

TRANSPORTATION BENEFIT DISTRICT AGENDA ITEM
SHORELINE TRANSPORTATION BENEFIT DISTRICT

AGENDA TITLE: Authorizing the Executive Director of the Shoreline TBD to sign an Interlocal Agreement with the State of Washington Department of Licensing to collect a vehicle license fee.
DEPARTMENT: Finance
PRESENTED BY: Debbie Tarry, Treasurer

PROBLEM/ISSUE STATEMENT:

The City Council created the Shoreline Transportation Benefit District on June 22, 2009. This evening the Shoreline Transportation Benefit District (TBD) will hold its second meeting at which the TBD board is scheduled to consider adopting a \$20 vehicle license fee. If the Board adopts this fee, then an interlocal agreement must be signed between the Shoreline TBD and the State of Washington Department of Licensing (DOL) so that DOL can collect the fee on behalf of the TBD. The fee cannot be collected any sooner than six (6) months from the signed and dated Ordinance creating the TBD fee.

Other cities who have previously created a TBD (Edmonds, Olympia, Lake Forest Park, Des Moines) have already negotiated the contract template that is used by DOL. The statutes that allowed cities to create a TBD provide that 1% of the vehicle license payments collected will be remitted to DOL to cover their administrative and collection expenses. The DOL will distribute proceeds to the State Treasurer who will remit any TBD proceeds to the TBD on a monthly basis.

FINANCIAL IMPACT:

Staff anticipates that the City would collect at least \$600,000 annually from a \$20 vehicle license fee. Of this amount DOL will retain 1% (estimate of \$6,000) to cover their administrative and collection related expenses.

RECOMMENDATION

Staff recommends that the TBD Board authorize the TBD Executive Director to sign an Interlocal Agreement with the State of Washington Department of Licensing to collect a vehicle license fee.

Approved By: City Manager  City Attorney _____