

City of Chelan Transportation Benefit District Fact Sheet



CITY OF
CHELAN
WASHINGTON

Did You Know?



Street preservation efforts are 10x less expensive than replacing.



For every \$100 of property tax paid in the City of Chelan, only \$12.26 is allocated to the City.



There are 112 Transportation Benefit Districts across Washington State.



Over 65% of Chelan's taxable retail sales are generated by visitors.

Our community has struggled to keep up with local street maintenance or transportation improvements especially in the face of declining state funding, property tax collections not keeping up with the pace of inflation and increasing costs of doing business. Cities now have to use local funds for street improvements instead of relying on state resources.

With nearly \$24 million in identified projects on the Six Year Transportation Improvement Program (STIP), the capped property tax revenue is not enough to even provide the required matching funds for grants.

If the City does not have matching funds or we do not secure grant funding, most of our projects will not move forward.

What does the Street Department do?

Maintenance & Operation



The City's Street system is comprised of approximately 42 miles of paved roadway. The Street Fund provides for the ongoing **maintenance** and **operation** services for all facets of the City's Street system.

*The list of services**

- Road maintenance and pothole repair
- Line striping
- Weed control
- Street cleaning
- Alley maintenance
- Traffic sign installation and repair
- Street light repair
- Street banner installation
- Sidewalk repair
- Sidewalk cleaning
- Storm drain repair and maintenance
- Storm water cleanup
- Snow and ice control
- Administration of pavement preservation
- Administration of capital improvements plan
- Project administration

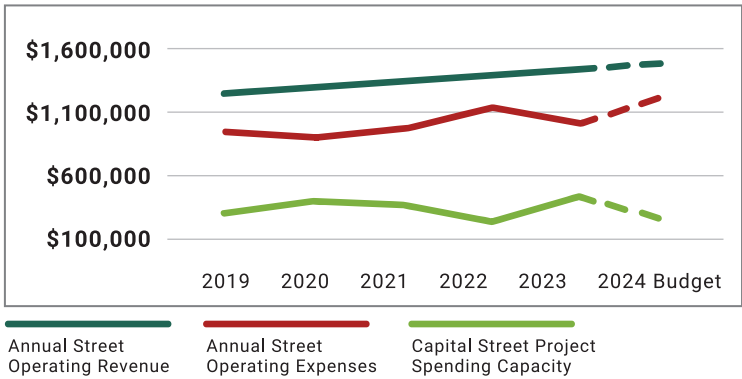
**includes but is not limited to*

How is the Street Department funded?



The main source of revenue for the Street Fund is 75% of all property taxes collected by the City of Chelan. The following graph shows Revenues, O&M Expenses and the remaining funding available to support Capital street improvement projects.

Street Operating Revenue & Expenditure Trends



How your 2023 Property Tax Is Allocated for Every \$100 Collected:



City of Chelan: \$12.26

Other Distributions: \$87.74

- | | |
|----------|---------------|
| School | Port |
| Fire | Cemetery |
| County | Mental Health |
| Library | Veterans |
| Hospital | |

What is a Transportation Benefit District?

A Transportation Benefit District (TBD) provides local communities with a means to generate funding, through either vehicle license fees, building permit fees or sales tax. TBD funds must be used for transportation improvements ONLY such as roads and sidewalks and can include construction, maintenance, and operation costs. The funds cannot be used for non-transportation purposes.



Options for Street Capital Project Funding

With a growing list of Street capital projects, the City has evaluated several options to provide the critical funding needed to make progress on the list of identified projects.

Funding Option	Impact to Locals	Financial Impact
1 Car Tabs	HIGH	LOW < \$100,000 per year
2 Permit Fees Increase	LOW (Except affordable housing)	LOW
3 Sales Tax Increase	LOW >65% of retail sales driven by visitors	HIGH In 2023, this would have generated: .1% (8.4% -> 8.5%) - \$405,597 .2% (8.4% -> 8.6%) - \$811,195 .3% (8.4% -> 8.7%) - \$1,216,792

ON BALLOT NOV. 5

Proposed Fund Use

These percentages are approximations for the allocation of funds.
Projects included in the STIP will be defined through a community input process.



AUGUST
Community Survey



OCTOBER
Community Open House



NOVEMBER
Top 5 projects added to STIP



JANUARY
Council Approves STIP

- 40-60% Pavement preservation
- 20-40% Grant match for projects in the STIP.
- 10-20% Sidewalks, ADA upgrades, City traffic calming

Other Resources

- * Transportation Benefit District Hub from The Municipal Research & Services Center
- * Email the Mayor at mayor@cityofchelan.us