

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Ordinance No. 822 - Authorizing an Additional Vehicle License Fee of Twenty Dollars to Preserve, Maintain and Operate the Transportation Infrastructure of the City of Shoreline Including Funding for Sidewalk Repairs and Retrofits
DEPARTMENT:	Public Works Administration Services
PRESENTED BY:	Tricia Juhnke, City Engineer Sara Lane, Administrative Services Director
ACTION:	<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

There are approximately 75 miles of existing sidewalks throughout the City. These sidewalks were built at different times under different standards and are in need of repairs and retrofits. As a precursor to the development of the City's Americans with Disabilities Act (ADA) Transition Plan, sidewalks throughout the City have been inspected for compliance with ADA standards.

Preliminary review and analysis of the inspections indicate over \$110 million is needed for repairs, including replacement and retrofitting existing sidewalks and curb ramps to meet ADA standards. Current funding for the Curb Ramp, Gutter, and Sidewalk Maintenance Program is very limited. Historically, \$152,000 from the City's general fund has been used for this annual program and recent six-year Capital Improvement Plans have increased the funding to approximately \$200,000 per year starting in 2020. This funding level will not meet the need for repair and replacement of existing sidewalks.

Various funding sources have been evaluated by staff and studied by the City Council. The current \$20 per vehicle per year vehicle license fee (VLF) has been levied by the Shoreline Transportation Benefit District (TBD) since 2009. Since that time it has provided most of the funding for the Annual Road Surface Maintenance Program, generating approximately \$830,000 in 2017. In 2015, legislative changes provided the Shoreline TBD councilmanic authority to increase the current VLF up to a total of \$50 per vehicle per year.

In the 4th quarter of 2017, the City Council discussed the ADA Transition Plan and associated sidewalk repair needs of the City, along with funding options. Council discussed the potential of utilizing an increase to the VLF to provide a higher level of ongoing and stable funding for the Curb Ramp, Gutter, and Sidewalk Maintenance

Program. Ultimately the majority of Council desired to wait for the City's Sidewalk Advisory Committee to complete their work and make recommendations on funding for both sidewalk repair and construction of new sidewalks.

Continued discussions at the Council's Strategic Planning Workshop in March 2018, along with discussion during a review of the proposed Sidewalk Prioritization Plan and ADA Transition Plan on April 23, 2018, led Council to direct staff to bring back an ordinance for further Council consideration that would increase the VLF by \$20 per vehicle per year.

On May 14, 2018 discussed Ordinance No. 822 (Attachment A), which would provide for this \$20 VLF increase effective September 1, 2018. However, as per state law, the increased VLF will not be collected until six months after the effective date, meaning that collection of the VLF would begin in 2019. Tonight, Council is scheduled to take action on Ordinance No. 822.

RESOURCE/FINANCIAL IMPACT:

Various funding sources have been evaluated by staff and studied by the City Council. The VLF is the most stable, recurring funding source for transportation improvements. It is estimated an increase of \$20 per vehicle would generate an additional \$830,000 in annual revenue. This source could increase the funding level for the sidewalk repair and maintenance program to approximately \$1 million per year.

RECOMMENDATION

Staff recommends that the City Council adopt Ordinance No. 822 to increase the current Vehicle License Fee by \$20 per vehicle per year to provide revenue to support the repair and maintenance of the City's sidewalk network.

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

INTRODUCTION

The need for additional funding for maintenance of existing sidewalks has been identified for several years. The City Council discussed options for increasing funding for sidewalk maintenance and repair during their 2016 Annual Strategic Planning Workshop and again during their 2017 Annual Strategic Planning Workshop along with a discussion on construction of new sidewalk and expanding the pedestrian system plan.

Currently, annual sidewalk repair and replacement is primarily funded through a General Fund contribution and supplemented with Roads Capital funding. The Capital Improvement Plan has identified this program as being underfunded.

BACKGROUND

The City Council has discussed funding for the repair and maintenance of existing sidewalk extensively over the past several years. Most recently Council discussed proposed Ordinance No 822 on May 14, 2018. The staff report can be found at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2018/staffreport051418-8a.pdf>

Prior to this meeting the Council had the following discussions regarding the repair and maintenance of existing sidewalks:

- November 20, 2017 – discussion of the City’s ADA Transition Plan. The staff report for this discussion can be found at:
<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport112017-9a.pdf>
- November 27, 2017 - Discussion of proposed Ordinance No. 772 to increase Vehicle License Fees by \$20 per year to provide funding for the repair of existing sidewalk. The staff report can be found at:
<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport112717-8b.pdf>
- December 11, 2018- Council voted against Ordinance No 772. The staff report can be found at:
<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport121117-8a.pdf>

Over the past year, a Sidewalk Advisory Committee (SAC) has met twelve times to discuss both the expansion and maintenance of the existing sidewalk network. The final recommendations of the SAC are scheduled for discussion with the Council on June 4, 2018. The SAC has reviewed the funding options for both maintenance of the existing sidewalk and expansion of new sidewalks. Two key recommendations from the SAC, related to funding of repair of existing sidewalk are:

- Maintenance and repair of existing sidewalk should be the top priority over the expansion of new sidewalks.
- Their preferred funding mechanism for maintenance is a voter approved Sales and Use Tax, but they are comfortable with a councilmanic increase in Vehicle

License Fee. They do not recommend a voter approved Levy increase to fund existing sidewalk repairs and ADA compliance.

ALTERNATIVES ANALYSIS

The following alternatives exist regarding proposed Ordinance No. 822:

1. **Approve Ordinance No. 822: Implement the \$20 VLF Effective September 1, 2018 (Recommended):** State law provides limited funding mechanisms to address the City's transportation needs. The VLF is one of those mechanisms and the City Council has been granted authority to levy up to \$50 per vehicle per year (\$20 now and an additional \$10 after 24 months). It is estimated that this alternative, the \$20 additional VLF, will generate an additional estimated \$830,000 annually in revenue programmed towards the repair, replacement and retrofit of existing sidewalk. If implemented September 1, 2018, collection of the VLF would begin March 1, 2019. Total revenue available for sidewalk repair could be up to approximately \$1 million per year.
2. **Do not Approve Ordinance No. 822:** Not approving a \$20 increase in the VLF will maintain current funding levels for sidewalk repair and delay the timeframe to complete improvements to the City's sidewalk network. This will delay the maintenance of assets that are the responsibility of the City. Total revenue available for sidewalk repair would remain at approximately \$200,000 per year.

COUNCIL GOAL(S) ADDRESSED

This item addresses City Council Goal 2: Improve Shoreline's utility, transportation, and environmental infrastructure; Action Step 1 – Identify funding strategies, including grant opportunities, to implement the City's Transportation Master Plan including construction of non-motorized improvements.

RESOURCE/FINANCIAL IMPACT

Various funding sources have been evaluated by staff and studied by the City Council. The VLF is the most stable, recurring funding source for transportation improvements. It is estimated an increase of \$20 per vehicle would generate an additional \$830,000 in annual revenue. This source could increase the funding level for the sidewalk repair and maintenance program to approximately \$1 million per year.

RECOMMENDATION

Staff recommends that the City Council adopt Ordinance No. 822 to increase the current Vehicle License Fee by \$20 per vehicle per year to provide revenue to support the repair and maintenance of the City's sidewalk network.

ATTACHMENTS

Attachment A: Proposed Ordinance No. 822

ORDINANCE NO. 822

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AUTHORIZING AN ADDITIONAL VEHICLE LICENSE FEE OF TWENTY DOLLARS, FOR A TOTAL ANNUAL VEHICLE LICENSE FEE OF FORTY DOLLARS.

WHEREAS, as provided in RCW 36.73, the Shoreline City Council formed a city-wide transportation benefit district known as the Shoreline Transportation Benefit District (“TBD”) in 2009; and

WHEREAS, in October 2015, via Ordinance No. 726, the Shoreline City Council assumed the rights, powers, functions, immunities, and obligations of the TBD and the Council became the governing board; and

WHEREAS, RCW 36.73.065(4) and SMC 3.60.030(A) authorizes the TBD, by majority vote of the governing board and without a public vote, to impose a vehicle license fee of up to \$40.00 provided a vehicle fee of \$20.00 has been imposed for a least 24 months; and

WHEREAS, in July 2009, as authorized by RCW 36.73.065, the TBD imposed a vehicle license fee of \$20.00; and

WHEREAS, the City Council, as the governing board, now finds it is in the best interest of the citizens of Shoreline to increase the annual vehicle license fee to \$40.00 for the purpose of preserving, maintaining, and operating the transportation infrastructure of the City of Shoreline, including to assist in the funding of multi-modal improvements such as curbs, gutters, and sidewalks; and

WHEREAS, RCW 82.80.140(4) mandates that no fee may be collected until six (6) months after approval under RCW 36.73.065;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE DO ORDAIN AS FOLLOWS:

Section 1. Increased Annual Vehicle License Fee. The annual vehicle license fee of \$20.00 shall be increased to an annual fee of \$40.00, consistent with RCW 36.73.065 and SMC 3.60.030, and is to be collected by the Washington State Department of Licensing on qualifying vehicles as set forth in RCW 82.80.140 and chapters 36.73 RCW and 46.16 RCW.

Section 2. Effective Date of Fee Collection. The increased vehicle license fee will not be collected sooner than six months after the effective date of this Ordinance as provided in RCW 82.80.140(4). The existing annual vehicle license fee of \$20.00 established in 2009 shall remain in effect and be collected by the Washington State Department of Licensing until the effective date of the increased vehicle license fee established by this Ordinance.

Section 3. Revenues. The revenues received by the \$20.00 increase shall be used only for transportation improvement projects contained in the City’s Transportation Plan or the operation, preservation, and maintenance of these facilities or programs.

Section 4. Directions to City Clerk. The City Council directs the City Clerk to notify the Washington State Department of Licensing of the vehicle fee established in Section 1 of this Ordinance and to request that the Department of Licensing take all steps necessary to implement collection of this fee in accordance with RCW 82.80.140.

Section 5. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 6. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to any person or situation.

Section 7. Publication and Effective Date. A summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall take effect September 1, 2018, PROVIDED THAT, the increased vehicle license fee shall not become effective until six months after the effective date of this Ordinance.

PASSED BY THE CITY COUNCIL ON JUNE 4, 2018.

Mayor Will Hall

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Margaret King
City Attorney

Date of Publication:
Effective Date: September 1, 2018