

May 14, 2024

MEMORANDUM

To: Select Committee on 2024 Transportation Levy
From: Calvin Chow, Analyst
Subject: 2024 Transportation Levy – Issue Identification

On May 3, 2024, the Mayor announced an eight-year, \$1.45 billion property tax [proposal](#) to renew the 2015 Move Seattle Transportation Levy. [Council Bill \(CB\) 120788](#), referred to the Select Committee on 2024 Transportation Levy (Select Committee), would put the measure before voters on the November 2024 general election. The Executive presented the Mayor's proposal at the first meeting of the Select Committee on May 7, 2024.

This memorandum (1) summarizes the Mayor's levy proposal and compares it to the expiring 2015 Move Seattle Transportation Levy, (2) describes the changes in the Mayor's proposal from his April draft [announcement](#),¹ and (3) identifies potential issues for Council's consideration.

Mayor's 2024 Transportation Levy Proposal

The Mayor's proposal is to renew the transportation levy at \$1.45 billion over an eight-year term. This is a higher amount and shorter term than the existing Move Seattle Levy (\$930 million over a nine-year term). For comparison, an inflation-only adjusted renewal of Move Seattle would be approximately \$1.2 billion over eight years.

The proposal identifies 10 spending categories. Note that some projects and programs support multiple objectives but are categorized under their primary function. The projects and programs are further described in [Attachment A](#) to the legislation and include:

- *Vision Zero, School and Neighborhood Safety (\$162 million)*: Vision Zero, Safe Routes to School, Aurora Avenue N Safety, Neighborhood-Initiated Safety Partnership Program, and District Project Fund.
- *Street Maintenance and Modernization (\$423 million)*: Arterial Roadway Maintenance, Paving Spot Improvements, and Markings.
- *Bridges and Structures (\$221 million)*: Bridge Structural Repairs and Upgrades, Bridge Preventative Maintenance, Project Readiness, and Areaways.
- *Transit Corridors and Connections (\$145 million)*: Transit Spot Improvements, Transit Passenger Safety, and Transit Improvements and Access to Light Rail.
- *Pedestrian Safety (\$135 million)*: New Sidewalks, Sidewalk Safety Repair, Sidewalk and Infrastructure Solutions, Americans with Disabilities Act (ADA) Program, Stairways, and Crossing Improvements.

¹ Please see Attachment 1 (Central Staff memo on the Mayor's Draft Transportation Levy Proposal, April 16, 2024) for more context on transportation funding, other property tax measures, and details of the Mayor's April draft proposal.

- *Signals and Operations (\$100 million)*: Traffic Signal Timing, Traffic Signals and Maintenance, Sign Maintenance, and Transportation Operations.
- *Bicycle Safety (\$114 million)*: Neighborhood Greenways, Bike Lane Maintenance, Projected Bike Lanes, Upgraded Bike Lanes, and Bike Spot Improvements.
- *People Streets and Public Spaces (\$66 million)*: People Streets Capital Projects, Downtown Activation, People Streets and Wayfinding Maintenance, and Pedestrian Lighting.
- *Climate and Resiliency (\$59 million)*: Climate and Electrification Program, Low Pollution Neighborhoods, and Urban Forestry.
- *Freight and Goods Movement (\$25 million)*: Freight Spot Improvements and Heavy Haul Network.

While these categories differ from the previous Move Seattle categories,² the Seattle Department of Transportation (SDOT) has provided a recategorization of Move Seattle Levy spending for comparison. The comparison between Move Seattle and the Mayor's proposed spending is shown in Table 1.

Table 1: Comparison of Move Seattle and Mayor's Proposed Levy Spending

| Category | Move Seattle (2015) | | Mayor's Proposal (2024) | |
|---|----------------------|---------|-------------------------|---------|
| | 9-year Revenue | % share | 8-Year Revenue | % share |
| a. Vision Zero, School & Neighborhood Safety ³ | \$55 million | 5.9% | \$162 million | 11.2% |
| b. Street Maintenance and Modernization | \$253 million | 27.2% | \$423 million | 29.2% |
| c. Bridges and Structures | \$149 million | 16.0% | \$221 million | 15.2% |
| d. Transit Corridors and Connections | \$165 million | 17.7% | \$145 million | 10.0% |
| e. Pedestrian Safety | \$103 million | 11.1% | \$135 million | 9.3% |
| f. Signals and Operations | \$66 million | 7.1% | \$100 million | 6.9% |
| g. Bicycle Safety | \$72 million | 7.7% | \$114 million | 7.9% |
| h. People Streets and Public Safety | -- | 0.0% | \$66 million | 4.6% |
| i. Climate and Resiliency | \$30 million | 3.2% | \$59 million | 4.1% |
| j. Freight and Goods Movement | \$38 million | 4.1% | \$25 million | 1.7% |
| Total | \$931 million | | \$1,450 million | |

² The Move Seattle Levy grouped levy programs under three categories: Safe Routes, Congestion Relief, and Maintenance and Repair. The Move Seattle Levy was put before the voters by [Ordinance 124796](#), which also included an [Attachment A – Spending Breakdown](#) as the commitment to voters and basis for reporting.

³ The Mayor's April draft proposal included \$48 million to Build Projects With Community. This funding has been repurposed for a Neighborhood-Initiated Safety Partnership Program and a District Project Fund under the Vision Zero, School & Neighborhood Safety category in the Mayor's May proposal.

In summary, the proposed legislation (CB 120788):

- Authorizes the submittal of a property tax levy to voters and establishes the conditions for levy collection, including the requirement of a minimum General Fund contribution to transportation as part of the City's budget (Section 1 through Section 5).
- Establishes the allowable uses of levy funds, including reference to Attachment A which details anticipated levy spending levels for various projects and programs (Section 6).
- Creates an Oversight Committee to monitor and advise on implementation (Section 7).
- Specifies reporting requirements on levy spending and accomplishments (Section 8).
- Establishes the draft ballot title for certification by the City Attorney (Section 9).
- Includes a section title clause, severability clause, ratify and confirm clause, and effective date clause (Section 10 through Section 13).

This legislation establishes the terms of the levy and cannot be changed (without going back to voters). Within the constraints established by this legislation, future project and program implementation would be addressed through the budget process or other legislative actions.

Changes From Mayor's April Draft Proposal

Overall, the Mayor's May (final) proposal increases the size of the levy by \$100 million. Compared to the April draft announcement, the Mayor's proposal:

- Reallocates \$48 million of proposed spending for community-driven projects for a \$41 million Neighborhood-Initiated Safety Partnership Program and creates a \$14 million District Project Fund to respond to neighborhood issues and concerns. This program realignment represents a net \$7 million increase in funding from the April draft proposal.
- Adds \$3 million for Bridge Preventative Maintenance (for a total of \$127 million).
- Adds \$20 million for Transit Spot Improvements (for a total of \$27 million).
- Adds \$3 million for Transit Passenger Safety (new program).
- Adds \$20 million for New Sidewalks (for a total of \$63 million). The increased spending is focused on an additional 30 blocks of sidewalks on transit routes in urban centers.
- Adds \$5 million for Sidewalk and Infrastructure Strategies (new program). The increased funding would advance sidewalk and infrastructure repair strategies and support the work of a new Transportation Funding Task Force (described below).
- Adds \$1 million for Sidewalk Safety Repair (for a total of \$19 million).
- Adds \$20 million for Protected Bike Lanes (for a total of \$68 million). The increased spending is focused on South Seattle bike network projects.

- Adds \$6 million for People Streets Capital Projects (for a total of \$39 million). The increased spending is proposed for the Occidental Promenade project.
- Adds \$5 million for Pedestrian Lighting (for a total of \$10 million).
- Adds \$10 million for the Climate and Electrification Program (for a total of \$22 million). The increased spending supports deployment of charging stations at public facilities.

The Mayor's proposal also calls for the formation of a Transportation Funding Task Force, charged with identifying funding strategies and policy recommendations for sidewalks, bridges, and other transportation assets by the end of 2026. Separate legislation is anticipated to guide the Task Force's formation and scope but is not currently before Council. Such legislation could be drafted for consideration by the Select Committee or could be deferred for future Council action.

Potential Issues for Council's Consideration

As previously mentioned, the legislation before Council would establish the terms and conditions of the levy which cannot be changed without going back to the voters. Implementation of levy programs will be subject to the Council's annual budget process within the constraints approved by voters. In developing potential amendments to the legislation, Council should consider whether the issue is best addressed through binding commitments in the levy legislation, through separate companion legislation, or deferred for future budget deliberations.

In reviewing the legislation, Central Staff has identified seven issues for Council's consideration.

Issue 1 – General Terms of the Proposed Levy

The proposed levy is an eight-year, \$1.45 billion property tax package. The legislation includes a commitment to not supplant existing transportation funding by establishing a minimum General Fund budget requirement for transportation purposes. For the first year of the levy, the minimum General Fund requirement would be \$50.74 million, and this amount would escalate with an inflationary factor tied to the Seattle Consumer Price Index. The legislation provides an exemption clause from this requirement if the Council determines by $\frac{3}{4}$ vote that economic or financial conditions prevent the City from meeting the General Fund obligation.

Both the minimum General Fund requirement and the exemption clause are consistent with provisions in the existing Move Seattle Levy. Over the course of the Move Seattle Levy, Council suspended the minimum General Fund requirement once for the 2020 Budget in response to the Covid pandemic and reduced revenues ([Ordinance 126128](#)).

In 2024, the Seattle median assessed value (AV) home (valued at \$804,000) will pay \$2,430 in property taxes to Seattle, including \$300 for the expiring Move Seattle Levy. At \$1.45 billion, the Mayor's proposed levy renewal would cost the median AV home \$469 per year. This would

be an increase of \$169 per year from the Move Seattle Levy, representing a 56 percent increase for the first year of the levy.⁴ The legislation also authorizes a property tax exemption for income-qualified seniors, veterans, and persons with disabilities, pursuant to Washington State law. These state-authorized tax exemption programs are administered by King County.

The Council may wish to consider:

- A. Increasing or decreasing the \$1.45 billion size of the levy.
- B. Changing the eight-year term of the levy.
- C. Modifying the General Fund requirement or other general provisions of the levy.

Issue 2 – Legal Spending Requirements

The legislation identifies proposed spending levels for each levy program by category in Attachment A; however, the legislation does not establish these spending levels as legal requirements. Rather, the legislation anticipates that spending will be governed by Council's future budget deliberations and tracked as part of levy oversight and reporting.

Previously, the Move Seattle Levy included legal requirements on the total nine-year appropriations for three categories of levy spending: \$207 million for Safe Routes, \$303 million for Congestion Relief, and \$420 million for Maintenance and Repair. The Move Seattle Levy provided for these total appropriations to be changed by up to 10 percent by future ordinance, or by more than 10 percent by future ordinance with a $\frac{3}{4}$ vote. In response to the Covid pandemic and reduced revenues, Council approved a spending shift in the Move Seattle Levy in 2020 ([Ordinance 126230](#)). In addition to the categorical spending requirements, the Move Seattle Levy also included a separate call out for the Lander Street grade separation project (not less than \$20 million of levy appropriations).

Removing these legal appropriation requirements for the proposed legislation provides greater flexibility in the budget process and may help the City adapt to changing financial conditions or emerging priorities over the course of the levy. This approach relies on the Oversight Committee (see Issue 4 below) and reporting structures (see Issue 5 below) to track spending commitments.

The Council may wish to consider:

- A. Establishing legal spending requirements for categories of levy spending.
- B. Establishing legal spending requirements for specific programs of interest to the Council.
- C. No change to legislation; defer to future budget actions and track commitments through levy oversight and reporting.

⁴ Property tax impacts assessed by Central Staff's Fiscal Policy team. For more information on property taxes in general, please see Central Staff's March 2023 [memo](#).

Issue 3 – Proposed Spending Allocations and Commitments to Voters

While the proposed legislation does not include legal spending requirements, Attachment A documents the anticipated spending levels and investments. As such, Attachment A represents the levy's commitment to voters and will be used as the basis for oversight and reporting. No levy funding may be used for programs that are not identified in the legislation and/or Attachment A. The Council may wish to consider adjusting the planned spending levels for levy programs. Increasing funding for levy programs would require offsetting reductions elsewhere or an increase in the total size of the levy proposal.

Some of the programs and projects listed in Attachment A identify specific initial investments (individual projects or project locations). For example, the Arterial Roadway Maintenance (i.e., paving) program anticipates delivering 15 corridors, while identifying four initial projects and 12 additional locations to be evaluated to determine paving extents. Similarly, the New Sidewalks program anticipates delivering 280 blocks of sidewalks, while identifying seven initial locations for levy improvements. The Council may wish to consider if the identified initial projects in Attachment A are the appropriate commitments to put before voters.

A specific program of note for the Council is the District Project Fund. The intent of this fund is to address emerging neighborhood concerns and be responsive to District requests. The details of how this fund would be managed and implemented have not yet been established, however program spending would be subject to future budget deliberations. As proposed at \$14 million, this level of spending would support approximately \$250,000 of investment per year in each of the seven Council Districts over the eight-year term of the levy.

Another program of note is the new \$41 million Neighborhood-Initiated Safety Partnership Program. This program is intended to replace the Neighborhood Street Fund program funded in the Move Seattle Levy. The program would support neighborhood-initiated and co-created projects, but it would not utilize the Neighborhood Street Fund application and voting process. Implementation details for this program are not included in the legislation but could be addressed through the budget or separate legislative action. Implementation of levy programs is also discussed in Issue 7 below.

The Council may wish to consider:

- A. Amending Attachment A to authorize use of levy funds on other programs or projects not currently identified in the legislation.
- B. Amending Attachment A to adjust allocated spending levels for levy programs and projects.
- C. Amending Attachment A to modify the specific project commitments (i.e., the named initial locations) to be delivered by levy programs.

Issue 4 – Levy Oversight Committee Membership and Resources

The legislation establishes an 18-member Oversight Committee to monitor implementation, advise the Council and Mayor on levy spending, provide transparency and accountability to Seattle taxpayers, and opine on the advisability of proposing a replacement levy in 2032. The Oversight Committee is modelled on the current Move Seattle Levy Oversight Committee.

The Move Seattle Oversight Committee presented their [recommendations](#) at the May 7 Select Committee meeting. These recommendations included:

1. Strong support for a 2024 levy renewal proposal with increased funding over Move Seattle.
2. Exploration of additional revenue sources to address deteriorating roadways and bridges.
3. Exploration of additional funding tools to support transportation projects and programs.
4. Focus on staff capacity and readiness to deliver and execute the next levy.
5. Focus on Racial and Social Equity as a high priority for implementation.
6. Not overpromising and ensuring flexibility throughout the term of the next levy.
7. Improving oversight capacity, including levy funding to support audits of levy-funded programs.
8. Continued commitment to not supplant current General Fund funding for transportation purposes.

The majority of these recommendations are reflected in the Mayor’s proposal. The recommendations to explore other revenue sources and funding tools are discussed in Issue 6 below (Transportation Funding Task Force). However, the proposed legislation does not include levy funding to support audits of levy-funded programs (recommendation #7). Similar to the Move Seattle Levy, the Oversight Committee would be tasked with making a recommendation to the Mayor and Council on a potential levy renewal in 2032.

The proposed composition of the Oversight Committee differs from that of the Move Seattle Levy Oversight Committee; a comparison is shown in Table 2. The primary changes are the inclusion of Council-appointed residents representing each Council District, the removal of the requirement for a licensed engineer with bridge and structures experience, the addition of a Get Engaged youth appointee, and the removal of the Chair of the Transportation Committee.

Table 2: Composition of Levy Oversight Committee

| Move Seattle Levy (2015) | Mayor's Levy Proposal (2024) |
|--|--|
| Four representatives from the transportation modal boards (one each from the pedestrian, bicycle, freight, and transit modal boards) | Four representatives from the transportation modal boards (one each from the pedestrian, bicycle, freight, and transit modal boards) <i>(i.e., no change)</i> |
| Five Council-appointed residents, including a licensed engineer with bridge and structures experience | Seven Council-appointed residents, with one representative for each Council District |
| Five Mayor-appointed residents | Five Mayor-appointed residents <i>(i.e., no change)</i> |
| -- | Get Engaged youth appointee |
| Chair of Transportation Committee | -- |
| City Budget Director | City Budget Director <i>(i.e., no change)</i> |
| 16 Levy Oversight Committee Members | 18 Levy Oversight Committee Members |

The Council may wish to consider:

- A. Adding back direct Councilmember representation on the Oversight Committee.
- B. Revising the composition, roles, or required expertise for Oversight Committee membership.
- C. Allocating levy resources to support Oversight Committee activities such as auditing or other professional services.

Issue 5 – Reporting Requirements

The proposed legislation requires SDOT to produce an annual report on levy spending and project delivery and to annually update a Transportation Improvements financial plan. The legislation also directs City staff to work with the Oversight Committee to determine an evaluation and reporting structure and cadence to support the Oversight Committee's duties.

This approach is generally consistent with the reporting requirements for the Move Seattle Levy which also required annual reporting, although the Move Seattle Levy was more prescriptive in the details to be included in the annual reports. The Move Seattle Levy specified that annual reporting on each element of the Spending Breakdown include planned spending and deliverables, actual annual spending and deliverables, and cumulative spending and deliverables. The Move Seattle Levy further required a narrative assessment comparing and explaining any deviation in planned and actual spending and deliverables, and it required a summary of how levy investments implemented the adopted modal plans including reporting on leveraged funding. As these requirements were established in the Move Seattle Levy legislation, these basic requirements could not be modified without going back to voters.

However, over the course of the Move Seattle Levy, SDOT developed more extensive [reports](#) and reporting tools than were required by the enabling legislation. These included annual delivery plans, annual reports (including Q1, Q2, and Q3 updates), as well as workplan updates and assessments. SDOT also developed a [Move Seattle dashboard](#) to report on levy accomplishments and a [Capital Projects dashboard](#) to report on individual projects.

The Move Seattle Levy legislation also included a requirement for SDOT to report annually on bridges and structures (including on the condition of structures, an assessment of deficiencies, and a funding plan to address deficiencies). These reports are [posted](#) with the other Move Seattle materials. The City's focus on bridges and structures has increased over the course of the Move Seattle Levy with the closure of the West Seattle Bridge, the Council-requested audit of bridges and SDOT's bridge program,⁵ and the Mayor's proposal to explore funding strategies through a Transportation Funding Task Force (discussed in Issue 6) with the proposed levy.

The Council may wish to consider:

- A. Adding requirements for continued dashboard reporting or other Move Seattle Levy reports.
- B. Adding detail on specific information to be included in annual reporting.
- C. Adding reporting requirements on specific issues of interest to the Council. Such issues could also be considered as part of separate legislation (discussed in Issue 7).
- D. No change to legislation; defer to the Oversight Committee and continuity of existing reporting structures.

Issue 6 – Transportation Funding Task Force

The Mayor's proposal calls for the formation of a Transportation Funding Task Force, charged with identifying funding strategies and policy recommendations for sidewalks, bridges, and other transportation assets by the end of 2026. Separate legislation is anticipated to guide the Task Force's formation and scope but has not been introduced for Council consideration. The Executive has asked for an opportunity to present their proposal for how the Transportation Funding Task Force would be established.

The Council may wish to consider:

- A. Developing legislation to establish the Transportation Funding Task Force.

⁵ Councilmember Pedersen requested that the City Auditor assess the physical condition and maintenance investments in the City's vehicle bridges. The City Auditor released the [audit](#) in 2020. SDOT most recently [reported](#) progress on the audit recommendations at the March 5, 2024 Transportation Committee meeting.

Issue 7 – Implementation Issues Beyond the Scope of the Levy Legislation

While the proposed legislation establishes the commitments and legal constraints of the levy, Council may have interest in implementation issues that are beyond the scope of this legislation. As examples, the proposed legislation establishes the District Project Fund and the Neighborhood-Initiated Safety Partnership Program as allowable uses of levy funding, but the legislation does not specify how the programs will be administered. This approach allows flexibility to consider implementation details in future budget deliberations and to be able to make changes in program delivery over time. If requirements for those programs are established in the levy ordinance, future changes to those requirements would not be possible.

As an alternative, the Council could consider companion legislation to express Council's intent for implementation or to identify specific issues for further analysis. The Council most recently took this approach with the 2023 Low-Income Housing Levy.⁶

The Council may wish to consider:

- A. Developing a companion resolution to the Levy proposal.

Next Steps

The Select Committee held its first meeting on May 7 and is scheduled to meet four more times (May 21, June 4, June 18, and July 2) with two Public Hearings (May 21 and June 4). Central Staff anticipates presenting the contents of this memo at the May 21 meeting. Central Staff is available to work with Councilmembers on potential amendments for discussion at future Select Committee meetings. The current schedule is for the Select Committee to vote on amendments and the resulting legislation on July 2.

If approved by the Select Committee on July 2, the City Council could take a final vote on July 9 to put the measure before voters. Following Council approval and the Mayor's signature, the City Attorney will certify the official ballot title for filing with King County. The King County filing deadline for the November 2024 general election is August 6, 2024.

Attachments:

1. Central Staff memo on the Mayor's Draft Transportation Levy Proposal, April 16, 2024.

cc: Ben Noble, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervisory Analyst

⁶ See [Resolution 32093](#) and [Ordinance 126837](#) related to the 2023 Low-Income Housing Levy.



April 16, 2024

MEMORANDUM

To: Select Committee on 2024 Transportation Levy
From: Calvin Chow, Analyst
Subject: Mayor's Draft Transportation Levy Proposal

On April 4, 2024, the Mayor announced a [draft proposal](#) to renew the 2015 Move Seattle Transportation Levy. The draft proposal would raise \$1.35 billion in property tax over eight years. The Mayor's final proposal is expected to be announced in May, and the Council has established the Select Committee on 2024 Transportation Levy to consider this proposal.

This memo is intended to provide background on transportation funding and property taxes, a summary of the Mayor's draft proposal, and the next steps for submitting a proposal to voters. Central Staff will provide a more thorough review of the final levy proposal once it has been transmitted for Council deliberation.

Transportation Funding Context

The Seattle Department of Transportation (SDOT) relies on multiple fund sources. This includes dedicated transportation revenues, such as the voter-approved Move Seattle property tax levy, as well as more fungible sources such as the General Fund, the Real Estate Excise Tax (REET), and the Payroll Expense Tax (PET) which can also be used for non-transportation purposes. Table 1 shows SDOT's appropriations in the 2024 Adopted Budget by fund.¹

Table 1: SDOT 2024 Adopted Budget by Fund (\$'s in 1,000's)

| Fund Appropriations | 2024 Adopted Budget |
|--|---------------------|
| <i>Dedicated transportation funds</i> | |
| a. Transportation Fund | \$324,385 |
| b. Move Seattle Levy Fund | \$131,306 |
| c. Transportation Benefit District Fund | \$96,932 |
| d. Streetcar Operations Fund | \$14,387 |
| e. School Safety Traffic and Pedestrian Improvement Fund | \$13,588 |
| f. Central Waterfront Improvement Fund | \$6,044 |
| g. Waterfront LID #6751 Fund | \$350 |
| h. 2024 Multipurpose LTGO Bond Fund (SDOT portion) | \$28,713 |
| <i>Fungible funds</i> | |
| i. General Fund | \$63,415 |
| j. REET I Capital Fund | \$6,905 |
| k. REET II Capital Fund | \$24,268 |
| l. Payroll Expense Tax Fund | \$1,000 |
| Total | \$711,293 |

¹ The City uses separate accounting funds to manage legal spending requirements and avoid color-of-money conflicts. In some cases, multiple departments may make expenditures from the same fund. Some funds may include multiple sources of revenue. Table 1 shows only SDOT's appropriations from the named funds.

In 2024, the Move Seattle levy (item b) accounts for \$131.3 million, or approximately 18.5 percent, of SDOT's total spending; this is higher than the anticipated 2024 revenue from Move Seattle (\$110.6 million in 2024). The difference between revenue and spending is due to project and program delivery schedules that can span multiple years. Some of the Move Seattle project spending identified in the 2024 Adopted Budget will be completed in 2025 (appropriations are encumbered when contracts are signed). Approximately \$12 million of the remaining Move Seattle levy fund balance is expected to be appropriated in the 2025 budget.

When considering only dedicated transportation revenue sources, the Move Seattle levy represents a larger share of SDOT's resources. Table 2 shows the estimated 2024 revenue for the Transportation Fund, Move Seattle Levy Fund, Transportation Benefit District Fund, Streetcar Operations Fund, and School Zone Safety and Pedestrian Improvement Fund. Move Seattle property tax revenue (item a, \$110.6 million) accounts for 21 percent of dedicated transportation revenue in 2024. When excluding grants (item k, \$83.7 million) and third-party reimbursements (item l, \$118.7 million)² which can only be used for specific purposes, Move Seattle revenues account for 34 percent of SDOT's dedicated transportation revenue. It is worth noting that property tax is a far more stable revenue source than sales tax, license fees, or other revenues which may fluctuate with the economy.

Table 2: Dedicated Transportation Revenues (\$'s in 1,000's)

| Revenue Source (Fund) | Estimated 2024 Revenue |
|---|-------------------------------|
| a. Voter-approved Move Seattle property tax (Move Seattle Fund) | \$110,621 |
| b. Voter-approved Sales Tax for transit (0.15 percent, STBD Fund) | \$55,400 |
| c. Commercial Parking Tax (14.5 percent, Transportation Fund) | \$48,857 |
| d. Vehicle License Fees (\$50, STBD Fund) | \$20,615 |
| e. Street Use Fees (Transportation Fund) | \$28,155 |
| f. Plan Review and Inspections (Transportation Fund) | \$17,135 |
| g. Gas Tax (Transportation Fund) | \$14,776 |
| h. Automated Traffic Cameras (SSTPI Fund, Transportation Fund) | \$11,291 |
| i. Streetcar Fares and Operations (Streetcar Operations Fund) | \$4,358 |
| j. Other assorted revenues (Transportation Fund) | \$12,740 |
| k. State and Federal Grants (Transportation Fund) | \$83,703 |
| l. Reimbursements for third-party work (Transportation Fund) | \$118,680 |
| Total | \$526,331 |
| <i>Total excluding Grants (k) and Reimbursements (l)</i> | <i>\$323,948</i> |

² Examples of reimbursements include work undertaken at the request of Sound Transit, Washington State Department of Transportation, Seattle City Light, Seattle Public Utilities, and private utilities.

Property Taxes and the Move Seattle Levy

Seattle relies on property tax revenue for general government purposes, as well as a number of voter-approved measures.³ In 2024, Seattle's median assessed value (AV) home is valued at \$804,000 and will pay \$2,430 in property taxes to Seattle.⁴ A breakdown of these property taxes is shown in Table 3. The voter-approved measures show the years the property tax is in effect; a future vote would be required to extend these levies.

Table 3: City of Seattle 2024 Property Taxes

| Seattle Property Taxes | Annual Cost for Median AV Home | Tax Revenue (\$'s in 1,000's) |
|---|--------------------------------|-------------------------------|
| a. General Expense (non-voted) | \$864 | \$318,226 |
| b. Move Seattle – Transportation (2016-2024) | \$300 | \$110,621 |
| c. Families, Education, Preschool, and Promise (2019-2025) | \$242 | \$89,830 |
| d. Election Vouchers (2016-2025) | \$8 | \$3,000 |
| e. Medic One/EMS (2020-2025) ⁵ | \$182 | \$67,258 |
| f. Library (2020-2026) | \$85 | \$31,604 |
| g. Low-Income Housing (2024-2030) | \$372 | \$130,037 |
| h. Seawall Bond (2013-2042) | \$48 | \$16,163 |
| i. Seattle Metropolitan Park District (2015 ongoing) ⁶ | \$328 | \$115,808 |
| Total | \$2,430 | \$882,547 |

The Move Seattle Levy (item b) was approved by 58.7 percent of Seattle voters in November 2015. The Low-Income Housing Levy renewal (item g) was recently approved by voters in November 2023. The Families, Education, Preschool, and Promise Levy (item c), Election Vouchers Levy (item d), and Medic One/EMS Levy (item e) are set to expire and will be under consideration for renewal in 2025. For more information on property taxes in general, please see Central Staff's March 2023 [memo](#).

³ Growth of the general expense (non-voted) property tax revenue is limited by the lesser of 1% growth per year or the Implicit Price Deflator (a measure of inflation), plus the value of new construction and remodels. This limit was first established by Initiative 747 in 2001 and subsequently affirmed by state legislature in 2007. Voter-approved measures are not subject to this limit.

⁴ Including all property taxes (City of Seattle, schools, King County, Port of Seattle, Sound Transit, and others) the median AV home will pay \$7,227 in property taxes in 2024.

⁵ The Medic One/EMS Levy was approved by King County Voters. Seattle receives the portion of property tax revenues raised in Seattle.

⁶ The Seattle Metropolitan Park District (SMPD) is a separate governmental entity with the same boundaries as the City of Seattle and a governing board comprised of all Seattle City Councilmembers. SMPD revenues fund Seattle Parks and Recreation. Seattle voters approved the formation of the SMPD in 2014, which authorized a general expense SMPD levy of up to \$0.75/\$1,000 assessed value. The SMPD may raise additional property taxes through a ballot measure ([RCW 35.61.210](#)).

The Move Seattle Levy was itself a renewal of an earlier 2006 transportation levy; Move Seattle authorized the collection of \$930 million of property tax over 9 years. Move Seattle's enabling legislation ([Ordinance 124796](#)) included a [spending breakdown](#) for levy programs and projects, which SDOT uses to report progress (see Move Seattle [dashboard](#) and [annual reports](#)). The legislation established the anticipated total 9-year spending for three categories of Move Seattle programs (Safe Routes, Congestion Relief, and Maintenance & Repair) which guided SDOT's budget over the course of the levy.

As a commitment to not supplant existing transportation funding, the legislation included a requirement for a minimum contribution of General Fund for transportation. For 2024, the minimum General Fund requirement (with the inflation factor included) is \$49.3 million.

The legislation also established the 16-member Move Seattle [Levy Oversight Committee \(LOC\)](#). The LOC meets monthly to monitor implementation and is tasked with making a recommendation to the Mayor and City Council on the advisability of proposing a levy renewal. At the March 19, 2024, Transportation Committee, the LOC [presented](#) preliminary recommendations supporting renewal of the Move Seattle Levy. The LOC's final recommendations are expected to Mayor and City Council by April 30, 2024.

Mayor's Draft 2024 Transportation Levy Proposal

The Mayor's draft proposal is to renew the transportation levy at \$1.35 billion over an 8-year term. This is a higher amount and shorter term than the existing Move Seattle Levy (\$930 million over a 9-year term). An inflation-only adjusted renewal of Move Seattle would be approximately \$1.2 billion over eight years.

The draft proposal groups spending under 11 proposed categories. While these categories differ from the previous Move Seattle categories, SDOT has provided a comparison between the Move Seattle Levy and the draft proposal shown in Table 4. Note that some projects and programs support multiple objectives but are categorized under their primary function.

Table 4: Comparison of Move Seattle and Draft Proposal Spending

| Category | Move Seattle (2015) | | Draft Proposal (2024) | |
|--|----------------------|---------|------------------------|---------|
| | 9-year Revenue | % share | 8-Year Revenue | % share |
| a. Repave and improve streets | \$253 million | 27.2% | \$423 million | 31.3% |
| b. Bridge maintenance | \$149 million | 16.0% | \$218 million | 16.1% |
| c. Improve transit connections | \$165 million | 17.7% | \$121 million | 9.0% |
| d. Build and repair sidewalks | \$103 million | 11.1% | \$109 million | 8.1% |
| e. Reduce traffic collisions | \$30 million | 3.2% | \$107 million | 7.9% |
| f. Install and maintain traffic signals | \$66 million | 7.1% | \$100 million | 7.4% |
| g. Expand bike lane network | \$72 million | 7.7% | \$94 million | 7.0% |
| h. Add lighting and activate public spaces | -- | 0.0% | \$57 million | 4.2% |
| i. Address climate change | \$30 million | 3.2% | \$49 million | 3.6% |
| j. Build projects with community | \$25 million | 2.7% | \$48 million | 3.6% |
| k. Make freight improvements | \$38 million | 4.1% | \$25 million | 1.9% |
| Total | \$931 million | | \$1,351 million | |

The draft proposal identifies “candidate projects” in each category to illustrate potential improvements, but does not provide cost estimates or allocations for individual projects. The Mayor is seeking public comment through an on-line community engagement [hub](#) and other outreach events. The Mayor’s final proposal is expected in May 2024.

The Mayor’s final proposal may identify new spending proposals, adjust the allocation of spending across categories, or modify the total size of the proposed levy. The final proposal will include legislation authorizing the submission of the proposal to voters, which will include the specific provisions governing spending, reporting, and oversight. Once transmitted to Council, Central Staff will review the final proposal and identify potential issues to assist Council deliberations.

Legislative Schedule

The Select Committee on 2024 Transportation Levy has been established to consider the Mayor’s final proposal. The Select Committee is scheduled to meet five times (May 7, May 21, June 4, June 18, and July 2), with two Public Hearings (May 21 and June 4). If approved by the Select Committee on July 2, the City Council would take a final vote on July 9 to put the measure before voters. Following Council approval and Mayor’s signature, the City Attorney will write the official ballot title for filing with King County. The King County filing deadline for the November 2024 general election is August 6, 2024.

cc: Ben Noble, Director
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