

**CITY OF MERCER ISLAND
ORDINANCE NO. 14C-11**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON
ENACTING A NEW CHAPTER 3.26 OF THE MERCER ISLAND CITY CODE,
ENTITLED "MERCER ISLAND TRANSPORTATION BENEFIT DISTRICT"
ESTABLISHING A TRANSPORTATION BENEFIT DISTRICT.**

WHEREAS, the City Council of the City of Mercer Island has the responsibility under the Constitution of the State of Washington for the improvement, maintenance, protection and operation of public streets and ways within the corporation 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 streets and ways requires preserving existing transportation improvements to avoid both catastrophic failure that would require significant additional funds for reconstruction and to avoid their gradual deterioration that would lead to reduced safety margins and increased congestion; and

WHEREAS, the Washington Transportation Commission is mandated pursuant to RCW 47.01.071(4) to adopt the Washington Transportation Plan ("WTP 2035") which is a comprehensive and balanced statewide transportation plan that establishes a 20-year vision for the development of the statewide transportation system, from state highways and ferries to sidewalks and bike paths, county roads, city streets, public transit, air and rail; and

WHEREAS, WTP 2035 is based upon six transportation policy goals established by the Washington State Legislature and identifies maintaining, preserving and extending the life and utility of prior investments in transportation systems and services as a goal; and

WHEREAS, the Destination 2030 Metropolitan Transportation Plan for the Central Puget Sound approved by the Puget Sound Regional Council states that the first priority is to maintain, preserve, make safe, and optimize existing transportation infrastructure; and

WHEREAS, the Puget Sound Regional Council, a regional planning agency, has adopted its long-range strategy, VISION 2040, and its metropolitan transportation plan, Transportation 2040, which provide a framework for long-range transportation planning that integrates roads, transit, bicycling and walking, emphasizing clean and safe transportation; and

WHEREAS, the City's Capital Improvement Program, Transportation Improvement Plan, and the Transportation Element of the Comprehensive Plan, which are updated periodically, outline key strategies, objectives and investments for improving safety, mobility, modal connectivity, and access through providing effective transportation choices; and

WHEREAS, the City has limited transportation funding to pay for such necessary transportation preservation, maintenance and operation of streets and ways and current revenues will not sustain the current City transportation system; and

WHEREAS, on-going costs of preservation, maintenance and operation of streets and ways continue to increase, while dedicated revenues have decreased due in significant part to the loss of Motor Vehicle Excise Tax revenues formerly available to the City; 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 or 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 Council finds that establishing a stable local funding mechanism for funding a portion of transportation improvements is essential to the continued mobility and the economic health and quality of life on Mercer Island; and

WHEREAS, the City Council now desires to form a Transportation Benefit District to include the entire boundaries of the City of Mercer Island as such boundaries currently exist; and

WHEREAS, prior to establishing a Transportation Benefit District, the City Council shall conduct a public hearing. The public hearing notice shall describe the functions and purposes of the proposed Transportation Benefit District, and proposed establishment of a Transportation Benefit District in accordance with RCW 36.73.050; and

WHEREAS, the City Council finds it to be in the best interests of the City to establish a citywide Transportation Benefit District 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 failures and 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 Council shall establish a governing body for the Transportation Benefit District comprised of the City Council acting in an ex officio and independent capacity.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Create Mercer Island City Code Chapter 3.26, Transportation Benefit District.
There is hereby added a new chapter of the Mercer Island City Code to read as follows:

Chapter 3.26
MERCER ISLAND TRANSPORTATION BENEFIT DISTRICT

Sections:

- 3.26.010 Purpose and findings
- 3.26.020 Transportation Benefit District established
- 3.26.030 Governing board
- 3.26.040 Purpose of the District
- 3.26.050 Authority of the District
- 3.26.060 Use of funds
- 3.26.070 Dissolution of the District
- 3.26.080 Liberal construction

3.26.010 Purpose and findings.

A. The purpose of this chapter is to establish a Transportation Benefit District pursuant to RCW 35.21.225 and RCW 36.73.

B. The City Council finds it is in the public interest to provide adequate levels of funding to make transportation improvements that are consistent with existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels as provided in Chapter 36.73 RCW. City Council further finds that it is in the public interest to invest in the operation, preservation and maintenance of principal arterials of regional significance, high capacity transportation and/or public transportation. City Council further finds that it is in the public interest to provide for transportation improvements that specifically focus on reducing the risk of transportation facility failure and improving safety, decreasing travel time, increasing daily and peak period trip capacity, improving modal connectivity, and preserving and maintaining optimal performance of transportation infrastructure over time so as to avoid more expensive infrastructure replacement in the future.

3.26.020 Transportation Benefit District established.

There is hereby established a Transportation Benefit District to be known as the Mercer Island Transportation Benefit District ("District") with geographical boundaries comprised of the corporate limits of the City of Mercer Island as they now exist or may hereafter be altered by future annexations.

3.26.030 Governing board.

A. The governing board ("Board") of the District shall be the Mercer Island 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 District shall be the City's Finance 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).

3.26.040 Purpose of the District.

The purpose of the District is to improve and protect the City's long-term investment in its transportation infrastructure, to reduce the risk of transportation facility failure, to improve safety, to avoid more expensive infrastructure replacements in the future, and to reduce congestion or stem the expected increase in congestion created by failing roads.

3.26.050 Authority of the District.

A. The District shall have and may exercise any and all powers and functions provided by chapter 36.73 RCW to fulfill the purposes of the District, and this chapter of the Mercer Island Municipal Code shall be liberally construed to permit the accomplishments of the District's purposes.

B. The District may authorize a vehicle fee up to the maximum fee provided for in RCW 36.73.065.

C. The District may not authorize a fee on building construction or land development as provided for in RCW 36.73.120.

D. When authorized by the voters pursuant to the requirements of chapter 36.73 RCW, the District may assess other taxes, fees, charges and tolls or increases in these revenue sources for the improvement, preservation, maintenance and operation of city streets and ways.

E. The District shall not issue general obligation bonds or revenue bonds in accordance with the provisions of RCW 36.73.070.

F. The Board shall have and may exercise any powers provided by law to fulfill the purpose of the District.

3.26.060 Use of funds.

The funds generated by the District may be used for any purpose allowed by law including the operation of the District and to make transportation improvements that are consistent with existing state, regional and local transportation plans and necessitated by 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.

3.26.070 Dissolution of the District.

The District shall dissolve itself after all the indebtedness of the District has been retired or, if no debt has been incurred, when all of the District's anticipated responsibilities have been satisfied and the construction of the transportation improvement or series of improvements, has been completed and paid. Notice of dissolution shall be provided in accordance with RCW 36.73.170.

3.26.080 Liberal construction.

This chapter is to be liberally construed to accomplish the purpose of establishing a Transportation Benefit District.

Section 2: Severability. If any section, sentence, clause or phrase of this ordinance or any municipal code section amended hereby should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this ordinance or the amended code section.

Section 3: Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 4: Effective Date. This Ordinance shall take effect and be in force 5 days after its passage and publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AT ITS REGULAR MEETING ON THE 20TH DAY OF OCTOBER 2014 AND SIGNED IN AUTHENTICATION OF ITS PASSAGE.

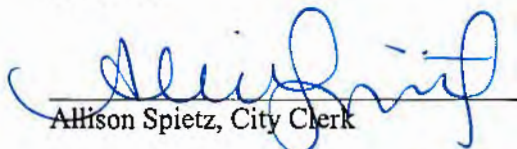
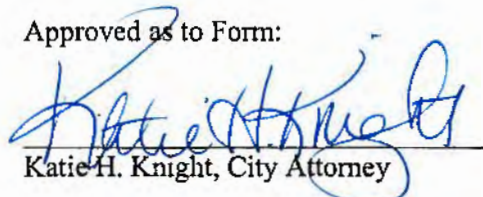
CITY OF MERCER ISLAND



Bruce Bassett, Mayor

ATTEST:

Approved as to Form:


Allison Spietz, City Clerk
Katie H. Knight, City Attorney

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