

SULTAN CITY COUNCIL SUBCOMMITTEE AGENDA

January 17, 2008

1. New Business Welcome packet
2. Planning Board Applications
3. Transportation Benefit District
4. Stormwater Utility

CITY OF SULTAN
SUB COMMITTEE
AGENDA ITEM COVER SHEET

Date: January 17, 2008

Agenda Item #:

SUBJECT: New Business Welcome Packet

CONTACT PERSON: Donna Murphy Grants and Economic Development Coordinator

SUMMARY STATEMENT:

ISSUE:

Council Subcommittee review the New Business Welcome Packet as it is to date. The goal of this project is to provide up front information to businesses opening their doors in Sultan. A cover letter from the Mayor with the message that Sultan wants to help your business succeed. Resources for doing so will be included in the packet shown below.

Contents:

Cover letter from Mayor Carolyn Eslick
Welcome letter from Sky Valley Chamber of Commerce
Downtown Business Guide
Small Business Resource Guide
Welcome Packet from Coastal Community Bank
Small Business Education Opportunities

Note: This New Business Welcome Packet is constantly subject to change.



City of Sultan

Welcome to Sultan's Business community!

The City of Sultan is very interested in making sure that you have the tools to succeed in your business. Enclosed in this Business Packet is information to help you start your business successfully in Sultan. Included is a Small Business Administration (SBA) Resource Guide, which gives you helpful information that you need to know in order to set up your business in the State of Washington. It also includes many free resource services.

SBA reports show that business owners that are willing to accept mentoring and/or Business counseling have a 50% better chance at becoming successful.

We also encourage you to visit the Sultan Visitors Center at 320 Main Street. The Visitor's Center is the home office for the Sky Valley Chamber of Commerce. The mission of this organization is to encourage and to promote business growth. The monthly meetings are held the first Wednesday of every month at noon in the City Council Chambers.

Please accept our Welcome and feel free to contact City staff if you need additional assistance.

Sincerely,

Carolyn Eslick
Mayor



First Heritage Bank

Your Friend for All Seasons

Business with Breakfast Workshops
Sponsored by First Heritage Bank

Business 101 – for Startup Businesses
Friday, March 14, 2008 at 8 a.m.
H & R Block – Monroe

- *Includes information on free resources*
- *Steps to writing a business plan*
- *Locating business counseling*

Financing Your Business
Friday, March 21, 2008 at 8 a.m.

- *Learn about alternative financing*
- *Learn about SBA programs*

Secrets to a Successful Business – for existing and startups
Friday April 4, 2008

- *Getting your Books in order*
- *Learn to read your Financials*

Expanding your Business
Friday April 11, 2008

- *Marketing yourself and your business*
- *Access to government contracts*

Four **FREE** workshops 8am to 9:30am (includes breakfast)

RSVP to Carolyn Eslick at 360-794-6008

Location of Workshops

H & R Block

Hwy 2, Monroe, WA

Partners:

NW Women's Business Center

Monroe Chamber of Commerce

Sky Valley Chamber of Commerce

Everything you
need to know
to start and
grow your
business

SBA Small Business Resource Guide

U.S. Small Business Administration
Seattle District Office
serving Washington State
and Northern Idaho

www.sba.gov/wa

SCORE
Counselors to America's Small Business

U.S. Small Business Administration
SBA
Your Small Business Resource



Welcome to the neighborhood!

Community Banking – It's a term you hear a lot these days, from financial institutions big and small. At Coastal, Community Banking has been our mission since day one – and I'd like to introduce you to **Community Banking** the way Coastal Community Bank does it:

- **FREE Community Business Checking Account.** Specifically designed for small businesses, with no required minimum balance and no monthly service charge, the account comes with free online banking and free bill pay as well as business debit cards for up to two signers. We'll even make it easier for you to start banking with us by paying for your first order of checks. (Bring in this letter for a credit up to \$50.)
- **Local Management and Local Decisions.** Coastal Community Bank is based in downtown Everett, and we promise quick responses on situations important to you. Staff members live within the communities they serve. Account management and loan approvals are handled by people who know and understand your area.
- **We Give Back.** Our employees participate in an Employee Giving Fund, which gives more than \$30,000 a year to charitable organizations in Snohomish and Island counties. In addition, the Sultan Branch will reach \$8,000 this year in scholarships for graduates of Sultan High School. We actively participate in the Sultan Chamber of Commerce and the Sultan Food Bank.

We understand banking is about relationships. We hope you consider us to be good neighbors and invite you to give us a try.

Sincerely,

Donna Marshall
AVP & Manager
Sultan Branch
360-793-2881

Business Banking is Better Here!

Ask us about the many
advantages of moving your
business accounts to Coastal.

- ◆ Free On-line Bill Pay
- ◆ Cash Management Services
- ◆ Merchant (Credit Card) Services
- ◆ Retirement Accounts
- ◆ Personal, friendly service!

Serving North Sound to the Cascades

Sky Valley branch

425 Main Street Sultan

360-793-2881

www.CoastalBank.com

*Equal Opportunity Lender * Member FDIC*



COASTAL
COMMUNITY BANK

**SULTAN CITY COUNCIL SUBCOMMITTEE
AGENDA ITEM COVER SHEET**

DATE: January 17, 2007

SUBJECT: Planning Board Applications

CONTACT PERSON: Deborah Knight, City Administrator

ISSUE:

There is a vacancy on the Planning Board as a result of the election of Sarah Davenport-Smith to the City Council. The City advertised the vacancy and received 4 applications:

1. Keith Arndt
2. Michael Inman
3. Aaron McCann
4. Scott Zaffram

The Mayor has the authority to appoint Planning Board members in accordance with Sultan Municipal Code 2.17.09. Mayor Eslick is seeking input from the City Council Subcommittee on the qualifications of the candidates and the Council Subcommittee's observations and/or recommendations based on candidate's applications.

The Mayor plans to bring her recommendation forward to the Council for confirmation at the Council's February 14, 2008 meeting.

STAFF RECOMMENDATION:

Review the applications received by the City. Consider the candidate's qualifications based on their applications and the duties of the Planning Board as outlined in SMC 2.17.160 (Attachment A). Forward any observations and/or recommendations to the Mayor for her consideration.

SUMMARY:

The purpose of this appointment is to fill the position vacated by Sarah Davenport-Smith as a result of her election to City Council. However, it is important to keep in mind that Planning Board members Charles Van Pelt and Jeff Cofer have extended their terms from June 2007 to June 2008. Chair Latimore's term expires in June 2008.

Under SMC 2.17.09, appointments to the Planning Board are the statutory authority of the Mayor. The City Council confirms the Mayor's appointment:

2.17.090 Appointments to planning board.

All members of the planning board shall be appointed by the mayor and confirmed by the city council. Appointments shall be made in a nondiscriminatory manner, without regard to age, race, sex or political affiliation. (Ord. 924-06 § 3)

The question for the Mayor, Council and community is how to ensure continuity on the Planning Board while the City completes the extensive technical review and work that is scheduled this year to adopt a Comprehensive Plan compliant with the Growth Management Act.

When reviewing the applications for the Planning Board the Council may want to consider:

- How the candidate may fit and work with the existing Planning Board members
- The candidate's background and experience
- The candidate's understanding of land use process, the growth management act and the City's comprehensive plan
- Whether the candidate represents any stakeholders in the land use process

Staff will note the Council Subcommittee's discussion and share the Council's comments and observations with the Mayor as directed.

FISCAL IMPACT:

There is no direct fiscal impact as a result of this proposed appointment process.

BACKGROUND:

The City Council created the Planning Board by Ordinance 924-06 in 2006.

2.17.100 Terms of appointments to the planning board.

Two of the initial appointments to the planning board shall be for a one-year appointment. Three of the initial appointments to the planning board shall be for a two-year appointment. All subsequent appointments to the planning board shall be for a term of two years, unless the appointment is to fill the balance of an existing term, in which event the term shall be the balance of the term. Members may be reappointed an unlimited number of terms. (Ord. 924-06 § 4)

In conjunction with the Community Development Director, the Planning Board has very important role in Sultan's land use process. As set forth in SMC 2.17.160 Planning Board duties include:

- Reviewing and monitoring the city's comprehensive plan and development regulations, both as defined in the Growth Management Act of the state of Washington.
- Establishing a list of tasks to be undertaken to keep the city's comprehensive plan and development regulations up-to-date and in compliance with the Growth Management Act;
- Reviewing the city's public participation notices and processes to establish a legally compliant public participation process for the city.
- Conducting such public meetings and hearings as required to fulfill the city's public participation obligations under Chapter 36.70A RCW.

The Council Subcommittee should keep these duties in mind when review the candidate's applications.

ALTERNATIVES:

1. Review the applications received by the City. Consider the candidate's qualifications based on their applications and the duties of the Planning Board as outlined in SMC 2.17.160. Forward any observations and/or recommendations to the Mayor for her consideration.
2. Do not review the applications received by the City or consider the candidate's qualifications. Forward any concerns or comments to the Mayor for her consideration.

RECOMMENDED ACTION:

Review the applications received by the City. Consider the candidate's qualifications based on their applications and the duties of the Planning Board as outlined in SMC 2.17.160. Forward any observations and/or recommendations to the Mayor for her consideration.

Review the applications received by the City. Consider the candidate's qualifications based on their applications and the duties of the Planning Board as outlined in SMC 2.17.160. Forward any observations and/or recommendations to the Mayor for her consideration.

ATTACHMENTS:

- Attachment A – SMC 2.17.080 Planning Board
- Attachment B – Candidate Applications

2.17.080 Planning board.

2.17.090 Appointments to planning board.

2.17.100 Terms of appointments to the planning board.

2.17.110 Vacancy.

2.17.120 Removal from membership on the planning board.

2.17.130 Meetings of the planning board.

2.17.140 Quorum for meeting of the planning board.

2.17.150 Rules and regulations.

2.17.160 Powers and duties.

2.17.010 Department created.

There is created a separate administrative department in and for the city of Sultan entitled the department of community development, to consolidate all planning, environmental and permitting functions into a single department under the supervision of a director of community development. (Ord. 904-06 § 1)

2.17.020 Designation of department of community development as planning agency.

The department of community development is hereby designated as the planning agency for the city of Sultan to perform all duties, directly or indirectly, by contract or agreement, required of a planning agency as imposed by law. Where provisions in the Revised Code of Washington or the city's municipal code reference a "planning agency" and/or "planning commission," from and after the effective date of the ordinance codified in this section, such references shall refer to the department of community development. (Ord. 924-06 § 1; Ord. 904-06 § 1)

2.17.030 Position established.

There is established the position of director of the department of community development in and for the city of Sultan. (Ord. 904-06 § 1)

2.17.040 Appointment.

The mayor shall have the power of appointment and removal of the director of the department of community development. Such appointment and removal shall be subject to confirmation by a majority vote of the city council. (Ord. 904-06 § 1)

2.17.050 Powers and duties of director.

The powers, duties and responsibilities of the director of the department of community development, except where the director may act in a quasi-judicial manner, shall be subject to the direction, authority and supervision of the city administrator, and shall include, without limitation, the following:

A. Perform, or cause to be performed for the city, all duties as imposed under the Sultan Municipal Code on the city planner or/and zoning official;

B. Issue administrative determinations under the city's unified development code;

C. Serve as the city's designated official under the State Environmental Policy Act (SEPA);

D. Perform directly or by designee all duties imposed on officials of the city of Sultan under SMC Titles 15, 16, 17, 21 and 22;

E. Appoint and supervise the performance of a senior planner, and such permit technicians as authorized by the city's annual budget;

F. Except where he/she acts in a quasi-judicial capacity, supervise the performance of the city's building official and the city's code enforcement officer;

G. Participate in and prepare an annual budget for the department of community development; and

H. Cause to be performed the duties of the department of community development as established by this chapter. (Ord. 904-06 § 1)

2.17.060 Salary.

The director of the department of community development shall receive a salary in such amount as the city council may from time to time establish by ordinance for a permanent hire, and such amount as the mayor may negotiate and the council approve by resolution for an interim appointment. (Ord. 904-06 § 1)

2.17.070 Senior planner and staff.

A senior planner and staff as authorized by the city's budget may be appointed by the director of the department of community development. (Ord. 904-06 § 1)

2.17.080 Planning board.

There is hereby established a planning board consisting of five members. (Ord. 924-06 § 2)

2.17.090 Appointments to planning board.

All members of the planning board shall be appointed by the mayor and confirmed by the city council. Appointments shall be made in a nondiscriminatory manner, without regard to age, race, sex or political affiliation. (Ord. 924-06 § 3)

2.17.100 Terms of appointments to the planning board.

Two of the initial appointments to the planning board shall be for a one-year appointment. Three of the initial appointments to the planning board shall be for a two-year appointment. All subsequent appointments to the planning board shall be for a term of two years, unless the appointment is to fill the balance of an existing term, in which event the term shall be the balance of the term. Members may be reappointed an unlimited number of terms. (Ord. 924-06 § 4)

2.17.110 Vacancy.

A member's position on the planning board shall be deemed vacant if a member resigns, or if a member misses four regular meetings of the

planning board within a 12-month period. Absences may only be excused for substantial reasons, such as serious illness of the member, or immediate family, or death in the member's immediate family. (Ord. 924-06 § 5)

2.17.120 Removal from membership on the planning board.

A member of the planning board may be removed by the mayor for inefficiency, neglect of duty or malfeasance in office. If the mayor believes the required cause for removal exists, the mayor shall issue a notice of suspected cause and allow the member a public hearing before the mayor to demonstrate that cause for removal does not exist. Based upon the evidence presented in the public hearing, the mayor shall determine whether the member shall be removed. The mayor shall report any such removal to the city council. There shall be no right of appeal to the council. (Ord. 924-06 § 6)

2.17.130 Meetings of the planning board.

The planning board shall meet a minimum of once a month, and conduct such other meetings as required to complete the duties assigned to the planning board. The initial meeting of the planning board shall occur within 20 days of the effective date of the ordinance codified in this chapter. Notice of said meeting shall be issued by the director in accordance with the requirements of law. As a first item of business, the planning board shall designate the date and time for its regular monthly meeting. (Ord. 924-06 § 7)

2.17.140 Quorum for meeting of the planning board.

The presence of a minimum of three members shall constitute a quorum. Except to adjourn, no action may be taken in the absence of a quorum. Final action of the planning board in the form of a recommendation shall require the affirmative vote of a majority of the members present when a quorum has been established. (Ord. 924-06 § 8)

2.17.150 Rules and regulations.

The planning board may adopt rules and regulations for the conduct of its affairs. In the absence of any such rules and regulations, the planning board shall follow the most analogous rules used either by the city council for its meetings or by the city's hearing examiner. (Ord. 924-06 § 9)

2.17.160 Powers and duties.

A. In consultation with the director of community development, the planning board shall review and monitor the city's comprehensive plan and development regulations, both as defined in the Growth Management Act of the state of Washington, to establish a list of tasks to be undertaken to keep the city's comprehensive plan and development regulations up-to-date and in compliance with the Growth Management Act;

B. The planning board shall review the city's public participation notices and processes to establish a legally compliant public participation process for the city. The planning board shall report its recommendations on said notices and processes to the director of community development within 60 days of the effective date of the ordinance codified in this chapter. The director shall forward that report and his/her commentary, if any, to the city council within 20 days of receipt;

C. In consultation with the director of community development, the planning board shall implement a public participation process and conduct such public meetings and hearings as required to fulfill the city's public participation obligations under Chapter 36.70A RCW;

D. In conjunction with the director (of community development), the planning board shall develop Sultan's comprehensive plan and/or updates and amendments thereto, and revise development regulations that implement its comprehensive plan and make recommendation concerning the same to the director of community development and to the city council;

E. In conjunction with the director of community development, the planning board shall annually make a recommendation for training and assistance to the board and a budget request to the city council. (Ord. 924-06 § 10)



RECEIVED
DEC 18 2007

City of Sultan

PLANNING BOARD APPLICATION

BY:

Name: Keith Grudt
Address: [REDACTED] Sultan
Phone: (Home) _____ (Cell) [REDACTED] (Work) _____
E-Mail: _____

Are you currently a registered voter? Yes: No: _____
Are you a City of Sultan Resident? Yes: No: _____
If not, do you currently reside within the UGA? Yes: No: _____
or Sultan School District 311? Yes: No: _____
Have you owned and operated a business within the corporate limits for a period of one year or more? Yes: _____ No:

Do you have any relatives that are employees of the City of Sultan? If yes, which Department do they work with?
None

Please explain your interest in serving on the Planning Board:
In the next 6 mo., Sultan PB has a daunting task in revising their Comp. Plan. I would like the opportunity to help and be a part of the future.

Professional experience relevant to the Planning Board:
QA Auditor (Boeing-Everett), Organic chemist (Lockheed), construction and development experience in WA and OR.

Community Involvement:
High level of attendance and participation in City Council and Planning Board meetings over the last few years.

Additional Comments:
The individual who is appointed must have good critical thinking skills, communication skills, and the ability to absorb & analyze vast amounts of information quickly. I have these skills.

PLEASE ATTACH ADDITIONAL SHEETS IF NECESSARY

Signature: [Signature] Date: 12-18-07



RECEIVED
DEC 28 2007

City of Sultan

PLANNING BOARD APPLICATION

BY:

Name: Michael Inman

Address: ~~XXXXXXXXXX~~ Sultan, WA 98294

Phone: (Home) (509) 417-7321 (Cell) (509) 711-4320 (Work) _____

E-Mail: ~~XXXXXXXXXX@XXXXXX.com~~

Are you currently a registered voter? Yes: X No: _____

Are you a City of Sultan Resident? Yes: X No: _____

If not, do you currently reside within the UGA? N/A Yes: _____ No: _____

or Sultan School District 311? N/A Yes: _____ No: _____

Have you owned and operated a business within the corporate limits for a period of one year or more? Yes: _____ No: X

Do you have any relatives that are employees of the City of Sultan? If yes, which Department do they work with?
NO

Please explain your interest in serving on the Planning Board:
I am interested in getting involved and making a difference in the city.

Professional experience relevant to the Planning Board:
President of Willow Run East HOA.

Community Involvement:

Additional Comments:

PLEASE ATTACH ADDITIONAL SHEETS IF NECESSARY

Signature:  Date: 12-25-07



RECEIVED
DEC 17 2007

City of Sultan

PLANNING BOARD APPLICATION

BY:

Name:  **Aaron McCann**
 Address: _____
 Phone: (Home) ~~360-998-XXXX~~ / (Cell) _____ (Work) _____
 E-Mail: _____

Are you currently a registered voter? Yes: X No: _____
 Are you a City of Sultan Resident? Yes: X No: _____
 If not, do you currently reside within the UGA? Yes: _____ No: _____
 or Sultan School District 311? Yes: _____ No: _____
 Have you owned and operated a business within the corporate limits for a period of one year or more? Yes: X No: ~~///~~
 Do you have any relatives that are employees of the City of Sultan? If yes, which Department do they work with? _____

Please explain your interest in serving on the Planning Board:
The past is a learning lesson - the future is a challenge - I hate to see a hard earned dollar wasted.

Professional experience relevant to the Planning Board:
*Board of Directors
 4 years - nationwide agency addressing the homeless.*

Community Involvement:
Justice, Ointman, Det, Disabled Veterans Advocate, physical on hand maintenance, (Weight Watcher), Prison Ministry, Hood

Additional Comments:
Committee - A Conglomerate mandate to Conguse the most learned!

PLEASE ATTACH ADDITIONAL SHEETS IF NECESSARY

Signature: *Aaron McCann* Date: 12/15/07

12/4/07
Cyd ☺

Print Form



City of Sultan

PLANNING BOARD APPLICATION

Name: Scott Zafram
Address: 826 Salmon Run North, Sultan, WA 98294
Phone: (Home) 360-876-1111 (Cell) 425-676-1111 (Work) 360-876-1111
E-Mail: SZ@salmonrun.com

Are you currently a registered voter? Yes: No:
Are you a City of Sultan Resident? Yes: No:
If not, do you currently reside within the UGA? Yes: No:
or Sultan School District 311? Yes: No:
Have you owned and operated a business within the corporate limits for a period of one year or more? Yes: No:

Do you have any relatives that are employees of the City of Sultan? If yes, which Department do they work with? ND

Please explain your interest in serving on the Planning Board:
I believe in help be part of the solution, not part of the problem. I have not been happy personally with the direction of the city and feel that instead of complaining that I could serve my community.

Professional experience relevant to the Planning Board:
I have not direct knowledge of the Sultan planning board. I am a quick learner. I have worked in Federal service for the last 11 years. Transportation Security Admin / Federal Emergency Management Agency

Community Involvement:
I serve as the Salmon Run North Homeowners Association President.

Additional Comments:
I would like to see the community grow, but in a positive direction. I want to serve the community in a way that would make the residents proud and in a way that the cities history can be preserved. Sultan will grow dramatically in the next 5 years and the impact of such should be mitigated as best as possible.

PLEASE ATTACH ADDITIONAL SHEETS IF NECESSARY

Signature: [Signature] Date: 12/4/07

319 Main Street, Suite 200 • PO Box 1199 • Sultan WA 98294-1199
City Hall 360.793.2231 • Fax 360.793.3344
cityhall@cityofsultan.wa.us

**SULTAN CITY COUNCIL SUBCOMMITTEE
AGENDA ITEM COVER SHEET**

DATE: January 17, 2008

SUBJECT: Transportation Benefit District

CONTACT PERSON: Deborah Knight, City Administrator

ISSUE:

The issue before the Subcommittee is to discuss sending a letter of support to the Snohomish County Council to evaluate establishing a countywide transportation benefit district (TBD).

STAFF RECOMMENDATION:

Review the attached materials describing the transportation benefit district legislation that went into effect on July 2007 (Attachment A).

Discuss whether the City should send a letter of support to the Snohomish County Council to evaluate establishing a countywide TBD (Attachment B - Everett Letter of Support).

SUMMARY:

A transportation benefit district is taxing district created for the sole purpose of acquiring constructing, improving, providing, and funding transportation improvements within the district. A TBD may fund the operation, maintenance, and preservation of transportation programs and facilities.

In order to establish a countywide transportation benefit district, sixty percent (60%) of the cities representing seventy-five (75%) of the incorporated population must approve an interlocal agreement for it to be effective. If an interlocal agreement cannot be reached, the county is authorized to create a TBD and impose the fee only in the unincorporated area of the county.

Transportation benefit districts have two revenue options not subject to voter approval, but subject to additional conditions:

1. Annual vehicle fee up to \$20. This fee is collected at the time of vehicle renewal and cannot be used to fund passenger only ferry service improvements.

2. Transportation impact fees on commercial and industrial buildings. Residential buildings are excluded.

The key requirement is that a county must first attempt to impose a countywide fee to be shared with cities by interlocal agreement.

At this point, the focus for the cities and Snohomish County is on the "councilmanic" authority to impose the vehicle license fee of up to \$20. However, the statute provides for voter approval at the option of the jurisdiction.

The current effort is determine if there is interest from Snohomish County cities to proceed. If there is interest, the next step is to evaluate the revenue options and looking at the types of eligible transportation projects and programs in order to provide for a deliberative policy discussion.

There is a short time-line established by the State. The County must have the interlocal agreement in place by May 22, 2008.

FISCAL IMPACT:

A \$20 vehicle fee would raise \$12 million annually within Snohomish County. The current proposal is that the funds raised in jurisdiction (e.g. Sultan) would stay in Sultan.

City staff estimate that Sultan would receive between \$50,000 and \$75,000 annually. This revenue could be used to maintain the City's current streets or construct new improvements:

4,500 residents / 2.86 residents per household =
1,573 households x 2 cars/house = 3,146 cars x \$20/car = \$62,937 annually

BACKGROUND:

In 1987, the State Legislature created TBD as an option for local governments to fund transportation improvements. Since 2005, the Legislature has amended the TBD statute to expand its uses.

In 2007, the Legislature amended the statute to authorize the imposition of vehicle fees and transportation impact fees without a public vote.

Staff from the cities in Snohomish County and staff from Snohomish County met in November and December through the Interagency Coordinating Committee (ICC) to discuss forming a countywide TBD.

Snohomish County is seeking support from the cities in the County to proceed with quickly evaluating this funding mechanism.

Sultan's only obligation at this point is to express interest in further exploring and evaluating this financing tool. The City of Sultan only represents 1.23% of the incorporated population, yet, this tool has the potential to help the City secure long-term financing for street maintenance and construction. The potential downside is public concern over the additional vehicle tax.

Staff is seeking direction from the subcommittee to bring this back to the full Council at its January 24 meeting for discussion.

ALTERNATIVES:

Review the attached materials describing the transportation benefit district legislation that went into effect on July 2007 (Attachment A).

Discuss whether the City should send a letter of support to the Snohomish County Council to evaluate establishing a countywide TBD (Attachment B - Everett Letter of Support).

Give direction to staff.

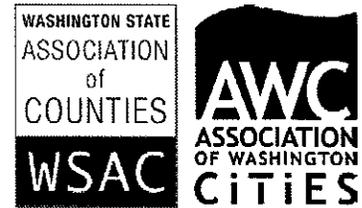
RECOMMENDED ACTION:

Review the attached materials describing the transportation benefit district legislation that went into effect on July 2007 (Attachment A). Discuss whether the City should send a letter of support to the Snohomish County Council to evaluate establishing a countywide TBD (Attachment B - Everett Letter of Support). Give direction to staff.

COUNCIL ACTION:

DATE:

September 2007



Transportation Benefit District Legislation in Effect

Through the cooperative efforts of the Association of Washington Cities (AWC) and the Washington State Associations of Counties (WSAC), significant legislation will go into effect on July 22, which results in the most important local transportation tool for cities and counties in sixteen years – Transportation Benefit Districts (TBDs). They are independent taxing districts that can impose an array of taxes or fees either through a vote of the people or through council action. TBDs are flexible; they allow cities and counties to work cooperatively on addressing both regional and local transportation challenges.

Frequently Asked Questions

Background

In 1987, the Legislature created Transportation Benefit Districts (“TBD”) as an option for local governments to fund transportation improvements. Since 2005, the Legislature has amended the TBD statute to expand its uses and revenue authority. Most recently, the Legislature amended the TBD statute to authorize the imposition of vehicle fees and transportation impact fees without a public vote. The purpose of these materials is to help you better understand TBDs.

What is a Transportation Benefit District (TBD)?

A TBD is a quasi-municipal corporation and independent taxing district created for the sole purpose of acquiring, constructing, improving, providing, and funding transportation improvements within the district.

Who may create a TBD?

The legislative authority of a county or city may create a TBD by ordinance following the procedures set forth in Chapter 36.73. The county or city proposing to create the TBD may include other counties, cities, port districts, or transit districts through interlocal agreements.

However, King, Pierce, and Snohomish counties, and the cities within those counties cannot create a TBD until December, 1, 2007.

Who governs the TBD?

The members of the legislative authority (county or city) proposing to establish the TBD is the governing body of the TBD. The legislative authority is acting ex officio and independently as the TBD governing body. If a TBD includes additional jurisdictions through interlocal agreements, then the governing body must have at least five members, including at least one elected official from each of the participating jurisdictions.

Why create a TBD if the county or city legislative authority is the governing board?

A TBD is a legal creature. Although a TBD has many of the powers of a county and city (impose taxes, eminent domain powers, can contract and accept gifts, etc.), - it is a separate taxing district, which is important for property tax purposes. Additionally, by being a separate legal and taxing creature, TBDs are flexible. For example, more than one type of jurisdiction can be part of a TBD and the boundaries can be less than countywide or citywide.

Can a TBD be created without imposing fees or proposing voter approved revenue options?

No. The creation of a TBD must be through an ordinance. The ordinance must include a finding that the creation of a TBD is in the public’s interest, the boundaries of the TBD, a description of the transportation improvement or improvements proposed by the district, and the proposed taxes, fees, charges, etc. the TBD will impose to raise revenue to fund the identified improvement or improvements.

continued

Are TBD revenues required to be spent as they are collected?

No. The governing body must develop a plan that specifies the transportation improvements to be provided or funded by the TBD. As part of this plan, the TBD's governing board can indicate if the funds will be used immediately, or if they will be collected for a specified period. Typically, funds that are collected for a specified period before being expended are used to fully fund large projects, when bonding, or serve as a match for state or federal funds that may only become available in a specified time frame.

What are the boundaries of a TBD?

The boundaries of a TBD may be less than the boundaries of those jurisdictions participating in the TBD. For example, a county or city may choose to have the TBD boundaries identical with the county or city, or just include a portion of the county or city. However, if a TBD chooses to exercise the tax authority that does not require a public vote (e.g. vehicle and impact fees), the boundaries of the TBD must be countywide, citywide, or unincorporated countywide.

What transportation improvements can be funded by a TBD?

A TBD can fund any transportation improvement contained in any existing state or regional transportation plan that is necessitated by existing or reasonably foreseeable congestion levels. This can include maintenance and improvements to city streets, county roads, state highways, investments in high capacity transportation, public transportation, transportation demand management and other transportation projects identified in a regional transportation planning organization plan or state plan.

Can a TBD fund maintenance and preservation activities?

Yes. A TBD may fund the operation, maintenance, and preservation of the programs and facilities noted above. Additionally, maintenance and preservation activities are noted in many state and regional transportation plans. For

example, preservation of existing transportation facilities is the number one priority within the Washington State Transportation Plan. Eliminating the backlog of asphalt pavement projects and maintaining chip seal paving, along with many other maintenance and preservation activities, are specifically noted as priorities in that Plan.

However, keep in mind that any transportation improvement also needs to be "necessitated by existing or reasonably foreseeable congestion levels". Consequently, not every street, road, transit program, etc. will qualify as a transportation improvement.

If the TBD transportation improvements must be in a state or regional plan, does that mean only state and regional roads such as arterials, can be funded?

No. The TBD statute originally limited the use of funds for city streets and county roads to 40% of funds generated. That limitation was removed to make TBD an option for purely locally determined activities. For example, both the Washington State Transportation Plan, 2007-2026 State transportation plan (www.wsdot.wa.gov/NR/rdonlyres/083D185B-7B1F-49F5-B865-C0A21D0DCE32/0/FinalWTP111406_nomaps.pdf) and the Puget Sound Regional Council's Destination 2030 Update at page 62 (www.psrc.org/projects/mtp/pubs/D2030plan5.07.pdf) note that adequate maintenance, preservation, and expansion of local roads are an important element of the "system" and that new local options should be put to this purpose.

What if the transportation improvements are not currently in an existing state or regional plan?

We suggest that you work with your Regional Transportation Planning Organization (RTPO) to incorporate your proposed improvements into the RTPO's plan. As noted above, most RTPO's and the state plan have already identified a broad range of local transportation improvements as priorities.

continued

What revenue options do TBD's have?

TBD's have several revenue options subject to voter approval:

1. Property taxes – a 1-year excess levy or an excess levy for capital purposes;
2. Up to 0.2% sales and use tax;
3. Up to \$100 annual vehicle fee per vehicle registered in the district; and
4. Vehicle tolls.

Please Note: There are exemptions or unique requirements when using the vehicle fee or vehicle tolls.

TBD's have two revenue options not subject to voter approval, but subject to additional conditions:

1. Annual vehicle fee up to \$20. This fee is collected at the time of vehicle renewal and cannot be used to fund passenger only ferry-service improvements.
2. Transportation impact fees on commercial and industrial buildings. Residential buildings are excluded. In addition, a county or city must provide a credit for a commercial or industrial transportation impact if the respective county or city has already imposed a transportation impact fee.

Please Note: Foregoing a vote is an option only. A county or city still has the option of placing either the annual fee of up to \$20 or the impact fees to the vote of the people as an advisory vote or an actual requirement of imposition.

What are the additional conditions required to impose revenue options not subject to voter approval?

To impose either fee, the TBD's boundaries must be countywide or citywide, or if applicable, in the unincorporated county.

Vehicle Fees: A county that creates a TBD to impose up to a \$20 vehicle fee must first attempt to impose a countywide fee to be shared with cities by interlocal agreement. Sixty percent (60%) of the cities representing seventy-five (75%) of the incorporated population must approve the interlocal agreement for it to be effective. If an interlocal agreement cannot be reached, the county is authorized to create a TBD and impose the fee only in the unincorporated area of the county.

In addition, credits must be provided for previously imposed TBD vehicle fees. Credits are not required for voter approved vehicle fees.

Commercial and Industrial Transportation Impact Fees: A TBD that is either countywide or citywide must provide a credit for a commercial or industrial transportation impact fee if the respective county or city has already imposed a transportation impact fee. This is commonly called a "no double-dipping" provision.

What are the effective dates to impose revenue options not subject to voter approval?

All counties except King, Pierce and Snohomish	
July 22, 2007 to January 18, 2008	County only Note: A county may waive this exclusive authority and allow a city to proceed by adopting a resolution to that effect.
January 19, 2008	All 36 counties and cities within the 36 counties.

King, Pierce and Snohomish County Eligibility	
December 1, 2007 to May 22, 2008	County only Note: King, Pierce, or Snohomish County may waive this exclusive authority and allow a city to proceed by adopting a resolution to that effect.
May 23, 2008	All counties and cities

continued

If we create a countywide TBD for the up to \$20 vehicle fee, how is the revenue distributed to cities?

The revenue must be shared according to the interlocal agreement. The law does not prescribe what the interlocal agreement contains. Consequently, the revenue can be shared by population, number of vehicles within each jurisdiction, project list, a combination of these, or whatever the county and cities can reach agreement on.

What happens if a city imposes the up to \$20 vehicle fee and then the county imposes a countywide fee without voter approval?

The law requires TBDs to provide a credit for vehicle fees previously imposed by a TBD.

For example, if a City was the first to create a TBD to impose a \$20 vehicle fee and subsequently its County creates a countywide TBD imposing a \$20 vehicle fee, the County TBD must provide a \$20 credit against its fee for vehicles registered in the City. As a result, no fee would be collected by the County TBD from vehicles registered in the City. Additionally, the City would not be part of the interlocal agreement with the County or be included in the number/percentages needed for the interlocal agreement to be effective.

However, if in the same example, the City TBD imposed only \$10 of the \$20 vehicle fee and the County TBD imposed a countywide \$20 vehicle fee, only a \$10 credit would be provided for vehicles registered in the City. The County TBD would collect \$10 from vehicles registered in the City. Consequently, the County TBD would need to include the City in the interlocal agreement discussions and the City is included in the number/percentages needed for the interlocal agreement to be effective.

What other requirements should I be aware of?

Revenue rates, once imposed, may not be increased, unless authorized by voter approval.

If project costs exceed original costs by more than 20 percent, a public hearing must be held to solicit public comment regarding how the cost change should be resolved.

The TBD must issue an annual report to include the status of project costs, revenues, expenditures, and construction schedules.

The TBD must be dissolved upon completion of the project(s) and the payment of debt service.

Checklist

For a checklist that highlights many of the important considerations when creating a Transportation Benefit District (TBD), please see www.awcnet.org/tbd.

Eligibility requirements vary. For additional questions on Transportation Districts, please contact AWC staff Ashley Probart at ashleyp@awcnet.org Sheri Sawyer at sheris@awcnet.org.



Attachment B

OFFICE OF THE MAYOR

Ray Stephanson
Mayor

January 4, 2008

Snohomish County Council
The Honorable Dave Gossett, Chair
Administration Building – East, 8th Floor
3000 Rockefeller Avenue, M/S 609
Everett, WA 98201

RE: Support for evaluation of "Transportation Benefit District" tool within Snohomish County, per RCW 36.73

Dear Chairman Gossett and County Council Members:

On December 1, 2007, Snohomish, King and Pierce counties, and the cities within those three counties, became eligible to utilize a new local-option transportation funding tool, the "Transportation Benefit District" (TBD).

The authorization to utilize newly crafted TBDs was part of **Engrossed Substitute House Bill 1858** enacted during the 2007 Session of the State Legislature. As you know, within the statute is a provision that allows counties to have a first shot at implementing TBDs on a countywide basis, as long as that is done by May 22, 2008, and is supported by inter-local agreements between the county and 60 percent of the cities representing 75 percent of the incorporated population within the county.

We commend your Public Works staff, in particular Public Works Director Steve Thomsen, for initiating collaborative discussions on the potential use of the TBD as a local and regional transportation funding tool. We understand the county now seeks, for the record, an expression of cities' interest in further exploration and evaluation of this financing tool.

The City of Everett is interested in doing just that. There is a lot of work to do, and discussions to be had, regarding the TBD tool, and how and whether to use the "councilmanic" authority in the new statute (*a Vehicle License Fee of up to \$20*) and/or the voter-approval-required revenue options. In our view, it is important that we begin those earnest discussions early, in order to thoroughly evaluate the revenue options and look at the types of eligible transportation projects and programs upon which we should focus. We all have a lot of ground to cover if we are to make an informed decision on a countywide approach prior to May 22, 2008.

Snohomish County Council
The Honorable Dave Gossett, Chair
January 4, 2008
Page Two

While it is still too early to know whether or not we will be able to successfully establish a countywide TBD, we commend your staff's leadership for initiating discussions and would urge their continued discussion, exploration, and evaluation of the countywide option. We believe that the State Legislature, which provided this tool to local governments, expects all of us to diligently pursue this local funding option for the transportation needs in our county.

Sincerely,



Ray Stephanson
Mayor

c: Everett City Council Members
Dave Davis & Brian Jones, Engineering Services
Tom Hingson, Transportation Services
Pat McClain, Government Affairs Director
Doug Levy, City Lobbyist

Memo

To: Administrator Knight
From: Donna Murphy
CC:
Date: 11/13/2007
Re: Transportation Benefit District

At the November 9, 2007 Infrastructure Coordination Committee meeting (ICC), Chairperson Doug Jacobson discussed forming a Transportation Benefit District to build a funding package for transportation projects in Snohomish County.

Forming a consortium and Interlocal Agreements with the cities and towns in Snohomish County is a possibility.

The funding mechanism discussed was adding \$20 per vehicle license renewal. There are 60,000 registered vehicles in Snohomish County and the fee would add \$12 million annually to the District.

Basic information will be sent out soon and a sub committee of the ICC will be formed to work on this project between December 2007 and May 2008. The subcommittee will meet twice per month beginning with:

1st meeting:	To be determined
2 nd meeting:	Friday December 14, 2007 – Brown bag lunch meeting from noon to 1:30 PM (ICC meeting to follow at 1:30)

Deborah Knight

From: Donna Murphy [donna.murphy@ci.sultan.wa.us]
Sent: Wednesday, January 09, 2008 4:52 PM
To: 'Deborah Knight'
Subject: FW: ICC Meeting 1/11/2008 - Canceled
Follow Up Flag: Follow up
Flag Status: Flagged

Deborah,
 I don't see your name on the list for this notice. Please note the chart for the Transportation Benefit District below.

Thanks,
 Donna

From: McCormick, Douglas [mailto:DMcCormick@co.snohomish.wa.us]
Sent: Wednesday, January 09, 2008 11:47 AM
To: Toni Finco; Allan Giffen; Andrew Bullington; Bertrand Hauss; david hopkins; Gloria Hirashima; Jay Larson; jim niggemyer; JoAnn Becker; Joe Beavers; John Engel; John Light; John Tatum; June Devoli; Kuciemba, Katie; Larry Waters; Matt Kitchen; Melissa Cauley; Pat Curran ; Paul Roberts; Roland Behee; Sam Schuyler; Scott Smith; Steve Thomsen ; Suzy; Tom Gathmann; Zelinski, Michael; Arden Blackledge ; Beck, Charles; Bill Beckman ; Bill Franz ; Bill Greene; Bill Vlcek; Bob Moorhead ; Brian Jones; Bryan White ; Carol Thompson ; Carter, Owen; Cathy George ; Chris Picard; Connie Dunn ; Dan Hammer; Dave Davis; Dave Gebert ; Dave Kircher ; Dave Ostergaard; David Martin ; Dick Callahan; Donna Murphy ; Doug Jacobson ; Ed Conyers ; Eddie Low; Edward Koltonowsk; Elaine Babby ; Fogard, Bobann; graham anderson; Hall, Will; Happy Longfellow; Idleburg, Gary; jeanette.johnson; Jeff Elekes ; Jeff Massie; Jessyn Schor; Jim S; John Anderson ; Karen Richter; Kelly McGourty ; Killingstad, David; Ladiser, Craig; Len Olive ; Leslie Rathbun ; Linda Finley ; Lisa Wolterink; Louie, Art; Lyla Boyd ; Mattila, Brent; McCormick, Douglas; Monica Overby ; Owen Carter; Patrice Hardy ; Patrick Gruenhagen; Paul Kaftanski; Peter Mills ; Rick Mitchell; Roger Eberhart ; Russ East ; Sally Marks; Stephen Clifton; Steve Lewis; Sullivan, Brian; Theresa Sheldon ; Tim Heydon ; Tom Hansen ; Tyree, Mary; Will VanRy
Subject: ICC Meeting 1/11/2008 - Canceled

Please note:

ICC Meeting on January 11, 2008 is hereby CANCELLED.

Snohomish County is still waiting for TBD support letters from the Cities interested in participating in the Transportation Benefit District Interlocal Agreement.

Please provide copies of support letters from your jurisdiction to Steve Thomsen, Doug Jacobson and Doug McCormick.

The following summarizes support confirmed to date:

Criteria: 60% Cities (12 min.) and 75% of Incorporated Population (275,711)

City/Municipality	2007 Population Estimate	Cumulative Population Total	%of Incorporated Population	Letters of commitment

C-2

Everett	101,800	101800	27.69%	YES
Edmonds	40,560	142360	11.03%	?
Marysville	36,210	178570	9.85%	?
Lynnwood	35,490	214060	9.65%	?
Mountlake Terrace	20,810	234870	5.66%	?
Mukilteo	19,940	254810	5.42%	?
Mill Creek	17,620	272430	4.79%	?
Arlington	16,720	289150	4.55%	?
Monroe	16,290	305440	4.43%	?
Bothell (Sno. Co. portion)	15,450	320890	4.20%	?
Lake Stevens	13,350	334240	3.63%	?
Snohomish	8,970	343210	2.44%	?
Brier	6,480	349690	1.76%	?
Stanwood	5,200	354890	1.41%	?
Sultan	4,530	359420	1.23%	?
Granite Falls	3,195	362615	0.87%	?
Gold Bar	2,175	364790	0.59%	?
Darrington	1,485	366275	0.40%	?
Woodway	1,180	367455	0.32%	?
Index	160	367615	0.04%	?
Unincorporated County	318,685	686300	46.44%	YES
Total Est. Population	686,300			

If you have any questions, please feel free to contact me.

Doug

Douglas W. McCormick, PE
 Program Planning Supervisor
 PW/Transportation and Environmental Services
 3000 Rockefeller Ave, Admin Bldg W. M/S 607
 Everett, WA 98201-4046

425.388.6655
 fax 425.388.6449

dmccormick@co.snohomish.wa.us

C-3

SULTAN CITY COUNCIL COMMITTEE

AGENDA ITEM COVER SHEET

DATE: January 17, 2008

SUBJECT: Stormwater Utility

CONTACT PERSON: Public Works Director Dunn
City Administrator Knight

ISSUE:

Citizens are approaching Council member(s) and staff regarding the fees associated the stormwater utility formation and fees.

Jim Flower would like to share with you the issues:

The proposed stormwater utility budget

Pros and cons of postponing implementation until 2012 when the NPDES permit required

Consequences of not applying for NPDES permit

Impact to retail businesses with large parking lots

RECOMMENDED ACTION:

Discuss alternatives after reviewing the proposed stormwater budget.

Direct staff on how we can assist the Council members during the next week and the Public Hearing.