



CITY OF KIRKLAND

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MEMORANDUM

To: Kurt Triplett, City Manager

From: Michael Olson, Director of Finance and Administration
Kevin Raymond, City Attorney

Date: January 20, 2022

Subject: RESOLUTION REGARDING POSSIBLE ASSUMPTION OF THE RIGHTS, POWERS, FUNCTIONS, AND OBLIGATIONS OF THE KIRKLAND TRANSPORTATION BENEFIT DISTRICT BY THE CITY OF KIRKLAND AND ESTABLISHING A PUBLIC HEARING

RECOMMENDATION:

It is recommended that the City Council conduct a public hearing at its regular meeting on February 15, 2022 related to the possible assumption of the rights, powers, functions, and obligations of the Kirkland Transportation Benefit District (KTBD) by the City of Kirkland. This resolution was originally scheduled for discussion and action at January 18th Council meeting but was deferred to February 1st due to the length of the meeting. The original public hearing date was proposed for February 1st but has been moved back two weeks as well. Other than the new dates, the memo and resolution are the same as those included in the January 18th Council packet.

BACKGROUND DISCUSSION:

At its November 16, 2021 meeting, a portion of the City Council's study session was devoted to a staff presentation and consideration of ways in which revenue generating options available through the KTBD could be activated to help fund priority projects from the Safer Routes to School Action Plans or for other lawful purposes.

Also at the November 16, 2021 meeting, the City Council was briefed in the Study Session about the potential public benefits of initiating the Kirkland Transportation Benefit District ([memo](#)) and amended the [2021-2022 City Work Program](#) to explore the TBD, adding the following goal to the City Work Program with the approval of [Resolution R-5502](#).

Activate the Kirkland Transportation Benefit District in 2022 for the purpose of funding Safer Routes to School Action Plans priority projects, Active Transportation Plan priority projects, Vision Zero Plan priority projects and other active transportation projects to further the goals of Community Safety, Vibrant Neighborhoods, Inclusive and Equitable Community, Balanced Transportation, and Dependable Infrastructure.

Pursuant to chapter 36.73 RCW, the Council established the KTBD through Ordinance O-4435 in 2014. (Code provisions related to the KTBD are codified at Kirkland Municipal Code Chapter 19.22.) Transportation benefit districts have statutory authority to impose various taxes, fees,

charges, and tolls with voter approval. Transportation benefit districts may also impose vehicle license fees (e.g. car tabs) in some instances without voter approval.

Pursuant to chapter 36.74 RCW, a city in which a transportation benefit district has been established with boundaries coterminous with the boundaries of the city may by ordinance or resolution of the city legislative authority assume the rights, powers, functions, and obligations of the transportation benefit district ("assumption") in accordance with such chapter. The boundaries of the city of Kirkland and the KTBD are coterminous.

At present, the Council serves as the governing board for the KTBD, but the district is a separate legal entity from the City of Kirkland. The Council has expressed interest in conducting a public hearing as required by state law in order to consider assumption of the KTBD by the City. Following such assumption, the former KTBD would be abolished as a separate legal entity and the Council would be vested with all rights, powers, immunities, functions and obligations otherwise vested by law in the governing board of the KTBD.

In order to initiate a process whereby the City might undertake such assumption, state law requires the Council to first adopt a resolution establishing a public hearing, setting a date and time for the hearing, and publishing newspaper notice of that hearing at least twice in the two-week period before the hearing and making it clear that all community members may participate and be heard at the hearing. See RCW 36.74.020.

The attached resolution would establish a public hearing date of February 15, 2022 and the hearing would be conducted by the Council as part of its regular meeting on that same date. The resolution would further direct staff to timely and substantively meet the publication requirements set forth by law for this process. At the end of the hearing on February 15, the Council could formally close the hearing and take action, close the hearing and defer action, or continue the hearing to a future meeting within a total of 60 days.

Attachment: Resolution