



## **CITY OF DES MOINES TRANSPORTATION BENEFIT DISTRICT**

### **Transportation Committee Update 10-8-2020**

#### **Program Background - Transportation Benefit District (TBD)**

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The Des Moines TBD, in accordance with 36.73 RCW, provided local jurisdictions legislative authority to create TBDs for the purpose of acquiring, constructing, improving, providing, and funding transportation improvements consistent with state, regional, and local transportation plans and necessitated by existing or reasonable foreseeable congestion levels.

- \$20 Dec 2008 Annual Vehicle License TBD Fee – Street Fund Operations
- \$40 March 2015 Annual Vehicle License TBD Fee – Additional \$20 Arterial Street Preservation

#### **Strategic Challenge – Initiative I-976**

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I-976 Limits on Motor Vehicle Taxes and Fees Measure – Approved November 5, 2019 by WA Voters

- Cap taxes on certain cars at \$30
- **End Transportation Benefit Districts**
- End various other local vehicle taxes

Des Moines TBD collects approximately \$1,000,000 per year to support street fund operations and arterial street preservation activities.

#### **Current I-976 Status**

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- I-976 court case was heard by WA Supreme Court on June 30<sup>th</sup>, 2020 with no ruling
- Due to upcoming significant budgetary implications for WA, expected court ruling 4<sup>th</sup> Qtr. 2020
- Not expected to be appealed to Federal Courts if I-976 is upheld

#### **Next Steps & Opportunities**

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- City holding collected TBD funds in case I-976 is upheld and payment becomes due
- City placed on hold all Arterial Pavement Preservation projects until court decision
- City advocating with WA legislature for need to maintain local funding tools as well as demonstrating strong support for funding programs such as the Transportation Improvement Board and Safe Routes to School
- Staff to develop recommendations and review impacts with future Council Committee if I-976 is upheld