amended. The funds expended by the District shall preserve, maintain and operate the City's previous investments in the transportation infrastructure, reduce the risk of transportation facility failure, improve safety, continue the cost-effectiveness of the City's infrastructure investments, fund new capital projects and continue the optimal performance of the transportation system. Additional transportation improvement projects may be funded only after compliance with the provisions of RCW 36.73.050(2)(b) following notice, public hearing and enactment of an authorizing ordinance.

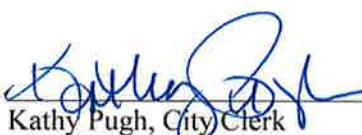
3.80.050 Dissolution of District. Pursuant to RCW 36.73.050 and 36.73.170 the transportation benefit district shall be automatically dissolved when all indebtedness of the District has been retired and when all of the District's anticipated responsibilities have been satisfied. Street preservation, maintenance and operation are ongoing, long-term obligations of the City.

Section 3. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this ordinance.

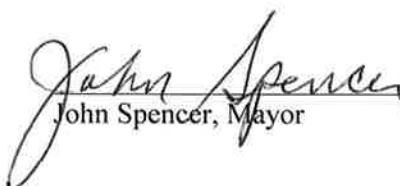
Section 4. Effective Date. This ordinance shall take effect January 1, 2019. Publication of this ordinance may be by an approved summary thereof consisting of the ordinance title.

PASSED by the City Council and APPROVED by the Mayor this 18th day of December, 2018.

ATTEST:

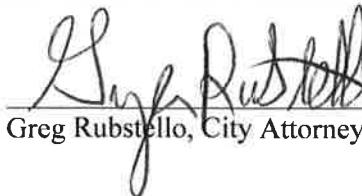


Kathy Pugh, City Clerk



John Spencer, Mayor

APPROVED AS TO FORM:



Greg Rubstello, City Attorney

First and Final Reading: 12/18/2018
Date of Publication: 12/21/2018
Effective Date: 1/1/2019