

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Resolution No. 376 – Indication of the City’s Intent to Conduct a Hearing Concerning the Assumption of the Shoreline Transportation Benefit District
DEPARTMENT:	City Manager’s Office
PRESENTED BY:	Alex Herzog, Management Analyst
ACTION:	<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

The 2015 Washington State Legislature amended existing laws and added new provisions to statutes regarding Transportation Benefit Districts (TBDs). Changes included amendments to statutes establishing and authorizing governance of a TBD. This allows cities and districts with coextensive boundaries to eliminate the separate entity status given to a TBD and for the city to assume the rights, powers, functions, and obligations of the TBD.

Councilmembers have expressed an interest in the City assuming the Shoreline TBD and thereby eliminating it as a separate entity to promote efficiency in government operation and administration and to eliminate potential public confusion about distinguishing the two entities. In order to assume the TBD, the City must adopt a resolution indicating the City’s intent to conduct a Public Hearing on the potential assumption. Adoption of Resolution No. 376 provides for this statutory requirement.

RESOURCE/FINANCIAL IMPACT:

Proposed Resolution No. 376 indicating the City’s intent to conduct a hearing concerning the assumption of the rights, powers, functions and obligations of the TBD has no resource/financial impact. The potential future ordinance authorizing the City’s assumption of the TBD also has no resource or financial impact.

RECOMMENDATION

Staff recommends that Council adopt Resolution No. 376 indicating the City’s intent to conduct a public hearing concerning the assumption of the rights, powers, functions and obligations of the Shoreline TBD; and setting a time and place at which the City will consider the proposed assumption; and stating that all persons interested may appear and be heard.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

Consistent with RCW 36.73, the Shoreline City Council created a Transportation Benefit District (TBD) in June 2009 with approval of Ordinance No. 550. With this ordinance, the Shoreline TBD was formed and a new chapter to the Shoreline Municipal Code, entitled "Transportation Benefit District" was adopted (SMC 3.60). The ordinance specifies that the boundaries for the TBD be coextensive with the City limits. As it currently exists, the Shoreline TBD is a quasi-municipal corporation and independent taxing district created for the sole purpose of acquiring, constructing, improving, providing, and funding transportation improvements within the district.

Funds used to operate a TBD must make transportation improvements that are consistent with existing regional, state, and local transportation plans and necessitated by existing and reasonably foreseeable congestion levels as provided in Chapter 36.73 RCW. The Shoreline City Council further determined that it is in the public interest to provide for transportation improvements that specifically focus on reducing the risk of transportation facility failure and improving safety, decreasing travel time, increasing daily and peak period trip capacity, improving modal connectivity, and preserving and maintaining optimal performance of transportation infrastructure (SMC 3.60.020).

Earlier this year, the Washington State Legislature, in passing a 16-year, \$16 billion transportation package, also amended existing laws and added new provisions to statutes regarding TBDs. Changes included amendments to statutes establishing and authorizing governance of a TBD. This allows cities and districts with coextensive boundaries to eliminate the separate entity status given to a TBD and for the city to assume the rights, powers, functions, and obligations of the TBD.

DISCUSSION

Subsequent to the amendments made to state law, Councilmembers expressed an interest in the City assuming the Shoreline TBD. Potential assumption of the Shoreline TBD by the City would have no impact on the various mechanisms by which funds may be raised, or the purposes for which funds may be expended. If the City assumes the rights, powers, functions and obligations of the TBD, establishing additional mechanisms for raising funds for transportation improvements would require future action by the City Council.

In order to assume the Shoreline TBD, there are several steps the City must take. These include:

- Adopting a resolution indicating the City's intent to conduct a hearing concerning the assumption of the rights, powers, functions and obligations of the Shoreline TBD. Proposed Resolution No. 376 (Attachment A) provides this intent.
- Conducting a public hearing concerning the assumption of the rights, powers, functions and obligations of the TBD. The public hearing is currently scheduled for October 5, 2015.

- Discussion of an ordinance authorizing the City's assumption of the rights, powers, functions and obligations of the Shoreline TBD. This discussion is also scheduled for October 5, and would follow the public hearing as part of the same agenda item.
- Adoption of an ordinance authorizing the City's assumption of the rights, powers, functions and obligations of the Shoreline TBD. Adoption of this potential ordinance is currently scheduled for October 19, 2015.

FINANCIAL IMPACT

Proposed Resolution No. 376 indicating the City's intent to conduct a hearing concerning the assumption of the rights, powers, functions and obligations of the TBD has no resource/financial impact. The potential future ordinance authorizing the City's assumption of the TBD also has no resource or financial impact.

RECOMMENDATION

Staff recommends that Council adopt Resolution No. 376 indicating the City's intent to conduct a public hearing concerning the assumption of the rights, powers, functions and obligations of the Shoreline TBD; and setting a time and place at which the City will consider the proposed assumption; and stating that all persons interested may appear and be heard.

ATTACHMENTS

Attachment A – Resolution No. 376

RESOLUTION NO. 376

A RESOLUTION OF THE CITY COUNCIL OF SHORELINE, WASHINGTON INDICATING THE CITY'S INTENT TO CONDUCT A PUBLIC HEARING CONCERNING THE ASSUMPTION OF THE RIGHTS, POWERS, FUNCTIONS, AND OBLIGATIONS OF THE SHORELINE TRANSPORTATION BENEFIT DISTRICT.

WHEREAS, in June 2009, the City Council adopted Ordinance No. 550 creating the Shoreline Transportation Benefit District ("TBD") with boundaries coterminous with the boundaries of the City, all in accordance with chapter 36.73 RCW, and

WHEREAS, on July 1, 2015, the Washington State Legislature enacted Second Engrossed Substitute Senate Bill 5987 (SESSB 5987) which, at Section 301 authorizes the City to assume the rights, powers, functions, and obligations of the TBD; and

WHEREAS, prior to assuming the rights, powers, functions, and obligations of the TBD, the City must indicate its intent to conduct a hearing concerning the assumption by adoption of an ordinance or resolution; and

WHEREAS, the ordinance or resolution must set the time and place for the hearing and state that all persons interested in the assumption may appear and be heard;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON AS FOLLOWS:

Section 1 Intent to Conduct Public Hearing. The City Council hereby declares its intent to conduct a public hearing to consider the proposed assumption of the rights, powers, functions, and obligations of the existing Shoreline Transportation Benefit District.

Section 2 Date, Time, and Place of Public Hearing. The public hearing on the proposed assumption shall be held on Monday, October 5, 2015 at 7:20 pm in Council Chambers at the Shoreline City Hall, 17500 Midvale Avenue, Shoreline, WA 98133.

Section 3 Public Testimony. All persons interested in the proposed assumption may appear at the hearing and will have the opportunity to be heard.

ADOPTED BY THE CITY COUNCIL ON SEPTEMBER 14, 2015.

Mayor Shari Winstead

ATTEST:

Jessica Simulcik Smith, City Clerk