

Budget Deliberations – 10/24/18

SEATTLE DEPARTMENT OF TRANSPORTATION (SDOT)

Staff: Calvin Chow

Table 1: Budget Summary (\$ in 1,000s)

	2018 Adopted*	2019 Proposed	% Change 2018 Adopted to 2019 Proposed	2020 Proposed	% Change 2019 Proposed to 2020 Proposed
Appropriations by BSL					
<i>a. Mobility Operations</i>	100,610	113,735	13%	113,839	0%
<i>b. Bridges & Structures</i>	28,501	47,009	65%	47,740	2%
<i>c. Maintenance Operations</i>	38,361	37,227	(3%)	37,706	1%
<i>d. ROW Management</i>	39,414	36,347	(8%)	36,364	0%
<i>e. General Expense</i>	37,251	37,619	1%	41,552	10%
<i>f. Leadership and Admin**</i>	0	0	-	0	-
Total O&M BSLs	244,137	271,937	11%	277,200	2%
<i>g. Mobility-Capital</i>	152,310	177,023	16%	203,881	15%
<i>h. Major Maint/Replace</i>	43,654	101,692	133%	82,684	(19%)
<i>i. Major Projects</i>	40,991	58,754	43%	115,339	96%
Total Capital BSLs	236,955	337,469	42%	401,905	19%
Total Appropriations	481,092	609,406	27%	679,105	11%
Total FTE's	918.5	931.5	1%	931.5	0%
Resources/Revenues***					
<i>j. General Fund</i>	41,904	44,161	5%	45,283	3%
<i>k. Real Estate Excise Tax I/II</i>	15,384	19,556	27%	17,345	(11%)
<i>l. LTGO Bond Funds</i>	36,195	21,192	(41%)	32,504	53%
<i>m. Transportation Fund</i>	202,783	293,709	45%	357,049	22%
<i>n. Move Seattle Levy Fund</i>	115,831	147,782	28%	122,967	(17%)
<i>o. STBD Fund</i>	60,820	60,893	0%	65,654	8%
<i>p. SSTPI Fund</i>	6,765	16,979	151%	9,157	(46%)
<i>q. Central Waterfront Fund</i>	1,410	5,040	257%	29,146	478%
<i>r. Cumulative Reserve Fund</i>	0	95	--	0	(100%)
Total Revenues	481,092	609,406	27%	679,105	11%

* - As part of the change in the City's accounting practices, the 2019-2020 Proposed Budget utilizes new Budget Summary Levels (BSLs) and reports 2018 Adopted appropriations as restated under the new BSLs.

** - The Leadership and Administration BSL shows net-zero appropriations due to indirect cost recovery charged to other BSLs (see p.427 of the 2019-2020 Proposed Budget).

*** - The 2019-2020 Proposed Budget provides SDOT with appropriations to spend directly out of multiple funds. This table includes uses of fund balances to provide resources for the proposed appropriations.

Background:

As shown in the Budget Summary table on the previous page, SDOT's 2019 Proposed Budget is \$128 million more than the 2018 Adopted Budget, reflecting a 27 percent increase in total appropriations. Most of this increase is from a \$101 million or 42 percent increase in capital project spending. Expenditures in the Operations and Maintenance BSLs are proposed to increase by \$28 million or 11 percent.

Although SDOT's proposed capital project spending for 2019 is higher than 2018 levels, it is significantly less than what was previously anticipated for 2019 in last year's 2018-2023 Adopted Capital Improvement Plan (CIP). Capital project spending varies significantly from year to year, due to the nature of developing large capital projects with multi-year construction schedules. Last year's 2018-2023 Adopted CIP anticipated \$509 million of capital spending in 2019. The 2019 Proposed Budget authorizes \$337 million of capital spending in 2019; this is a \$172 million or 34 percent decrease. Much of this difference is due to a delay in federal grant funding for the Madison Bus Rapid Transit project (\$97 million less in 2019), pausing the Center City Connector Streetcar project (\$62 million less), and extending construction of the S Lander St Grade Separation project into 2020 (\$39 million less). Spending in the 2019-2020 Proposed CIP also reflects the Move Seattle Levy reset (described in Issue #1 below) and other technical changes to individual projects.

The growth in operations and maintenance spending is largely driven by a 65 percent increase in the Bridges and Structures BSL. This includes \$31 million of reimbursable spending authority for engineering services related to the Waterfront and Pier 62/63 construction.

The Proposed Budget provides \$44 million of General Fund spending on transportation in 2019 and \$45 million in 2020. This fulfills the General Fund requirement established by the Move Seattle Levy.

The Proposed Budget includes 27 new positions, and it eliminates 14 vacant positions for a net addition of 13 positions. Of the new positions, 20 are related to Move Seattle implementation, two are converted term-limited positions to coordinate private and public construction affecting the right-of-way, one is for maintenance of the Seawall, and four were previously approved in the 1st Quarter 2018 Supplemental Budget ([Ordinance 125616](#)).

The interactive link for the SDOT 2019-2020 Proposed Budget is:

<http://www.seattle.gov/city-budget/2019-20-proposed-budget/transportation>

Contextual Issues and Issue Identification:

1. Move Seattle Levy	3
2. Seattle Transportation Benefit District (STBD) Proposition 1	5
3. First Hill and South Lake Union Streetcar	6
4. Center City Connector Streetcar	7
5. Efficiencies and Reprioritized Spending	8
6. Downtown Mobility	10
7. Congestion Pricing	10
8. Capital Oversight	11

1. Move Seattle Levy

In November 2015, voters approved the nine-year Move Seattle property tax levy to fund transportation infrastructure through 2024. The levy will generate \$100 million in 2019 and \$102 million in 2020. At the beginning of the levy, SDOT initially assumed a total of \$1.77 billion in project spending over nine years, including \$930 million from the Move Seattle levy, \$285 million in local transportation funding, and \$564 million in grants and outside funding.

In 2018, SDOT began a review and [assessment](#) of the Move Seattle work plan. The assessment found that rising construction costs, emerging transportation needs, and uncertainties in federal grant assumptions will prevent SDOT from delivering the full scope of the Move Seattle projects given the initial financial assumptions. SDOT is working with the Move Seattle Levy Oversight Committee and the modal transportation advisory boards to recommend changes to the work plan. In August 2018, Council adopted Resolution [31830](#) which articulated principles for the revised work plan and requested that SDOT present a revised Move Seattle work plan to Council by December 1, 2018.

The Proposed Budget and the Proposed 3rd Quarter 2018 Supplemental Budget include appropriation adjustments to align the timing of budget authority with anticipated spending. The 2018 Adopted Budget included \$171 million of appropriations for Move Seattle projects; however, SDOT also had \$156 million of unspent capital appropriations from prior years. The Proposed 3rd Quarter 2018 Supplemental Budget abandons \$126 million of these prior year appropriations, which are re-appropriated in the 2019-204 Proposed CIP. With these shifts and other adjustments in the CIP, the Proposed Budget includes a total of \$284 million of appropriation authority in 2019 for Move Seattle projects and programs, and a total of \$220 million in 2020. These totals include levy funding as well as other local transportation funds and grants/outside funding. The Executive anticipates proposing additional changes in the next budget cycle, based on the Move Seattle reset and revised work plan.

Table 2 below provides a nine-year breakdown of Move Seattle project spending. The table starts with summarized programmatic CIP spending, and continues with specific CIP projects on the following page. The table includes all sources of funds, with actual spending for 2016 and 2017. A list of all the CIP projects is included in Attachment A.

Table 2: Move Seattle Project Spending (\$'s in 1,000s) – All Sources of Funds

	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Programmatic CIP Spending (excludes individual CIP projects)										
Roads/Paving	20,877	25,233	33,593	40,898	35,524	47,145	42,332	38,946	23,264	307,812
Bridges/Structures	7,165	11,448	14,289	38,690	22,167	21,690	21,112	17,194	5,428	159,182
Traffic Signals	8,122	5,370	7,780	5,067	5,251	8,948	14,002	5,497	4,677	64,714
Vision Zero	1,307	1,698	5,474	4,557	3,002	6,162	2,808	1,668	1,943	28,619
Ped Master Plan	13,044	25,661	41,689	43,558	36,079	37,977	24,681	28,089	30,061	280,840
Bike Master Plan	8,951	16,746	17,093	15,239	12,482	34,703	10,625	8,555	4,785	129,179
Freight Master Plan	1,271	1,389	2,044	3,215	4,721	10,473	17,404	19,242	7,500	67,259
Transit Corridors	10,083	11,987	18,012	33,783	22,307	196,563	40,196	15,608	6,937	355,476

(table continues)

Table 2 (continued, \$'s in 1,000s)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Individual CIP Projects										
S. Lander Bridge	3,069	4,842	21,878	35,052	29,099	6,039	20	0	0	99,999
23 rd Ave. Corridor	11,829	2,052	8,768	6,941	3,986	5,580	0	0	0	39,156
Northgate Ped	764	2,273	4,728	19,044	15,117	300	0	0	0	42,225
Acc. Mt. Baker	0	147	849	1,004	0	0	0	1,000	900	3,900
Burke Gilman Trail	717	3,064	3,620	6,481	1,200	6,843	0	0	0	21,926
Fauntleroy Blvd.	190	1,257	375	1,735	940	2,960	10,833	0	0	18,290
Graham Station	5	0	0	0	0	0	0	0	9,995	10,000
Operations and Maintenance										
O&M programs	25,170	27,244	29,456	28,395	28,425	29,585	30,177	30,780	31,371	260,602
Grand Total (\$'s in 1,000s)										
Grand Total	112,564	140,411	209,647	283,659	220,299	414,968	214,190	166,579	126,861	1,889,178

Among the Move Seattle projects that are most dependent on external funding are the seven “transit-plus-multimodal corridor” projects. These projects anticipated significant federal grant funding, and SDOT may have to reduce program scope if this funding is not available. Implementing these projects requires close coordination with King County Metro’s delivery of RapidRide Bus Rapid Transit service and integration with SDOT’s arterial paving plan. Currently, King County Metro intends to implement the Madison (RapidRide G Line) and Delridge (RapidRide H Line) corridors in 2021, with new RapidRide service on the Rainier and Roosevelt corridors in 2024. The Proposed Budget includes funding to implement transit corridor improvements on the remaining three corridors (Mt. Baker/U-District, Fremont/Downtown, and Market/U-District).

To help deliver on Move Seattle commitments, the Proposed Budget directs additional non-levy funding to support Move Seattle projects, including:

Additional Real Estate Excise Tax (\$7.1 million in 2019; \$7.1 million in 2020)

- a) **Sidewalk Safety Repair Program:** \$2.1 million in 2019; \$2.1 million in 2020.
- b) **SDOT ADA Program:** \$3.2 million in 2019; \$2.7 million in 2020.
- c) **Arterial Major Maintenance Program:** \$2 million in 2019; \$2.5 million in 2020.

Use of School Safety Traffic and Pedestrian Improvements Fund Balance (\$8 million in 2019; \$3.5 million in 2020)

- d) **Sidewalk Safety Repair Program:** \$2 million in 2019.
- e) **SDOT ADA Program:** \$1.8 million in 2019.
- f) **Pedestrian Master Plan – School Safety Program:** \$250,000 in 2020.
- g) **Pedestrian Master Plan – New Sidewalks Program:** \$2.8 million in 2019; \$3.25 million in 2020.
- h) **Bike Master Plan – Greenways:** \$1.4 million in 2019.

Use of other Transportation-related Funds

- i) **Bridge Rehabilitation and Replacement Program:** \$820,000 in 2019 (street vacation revenue)
- j) **Arterial Major Maintenance Program:** \$400,000 in 2019; \$408,000 in 2020 (redirected efficiencies, described in Item #5-j below)

The Proposed Budget also includes 20 additional positions to deliver Move Seattle projects. These include four positions for an additional signal crew, 12 positions for a sidewalk paving crew, three positions to provide real-property support, and one position to support the Americans with Disabilities Act (ADA) curb ramp program.

Options:

- Contextual budget issue. No staff options identified at this time.

2. Seattle Transportation Benefit District (STBD) Proposition 1

In November 2014, voters approved STBD Proposition 1 which imposed a \$60 vehicle license fee and a 0.1 percent sales tax for the purchase of additional King County Metro transit service serving the City of Seattle through 2020. STBD Proposition 1 will generate \$54 million in 2019 and \$55 million in 2020.

In June 2018, Council approved Ordinance [125606](#), which expanded the scope of authorized STBD spending to include subsidy of transit passes for Seattle Public School students, funding for capital improvements that enhance transit operations, and a lower threshold (65 percent of stops within the City of Seattle) of Seattle service for routes to qualify for STBD spending. Consistent with Ordinance 125606, the Proposed Budget includes \$4 million in 2019 and \$4 million in 2020 to fund student transit passes, and \$7 million in 2019 and \$2.5 million in 2020 to support transit capital improvements.

In passing Ordinance 125606, Council removed an Executive proposal to allow for the purchase of micro-transit services from private transportation companies. The Proposed Budget includes an additional \$2 million per year for First Mile/Last Mile services to be purchased through King County Metro under the existing STBD agreement. These First Mile/Last Mile services were part of the Executive's previous proposal and would provide localized transit service in West Seattle to connect to the West Seattle Water Taxi, and throughout Southeast Seattle to connect to Sound Transit light rail stations on Rainier Ave S.

In her budget [speech](#), the Mayor described a 30 percent increase in the purchase of King County Metro transit service (an additional 100,000 service hours) over the next two years. This proposal does not require increased appropriation authority in 2019. In 2017, SDOT under-spent budgeted STBD funds by \$10.5 million as King County Metro has faced challenges in meeting Seattle's transit purchase requests for additional peak-hour service. During the peak periods, all available Metro buses are in use operating at current service levels. In addition, there is no physical space left for buses to park at bus bases, limiting procurement of new coaches. Additional service purchases would likely focus on routes at the edge of the City limits (reflecting the lower 65 percent threshold for stops in the City of Seattle authorized by Ordinance 125606) and increased off-peak service. The King County Executive's [proposed budget](#) includes additional service hours to meet Seattle's increased service request, and the baseline appropriations in the Proposed Budget are sufficient for this purpose.

Table 3: STBD Proposition 1 Spending by Category (\$ in 1,000s)

Spending Category	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Proposed	2020 Proposed
Transit Service Purchases	12,411	37,249	32,916	45,146	43,462	50,622
Regional Partnerships	95	1,115	1,769	2,393	1,294	1,714
First Mile/Last Mile	n/a	n/a	n/a	0	2,000	2,000
Capital Improvements	n/a	n/a	n/a	0	7,000	2,556
Low Income ORCA Lift	1,035	2,875	2,939	3,446	3,363	3,381
Student ORCA Opportunity	n/a	n/a	n/a	2,000	4,000	4,000
Vehicle License Fee Rebates	215	492	448	478	383	388
Planning and Analysis	528	685	648	969	980	992
Total SDOT Spending	13,540	41,240	37,624	52,986	61,120	62,274

Options:

- Contextual budget issue. No staff options identified at this time.

3. First Hill and South Lake Union Streetcar

King County Metro operates the First Hill and South Lake Union Streetcars under an interlocal agreement with SDOT. In 2018, King County Metro requested a reconciliation to actual expenses and fare revenues as authorized under the agreement. As a result, the Proposed 3rd Quarter 2018 Supplemental Budget includes \$1.4 million to pay for past 2016 operations and the 2019 Proposed Budget includes \$5.1 million to pay for past 2017 and 2018 operations. The Proposed Budget also includes an ongoing budget increase of \$4 million for First Hill and South Lake Union Streetcar operations in 2019 and 2020. The proposed funding source for the reconciliation payments and ongoing operational costs is Commercial Parking Tax and Street Use Fees.

The City's operating agreement with King County Metro for operating the First Hill and South Lake Union Streetcar lines expires at the end of 2019. The Executive anticipates that a draft agreement will be developed by late Spring 2019, which would require authorization through legislative action. The current agreement allows for a one-year extension to negotiate renewal.

SDOT has two outstanding interfund loans related to the construction and initial operation of the South Lake Union Streetcar line. The construction interfund loan is currently at \$4.8 million outstanding, and the Proposed Budget includes an annual \$300,000 payment as specified by Ordinance 124639. The operational interfund loan is currently at \$3.6 million outstanding and is set to expire at the end of 2018. The Executive has transmitted budget legislation to extend the term of the operational loan and the Proposed Budget anticipates that proceeds from the sale of SDOT-owned property (the Mercer Megablock) will be used to repay the loan in 2019. SDOT is currently resolving project close-out costs for construction of the First Hill Streetcar, which may identify outstanding expenses for the project.

During the 2015 Budget process, Council passed Ordinance [124946](#) which requires SDOT to report to Council on the performance and financial metrics of the streetcar at least twice a year. The Executive last submitted a formal report on streetcar operations to Council in June 2017.

Options:

- A. Council may wish to proviso spending on streetcar operations to strengthen reporting requirements; or
- B. No action.

4. Center City Connector Streetcar

In March 2018, the Executive paused construction of the Center City Connector and hired an outside consultant (KPMG) to review the projected capital and operating costs for the project. The Executive presented an [initial summary report](#) in August 2018. KPMG concluded that the total capital cost (including utility work) of the project was up to \$252.4 million; the estimated cost in the City's budget is \$197.7 million. KPMG estimated a total cost to terminate the project at \$55.4 million, which includes \$31 million already spent as of May 2018.

As the KPMG review was underway, SDOT and Executive management learned that the vehicle procurement contract specified heavier and longer streetcars than are currently operating on the existing First Hill and South Lake Union lines. The implications of the vehicle procurement contract were not accounted for in the KPMG report or cost estimate. A separate consultant (HDR) is investigating the impact of the longer, heavier vehicles which may require design changes to rails, structures, platforms, and maintenance facilities; and/or change orders to the vehicle procurement contract. The Executive anticipates a report from HDR later this fall.

For operating expenses, the KPMG report estimated a range between a \$2.6 million deficit and a \$1.9 million surplus for the consolidated Streetcar system (Center City Connector, First Hill, and South Lake Union). This estimate assumes continued partnership funding from Sound Transit (currently \$5 million per year through 2023 for the First Hill line), and King County Metro (currently \$1.5 million per year through 2019 for the South Lake Union line). Without continued partnership funding, the KPMG report estimated a net operating cost between a \$9.9 million deficit and \$5.4 million deficit.

SDOT contracts with King County Metro to operate the streetcar system, and contract terms for operating the Center City Connector Streetcar have not yet been negotiated. Contract operating terms will have an impact on financial performance of this project. In March 2018, the [Seattle Times](#) reported that SDOT and King County Metro's operating cost estimates were \$8 million apart.

The KPMG report indicated that SDOT's cost estimates were reasonable in the context of negotiations for future service. SDOT and King County Metro anticipate completing a draft agreement by late Spring 2019. The KPMG report also evaluated an alternative operating plan to focus on peak-hour service delivery, which could improve operating finances by \$4 million to \$5 million annually.

A summary of the KPMG analysis is provided in Table 4 on the following page.

Table 4: Summary of Center City Connector Streetcar Options (KPMG Analysis)

Build with current service plan	
Annual operating expenses (with contributions):	\$2.6M deficit to \$1.9M surplus
Annual operating expenses (without contributions):	\$9.9M deficit to \$5.4M deficit
Total capital expenses:	\$252.4M (includes \$31M spent as of May 2018)
Build with alternative service plan	
Annual operating expenses (with contributions):	\$2.7M surplus to \$6.1M surplus
Annual operating expenses (without contributions):	\$4.7M deficit to \$1.2M deficit
Total capital expenses:	\$241.9M (includes \$31M spent as of May 2018)
No build with current service plan	
Annual operating expenses (with contributions):	\$0.1M deficit to \$1.9M surplus
Annual operating expenses (without contributions):	\$7.4M deficit to \$5.4M deficit
Total capital expenses:	\$55.4M (includes \$31M spent as of May 2018)

The Executive has not made a decision on the future of the Center City Connector Streetcar, and the Proposed Budget holds the existing funds for the project in place. The Proposed Budget includes an additional \$500,000 in 2019 for continued evaluation of the Center City Connector Streetcar, or to develop alternative transit options for the corridor if the project is cancelled. The proposed funding source is Commercial Parking Tax proceeds.

With the demolition of the Alaskan Way Viaduct and construction of the Waterfront scheduled to begin in 2019, and an anticipated review of the project by the Federal Transit Administration, construction of the Center City Connector Streetcar (if approved to proceed) would not begin until at least 2020.

Options:

- Contextual budget issue. No staff options identified at this time.

5. Efficiencies and Reprioritized Spending

The Proposed Budget identifies program reductions to make resources available for other transportation initiatives. These spending reductions include:

General Fund (\$1.1 million reduction)

- Reduce Paid Parking Maintenance Program** (\$542,000) – This reduction reflects a decrease in operational costs (primarily reduced supplies) consistent with the shift from the “pay and display” system to “pay by plate” parking. The remaining funding for the Paid Parking Maintenance program is \$6.2 million.
- Discontinue E-Park Subsidy** (\$318,670) – This eliminates on-going funding for operating the real-time garage availability information system. SDOT is exploring ways to transfer operating responsibility for this system to the Downtown Seattle Association and/or private garages. To support this transition, the Executive has identified \$344,000 of 2018 funds that were originally intended to mitigate parking impacts from Center City Connector Streetcar construction. This redirected funding would support 2019 E-Park operations, repair and maintenance needs, and efforts to coordinate DSA and participating garages to execute a new operating business plan.
- Reduce Travel Options Program** (\$100,000) – This reduction would eliminate non-labor funding for the program (primarily granting funds and consulting contracts for research and outreach).

Staff would continue to work on transportation management initiatives, including the Downtown Mobility initiative (described in Item #6 below).

- d) **Reduce Engineering Services Support** (\$150,000) – This reduction eliminates SDOT’s involvement in reviewing and updating the City’s Standard Specifications and Plans (managed by SPU).

Transportation-Related Funds (\$1.9 million reduction)

- e) **Eliminate Summer Parkways/Open Streets Program** (\$108,975 Commercial Parking Tax) – In the 2018 Adopted Budget, Council restored funding for this program to deliver a large-scale “open streets” event in Downtown. The Executive decided to not to hold the 2018 event due to downtown construction impacts. This reduction eliminates future funding for the program.
- f) **Eliminate Permanent Play Streets Pilot** (\$75,000 Commercial Parking Tax) – Council established this program in the 2018 Adopted Budget to implement all-day, all-year play street installations. This reduction eliminates future funding for this program. The Proposed Budget and Street Use Fee Schedule maintain free permits for temporary play streets.
- g) **Eliminate Pavement to Parks/Plazas Program** (\$285,600 Street Use Fees) – This program was established in 2015 to allow for community and recreational use of underutilized right-of-way. The program has funded improvements at 13 sites. In recent years, program funding was used for maintenance of these sites and to support efforts to transition sites to permanent parks use. The Executive anticipates that two sites will transition to permanent use, an additional two sites are being pursued for permanent use, and nine sites will be decommissioned. This reduction eliminates future funding for this program.
- h) **Reduce Area and Transit-Oriented Design (TOD) Planning Program** (\$251,862 Vehicle License Fees) – This program was established in the 2014 Adopted Budget to support project development around major transit stations. SDOT has increasingly funded these planning efforts by charging directly to transit corridor capital projects. The available program funding has been used for professional services such as traffic analysis, zoning analysis, and feasibility studies. This reduction eliminates professional services support for this program.
- i) **Reduce Discretionary Contracting Resources** (\$749,999) – This reduction reflects cuts for professional services in the Public Space Management program (\$150,000 Street Use Fees), and cuts in SDOT’s budget for training and operating supplies (\$599,999 Department Overhead).
- j) **Eliminate 14 vacant positions** (\$400,000) – The identified vacant positions are supported by a variety of funding sources, some of which are restricted for specific uses. The budget reduction reflects the portion of these savings that can be redirected to other purposes; the remaining savings associated with these positions would remain in the base budget of the programs where the positions were eliminated. The Proposed Budget directs this \$400,000 of on-going vacancy savings to the Arterial Major Maintenance program.

Options:

- A. Council may wish to restore some or all of the proposed reductions; or
- B. No action.

6. Downtown Mobility

The Proposed Budget directs much of the savings identified in Item #5 above towards managing downtown mobility and transportation impacts related to major construction projects including Washington State Convention Center expansion, Alaskan Way Viaduct demolition, opening of the SR-99 Tunnel, Waterfront construction, and Colman Dock. Collectively, the impact of these major construction projects in 2019 and 2020 is referred to as the “period of maximum constraint.”

The Proposed Budget includes \$1.7 million in 2019 and \$500,000 in 2020 of new funding to implement signal timing improvements, expand operations of the Transportation Operations Center to 24-hour/7-day, and implement a data-platform for evaluating corridor impacts.

In addition, the Proposed Budget adds \$1 million in 2019 and \$1 million in 2020 to provide for additional staffing capacity (using existing employees and consulting services) to work on downtown mobility issues. This funding would provide for community outreach and engagement, technical analyses, and overall project management in support of maintaining downtown mobility. This funding is one-time, during the “period of maximum constraint.”

The Proposed Budget also converts two existing term-limited positions in the Project and Construction Coordination Office into permanent positions to coordinate private and public construction affecting the right-of-way. The term-limited positions are set to expire at the end of 2018. The total cost for these positions is \$457,593; however, the Proposed Budget reallocates baseline appropriations to cover most of these costs and adds an incremental \$23,262 in 2019 and \$23,959 in 2020. Funding for these positions comes from Street Use Fees.

Options:

- A. Council may wish to consider redirecting funding to restore proposed reductions (Item #5) or to implement other transportation initiatives; or
- B. No action.

7. Congestion Pricing

In the 2018 Adopted Budget, Council added \$200,000 to study local diversion related to tolling on State Route 99. The Executive used this funding for initial research into the impacts of diversion and to develop a workplan for developing a congestion pricing proposal by 2021.

The Proposed Budget adds \$1 million of Commercial Parking Tax proceeds in 2019 to continue work on congestion pricing. This funding would support community engagement and concept development, and would include exploring pricing strategies, technology options, impacts to businesses, financial and transportation modelling, and equity impacts. The City has received a Bloomberg American Cities Climate Challenge grant that will support this work, however the grant provides in-kind services and does not provide additional funding.

The Executive anticipates an additional \$800,000 would be needed in 2020 to support this concept development work. SDOT’s financial plan reserves an additional \$800,000 of Commercial Parking Tax proceeds in 2020, but the 2020 Proposed Budget does not include appropriation authority to expend these additional funds. The Proposed Budget does not include implementation funding for a congestion pricing program.

Options:

- A. Council may wish to consider redirecting funding to restore proposed reductions (Item #5) or to implement other transportation initiatives;
- B. No action.

8. Capital Oversight

In recent years, Council has focused on increased oversight of SDOT's capital program during the budget process. For example:

- During the 2018 Budget process, Council passed Ordinance [119124](#), authorizing SDOT to apply for grants for specific projects and prohibiting SDOT from applying for grants of more than \$5 million for other projects.
- The 2018 Adopted Budget also included a "stage-gate" proviso on SDOT's Delridge Multimodal Corridor Project. The proviso limited spending on the project until authorized by future ordinance, which was anticipated to occur after SDOT presented the 10 percent design baseline package to the Sustainability & Transportation Committee. In July 2018, SDOT presented the 10 percent design package and Council passed Ordinance [125635](#), which authorized additional spending and established a proviso in anticipation of SDOT's 30 percent design baseline package. Unspent capital appropriations automatically carry forward from one year to the next; any provisos on any such carry-forward amounts also automatically remain in effect.

Options:

- A. Council may wish to consider legislation to condition SDOT's 2019 grant applications;
- B. Council may wish to consider "stage-gate" provisos on 2019 appropriations for select CIP projects; or
- C. No action.

Budget Actions Proposed by Councilmembers as of October 10, 2018:

- 1. Proviso the Arterial Asphalt and Concrete Program Phase II Project related to 35th Ave. S.W. (Councilmember Herbold)** – As part of the Move Seattle reset, SDOT is proposing additions and deferrals of paving projects from the previous 2015 Arterial Asphalt & Concrete Paving Plan. Councilmember Herbold is considering a spending proviso on this program, or other budget actions related to this program, pending further review of SDOT's paving plan proposal.
- 2. Add funding for Landslide Mitigation (Councilmember Herbold)** – This action would add \$1 million in 2019 and \$1 million in 2020 to address high priority potential landslide locations identified in SDOT's 2000 Landslide Risk Assessment Report. The 2018 Adopted Budget included \$1 million of one-time funding for this work, above the baseline \$400,000 for landslide response and remediation. This action would restore funding for this program to 2018 levels.
- 3. Add the Highland Park Roundabout as a separate project in the 2019-2024 CIP (Councilmember Herbold)** – This project was identified through the Neighborhood Street Fund process to enhance safety, improve traffic flow, and reduce cut through traffic. SDOT has allocated \$200,000 for design of this project and is seeking a WSDOT's City Safety Program grant to fully fund the project. SDOT's financial plan reserves an additional \$300,000 as a local match for the grant. This action would create a specific CIP project for this work.
- 4. Add funding for Phase 3 of the Rainier Safety Corridor Project (Councilmember Harrell)** – This action would add funding in 2020 for a Phase Three of the Rainier Safety Corridor Project to expand the scope of the project south of S. Henderson St. and provide for deployment of additional speed watch trailers and installation of flashing radar speed limit signs. Councilmember Harrell is considering the project scope and level of funding to include in this proposal
- 5. Add funding for Suicide Prevention Hotline Signs on the 20th Ave. N.E. Bridge (Councilmember Johnson)** – This action would add \$10,000 in 2019 to install suicide prevention hotline signs along the 20th Avenue NE bridge that crosses the Ravenna Park Ravine.
- 6. Add funding for Third Avenue Corridor Evaluation (Councilmember Johnson & Councilmember O'Brien)** – This action would add funding to evaluate specific roadway configurations for Third Avenue, including reductions in travel lanes and alternative one-way configurations for adjacent streets. This work would build on recent efforts to examine streetscape and programmatic improvements to Third Avenue. CM Johnson and CM O'Brien are considering the project scope and level of funding to include in this proposal.

- 7. Request a SLI on Emerging Mobility Technologies (Councilmember O'Brien)** – This action would request a SLI on planning for future mobility options on City right-of-way beyond car, bike, and pedestrian travel. The SLI would ask for an evaluation of other cities' efforts to address emerging private transportation investments (such as scooters) and a strategy to integrate these options into the transportation network in a safe and sustainable manner.
- 8. Add funding for Ballard Bridge Safety Improvements (Councilmember O'Brien)** – This action would add funding in 2019 for pedestrian and bicycle safety improvements at the Ballard Bridge, and may include design and implementation of 1) a new pedestrian crossing on the south end intersection of W. Emerson St. and 15th Ave. W., and 2) a guardrail along the Ballard Bridge. CM O'Brien is considering the project scope and level of funding to include in this proposal.
- 9. Request a SLI on RapidRide Implementation (Councilmember O'Brien)** – This action would request a list of near-term transit speed and reliability improvements along all planned RapidRide corridors that could be funded with City investments over the next 5 years. The SLI would ask SDOT to demonstrate how such investments would support (rather than supplant) King County Metro funding to implement RapidRide service. The proposed response date for this SLI is March 31, 2019.
- 10. Request a SLI on Coordinating Transportation Investments in Interbay (Councilmember Bagshaw)** – This action would request a list of transportation investments and funding options to maintain the movement of people and goods along the Elliott Ave. W./15th Ave. W. corridor. This analysis would support a workgroup of State, King County, City, and Port elected leaders and departmental staff that have convened to coordinate transportation projects in Interbay.
- 11. Add funding to reduce Alleyway Congestion (Councilmember Bagshaw)** – This action would add \$250,000 in 2019 to support inter-departmental (SDOT and SDCI) staff working to improve downtown freight mobility. This funding would support a two-year process to engage stakeholders in advance of code amendments of policy proposals to improve freight delivery downtown.
- 12. Request a SLI on Battery Street Green Space (Councilmember Bagshaw)** – This SLI would ask for reporting on planning for the use of land that will become available in Belltown with the completion of the Battery Street Tunnel decommissioning. The decommissioning is part of the Alaskan Way Viaduct replacement. Currently conversations are occurring with Seattle School District about the use of this property. Whether or not the School District plans to use the property, there is community interest in having usable open space with some developed features for the long term or for an interim period. (Central Staff contact: Eric McConaghy)

Attachments:

1. Summary of Move Seattle Project Spending

ATTACHMENT 1: Summary of Move Seattle Project Spending (all funding sources, \$'s in 1,000s)

<i>\$'s in 1,000s</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>Total</i>
Programmatic Paving and Road Maintenance										
Arterial Asphalt & Concrete Program	2,381	14,440	25,507	34,733	28,836	40,349	35,520	32,117	16,337	230,220
Arterial Asphalt & Concrete Program II	13,962	6,234	1,728	0	0	0	0	0	0	21,924
Arterial Major Maint	4,534	4,560	5,652	6,165	6,688	6,796	6,812	6,829	6,927	54,963
Urban Forestry Capital Establishment	0	0	706	0	0	0	0	0	0	706
<i>Paving/Roads Subtotal</i>	20,877	25,233	33,593	40,898	35,524	47,145	42,332	38,946	23,264	307,812
Programmatic Bridges and Structures										
Bridge Seismic - Phase III	24	1,244	7,265	13,135	9,850	8,509	11,418	17,194	5,428	74,065
Bridge Rehabilitation and Replacement	7,141	7,734	4,608	20,630	10,086	8,888	8,044	0	0	67,131
Bridge Rehabilitation and Replacement Phase II	0	2,470	2,415	4,925	2,231	4,293	1,650	0	0	17,985
<i>Bridges/Structures Subtotal</i>	7,165	11,448	14,289	38,690	22,167	21,690	21,112	17,194	5,428	159,182
Programmatic Traffic Signals										
New Traffic Signals	813	592	918	825	552	1,218	641	581	689	6,829
Signal Major Maintenance	2,297	1,596	1,598	1,552	1,594	1,630	1,662	1,699	1,738	15,366
Next Gen Intelligent Transportation System - ITS	5,012	3,183	5,264	2,690	3,105	6,100	11,699	3,217	2,250	42,520
<i>Traffic Signals Subtotal</i>	8,122	5,370	7,780	5,067	5,251	8,948	14,002	5,497	4,677	64,714
Vision Zero										
Vision Zero	1,307	1,698	5,474	4,557	3,002	6,162	2,808	1,668	1,943	28,619
Programmatic Pedestrian Master Plan										
Sidewalk Safety Repair	1,703	1,946	3,685	5,692	3,766	3,840	3,918	3,996	4,098	32,644
ADA Accessibility	2,345	4,739	5,056	8,430	6,840	6,881	6,902	6,924	6,946	55,063
New Sidewalks	1,444	8,369	15,099	15,971	8,284	4,721	4,042	5,430	6,023	69,382
New Sidewalks - School Safety	958	1,984	0	0	0	0	0	0	0	2,943
Ped Master Plan-School Safety	3,215	3,565	5,929	2,778	2,790	6,218	4,033	4,105	3,878	36,511
PMP - Stairway Rehabilitation	1,419	1,229	1,332	1,359	1,408	1,419	1,452	1,484	1,515	12,618
PMP - Crossing Improvements	958	1,678	5,179	3,693	3,091	4,004	3,500	4,150	2,728	28,981
Neighborhood Large Projects	963	2,102	4,890	2,935	1,800	4,300	835	2,000	4,873	24,698
SPU Drainage Partnership - Broadview Ped	22	22	200	1,500	3,100	3,156	0	0	0	8,000
SPU Drainage Partnership - South Park	15	27	320	1,200	5,000	3,438	0	0	0	10,000
<i>Pedestrian Master Plan Subtotal</i>	13,044	25,661	41,689	43,558	36,079	37,977	24,681	28,089	30,061	280,840
Programmatic Bicycle Master Plan										
BMP - Protected Bike Lanes	7,536	15,631	13,700	9,170	6,887	29,073	6,500	2,387	570	91,454
BMP - Greenways	0	0	2,292	4,970	4,395	4,430	2,826	4,839	2,893	26,645
Urban Trail-Bikeways Spot Imp	1,415	1,114	1,100	1,100	1,200	1,200	1,300	1,329	1,322	11,080
<i>Bicycle Master Plan Subtotal</i>	8,951	16,746	17,093	15,239	12,482	34,703	10,625	8,555	4,785	129,179

(Table continues)

<i>(continued)</i>	<i>\$'s in 1,000s</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>Total</i>
Programmatic Freight Master Plan											
Freight Spot Improvement Program		1,271	980	1,500	2,340	1,550	2,500	2,500	3,000	3,000	18,641
Heavy Haul Corridor (Marginal)		0	409	545	875	3,171	7,973	14,904	16,242	4,500	48,619
Freight Master Plan Subtotal		1,271	1,389	2,044	3,215	4,721	10,473	17,404	19,242	7,500	67,259
Programmatic Transit Master Plan & Multimodal Corridors											
Transit Corridor Improvements		5,036	2,472	5,739	12,823	6,402	3,870	3,894	3,919	3,944	48,100
Rt 48 South Electrification		0	0	187	6,097	200	597	0	0	0	7,081
BRT Concept Design		259	735	506	500	500	0	0	0	0	2,500
RapidRide H Line (Delridge Multimodal Corridor)		185	776	1,616	1,731	6,740	31,953	4,000	0	0	47,001
RapidRide G Line (Madison Street Bus Rapid Transit)		3,779	5,065	5,674	6,868	451	97,880	0	0	0	119,717
Market Transit-Plus Multimodal Corridor (Market / 45th Multimodal Corridor)		0	0	300	450	1,500	3,487	9,463	750	250	16,200
Rainier Transit-Plus Multimodal Corridor (Rainier / Jackson Multimodal Corridor)		20	740	1,500	2,750	2,425	7,465	1,250	50	0	16,200
Fremont Transit-Plus Multimodal Corridor (Route 40 Northgate to Downtown Transit Improvements (Fremont))		0	0	250	1,000	1,500	13,239	4,168	1,000	2,743	23,900
RapidRide Roosevelt (Roosevelt Multimodal Corridor)		803	2,198	2,240	1,565	2,589	38,073	17,421	9,889	0	74,778
Transit Corridor Subtotal		10,083	11,987	18,012	33,783	22,307	196,563	40,196	15,608	6,937	355,476
Individual CIP Projects											
South Lander Grade Separation		3,069	4,842	21,878	35,052	29,099	6,039	20	0	0	99,999
23rd Avenue Corridor Improvements		11,829	2,052	8,768	6,941	3,986	5,580	0	0	0	39,156
Northgate Bridge and Cycle Track		764	2,273	4,728	19,044	15,117	300	0	0	0	42,225
Accessible Mt. Baker		0	147	849	1,004	0	0	0	1,000	900	3,900
Burke-Gilman Trail		717	3,064	3,620	6,481	1,200	6,843	0	0	0	21,926
Fauntleroy Blvd		190	1,257	375	1,735	940	2,960	10,833	0	0	18,290
Graham Street Station		5	0	0	0	0	0	0	0	9,995	10,000
Operations and Maintenance											
O&M programs		25,170	27,244	29,456	28,395	28,425	29,585	30,177	30,780	31,371	260,602
Grand Total (\$'s in 1,000s)											
Grand Total		112,564	140,411	209,647	283,659	220,299	414,968	214,190	166,579	126,861	1,889,178

Data: CBO/SDOT; Categorization: Central Staff