

SUMMARY and FISCAL NOTE

Department:	Dept. Contact:	CBO Contact:
SDOT	Bill LaBorde	Christie Parker

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the Seattle Transportation Benefit District; authorizing material scope changes to City of Seattle Proposition 1 to expand uses of revenues.

Summary and Background of the Legislation:

Pursuant to the STBD material change policy, this ordinance expands the scope of the Seattle Transit Measure (STM) to allow its revenues to be used on the following items:

- Staffing to support and complete the City of Seattle’s agreements and requirements to implement the Sound Transit 3 program, including but not limited to staff to support project planning, permitting, and delivery of Sound Transit projects in Seattle; and
- Third-party funding contributions to deliver the City of Seattle’s Preferred Alternative for the West Seattle Link Extension and Ballard Link Extension.

In addition to this increased flexibility to fund Sound Transit 3, the Seattle Transit Measure will continue to fund King County Metro transit service hours, improve low-income access to transit, support the Transportation Equity Program, and fund transit capital improvements.

Background: The Seattle Transportation Benefit District (STBD) was created in 2010 to allow the City to raise revenue to preserve and maintain transportation infrastructure, improve public safety, implement projects in SDOT’s planning documents and provide people with transportation choices, including public transit.

In 2020 a proposition was placed before Seattle voters authorizing a 0.15 percent increase in the sales and use tax. This tax increase, currently referred to as the “Seattle Transit Measure,” funds transit and transit-related transportation programs in Seattle, including frequent transit network maintenance and associated capital improvements; low-income fare programs; and transportation needs related to COVID-19 recovery and the West Seattle Bridge closure. The tax increase sunsets on April 1, 2027.

As King County Metro has recovered from the COVID-19 pandemic, SDOT has been unable to increase its service hour investment in King County Metro due to Metro staffing and other constraints. This is expected to change over the remaining two years of the measure. However, other constraints limited SDOT from launching new programming which has resulted in funding being available for this purpose. In addition, transportation needs related to COVID-19 recovery and the West Seattle Bridge closure have been addressed. As a result of these changes, SDOT is requesting material scope changes to Proposition 1 to explicitly allow these funds to also be used for Sound Transit 3 work.

Sound Transit 3 is the largest infrastructure program in Seattle’s history. Its high-capacity transit investments, including the mega-projects of West Seattle Link Extension (WSLE) and Ballard Link Extension (BLE), will occur over the next 15 years as projects move from planning phases to final design, permitting, and construction. The City team will oversee and support project delivery. This project offers tremendous opportunity for transformation of our transportation system, but also potential for significant construction and other impacts to existing communities. The combined projects will include more than 12 miles of new light rail track, more than 13 new or expanded stations, a new light-rail only downtown tunnel, and two over-water crossings. The \$54 billion, 25-year plan received 54 percent approval overall in King, Snohomish, and Pierce counties in 2016. Seattle voters overwhelmingly approved the ballot measure with almost 70 percent support for the measure. Staffing is critical to supporting on-schedule delivery of ST3 projects while ensuring compliance with relevant statutes and codes and upholding the 2018 Partnering Agreement.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the City? Yes No

This legislation does not have direct financial impacts to the City. The material change will expand allowable uses of existing funding to include ST3 staffing. Appropriations for ST3 staffing are included in the Mayor’s 2025-2026 Proposed Budget.

This legislation does not create any new positions. Any necessary new positions will be included in a future legislative action.

3.d. Other Impacts

Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.

No.

If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.

N/A

Please describe any financial costs or other impacts of *not* implementing the legislation. ST3’s high-capacity transit investments—including the mega-projects of West Seattle Link Extension (WSLE) and Ballard Link Extension (BLE)—offer tremendous opportunity to transform regional mobility and expand access to housing, jobs, and other destinations for Seattle community members. The City has critical roles to support these projects that, if fully resourced and realized, will facilitate project delivery, maximize public benefit, and minimize harm to existing communities. In the next four years, as WSLE and BLE move from their planning phases to final design, permitting, and construction, the City will oversee an enormous volume of work to support on time and on budget project delivery. Without additional staffing resources dedicated to the City’s ST3 program, the City could potentially negatively impact the ST3 project schedules and overall delivery timelines due to workload volumes exceeding current staff capacities.

4. OTHER IMPLICATIONS

a. Please describe how this legislation may affect any departments besides the originating department.

The current interdepartmental ST3 City Team, managed by the SDOT Sound Transit Program, includes approximately 20 dedicated full-time staff, as well as limited part-time capacity from staff across 20 City departments. The final staffing plan is under development; therefore, the impact to other departments is currently being evaluated.

b. Does this legislation affect a piece of property? If yes, please attach a map and explain any impacts on the property. Please attach any Environmental Impact Statements, Determinations of Non-Significance, or other reports generated for this property.

No.

c. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.

i. How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.

There is a long history of large infrastructure projects perpetuating disparate impacts to communities of color and low-income populations in Seattle. The ST3 City Team is working with Sound Transit to ensure that the WSLE and BLE projects avoid disparate impacts and bring equitable benefits to communities. Our agencies are advancing equitable outcomes through the development and application of a multi-year joint agency Racial Equity Toolkit for the WSLE and BLE projects.

- ii. **Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.**

N/A

- iii. **What is the Language Access Plan for any communications to the public?**

N/A

d. Climate Change Implications

- i. **Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**

Expanding mass transit service benefits everyone by offering a less carbon-intensive means of travel, which decreases air and water pollution. Reliable transit service and a comprehensive transit network are key to reducing greenhouse gas emissions in Seattle, a city where transportation is the number one source of emissions. The Seattle Transit Measure and ST3 are key strategies for reducing the city's emissions in the transportation sector.

- ii. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Sound Transit and its partner services provide tangible environmental benefits for the region's growing communities, including Seattle. Sound Transit's 2022 Sustainability Progress Report showed that passengers taking Sound Transit avoided nearly 194,000 tons of greenhouse gas emissions annually.

- e. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)? What mechanisms will be used to measure progress towards meeting those goals?**

N/A

5. CHECKLIST

- Is a public hearing required?**
- Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required?**
- If this legislation changes spending and/or revenues for a fund, have you reviewed the relevant fund policies and determined that this legislation complies?**
- Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

6. ATTACHMENTS

Summary Attachments: None.