



## ***Kalama City Council - Council Agenda Item Information Form***

**Agenda Item: 4B – TBD-Vehicle Tab Increase**

**Meeting Date**            March 21, 2018

**Prepared by:**            Coni McMaster, Clerk/Treasurer

**Subject:**                    Increase the Vehicle Tab Fee that funds the Transportation  
Benefit District

**Summary:**                In 2012 the City established the Transportation Benefit District (TBD) and in 2013 set up the funding of the District through a \$20 Vehicle Tab fee. The funds are used exclusively for street improvements. Over the last several years the City has expended \$133,000 toward improvements on Ivy, Juniper, North Fourth, North Third, South Third Place, and Fifth Street at the School. These streets do not qualify for grant funding. The City has the responsibility to maintain them but has no dedicated funding stream to provide sufficient revenues which was the reason for establishing the TBD. Citizens are seeing where these funds are being spent.

The City is reallocating general funds from streets to cover a portion of the costs of the expected debt service on the new police facility. The City wants to continue to be able to maintain/improve streets for its citizens, while also providing matching funds required for grant applications in the future.

RCW 82.80.140 authorizes a transportation benefit district to impose, by a majority vote of the district's governing board, up to \$40 of the vehicle license fee provided the transportation benefit district has imposed the \$20 fee for at least twenty-four (24) months.

The increase of \$20 to the tab fee will generate an estimated additional \$47,000 a year to provide for street improvements into the future. Ordinance No. 1396 has been prepared to implement this increase and will be effective beginning October 1, 2018.

**Alternatives:**            The City can leave the fee at \$20 but may not be able to complete maintenance and improvements to streets in a timely manner.