

ORDINANCE NO. 2008-008

**AN ORDINANCE OF THE CITY OF SEQUIM, WASHINGTON CREATING A
TRANSPORTATION BENEFIT DISTRICT, SPECIFYING THE BOUNDARIES FOR
THE TRANSPORTATION BENEFIT DISTRICT, AND SPECIFYING THE PROJECTS
TO BE FUNDED BY THE TRANSPORTATION BENEFIT DISTRICT (TBD)**

WHEREAS, Peninsula Regional Transportation Planning Organization (PRTPO) is the state-designated Regional Transportation Planning Organization (RTPO) for the four-county area of Clallam, Jefferson and Kitsap and Mason counties; and

WHEREAS, the City of Sequim has many large traffic improvement projects on the 2009-2014 6 Year Transportation Improvement Plan(TIP); and

WHEREAS, the projects to be funded by the TBD are identified in the 2009-2014 TIP as may be updated or amended and adopted by Sequim City Council as per RCW 35.77; and

WHEREAS, these are projects that the city has not been able to fund for a number of years; and

WHEREAS, the city has had to rely on the General Fund, which is stretched to pay for most of our city operations and maintenance; and

WHEREAS, the 6 Year TIP has a total of \$25 million dollars of projects that are in the public's interest for improved traffic flow and safety; and

WHEREAS, a TBD would generate a city wide sales and use tax that would be funded by all who purchase goods and services in the city using city infrastructure; and

WHEREAS, the City of Sequim does not currently have sufficient funds with which to pay for these transportation capital improvements that are necessary to address existing or reasonably foreseeable congestion levels due to anticipated population increases; and

WHEREAS, the City of Sequim identified a Transportation Benefit District as a potential funding source to support the improvements identified in the 2009-2014 TIP, to the extent that amendments to the program are lawful under RCW36.73; and

WHEREAS, the City of Sequim has the legislative authority and meets the requirements for formation of a Transportation Benefit District as defined in Revised Code of Washington Chapter 36.73; and

WHEREAS, the projects identified in the TIP meet the criteria defined within Revised Code of Washington Chapter 36.73 for formation of a Transportation Benefit District; and

WHEREAS, the City of Sequim executed a contract with Gray & Osborne to analyze the feasibility of creating a Transportation Benefit District; and

WHEREAS, the City of Sequim has conducted meetings with Gray & Osborne; and

WHEREAS, the City of Sequim desires to form a Transportation Benefit District which will encompass an area located within the current corporate limits of the City of Sequim as defined within Exhibit "A"; and

WHEREAS, the City Council may propose the formation a local improvement district within an area defined in the transportation benefit district and as allowed under RCW 36.73.080. The funds generated by a local improvement district will be used entirely to fund the shortfall in funding; and

WHEREAS, the City Council may enact other assessments or levies within the district as allowed under RCW 36.73.060 and RCW 36.73.080 and approved by the voters in the district and as needed to generate additional funding; and

WHEREAS, the City Council may propose a per trip charge that will be paid at time of permit within designated areas in the district and as allowed under RCW 36.73.120; and

WHEREAS, the City Council may propose a ballot item at the November 2008 general election for imposition of a 2/10 of 1% or 0.2% increase in the sales and tax as set forth in RCW 82.14.0455. This increase is estimated to generate, based on the anticipated growth of retail over the next ten years, averaging \$600,000 of additional revenue per year, which will be used entirely to fund the shortfall in funding for the projects identified in the 2009-2014 Transportation Improvement Program; and

WHEREAS, the City Council shall establish a governing body comprised of the City Council;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SEQUIM, WASHINGTON HEREBY ORDAINS AS FOLLOWS:

Section 1. Purpose. The purpose of this Ordinance is to establish a Transportation Benefit District pursuant to RCW 35.21.225 and RCW 36.73, as the City Council finds it is in the public interest to provide a means to fund the shortfall in funding for the projects identified in the City of Sequim's 2009-2014 Transportation Improvement Program adopted by the Sequim City Council as per RCW 35.77, as may be updated to the extent that amendments to the program are lawful under RCW 36.73.

Section 2. Creation of a New Municipal Code Chapter Providing for the Formation of a Transportation Benefit District. The City of Sequim adopts a new

chapter to the Sequim Municipal Code, 2.70 entitled "Transportation Benefit District", which is set forth as follows:

2.70.010 Establishing Transportation Benefit District. There is created a Transportation Benefit District within the geographical boundaries of the corporate limits of the City existing on date of adoption of this ordinance.

2.70.020 Governing Board.

A. The governing board of the transportation benefit district shall be the Sequim City Council acting in an ex officio and independent capacity, which shall have the authority to exercise the statutory powers set forth in RCW 36.73.

B. The treasurer of the transportation benefit district shall be the City Finance Administrative Services Director.

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).

D. The board shall issue an annual report, pursuant to the requirements of RCW 36.73.160(2).

2.70.030 Transportation Improvement Funded.

A. One-hundred percent of the funds generated by the transportation benefit district shall be used towards the payment of the estimated \$24 million shortfall of funding needed for the improvements identified in the 2009-2014 Transportation Improvement Program, as identified above.

2.70.040 Establishment of Revenue Sources.

A. Through majority vote of the registered voters residing within the district, an up to a 2/10th of 1% increase in the sales and use tax on taxable goods will be requested (e.g., from 8.4% to 8.6%.) The sales and use tax shall be collected by the businesses located within the transportation benefit district and remitted to the State of Washington Department of Revenue for remittance back to the district as set forth in RCW 82.14.0455.

B. Through petition of a majority of the property owners that reside within the district or by majority vote of the registered voters that reside within the district, whichever applies, the formation of a local improvement district or special assessment or other approved an authorized assessments may be enacted, as provided under RCW 36.73.070 and RCW 36.73.080, for the purpose of providing capital improvements in the applicable area.

C. The TBD is not intended to subsidize development; therefore, imposition of a fee may be charged on building construction or land development, such as a per trip charge, as authorized under RCW 36.73.120 and subject to the provisions of RCW 36.73.065, RCW 39.92, RCW 43.21C, and RCW 82.02.

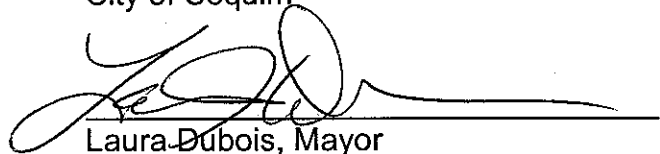
Section 3. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 4. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. Effective Date. This Ordinance shall become effective five days after publication of the ordinance, or a summary thereof, in the official newspaper of the City.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF SEQUIM, WASHINGTON THIS
14th DAY OF July 2008.

City of Sequim



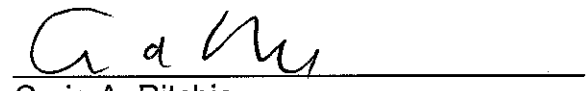
Laura Dubois, Mayor

ATTEST/AUTHENTICATED:

APPROVED AS TO FORM:

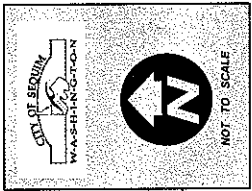


Karen Kuznek-Reese, CMC
City Clerk



Craig A. Ritchie
City Attorney

First Reading:	_____
Public Hearing:	<u>N/A</u>
Second Reading/Passage:	<u>7/14/08</u>
Date of Publication:	<u>7/20/08</u>
Effective Date:	<u>7/25/08</u>



Legend

- City_PARK
- City Limits

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