#### **ORDINANCE NO. 562**

AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, ESTABLISHING A TRANSPORTATION BENEFIT DISTRICT, SPECIFYING THE BOUNDARIES FOR THE TRANSPORTATION DISTRICT, SPECIFYING THE MAINTENANCE AND PRESERVATION OF EXISTING TRANSPORTATION IMPROVEMENTS AND OTHER STREET IMPROVEMENTS WHEN DESIGNATED ON STATE AND REGIONAL PLANS, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

WHEREAS, the City Council of the City of University Place 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 existing 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 \$6 billion" thereby recognizing that the shortfall in funding to preserve, maintain and operate city streets is a matter of state-wide significance and accordingly, an eligible transportation improvement listed on the state plan within the meaning of RCW 36.73.015; and

WHEREAS, the "Destination 2030" adopted by the Puget Sound Regional Council ("Regional Transportation Plan") lists the first priority and a major objective is to maintain, preserve, make safe and secure, and optimize existing transportation infrastructure; and

WHEREAS, the Regional Transportation Plan on page 22 identifies the most cost-effective infrastructure investments as those that maintain and preserve existing assets, including existing roadways and related facilities and equipment, as necessary for safe and efficient operation; and

WHEREAS, the Regional Transportation Plan also focuses on congestion issues, including structural and behavioral causes of congestion, and acknowledging the State's Blue Ribbon Commission findings that congestion needs to be relieved through a variety of approaches, including new roads as needed; and

WHEREAS, the Regional Transportation Plan states:

Destination 2030 supports full funding to maintain, preserve, operate, and address safety concerns for existing infrastructure. If transportation maintenance and preservation needs are to be effectively addressed, dedicated and comprehensive funding for Puget Sound Regional Council 23 these purposes must be established. (Regional Transportation Plan Pages 22-23);

AND WHEREAS, the Regional Transportation Plan states:

The region's highest roadway priorities are safety projects, maintenance and preservation, and optimization of the existing roadway system. (Regional Transportation Plan Page 32);

AND WHEREAS, the Regional Transportation Plan acknowledges:

Transportation infrastructure costs have been on the rise over the last few decades because of increases in material and labor costs, the costs of mitigating environmental impacts, and increased urban land values. Insufficient public resources have led to an increase in the unfunded backlog of maintenance projects, leading to higher overall costs in the future, and raising safety concerns. Meanwhile, existing transportation revenues are not keeping pace with travel demand, and the infrastructure investments needed to support this growing demand. (Regional Transportation Plan Page 59);

AND WHEREAS, the City Council has adopted Goal TR5 in the City's Comprehensive Plan, establishing the City's level of service at D as acceptable for Major or Secondary Arterials; and

WHEREAS, the City has limited transportation funding to pay for necessary transportation preservation and maintenance and reduction of congestion on its streets; and

WHEREAS, while dedicated revenues have decreased, the ongoing annual costs to preserve and maintain the City's transportation infrastructure continue to rise leaving the City unable to continue to adequately preserve and maintain 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 University Place as the 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 an conducted the public hearing on December 7, 2009 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 University Place finds it to be in the best interests of the City to establish a citywide Transportation Benefit District to provide for the preservation and maintenance 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 of University Place finds it to be in the best interest of the City to establish a citywide Transportation Benefit District to provide for City street improvement when designated on State or Regional plans to reduce congestion on such streets; and

WHEREAS, the City Council of the City of University Place 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 UNIVERSITY PLACE, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

- **Section 1.** Finding Adopted. The City Council hereby adopts as a Finding, in accordance with RCW 36.73.050, that the creation of the University Place Transportation Benefit District is in the public interest.
- Section 2. <u>Transportation Benefit District Municipal Code Chapter Enacted.</u> Chapter 4.70 of the University Place Municipal Code is hereby enacted to be known as "Transportation Benefit District".
- **Section 3.** <u>Transportation Benefit District Established.</u> Section 4.70.010 of the University Place Municipal Code is hereby enacted to read as follows:

# 4.70.010 Establishing transportation benefit district.

There is created a transportation benefit district to be known as the University Place 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.

**Section 4. Governing Board.** Section 4.70.020 of the University Place Municipal Code is hereby enacted to read as follows:

#### 4.70.020 Governing board.

- A. The governing board of the transportation benefit district shall be the University Place 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.
- B. The treasurer of the transportation benefit district shall be the City treasurer.
- 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).
- **Section 5.** Functions. Section 4.70.030 of the University Place Municipal Code is hereby enacted to read as follows:

# 4.70.030 Functions of the District. (INTENTIONALLY OMITTED)

**Section 6.** <u>Transportation Improvements Funded.</u> Section 4.70.040 of the University Place Municipal Code is hereby enacted to read as follows:

# 4.70.040 Transportation Improvements Funded.

The funds generated by the transportation benefit district may be used for transportation improvements that preserve, maintain and operate the existing transportation infrastructure of the

City, consistent with the requirements of Chapter 36.73 RCW, as it now exists or is hereinafter amended. In addition to the foregoing, the funds generated may be used for any purpose allowed by law including to operate the District and to make transportation improvements that are consistent with state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels pursuant to Chapter 36.73 RCW. The transportation improvements funded by the District shall be made in an effort to reduce the risk of transportation facility failure and improve safety, decrease travel time, increase daily and peak period trip capacity, improve modal connectivity, and preserve and maintain optimal performance of the infrastructure over time to avoid expensive infrastructure replacement in the future.

All funds raised through the TBD shall be expended only for such construction, preservation, maintenance and operation in accordance with the provisions of Chapter 36.73 RCW as it now 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, 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(b) following notice, public hearing and enactment of an authorizing ordinance.

Section 7. <u>Dissolution of District.</u> Section 4.70.050 of the University Place Municipal Code is hereby enacted to read as follows:

#### 4.70.050 Dissolution of District.

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.

**Section 8.** <u>Liberal Construction.</u> Section 4.70.060 of the University Place Municipal Code is hereby enacted to read as follows:

#### 4.70.060 Liberal Construction.

This Chapter is to be liberally construed to accomplish the purpose of establishing a Transportation Benefit District with the broadest possible authority under Chapter 36.73 RCW as it now exists or is hereafter amended.

**Section 9.** Severability. Section 4.70.900 of the University Place Municipal Code is hereby enacted to read as follows:

### 4.70.900 Severability.

If any section, subsection, sentence, clause, paragraph, phrase, or word of this chapter should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, paragraph, phrase or word of this chapter.

**Section 10.** The provisions of this ordinance are hereby declared to be severable. If any section, subsection, sentence, clause, or phrase of this ordinance or its application to any person or circumstance is for any reason held to be invalid or unconstitutional, the remainder of this ordinance shall not as a result of said section, subsection, sentence, clause, or phrase be held unconstitutional or invalid.

**Section 11.** The recitals set forth above are hereby incorporated herein as if fully set forth.

**Section 12.** This Ordinance shall become effective five (5) days after passage and publication as provided for by law.

# PASSED BY THE CITY COUNCIL ON DECEMBER 7, 2009.

Linda Bird, Mayor

ATTEST:

Erny Genetia, City Clerk

**APPROVED AS TO FORM:** 

Janean Parker, City Attorney

Publication Date: 12/10/09 Effective Date: 12/15/09