



Presented to:
Transportation Commission
July 16, 2026

Transportation Benefit District (TBD) Increase Considerations: Potential Funding Applications

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Transportation Benefit District Background

Established in 2011 - \$20 per vehicle fee

- Revised Code of Washington (RCW) 36.73
- Spokane Municipal Code (SMC) 08.16

TBD Governing Board: Council President and Council Members

- TBD Administrator: Abigail Martin

SMC 04.40.080 (D.)

The Transportation Commission shall make recommendations to the City Council regarding a comprehensive program for the following programs:

- Use of Transportation Benefit District (TBD) program funds

Increased Revenue Scenarios

Current TBD fund ~\$3.2 million annually

~\$1 million/district - majority of annual expenditure goes to Chip Seal/Grind & Overlay

~10%sidewalk

~10% Crack Seal/Maintenance

Raise fee to \$30--> ~\$4.8 million annually

Raise fee to \$40--> ~\$6.4 million annually

Councilmanic ability up to \$40, then after two years in place up to \$50;

Vote of the people is also an option, allows for up to \$100;

Cost of a ballot measure depends...

Additional Funding Mechanisms *from MRSC*

Transportation benefit districts are primarily funded through sales taxes and/or vehicle license fees. There are several other funding options available such as border area fuel taxes, bonds, and impact fees, but these are seldom or never used.

Sales and Use Taxes

The most common TBD funding source is a sales and use tax of up to 0.3% ([RCW 82.14.0455](#) and [RCW 36.73.040](#)(3)(a)).

Effective July 1, 2022, up to 0.1% of this sales tax may (optionally) be imposed by a majority vote of the governing board as long as the TBD includes all of the territory within the boundaries of the jurisdiction(s) forming the TBD. Otherwise, the sales tax must be approved by a simple majority of voters.

These sales tax may generally not exceed 10 years, but they may be renewed for additional 10-year periods with voter approval or a vote of the governing board, as appropriate. The TBD sales tax may only exceed 10 years for the repayment of debt, in which case the ballot measure should state the intended use and duration of the debt service.

In recent years, voters have approved the vast majority of all proposed TBD sales and use taxes. For individual results, see MRSC's [Local Ballot Measure Database](#) (select "Filter by Ballot Categories," select the "Funding Type/Statutory Authority" drop-down menu, and look for the TBD sales tax and TBD vehicle license fee options).

General Obligation Bonds

Border Area Fuel Tax

Impact Fees

Vehicle Tolls

Excess Property Taxes

Local Improvement Districts

Funding Background

- General Fund used to supplement the TBD program, about \$2 million/year; budget cuts were needed in this and previous administrations;
- Council provided \$700k across all districts for a few years dedicated for paving unpaved streets- this has also been cut;



Potential Funding Applications

Expanded Local Access Street Maintenance

Expanded Sidewalk Infill Funding

Crack seal & Maintenance Budget

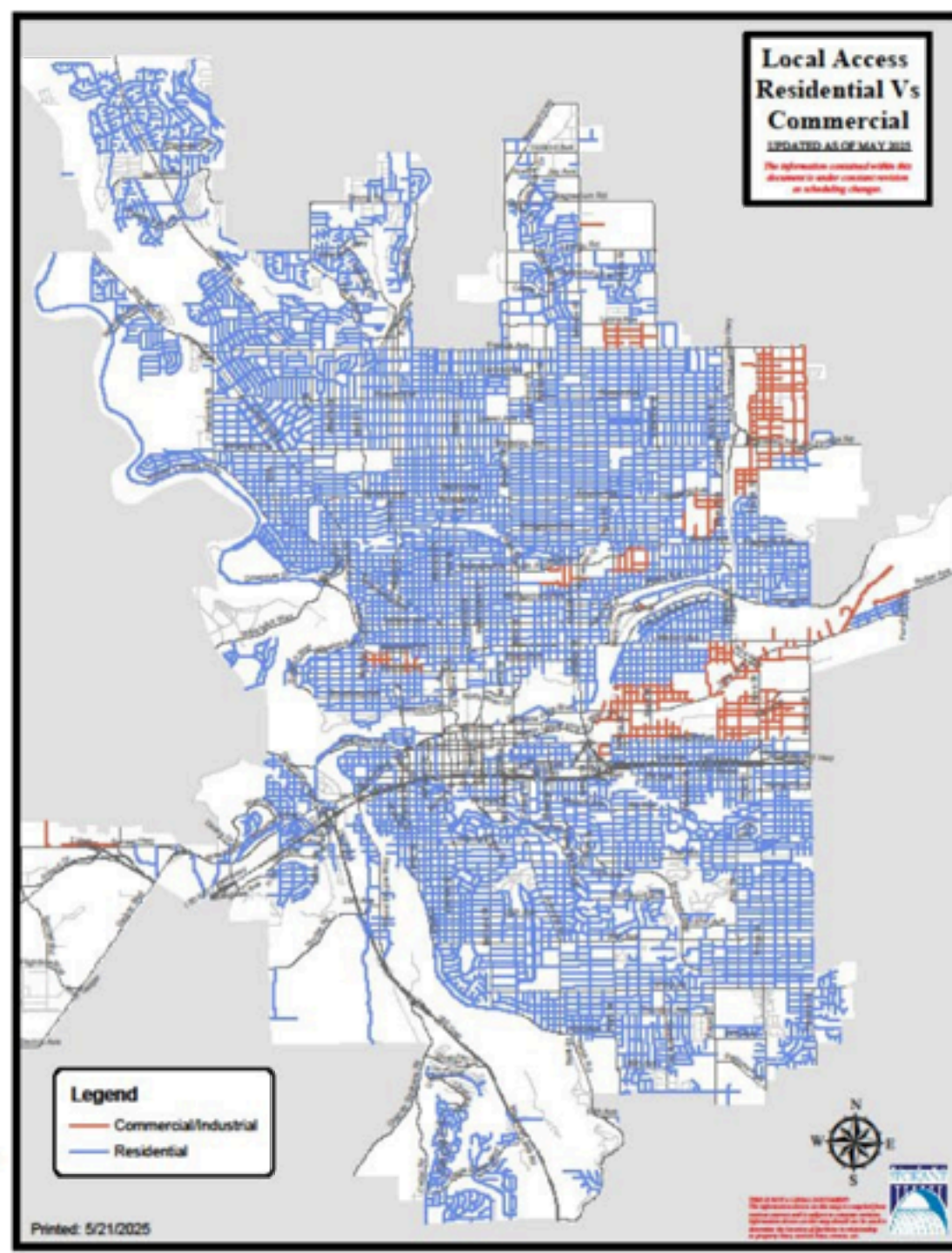
Paving Unpaved Streets

Residential Street Rebuilds

Local Access

Local Access Streets Include

- Residential Areas
- Commercial Areas
- Industrial Areas

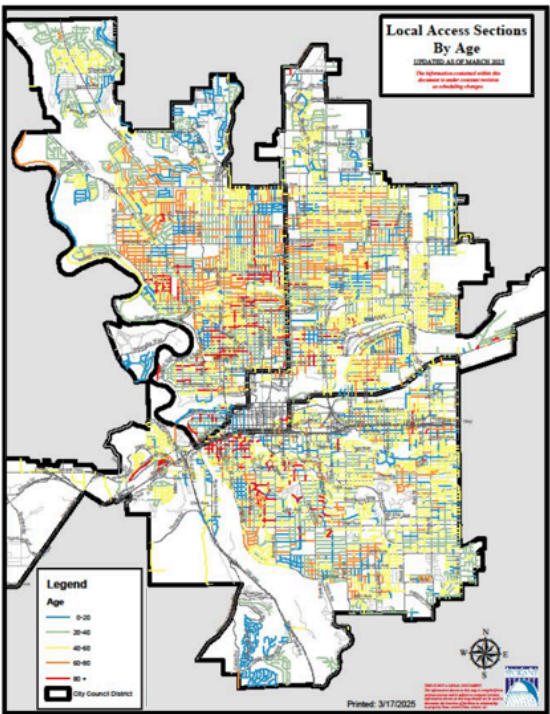




EXISTING INFRASTRUCTURE

Local Access Street Inventory

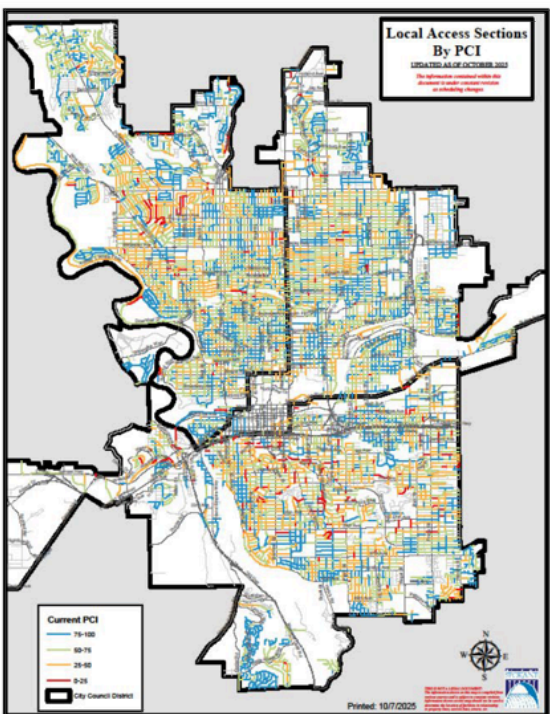
Street Age in Years	City Lane Miles	% of Inventory
0-20	103	15%
20-40	225	33%
40-60	192	28%
60-80	129	19%
80+	28	4%



EXISTING INFRASTRUCTURE

Local Access Street Current Pavement Condition Index (PCI)

PCI Rating	City Lane Miles	% of Inventory
75-100	227	34%
50-75	254	38%
25-50	174	25%
0-25	21	8%

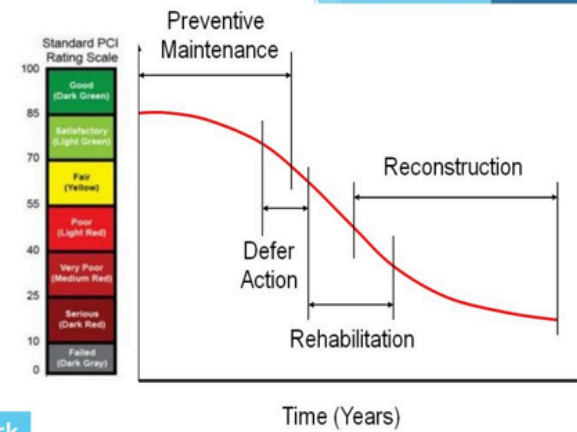




Selection Process

Identify and Prioritize Maintenance
& Rehab Needs

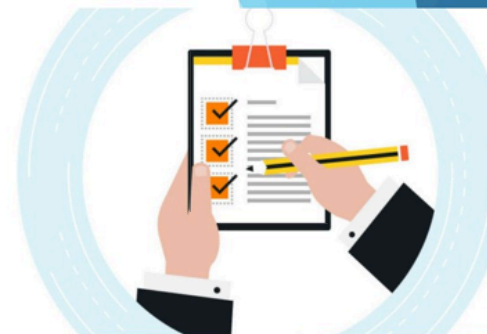
Keep the “GOOD” streets “GOOD”



PCI Rating	Category	Type of Work
75-100	Preventive/Maintenance	Crack Seal
50-75	Rehabilitation	Chip Seal
25-50	Reconstruction/Rehab	G&O
0-25	Reconstruction	Rebuild



Cost to Maintain



PCI Rating	% Inventory	Category	Type of Work	Cost of Work	Total Potential Maintenance Cost
75-100	34%	Preventive/Maintenance	Crack Seal	\$1.60 / ln. ft.	
50-75	38%	Rehabilitation	Chip Seal	\$18 / Yd.	\$89.6 Million
25-50	25%	Reconstruction/Rehab	G&O	\$78 / Yd.	\$257.6 Million
0-25	3%	Reconstruction	Rebuild	\$160-\$315 / Yd.	\$58.6-\$115.4 Million

* Not Including Utility Updates



Expanded Sidewalk Infill Funding

State of current sidewalk system

Currently ~10% of the fund

maintaining or increasing the allotment

560 mi of sidewalk infill needed

Could also be used for sidewalk repair, ADA ramps, additional improvements

Sidewalk Proviso at State Legislature



Upping Crack seal budget

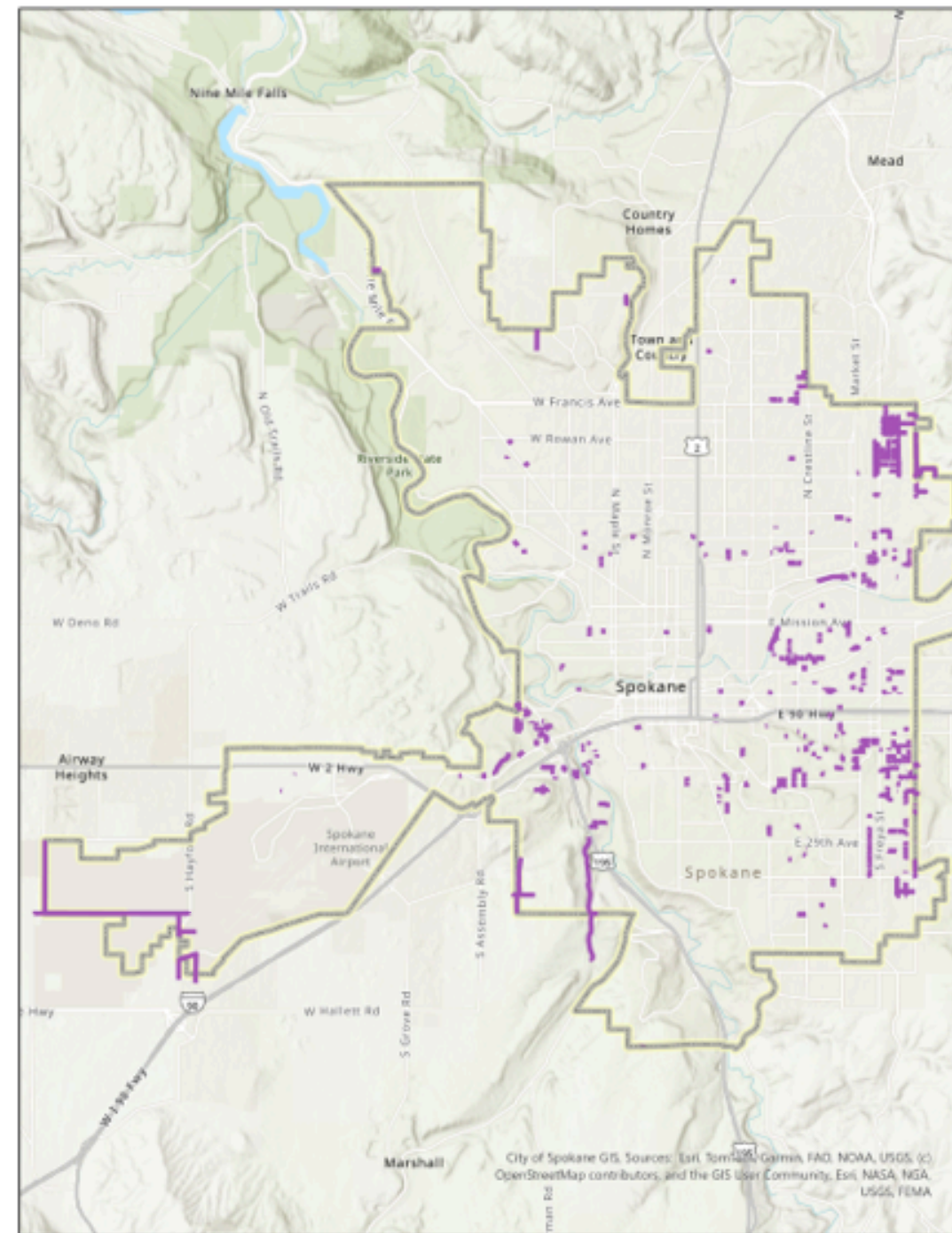
Could be increased;

Doesn't need to double because needs to be used in the year designated



Paving Unpaved Streets

- No current funding source
- Costly
- 55 mi of unpaved streets
- District breakdown





Residential Street Rebuilds

Former use of TBD funds

Miles requiring rebuilds

21 City Lane Miles (3%)

Thoughts?

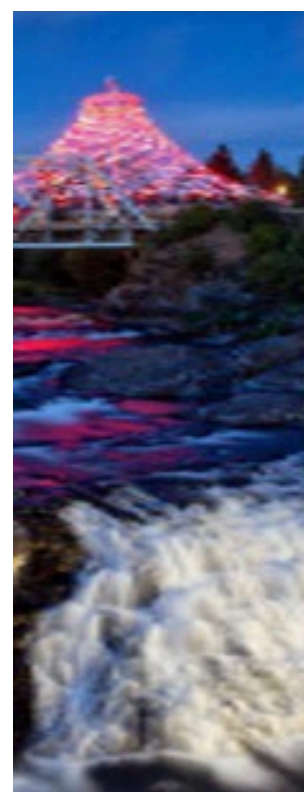


Next Steps

More coordination with Council/TBD Governing Board;

Some Council Members have expressed interest;

Staff in their areas of expertise have expressed interest



Questions?

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