



SEATTLE CITY COUNCIL

Select Committee on Seattle Transportation Benefit District

Agenda

Thursday, June 18, 2026

9:30 AM

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

Rob Saka, Chair
Alexis Mercedes Rinck, Vice-Chair
Dionne Foster, Member
Joy Hollingsworth, Member
Debora Juarez, Member
Robert Kettle, Member
Eddie Lin, Member
Maritza Rivera, Member
Dan Strauss, Member

Chair Info: 206-684-8801; Rob.Saka@seattle.gov

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SEATTLE CITY COUNCIL
Select Committee on Seattle Transportation
Benefit District
Agenda
June 18, 2026 - 9:30 AM

Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<https://www.seattle.gov/council/select-committee-on-seattle-transportation-benefit-district>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Please register in advance in order to be recognized by the Chair. Details on how to register for Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at <https://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin one hour before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting.

In-Person Public Comment - Register to speak on the public comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting.

Please submit written comments no later than four business hours prior to the start of the meeting to ensure that they are distributed to Councilmembers prior to the meeting. Comments may be submitted at Council@seattle.gov or at Seattle City Hall, Attn: Council Public Comment, 600 4th Ave., Floor 2, Seattle, WA 98104. Business hours are considered 8 a.m. - 5 p.m. Comments received after that time will be distributed after the meeting to Councilmembers and included as part of the public record.

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

Members of the public may address items on the agenda and matters within the purview of the committee. Please register in advance to be recognized by the Chair.

D. Items of Business

1. [CB 121226](#) **An ordinance relating to a sales and use tax; providing for the submission to qualified electors of the City at an election to be held on November 3, 2026, a proposition to collect a sales and use tax to fund transit and related transportation programs in Seattle; and ratifying and confirming certain prior acts.**

Supporting Documents:

[Summary and Fiscal Note](#)

[Summary Att 1 - STM Racial Equity Toolkit](#)

[Central Staff Memo](#)

Briefing and Discussion

Presenters: Calvin Chow and Amanda Allen, Council Central Staff

E. Adjournment



Legislation Text

File #: CB 121226, **Version:** 1

Screen Reader Users: Make sure settings include reading strikethrough and underline font attributes.

The City of Seattle

Ordinance

Council Bill

An ordinance relating to a sales and use tax; providing for the submission to qualified electors of the City at an election to be held on November 3, 2026, a proposition to collect a sales and use tax to fund transit and related transportation programs in Seattle; and ratifying and confirming certain prior acts.

Recitals:

Chapter 36.73 of the Revised Code of Washington (RCW) provides for the establishment of transportation benefit districts by cities and counties and authorizes those districts to levy and impose various taxes and fees to generate revenues to support transportation improvements that benefit the district and that are consistent with state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels.

City of Seattle (City) Ordinance 123397 created the Seattle Transportation Benefit District for preserving and maintaining transportation infrastructure, improving public safety, implementing elements of the Seattle Transportation Strategic Plan and other planning documents, investing in bicycle, pedestrian, freight mobility and transit enhancements, and providing people with choices to meet their mobility needs.

In Seattle Transportation Benefit District (STBD) Resolution 12, the Governing Board of the STBD

submitted a ballot measure (STBD Proposition 1) to the qualified electors of the STBD to authorize up to a 0.1 percent sales and use tax and an annual vehicle license fee of up to an additional \$60 per registered vehicle with a \$20 rebate for low-income individuals, for the purposes of funding additional city-wide transit service in Seattle for a six-year term expiring on December 31, 2020.

On November 4, 2014, STBD Proposition 1 was approved by a majority of qualified electors of the STBD, and on December 1, 2014, in STBD Resolution 14, the Governing Board of the STBD imposed the revenue measures authorized by the voters through the approval of STBD Proposition 1.

On July 8, 2016, by Ordinance 125070, the City assumed the rights, powers, immunities, functions, and obligations of the STBD as authorized under RCW 36.74.030.

In July 2020, by Ordinance 126115, having assumed the powers of the STBD, the City submitted a ballot measure (City of Seattle Proposition 1) to the City's voters to authorize up to a 0.15 percent sales and use tax for the purposes of funding additional citywide transit service in Seattle for a six-year term expiring on March 31, 2027.

On November 3, 2020, City of Seattle Proposition 1 was approved by 80 percent of qualified Seattle electors and imposed the revenue measures authorized by voters via Ordinance 126250 on December 11, 2020.

To distinguish it from the vehicle license fees enacted by the City Council under chapter 36.73 RCW's Transportation Benefit District authority, used to fund non-transit transportation investments, Proposition 1 is now known as the Seattle Transit Measure.

The State Department of Revenue requires one calendar quarter of notice before a new sales tax may be collected. As a result, to begin collecting a new sales tax on April 1, 2027, one day after the current measure expires on March 31, 2027, a new measure must be approved by

voters in the November 3, 2026 General Election, and that authority enacted by the City Council by December 31, 2026.

The City, having assumed the powers of the STBD, currently has the authority to seek voter approval for a replacement measure of up to a 0.3 percent sales and use tax for transportation improvements under RCW 82.14.0455.

Since the passage of City of Seattle Proposition 1 in 2020, the Seattle Transit Measure has funded seven percent of bus service on eligible Seattle routes operated by King County Metro (those with 65 percent of stops within Seattle), expanding bus service by over 3,200 weekly trips, making bus service more reliable, prioritizing historically underserved populations, and increasing access to transit service in the evenings, on weekends and overnight on over 30 bus routes across the city.

The 2020 Seattle Transit measure funded transit equity and access initiatives, providing 52,000 subsidized ORCA cards to youth, seniors, low-income families receiving free preschool tuition, Seattle college students, essential workers, job seekers, and Seattle Housing Authority residents.

The 2020 Seattle Transit measure funded enhanced transit infrastructure through a diverse range of capital investments. STM funds have supported projects aimed at improving transit travel time, reliability, safety, and accessibility. Notable transit projects using STM funding include RapidRide J Line, NE 130th & NE 125th Mobility and Safety Project, the Rainier Ave S Bus Lane Project, 35 Transit Spot Improvements, among many others. These investments reflect SDOT's commitment to creating a safer, more efficient, and accessible transit system for Seattle residents through STM revenues.

The 2020 Seattle Transit Measure began funding Sound Transit 3 (ST3) staffing to support delivery of Sound Transit 3 projects in Seattle in 2025, including the West Seattle Link Extension, the

Ballard Link Extension, and the Graham St infill station. This investment supports a team of transportation planners, engineers, permit reviewers and project managers that coordinate closely with Sound Transit to streamline the permitting process and get to construction more quickly.

The City wishes to continue maintaining access to opportunity and to expand the more frequent, reliable, all-day, every-day transit network made possible by City of Seattle Proposition 1.

Because of the importance of the regional public transit network in promoting equitable transit access in communities throughout King County, the City supports future efforts to enact a countywide transit funding measure. The City intends to collaborate with King County, and the King County Transportation District, or its successor, on a future transit measure that could be approved by countywide voters, thereby allowing the City to potentially adjust or phase-out this funding measure; and

In the meantime, the City will continue to work with King County Metro to provide expanded transit service to Seattle residents through renewal of service purchase agreements it entered with the City following passage of the original STBD Proposition 1 in 2014 and renewed in modified form following voter approval of the current Seattle Transit Measure in 2020. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. The City submits to the qualified electors of the City of Seattle a proposition to authorize up to a 0.3 percent sales and use tax that will be effective no earlier than April 1, 2027 and continuing for up to a ten-year term, ending March 31, 2037. This sales and use tax would replace the 0.15 percent sales and use tax authorized by Seattle voters in 2020 for a six-year term expiring March 31, 2027. If approved by voters, the revenues will be used as described below in Section 2 of this ordinance.

Section 2. Use of revenues. The funds raised by this proposition (Proposition revenues) will be used solely for the transit and transportation purposes as described in this ordinance and associated administrative costs. Proposition revenues will first be used to pay election costs and any required administrative costs to the state Department of

Revenue.

Remaining Proposition revenues will be used to fund:

A. Service hours and associated administrative, maintenance, and asset management costs that support King County Metro-operated services with more than 65 percent of stops within Seattle, consistent with the Seattle Transportation Plan and King County Metro Transit's Service Guidelines and long-range plan (Metro CONNECTS), along with the fund reserves necessary under current and future agreements with King County Metro. Bus service hour investments shall be made using a system-wide, data driven, equity centered prioritization approach which shall be revised periodically with input from the Transit Advisory Board.

B. King County Metro transit service hours on current and future RapidRide lines serving Seattle, identified in the Seattle Transit Master Plan and King County Metro's long-range plan (Metro CONNECTS).

C. King County Metro transit service hours on routes serving the City's highest equity priority areas, as informed by ridership and census data.

D. The implementation, management, and administration of programs to support transit access by qualifying seniors, residents of Seattle Housing Authority and other low-income housing within Seattle, youth and young adults, including students participating in the Seattle Promise program or other similar programs at Seattle colleges and universities, and low-income families. This category may receive up to \$12 million in annual appropriations.

E. Infrastructure maintenance and capital improvements to maximize the efficiency, safety, accessibility, and availability of transit operations within Seattle, including enhancements to transit reliability and associated project-related transportation demand management activities. This category may receive up to \$5 million in annual appropriations, excluding capital carryforward appropriations available under state law.

F. City of Seattle staffing of programs intended to facilitate planning, engineering, permitting, and project delivery of Sound Transit 3 projects including the West Seattle Link Extension, the Ballard Link Extension, and the Graham St infill station as approved by regional voters in 2016. This category may receive up to \$8 million of annual appropriations, excluding capital carryforward appropriations allowable under state law.

Section 3. In addition to the restrictions on the use of revenues in Section 2 of this ordinance, the annual appropriations for subsections 2.A, 2.B, and 2.C of this ordinance shall equal at least 60 percent of the annual Proposition revenues, in keeping with the intent of the measure, to increase the frequency and reliability of transit service.

Section 4. If the King County Transportation Benefit District enacts a countywide transit funding measure, the City

reserves the right to pass an ordinance that reduces the sales and use tax rate enacted pursuant to Section 1 of this ordinance and/or modifies the restrictions in Section 3 of this ordinance.

Section 5. No supplanting of existing funding for transit service. Before funding any transit service, the City anticipates that there will be an interlocal agreement with King County Metro to provide that the Proposition revenues will not supplant other funding for any routes partially or completely operating within Seattle that King County Metro would otherwise provide in accordance with the Seattle Transportation Plan, and King County Metro's Transit Service Guidelines and long-range plan (Metro CONNECTS).

Section 6. Oversight. The City of Seattle shall issue an annual report to the public that provides an overview of transit service levels in Seattle and describes how the Seattle Transit Measure has invested in transit service, transportation access, other transit improvements, and Sound Transit expansion efforts in that year and the impacts these investments have had on the travelling public, including progress toward Frequent Transit Network and City mobility goals.

The community-led Seattle Transit Advisory Board will continue to serve as the public oversight committee charged with advising on spending of Proposition revenues. Appointments to the Transit Advisory Board, the scope of its duties, and reporting requirements shall continue to be consistent with Resolution 31572, as adopted by Council in 2015, following passage of the 2014 Transportation Benefit District measure.

Section 7. Election - Ballot title. The City Council directs the City Clerk to file this ordinance with the Director of Elections of King County, Washington, as ex officio supervisor of elections, requesting the Director of Elections to call and conduct a special election in conjunction with the state general election to be held on November 3, 2026, for the purpose of submitting to the qualified electors of the City the proposition set forth in this ordinance.

The City Clerk is directed to certify to the King County Director of Elections the ballot title approved by the City Attorney in accordance with the City Attorney's responsibilities under RCW 29A.36.071 and RCW 29A.72.050. The following ballot title containing a statement of subject and concise description are submitted to the City Attorney for consideration:

THE CITY OF SEATTLE

PROPOSITION NO. 1

The City of Seattle adopted Ordinance No. XXXXXX concerning funding for transit and related transportation needs in Seattle.

The City of Seattle's Proposition 1 would dedicate funding to transit services benefiting Seattle residents, including more frequent transit service; transit fare programs for qualifying low-income people, seniors, students and workers; transit reliability and access projects; enhanced transit service on RapidRide and routes serving high equity priority areas; and planning and permitting for Sound Transit expansion. It authorizes a 0.3% sales and use tax for up to ten years to replace the current voter-approved 0.15% sales tax expiring March 31, 2027.

Should this Proposition be approved?

Yes

No

Section 8. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance or the validity of its application to other persons or circumstances.

Section 9. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 10. Those portions of this ordinance providing for the submission of a ballot proposition to the voters shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, they shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070. Those portions of this ordinance that are dependent upon voter approval of said ballot proposition shall take effect in accordance with applicable law.

Passed by the City Council and signed in open session in authentication of its passage on .

President of the City Council
on .

Katie B. Wilson, Mayor

Attested on .

Scheereen Dedman, City Clerk

Seal

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle Department of Transportation (SDOT)

Title: An ordinance relating to a sales and use tax; providing for the submission to qualified electors of the City at an election to be held on November 3, 2026, a proposition to collect a sales and use tax to fund transit and related transportation programs in Seattle; and ratifying and confirming certain prior acts.

Background: On September 20, 2010, the Seattle City Council approved Ordinance 123397 to establish the Seattle Transportation Benefit District (STBD). The purpose of the measure was to allow the City of Seattle to leverage additional revenue to preserve and maintain transportation infrastructure and enhance Seattle transportation choices, including public transportation. Upon establishing the STBD, its governing board imposed a \$20 annual vehicle license fee to fund these preservation and enhancement efforts.

On July 17, 2014, the STBD Board approved Resolution 12, placing a measure (Proposition 1) on the November 2014 General Election ballot for the purposes of funding additional Metro Transit service in Seattle. The ballot measure asked District voters to authorize an up to 0.1% sales and use tax, and an annual vehicle license fee of up to an additional \$60 per registered vehicle. Council, acting as the STBD Board, established a December 31, 2020 sunset date for Proposition 1. Proposition 1 passed

with 62% approval and on December 1, 2014, the STBD board approved Resolution 14, fully imposing the vehicle license fee and sales tax.

Subsequently, the state legislature authorized cities to subsume the authority and powers of a Transportation Benefit District (TBD) following a public hearing and ordinance passage. Council took advantage of this authority by passing Ordinance 120570, which was signed by the Mayor in July 2016.

Statewide voter approval of Initiative 976 in November 2019, among other provisions, removed state authorization of TBD vehicle license fee authority. Although the State Supreme Court ruled I-976 unconstitutional in October 2020, the City needed to file a replacement measure for that year's General Election by August 4 and Council approved Ordinance 126115, asking voters to approve a maximum 0.15% sales and use tax and no Vehicle License Fee. Like the 2014 measure, the replacement ordinance also set a 6-year term, expiring on March 31, 2027 to account for the one calendar quarter notice required by the state Department of Revenue (DOR) to begin collecting a new or replacement sales and use tax.

On November 3, 2020, Seattle voters approved the sales tax only replacement measure by an 80% majority. On December 7, 2020, the City Council approved Ordinance 126250, fully imposing the 0.15% sales and use tax that DOR started collecting on April 1, 2021. Since then, after the Supreme Court declared I-976 unconstitutional, Council, in two steps, utilized the full Councilmanic VLF authority from \$20 to \$50 annually with revenues dedicated primarily to non-transit projects and maintenance programs. To distinguish the voter approved transit funding from the Councilmanic VLF, SDOT rebranded the Proposition 1 funding as the Seattle Transit Measure.

To avoid any gap in collections, resulting in a loss of 7% of local transit service in Seattle, including substantial reductions in evening, night, and weekend service, subsidized transit pass and access programs serving low-income residents, Seattle streetcar service, and staffing to support the design and delivery of Sound Transit 3 (ST3) projects in Seattle, Seattle voters will need to approve a replacement Seattle Transit Measure (STM) by the November 3, 2026 General Election, requiring the City Clerk to submit a signed ordinance to King County Elections no later than August 3, 2026.

The attached measure proposes a replacement Seattle Transit Measure that, if approved by voters, would authorize an increase the STM sales tax by an additional 0.15% to the statutory maximum of 0.30%. The increased revenue would, in part, cover significant inflationary impacts since passage of the 2020 measure, and cover the cost to expand the amount of transit service operated by King County Metro in Seattle by approximately 95,000 annual service hours, or by almost 50% above the current bus service levels funded through STM; continue funding Seattle Streetcar service, a city-owned transit service with annual ridership of over 1.6 million trips and growing; continue funding subsidized transit passes for young adults enrolled in the Seattle Promise Scholars program, residents of Seattle Housing Authority (SHA)-operated low income housing, and families with at least one child enrolled tuition free in the Seattle Preschool program as well as transit education programs for youth and older adults; expand access to fully subsidized transit passes for up to 12,000 additional residents participating in the Housing Choice Voucher (HCV) program; continue funding capital investments that increase transit accessibility, performance and reliability; and continue

funding staffing costs that support the City’s efforts to accelerate the construction of Light Rail extensions to West Seattle and Ballard, and the Graham St infill station as passed by City Council in 2025 in Ordinance 127304.

Summary Attachments:

Summary Attachment 1 – STM Racial Equity Toolkit

2. Capital Improvement Program (CIP)

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

Spend Plan for Replacement Seattle Transit Measure

Amount in millions of US dollars

Annual Revenues

| Year | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 |
|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|
| Beginning balance | \$0.0 | \$26.3 | \$36.4 | \$43.3 | \$49.5 | \$53.8 | \$56.1 | \$56.1 | \$53.7 | \$48.6 | \$40.7 |
| STM Reserve | \$20.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Annual Revenues | \$88.9 | \$120.0 | \$125.3 | \$130.4 | \$134.7 | \$139.0 | \$143.5 | \$148.1 | \$152.9 | \$157.8 | \$40.7 |
| Total Revenues | \$108.9 | \$146.3 | \$161.8 | \$173.8 | \$184.2 | \$192.8 | \$199.5 | \$204.2 | \$206.6 | \$206.4 | \$81.4 |

Annual Expenditures

| Year | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 |
|-------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|
| Transit Service | \$66.9 | \$91.9 | \$99.8 | \$105.1 | \$110.6 | \$116.4 | \$122.5 | \$128.9 | \$135.7 | \$142.8 | \$79.4 |
| Transportation Access Program | \$5.5 | \$7.6 | \$8.1 | \$8.3 | \$8.8 | \$9.1 | \$9.6 | \$9.9 | \$10.5 | \$10.8 | \$2.0 |
| ST3 Staffing | \$5.2 | \$5.4 | \$5.6 | \$5.8 | \$6.0 | \$6.2 | \$6.4 | \$6.6 | \$6.8 | \$7.1 | \$0.0 |
| Transit Infrastructure | \$5 | \$5 | \$5 | \$5 | \$5 | \$5 | \$5 | \$5 | \$5 | \$5 | \$0.0 |
| Total Expenditures | \$82.6 | \$109.9 | \$118.5 | \$124.2 | \$130.4 | \$136.7 | \$143.5 | \$150.5 | \$158.0 | \$165.7 | \$81.4 |
| Ending Fund Balance | \$26.3 | \$36.4 | \$43.3 | \$49.5 | \$53.8 | \$56.1 | \$56.1 | \$53.7 | \$48.6 | \$40.7 | \$0.0 |

Reserves

| Year | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Ramp Down Reserve ¹ | \$20.0 | \$24.0 | \$28.0 | \$32.0 | \$36.1 | \$40.1 | \$40.1 | \$40.1 | \$40.1 | \$40.1 | \$0.0 |
| Service Planning Reserve ² | \$6.3 | \$12.4 | \$15.3 | \$17.5 | \$17.7 | \$16.0 | \$16.0 | \$13.6 | \$8.5 | \$0.6 | \$0.0 |
| Total Reserves | \$26.3 | \$36.4 | \$43.3 | \$49.5 | \$53.8 | \$56.1 | \$56.1 | \$53.7 | \$48.6 | \$40.7 | \$0.0 |
| Unreserved Balance | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |

¹ Ramp Down reserve covers the ramp down costs of transit service and ILA obligation for streetcar

² Service Planning reserve reflects the need to build up a reserve to maintain consistent service and programmatic levels through the measure as projected cost increases outpace projected revenue increases.

3a. Appropriations

This legislation does not provide appropriations. If this measure is approved by Seattle voters, funds will be appropriated in future budget legislation.

3b. Revenues/Reimbursements

This legislation provides a proposal to be placed on the November 2026 ballot which, if approved, will provide an estimated \$138 million of dedicated revenue for transportation purposes on average annually over ten years; slightly less than \$90 million of this revenue will be generated in 2027, and \$120 million will be generated in the first full year of collections in 2028. These revenues are not added to the City’s budget through this legislation but will be accounted for in separate legislation if the measure is approved by voters. Annual revenues are estimated as follows (dollars in millions):

Anticipated Revenue/Reimbursement Resulting from This Legislation:

| 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | Total |
|---------|--------|----------|----------|----------|--------|----------|----------|----------|----------|---------|---------|
| \$88.9M | \$120M | \$125.3M | \$130.4M | \$134.7M | \$140M | \$143.5M | \$148.1M | \$152.9M | \$157.8M | \$40.7M | \$1.38B |

Revenue collections are estimated to begin April 1, 2027.

Revenue/Reimbursement Notes:

3c. Positions

This legislation does not add, change or delete positions. Depending on the outcome of the proposal, position additions, changes or deletions will be determined through separate budget legislation.

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren’t mentioned above? If yes, please explain these impacts.

This action authorizes the City to put forth a measure in the November 2026 election. The associated election costs are estimated to be between \$1 million and \$1.25 million, including Voter’s Pamphlet costs. If approved by voters, revenues would average \$138 million per year over the life of the measure, double the amount that would be collected under the sales and use tax rate of the 2020 Proposition 1 measure. The scale of the revenues collected in this measure are large enough compared to the current 2020 Proposition 1 revenues that some marginal increase in administrative overhead needs may be necessary. These costs will be identified in future budget requests, as needed.

Revenues and appropriations for the 2026 measure will be included in the 2027 Adopted Budget and subsequent budgets.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

SDOT does not have extra resources to pay for the costs of this measure outside of renewal.

c. What financial costs or other impacts might happen if this legislation is not implemented?

If this measure is not sent to the ballot and/or not approved by voters, the investments made through the Seattle Transit Measure will no longer have a funding source and will either be cut or will result in significant cuts to other parts of the SDOT budget. The roughly 180,000 annual Seattle bus trips the City purchases from King County Metro would be eliminated by Metro's 2027 fall service change. This investment represents ~7% of bus service in Seattle. All other STM-funded investments would no longer have a source of funding, including transit pass subsidy programs and transit education programs currently serving more than 10,000 low-income Seattle residents, Seattle Streetcar system operations, 10 FTE the City needs to support ST3 expansion in Seattle (allowing the City to leverage Sound Transit partnership dollars), and funds to make capital investments to address transit performance and accessibility beyond the projects already funded in the 2024 Transportation Levy. Each of these investments would end at the end of 2026 (transit pass subsidies, transit education programs, additional transit capital investments, City staffing to support ST3 City staffing needs), by June 2027 (Seattle streetcar system), or the Department would have to make cuts to other, non-STM-funded programs to cover the costs to maintain those currently funded through STM.

d. How might this legislation affect other City departments besides the one that proposed it?

There are no net new anticipated impacts to other City departments.

4. Other Impacts

a. Does this legislation require a public hearing?

Yes

No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

Yes

No

c. Does this legislation affect a piece of property?

No

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

People of color in Seattle are more likely to be dependent on transit service for access to opportunities. If this measure is not placed on the ballot or if the measure fails, significant transit service would be cut, including added frequencies on several routes serving areas of the City with higher concentrations of people of color. Additionally, ORCA cards distributed to 10,000 low-income individuals and families, and to young adults would be eliminated or significantly reduced if this measure is not passed by Seattle voters. A higher proportion of low-income residents identify as people of color and would be disproportionately impacted. In addition, there would be no identified funding source for the Streetcar system, which serves more people of color than the Metro systemwide average.

If the legislation passes, SDOT will continue its established practice of making service investments using and equity-centered prioritization methodology. Generally, SDOT invests routes that travel to and through historically disinvested areas or that serve historically disadvantaged communities. SDOT also invests in service at times of day when low-income and transit dependent people are more likely to ride transit based on ridership data SDOT receives from Metro.

The motivation behind this investment methodology is to directly offset the burden of sales tax on those who are most impacted by its regressivity and to ensure that high quality, reliable transit service is available and accessible to those who need it most.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

Seattle Transit Measure Racial Equity Toolkit is attached as Summary Attachment 1.

3. What is the Language Access Plan for communicating with the public about this legislation?

Background information on the Seattle Transit Measure is currently available in Spanish, Chinese, Vietnamese, Somali and Amharic. SDOT will continue to provide information about STM renewal in these languages online and in print, including through a multicultural media campaign. If additional language access is required, SDOT will offer it.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

According to the most recent Office of Sustainability & Environment reporting, the transportation sector accounts for roughly 60% of Seattle's core greenhouse gas emissions profile. The City is pursuing many strategies to reduce carbon emissions, including vehicle electrification efforts, reflecting denser land use policies in the new Comprehensive Plan, and investing in pedestrian, bicycle and transit infrastructure improvements through the 2024 Transportation Levy. Maintaining and expanding Seattle Transit Measure and other transit service investments is another of the City's critical strategies to reducing greenhouse gas emissions as called out in Seattle's Climate Action Plan, Seattle Transportation Plan, Climate Change Response Framework, and recent Executive Orders. This legislation will contribute to decreasing Seattle's carbon emissions.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

This legislation will make Seattle more climate resilient. STM investments in additional King County Metro bus service, subsidized transit passes for low-income residents, Seattle streetcar service, City staffing to support ST3 expansion in Seattle, and capital investments in improving transit reliability, will ensure Seattle residents have access to a frequent and reliable transit network that is easy to choose and that enables car-free mobility.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

This legislation requires annual written reports to the public and Council on program performance. It also requires citizen oversight through the Transit Advisory Board that was created by Council following passage of the 2014 STBD measure.

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No

Seattle Transit Measure

Racial Equity Toolkit



Executive Summary

The Seattle Transit Measure (STM) is a voter-approved funding source that pays for additional bus service, transit programs, and ORCA subsidies in Seattle. The City is considering renewing this measure, and this Racial Equity Toolkit (RET) analysis examines how that renewal would affect Black, Indigenous, and other communities of color. Our analysis focuses on whether the renewal would advance racial equity, where inequities may persist, and what strategies can reduce harm.

Through this analysis, we found that the most significant way for STM renewal to advance racial-equity would be continuing to focus on neighborhoods that have historically received fewer transportation resources and where many residents of color rely on transit every day. Expanding service during the evenings, at night, on weekends, and mid-day supports riders who work non-traditional hours, many of whom are BIPOC and lower income. Continuing ORCA subsidy programs remains a key equity strategy because it reduces transportation costs for households most affected by Seattle's rising cost of living.

We found that BIPOC communities experience the highest need for affordable, safe, and reliable transit, and these priorities were consistently raised throughout the RET process. Seattle's communities of color continue to grow, and many residents have been displaced to neighborhoods farther from the city center, increasing their reliance on frequent and affordable transit. Stakeholders emphasized transit affordability, safety, expanded service hours, and culturally relevant outreach as essential for improving access. Public surveys show majority support for renewing STM across all racial groups.

Our analysis shows that STM renewal carries both racialized benefits and racialized burdens. Sales tax and vehicle license fees are regressive and fall more heavily on Black, Indigenous, and other communities of color, who are overrepresented in lower income brackets. At the same time, STM-funded transit service and ORCA subsidy programs provide direct benefits by improving mobility, reducing transportation costs, and strengthening access to jobs, school, and essential services for transit-dependent riders.

Given that sales tax and VLF are the only tools currently available under state law to directly fund transit service in Seattle, STM renewal has a significant opportunity to reduce racialized burdens by directing investments toward the communities who experience the greatest "tax pain." This includes prioritizing transit service and programming that benefit transit-reliant communities of color, maintaining ORCA subsidies, and ensuring service improvements align with the times, routes, and locations that advance racial and social equity goals. Continued partnership with advisory bodies such as the Transit Advisory Board and the Transportation Equity Workgroup remains essential for shaping equity-centered investment decisions.

Targeted investments and focused outreach to increase familiarity with transit are necessary to ensure the STM renewal advances racial equity and mitigates harm. Prioritizing service improvements in equity-priority areas, maintaining ORCA subsidies, and centering outreach in communities most affected by affordability challenges and displacement are critical strategies for reducing inequities.

STM renewal aligns with the racial-equity goals of the Seattle Transportation Plan and the Transportation Equity Framework, but continued accountability is essential. SDOT will use equity-focused decision-making and annual public reporting to track how STM investments affect BIPOC communities and to ensure the renewal supports Seattle's long-term goal of eliminating racial disparities in access to affordable, reliable transit.

Glossary of Terms

| Acronym | Term |
|---------|---|
| RET | Racial Equity Toolkit |
| STM | Seattle Transit Measure |
| TAB | Transit Advisory Board |
| TEW | Transportation Equity Workgroup |
| VLF | Vehicle License Fee |
| BIPOC | Black, Indigenous, and People of Color |
| FTN | Frequent Transit Network |
| STBD | Seattle Transportation Benefit District |
| STP | Seattle Transportation Plan |
| TEF | Transportation Equity Framework |
| AMI | Area Median Income |
| RSJ | Race and Social Justice |
| ACS | American Community Survey |
| TFTF | Transportation Funding Task Force |

General Information

Title of policy, initiative, program, budget issue: Seattle Transit Measure (STM) renewal

Description: This Racial Equity Toolkit focuses on Mayor Wilson’s Seattle Transit Measure proposal, which would replace the voter-approved 2020 Seattle Transit Measure funded by a 0.15% sales tax. The STM proposal is time-sensitive and will be considered by the City Council in June and July for potential placement on the November 2026 ballot.

SDOT has used sales tax-based measures to fund transit investments since 2014. This revenue, generating more than \$50 million annually, serves as the primary source for making public transportation more reliable, accessible, and responsive to community needs. With direction from the Mayor’s Office and the City Budget Office (CBO), SDOT developed the STM renewal proposal to continue funding key transit investments and improvements, with a focus on directing resources to communities that are currently or historically underinvested.

This RET documents, reviews, and reflects on the equity practices and processes SDOT staff applied throughout the development of the STM renewal.

Department: SDOT

Contact Name: Jen Malley-Crawford

Contact Email: jen.malley-crawford@seattle.gov

Type (Policy, Initiative, Program, or Budget Issue): Budget issue (new major funding source)

Racial Equity Toolkit
to Assess Policies, Initiatives, Programs, and Budget Issues

RACE & SOCIAL JUSTICE INITIATIVE

The vision of the Seattle Race and Social Justice Initiative is to eliminate racial inequity in the community. To do this requires ending individual racism, institutional racism and structural racism. The Racial Equity Toolkit lays out a process and a set of questions to guide the development, implementation and evaluation of policies, initiatives, programs, and budget issues to address the impacts on racial equity.

When Do I Use This Toolkit?

Early. Apply the toolkit early for alignment with departmental racial equity goals and desired outcomes.

How Do I Use This Toolkit?

With Inclusion. The analysis should be completed by people with different racial perspectives.

Step by step. The Racial Equity Analysis is made up of six steps from beginning to completion:

- Step 1. Set Outcomes.**
Leadership communicates key community outcomes for racial equity to guide analysis.
- Step 2. Involve Stakeholders + Analyze Data.**
Gather information from community and staff on how the issue benefits or burdens the community in terms of racial equity.
- Step 3. Determine Benefit and/or Burden.**
Analyze issue for impacts and alignment with racial equity outcomes.
- Step 4. Advance Opportunity or Minimize Harm.**
Develop strategies to create greater racial equity or minimize unintended consequences.
- Step 5. Evaluate. Raise Racial Awareness. Be Accountable.**
Track impacts on communities of color overtime. Continue to communicate with and involve stakeholders. Document unresolved issues.
- Step 6. Report Back.**
Share information learned from analysis and unresolved issue with Department Leadership and Change Team.

SDOT Staff –

Seattle Transit Measure RET Team

Annya Pintak, Transportation Equity Program Manager

Jen Malley-Crawford, Transit Service and Strategy Manager

Anna Trevino, STM renewal Deputy Project Manager

Matt Yarrow, STM Program Manager

Liliya Shtikel, Transportation Access Program Manager

Katie Olsen, Communications Strategic Advisor

Joanna Valencia, Revenue & Capital Development Manager

Carolyn Birkenfeld, Seattle Transit Service Planning Analyst

Maria Suchoski, Transportation Equity Intern

Step 1. Set Outcomes.

Leadership communicates key community outcomes for racial equity to guide analysis.

Key Takeaways

Building from the outcomes identified in the STP and TEF, the key racially equitable community outcomes related to the Seattle Transit Measure and its renewal are the following:

- **Ensure transit remains affordable and reliable.** With ongoing displacement pressures and the rising cost of living in Seattle, affordable and reliable transit remains a critical tool for keeping residents connected to opportunity.
- **Increase and preserve investments in equity-priority areas across Seattle's transit network.** Prioritizing these areas ensures that historically underinvested communities and transit-dependent communities have the reliable, connected network needed to move through the city.
- **Maintain and expand the City's role in regional conversations on transit affordability.** Community members benefit when Seattle maintains and expands its role as a regional leader in innovative, equity-focused transit affordability programs.
- **Reduce burden created by a regressive tax structure with transit service investments and ORCA subsidy programs.** Expanded transit service and ORCA subsidy programs are a way to give back to communities most disproportionately impacted by the sales tax that funds the measure.

Step 1. Set Outcomes

1a. What does your department define as the most important racially equitable community outcomes related to the issues?

Figure 1: STP Goals



Safety: Prioritize safety for travelers in Seattle, with no serious injuries or fatal crashes



Equity: co-create with community and implement restorative practices to address transportation-related inequities



Sustainability: Respond to climate change through innovation and a lens of climate justice



Mobility & Economic Vitality: Provide reliable and affordable travel options to help people and goods get where they need to go



Livability: Reimagine city streets as inviting places to linger and play



Maintenance & Modernization: Improve city transportation infrastructure and ready it for the future

Seattle Transportation Plan

The Seattle Transportation Plan (STP) describes what getting around our city looks like for the next 20 years. The STP is organized around a vision, values, goals framework, which is detailed within a slate of Key Moves and a [technical report](#).

Working with the community, we identified 6 plan goals organized around the themes of safety, equity, sustainability, mobility and economic vitality, livability, and maintenance and modernization (Figure 1). Collectively, they support the long-range vision of a city that is equitable, vibrant, and diverse; a city where moving around is safe, just, and sustainable; and a city where people and businesses can access their daily needs and feel connected to their community.

SDOT uses the STP to do the following things:

- Identify where we need to improve our transportation system in the future.
- Prioritize programs and projects that support the goals of our transportation plan and track our progress.
- Plan how we will pay for transportation needs in the future.

The STP includes many parts that address racial equity that are important considerations as the STM is developed. This includes an equity goal and key moves to prioritize investments in disproportionately impacted communities and removal of cost barriers; a sustainability goal and encouragement of transit trips; and a mobility and economic vitality goal and improvement of access to frequent and reliable transit.

Transportation Equity Framework

SDOT's Transportation Equity Framework (TEF) and its implementation plan were co-developed with community members in the Transportation Equity Workgroup. The TEF serves as our shared roadmap for building a fair and just transportation system, and the TEF value of Transit Access directly connects to STM and its renewal.

In alignment with the STP goals, key moves, and equity performance measures, the TEF strategies under Transit Access relate directly to the STM renewal (Figure 2). These strategies help ensure the renewal advances the transit access priorities identified by the TEW and the broader community.

1b. Which racial equity opportunity area(s) will the issue primarily impact?

- Education
- Community Development
- Health
- Environment
- Criminal Justice
- Jobs
- Housing

1c. Are there impacts on:

- Contracting Equity
- Workforce Equity
- Immigrant and Refugee Access to Services
- Inclusive Outreach and Public Engagement

STM Racial Equity Outcome Priorities

Building from the outcomes identified in the STP and TEF, the key racially equitable community outcomes related to the Seattle Transit Measure and its renewal are the following:

- **Ensure transit remains affordable and reliable.** With ongoing displacement pressures and the rising cost of living in Seattle, affordable and reliable transit remains a critical tool for keeping residents connected to opportunity.
- **Increase and preserve investments in equity-priority areas across Seattle's transit network.** Prioritizing these areas ensures that historically underinvested communities and transit-dependent communities have the reliable, connected network needed to move through the city.
- **Maintain and expand the City's role in regional conversations on transit affordability.** Community members benefit when Seattle maintains and expands its role as a regional leader in innovative, equity-focused transit affordability programs.
- **Reduce burden created by a regressive tax structure with transit service investments and ORCA subsidy programs.** Expanded transit service and ORCA subsidy programs are a way to give back to communities most disproportionately impacted by the sales tax that funds the measure.

As the STM has long been a vital investment for Seattle's public transit system and our commitment to expanding transit access, its renewal directly shapes SDOT's ability to deliver an accessible, equitable, and robust system.

The STM renewal also plays a key role in advancing the City's race and social justice ordinance and aligns with Mayor Wilson's priority on Sustainable Transportation and Environmental Justice.

The following racial equity opportunity areas are supported by current STM investments and would continue to be advanced through an STM renewal:

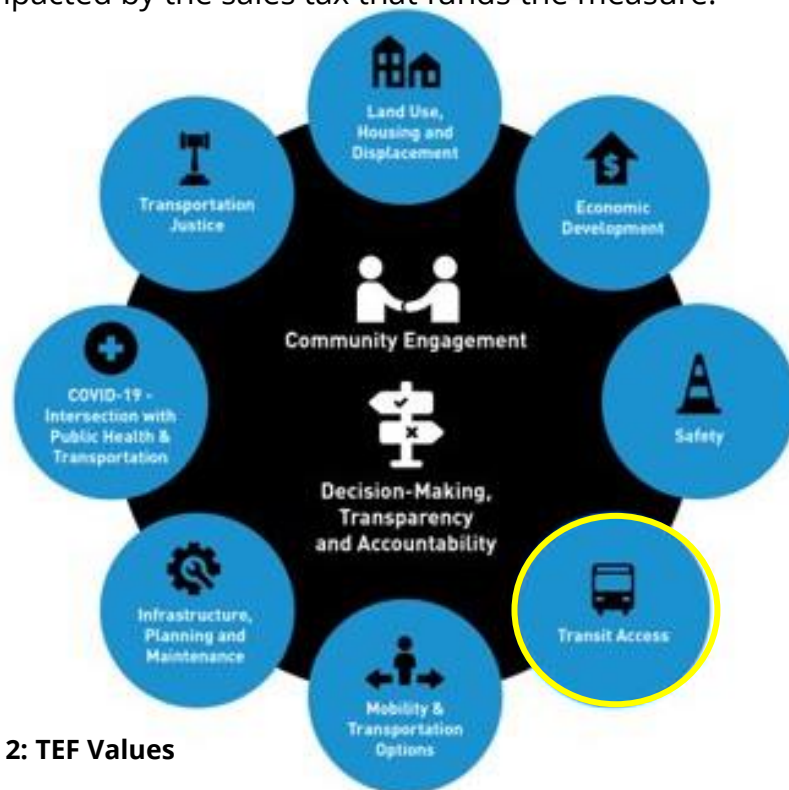


Figure 2: TEF Values

1. **Community Development / Housing:** Bring more bus service to more people—especially in historically underserved neighborhoods—making it easier to reach work, school, healthcare, and daily essentials.
2. **Jobs / Workforce Equity:** Augmenting Metro's service to move towards a frequent all-day bus network and putting ORCA cards into the hands of thousands of low-income riders, helping families and residents save money while staying connected to the opportunities our city offers.
3. **Education / Immigrant & Refugee Services / Inclusive Outreach & Engagement:** Help young people and aging adults feel confident navigating transit through education programs that build independence and support lifelong transit use.
4. **Health / Environment:** Invest in safer, more efficient streets and sidewalks for riders, including new bus lane upgrades, improved access at stops and stations, and targeted fixes to bottlenecks where buses get stuck in traffic.
5. **Criminal Justice:** Through service hour purchases, Support King County Metro's investments in rider and operator safety and security, such as investing in Metro's Transit Ambassador Program, supporting the behavioral health team, and pursuing alternatives to punitive fare enforcement

Step 2. Involve Stakeholders + Analyze Data.

Gather information from community and staff on how the issue benefits or burdens the community in terms of racial equity.

Key Takeaways

This RET examines the impact of sales tax and Vehicle License Fees (VLF) on communities of color in Seattle, highlighting the intersection of racial and economic inequalities. To understand this impact, we analyzed Seattle demographics, engaged with key stakeholders and community groups, and conducted public opinion research. Key takeaways from this work include but are not limited to the following:

- Seattle's demographics have shifted significantly, with the White population growing at 0.5% annually and the BIPOC population growing at 4.1% annually since 2010. As of the latest data, 41% of Seattle's population identifies as a person of color.
- Regional transit is critical for equitable mobility, as many communities face displacement pressure and span municipal boundaries.
- The main driver of inequities in how sales tax and transit affordability impact communities of color is due to Washington's highly regressive tax system, which remains one of the most regressive in the country.
- Key priorities for STM renewal investment, as informed by data and stakeholder engagement, include:
 - More frequent, reliable transit service more hours of the day and days of the week for community members who work outside of "traditional" commuter times
 - Fare subsidy and transit education programs to help increase ridership and strengthen confidence in transit for people who are transit dependent or have low-incomes
 - Community safety on and near transit
 - Outreach and education to communities most burdened by sales tax
- Support for the potential STM renewal measure is higher among white and Asian respondents than other BIPOC respondents, but support was above 50% across all racial groups.

Step 2. Involve Stakeholders and Analyze

2a. Are there impacts on geographic areas?

- Yes
- No

Check all neighborhoods that apply

- All Seattle neighborhoods
- Ballard
- North
- NE
- Central
- Lake Union
- Southwest
- Southeast
- Delridge
- Greater Duwamish
- East District
- King County (outside Seattle)
- Outside King County

The Seattle Transit Measure funding is focused specifically in Seattle, and service investments are made only on routes that have 65% of their stops within the city limits. However, STM funded Routes 106, 107, 124, 345, 365, E Line & H Line serve communities in North and South King County in addition to those within City Limits

2b. What are the racial demographics of those living in the area or impacted by the issue?

Seattle demographics have changed as the city has grown. Today, most of Seattle's population identifies as white and 41% of Seattle's population identifies as a person of color. Since 2010 the White population grew by about 0.5% each year, while the population of people identifying as Black, Indigenous, and People of Color (BIPOC) grew 4.1% (Figure 3)

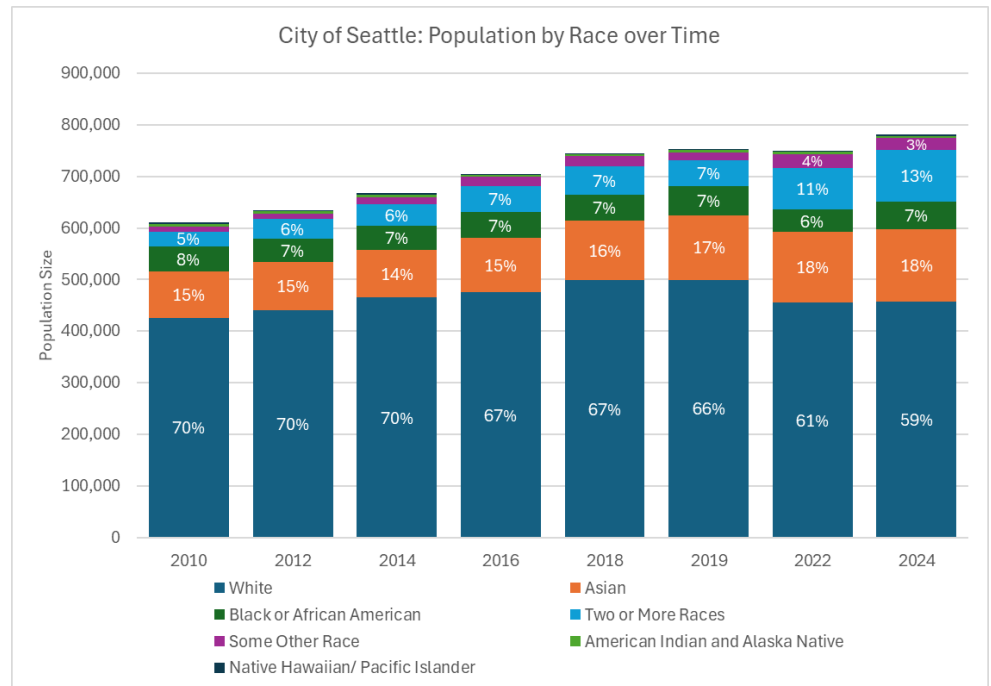


Figure 3: Seattle Population Demographics, 2010 to 2024

As seen in the maps in Figure 4, certain neighborhoods are more diverse than others, and the impacts of displacement are apparent, and many communities span municipal boundaries and regional transit options are essential for equitable access to mobility

- More people of color live in southeast and southwest Seattle, and the Central District
- Neighborhoods near water are predominantly White.
- The Central District is no longer the center of the region's Black population; the Black community now largely lives in South Seattle and in Southern King County.
- The Hispanic/Latinx population in Seattle grew by 4.8% since 2010 and is concentrated in southwest Seattle, and south of the City in White Center, Tukwila, and Burien.

Historically, communities of color, particularly Black, Hispanic/Latinx, and Native American populations, faced barriers to economic mobility due to discriminatory practices like redlining, wage gaps, and unequal access to education and housing.

While Seattle has a high median income, there is a wide disparity among income levels. White and Asian households tend to have higher median incomes, while Black and Hispanic households are more likely to experience poverty and housing insecurity.

Figure 4: Racial Demographics by Census Tract

Examining data on race and the impact of sales tax and vehicle license fees

Under Washington state law, a Transportation Benefit District (TBD) can implement a 0.3% local sales tax, and up to \$100 in vehicle license fees (VLF). Currently the City of Seattle imposed a 0.15% sales tax to fund STM and has \$50 in VLF capacity that could also be used in the future measure.

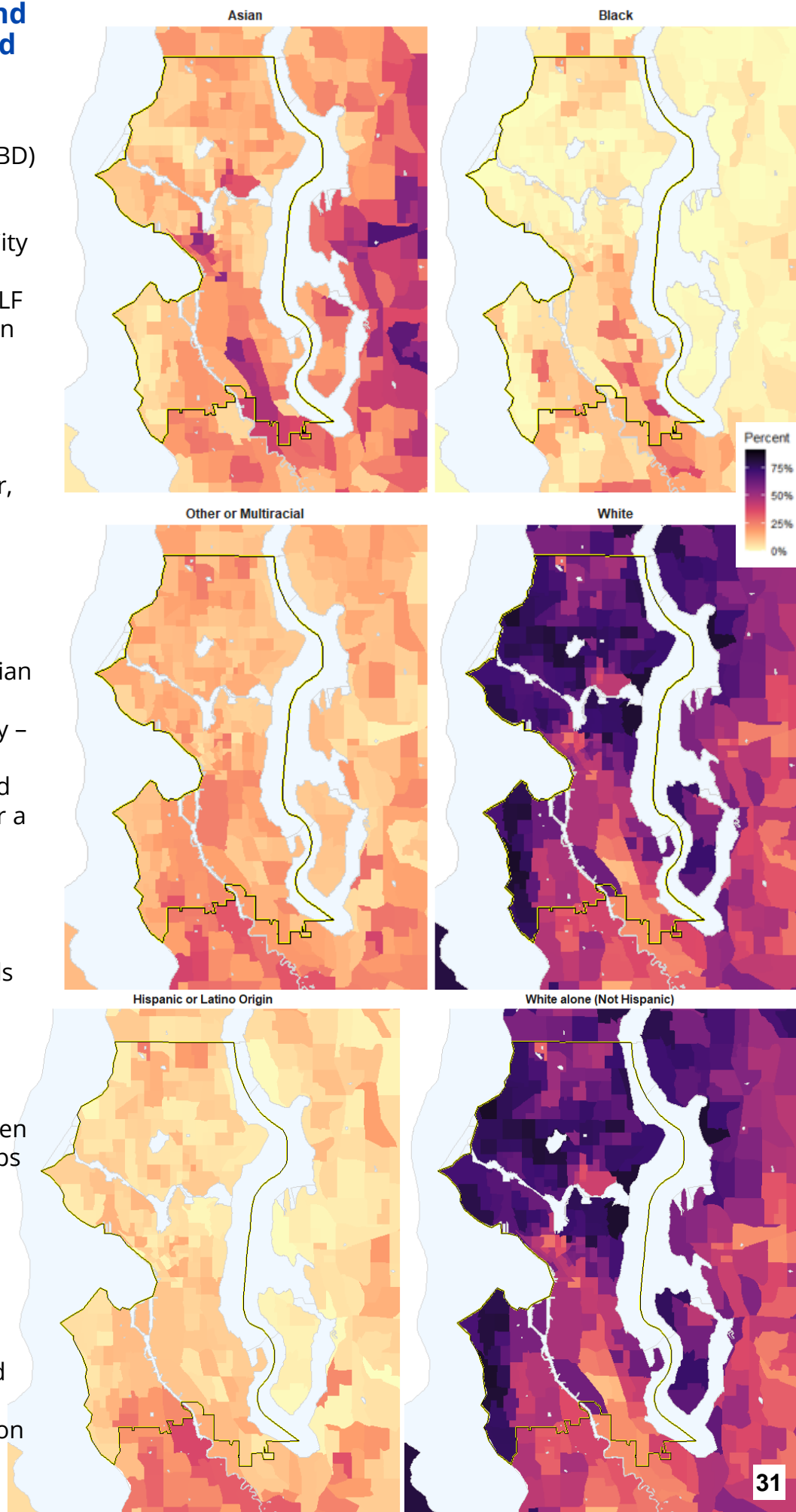
Sales tax is paid by anyone who makes a purchase in Seattle, including residents, workers, visitors, and businesses. However, many essential items are exempt from sales tax, like groceries, medication, rent and mortgage payments, and personal care products.

A family of four at 30% Area Median Income (AMI) - which would be about \$45,400 in income annually - is estimated to pay about \$22 a year towards the current STM and would pay up to \$44 a year under a 0.3% sales tax scenario.

Sales tax is regressive, burdening lower-income populations more than high income populations. Generally, low-income households spend less on taxable items, but sales tax still represents a higher percentage of their income than wealthier households.

Although sales tax data isn't broken down by race, all non-white groups are more concentrated in lower-income brackets (under \$50,000) than Seattle's White population.

Racial and economic factors are often connected, and people of color, particularly in low-income brackets, often face compounded systemic barriers due to the intersection of racial discrimination and economic inequality.



VLF is a flat fee on every registered vehicle, collected every year. In Seattle, the current VLF is \$50, with the capacity under state law to add an additional \$50. Because VLF is a flat fee, it takes up a larger share of income for low-income households than for wealthier ones, making it more regressive than sales tax. Not paying can lead to fines or losing a driver's license, which disproportionately impacts low-income individuals who may struggle to pay on time. The overall impact of VLF on a Seattle household depends on how many cars they have and how much they earn. There is not a strong correlation between race and number of cars per household, so the overall impact of a VLF would vary by household.

Step 2. Involve stakeholders. Analyze data.

2c. How have you involved community members and stakeholders?

Community members and stakeholders provided input on the STM renewal both directly and indirectly, including through the Seattle Transportation Plan, a community-informed 20-year vision for transportation in the city.

In addition, the STM Team conducted targeted outreach and engagement activities to gather further input, inform the renewal proposal, and embed racial equity considerations into our recommendations. These activities included:

- STP Visioning Process with Community
- Collaboration with the Transportation Equity Workgroup (TEW)
- Transit Advisory Board (TAB) Engagement
- Public Opinion Research

STP Visioning Process with Community

To create the Seattle Transportation Plan, we sought to include the voices of all types of community members, particularly underrepresented people who are Black, Indigenous, or people of color; people who are LGBTQ+, intersex, or asexual; people living in poverty; immigrant and refugee communities and people who do not speak English at home; young people; older adults; and people with disabilities.

We built upon traditional public engagement tools and partnered with community-based organizations with existing relationships in communities to listen and create a plan that reflects the values and needs of everyone. Currently, SDOT continues to use the community feedback, that includes over 78,000 data points, received during the development of the STP to inform our work, including the development of the STM renewal package.

Step 2. Involve stakeholders. Analyze data.

2d. What does data and your conversations with stakeholders tell you about existing racial inequities that influence people's lives and should be taken into consideration?

Collaboration with SDOT Transportation Equity Workgroup (TEW)

The TEW is a group of 7–11 community members with lived experience and connections to BIPOC and vulnerable communities. Members are affiliated with local Seattle-King County organizations, including social service providers, neighborhood collectives, and young adult mentorship programs.

The TEW identified the STM renewal as a priority for their 2026 workplan. In January 2026, the SDOT STM Team began engaging the group, collaborating to work through RET questions and gather key equity guidance to inform staff recommendations for the STM renewal.

The overall conclusion after a series of educational activities and conversations with TEW members was a consensus that STM provides benefits related to improving transit access for their community, and these benefits outweigh the burden of sales tax. However, members are still hesitant to support additional VLF. Other observations from TEW members included:

- STM service investments especially benefit people who do not work 9–5 jobs, low-income populations, and families.
- Fare subsidy and transit education programs help increase ridership and strengthen public confidence in transit
- Communities near the Seattle Streetcar support the system and rely on it for daily mobility
- Investments in safety benefit both younger and older transit users.
- A sales tax increase or an additional \$50 VLF would disproportionately burden people with low- or fixed incomes
- Families with multiple cars would feel heightened burdens of VLF
- Strong support for STM scenarios that maintain and/or grow the ORCA subsidy programs and transit investments that their communities rely on.
- Emphasis on the need to focus investments in communities that will face the greatest burden from sales tax

Transit Advisory Board (TAB) Engagement

The Transit Advisory Board is a Board made up of 12 members of the public who meet monthly to advise the City on transit. TAB is the public advisory authority for the Seattle Transit Measure, as defined by ordinance. As stewards of the current STM, the Board is well-versed in the mechanisms of the STBD legislation and STM-funded programs. TAB members had been anticipating the conclusion of the current STM and formed a subcommittee at the end of 2025 to focus efforts on developing recommendations for the next measure.

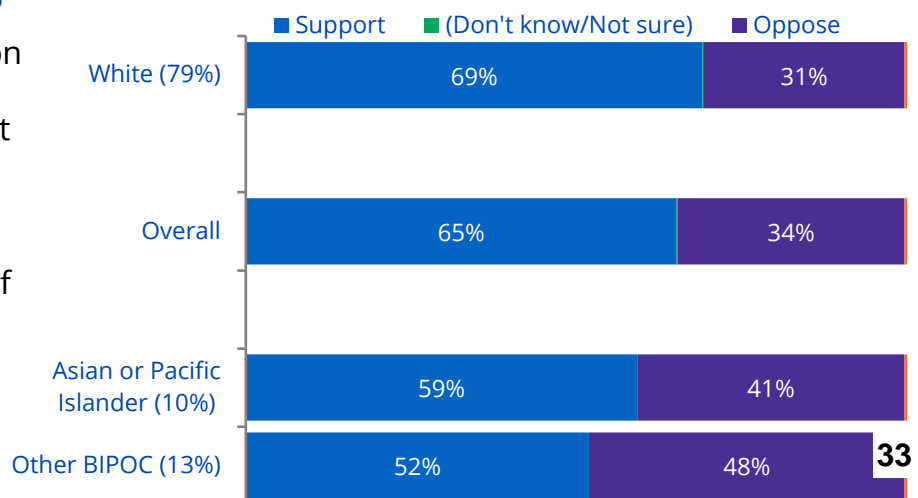
SDOT staff had several meetings with the TAB's STM renewal subcommittee to share information about the STM renewal process and hear their input. Through subcommittee meetings and full board discussions, TAB members considered the impact that an STM renewal would have on different Seattle communities. Members voiced:

- Concern about the regressivity of the STM sales tax and its disproportionate impact on lower income residents. The Board encourages the City to pursue more progressive funding structures in the future.
- Support for SDOT's equity-centered transit service investment methodology that increases bus frequencies for people who area most burdened by regressive tax structures and communities that have been historically underinvested.
- Support for increased investment in STM-funded transit service, fare subsidies, and education programs that make transit a more viable and affordable mode of transportation for more people.

Public Opinion Research Surveys

The STM team conducted a public opinion research survey in December 2025 to gather anonymous statistically significant data about community support and priorities for Seattle Transit Measure investments. The surveys included 1,000 respondents each, with an oversample of 200 individuals in equity priority areas

Figure 5: Initial support for STM proposal by racial group



The purpose of the oversample was to increase the reliability of results among those populations most negatively impacted by sales tax and VLF increases. The survey showed that support for the measure was higher among white respondents than BIPOC respondents, but support was above 50% across all racial groups (Figure 5).

Step 2. Involve stakeholders. Analyze data.

Step 2d. What does data and your conversations with stakeholders tell you about existing racial inequities that influence people's lives and should be taken into consideration?

Data and stakeholder feedback highlight existing inequities and help us understand how a sales tax increase might affect different racial groups. Pacific Islander, Black, and Native households have much lower median incomes than White and Asian households and are therefore more likely to feel “tax pain” from a higher sales tax, a fact that was supported by stakeholder feedback. Every BIPOC racial group reflected in ACS data is overrepresented in lower-income brackets, which means the regressive structure of sales tax and VLF places a higher relative burden on communities of color. The lowest-income households pay an effective tax rate 13 times higher than the wealthiest households, demonstrating how a race-neutral tax structure can still produce racialized impacts. Transportation is also the second-largest household expense, and lower-income households spend a much larger share of their income on transportation; about 15.7%, compared to 8.2% for higher-income households.

Based on these data points, public opinion research, and conversations with TEW members, we should consider the positive impact STM-funded service investments and subsidy programs have on making transportation more accessible and affordable for communities of color and low-income communities. Doing so expands mobility choices, stretches household income further, and supports efforts to address racial income inequities.

Step 2. Involve stakeholders. Analyze data.

Step 2e. What are the root causes or factors creating these racial inequities?

A root cause of inequities in how sales tax and transit affordability impact communities of color is Washington's tax system, which remains one of the most regressive in the country and disproportionately burdens low-income households. Because BIPOC households in Seattle are disproportionately represented in lower-income brackets, this regressive structure places a higher relative burden on communities of color, even though the tax mechanisms themselves are race-neutral. This entrenched financial inequity is layered on top of historical redlining, displacement, and uneven access to high-quality transit. Communities of color have historically, and continue to be, pushed into neighborhoods with fewer transit options, longer travel times, and limited transit service frequency. As a result, increases in sales tax or vehicle license fees fall more heavily on the very communities that already face the greatest barriers to reliable and affordable transit.

Seattle has both a regressive tax structure and the highest income inequality in Washington State. For a city with progressive policy goals, the state's tax system creates a tension for policymakers working to fund a more equitable transit system. The STM RET Team recognizes this tension and acknowledges the limited funding tools available under state law to address these issues directly.

Step 3. Determine Benefit and/or Burden.

Analyze issue for impacts and alignment with racial equity outcomes.

Key Takeaways

The racial equity impacts of the STM are shaped not only by funding constraints and the types of investments included in the renewal package, but also by how the benefits and opportunities of STM investments are communicated to communities.

Burdens of the STM renewal could include:

- Increasing the STM sales tax from 0.15% to 0.3% can place a disproportionate burden on low-income residents and communities of color, potentially deepening the racial wealth gap, and widening existing inequities.
- Higher VLF costs may lead some residents to delay or avoid registering their vehicles, which can expose them to legal risks such as fines, vehicle impoundment, and reduced access to jobs or credit.

Benefits of the STM renewal could include:

- Improved transportation choices.
- Mobility for more people.
- Household savings from reduced transportation expense, freeing up resources for other needs.

To further address burden and increase racial equity, SDOT could:

- Communicate STM benefits in ways that help communities understand how STM investments support their mobility and affordability needs, especially those facing high transportation costs or limited transit access.
- Direct STM investments to reduce burdens by improving transit access for transit-reliant and displaced communities of color and by supporting regional mobility needs shaped by demographic shifts.
- Preserve and increase STM investments that improve transit service and affordability for shift workers, low-income households, and residents living farther from job centers
- Advance strategies from the Seattle Transportation Plan including expanding affordable travel options—safer walking, biking, and transit—while coordinating with the Comprehensive Plan to link housing affordability with improved transit service.
- Continued STM investments in fare subsidy and transit education programs help fill access gaps by supporting riders who fall outside existing criteria but still need assistance to make transit more affordable.

Step 3. Determine Benefit and/or Burden

3a. How will the policy, initiative, program, or budget issue increase or decrease racial equity?

The racial equity impacts of the STM are shaped not only by funding constraints and the types of investments included in the renewal package, but also by how the benefits and opportunities of STM investments are communicated to communities.

Because Washington relies heavily on regressive revenue tools like sales tax and VLF, increasing the STM sales tax from 0.15% to 0.3% can place a disproportionate burden on low-income residents and communities of color, potentially widening existing inequities.

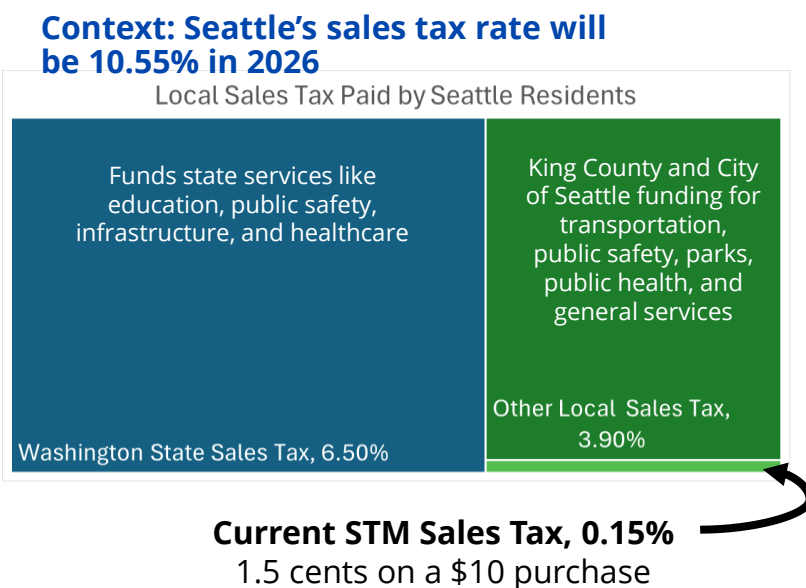
Families also have more household expenses and are more likely than

single-person households to own vehicles, meaning both sales tax and VLF may fall more heavily on them.

Several factors could increase racial equity if addressed intentionally:

- Communicate STM benefits in ways that help communities understand how STM investments support their mobility and affordability needs, especially those facing high transportation costs or limited transit access.
- Direct STM investments to reduce burdens by improving transit access for transit-reliant and displaced communities of color and by supporting regional mobility needs shaped by demographic shifts. STM investments also have regional benefits, as a quarter of current STM funded routes also serve stops outside of city limits.
- Preserving and increasing STM investments that improve transit service and affordability for shift workers, low-income households, and residents living farther from job centers can help offset income inequities by reducing the share of household budgets spent on transportation.
- Program strategies in the Seattle Transportation Plan can reinforce equity outcomes. The STP emphasizes expanding affordable travel options—safer walking, biking, and transit—while coordinating with the Comprehensive Plan to link housing affordability with improved transit service. STM investments help advance these strategies and support more reliable, accessible mobility for communities across Seattle.

Figure 7: Seattle sales tax allocation



Step 3. Determine Benefit and/or Burden

3b. What are potential unintended consequences?

There are potential unintended consequences from both sales-tax and VLF-based funding. Higher VLF costs may lead some residents to delay or avoid registering their vehicles, exposing them to legal risks such as fines, vehicle impoundment, and reduced access to jobs or credit. Sales taxes can also deepen the racial wealth gap, particularly for BIPOC communities, by placing a disproportionate financial burden on low-income households and people with fixed incomes.

Because BIPOC households in Seattle are disproportionately represented in lower-income brackets, the regressive structure of sales tax and VLF places a higher relative burden on communities of color; even though the tax mechanisms themselves are race-neutral. In this way, relying heavily on sales tax revenue can unintentionally reinforce existing inequities.

If the STM measure is not renewed, another unintended consequence is the loss of programs and investments that currently help reduce these inequities. BIPOC and low-income communities that rely on STM investments would be disproportionately affected by the disappearance of STM-funded transit service improvements, ORCA subsidy programs, and safety investments

The impacts could include:

- Loss of frequent bus service
- Reduced access for late-shift workers
- Elimination of ORCA subsidy programs, increasing out-of-pocket transit costs

Together, these consequences illustrate how both the presence and absence of STM funding have racialized impacts, and why careful consideration of equity is essential in decisions about the future of the measure.

Step 3. Determine Benefit and/or Burden

3c. What benefits may result?

The most significant community benefit of STM is the City's ability to direct investments to days of week and times of day that most benefit Seattle residents.

The City makes service investments based on the service targets outlined in the FTN, and using an equity-centered prioritization methodology instructs which investments will be made at any given service change.

The result is that STM invests heavily in service at off-peak times, helping shift who benefits most from expanded transit access. Worker data for Seattle shows racial disparities in employment sectors; Black, Hispanic/Latinx, and multiracial individuals are more likely than people of other races to work in the service industry and the Production and Transportation sector. These jobs often require non-traditional hours and highlights the need for reliable 24-hour transit to support communities of color in accessing jobs with unconventional schedules.

STM service investments improve transportation access by making buses come more frequently. Capital investments improve bus travel times and reliability, and the Seattle Streetcar provides a rail-based, zero emissions service through some of the city's densest and busiest neighborhoods. STM investments may also offset the high cost of car ownership including parking, fuel, insurance and maintenance as it makes riding the bus an option for more people. They also support better mobility choices for people who cannot drive, such as youth, seniors, and those with disabilities.

Renewing the STM would allow SDOT to continue funding existing fare subsidy and transit education programs, which currently provide ORCA subsidies to reduce transit costs for roughly 10,000 Seattleites each year. These subsidies, delivered through partnerships with the Seattle Housing Authority, the Promise Scholars Program, and the Seattle Preschool Program, along with transit-education programs for youth and older adults, help remove financial barriers to mobility for residents with the greatest need.

A renewed STM would sustain these benefits and help households redirect money toward other essential needs. Because current reduced-fare programs only cover specific eligibility groups, many people who still struggle to afford transit pay full price. Continued STM investments in fare subsidy and transit education programs could help fill this gap by supporting riders who fall outside existing criteria but still need assistance to make transit more affordable.

Step 3. Determine Benefit and/or Burden

3d. Are the impacts aligned with your department's community outcomes that were defined in Step 1?

Impacts of the STM renewal align with the community outcomes defined in Step 1. The ways in which the STM renewal supports increasing racial equity in Step 3a, along with the benefits identified in Step 3c, align with the following community outcomes we have established:

1. Affordable and reliable transit is essential in a high cost-of-living city.
2. Increase and preserve investments in equity-priority areas across Seattle's transit network.
3. Seattle continues to lead on transit affordability.
4. ORCA subsidy programs reduce burdens created by a regressive tax structure.

Step 4. Advance Opportunity or Minimize Harm.

Develop strategies to create greater racial equity or minimize unintended consequences.

Key Takeaways

Given that sales tax and VLF are the only tools currently available under state law to directly fund transit service in Seattle, there is an opportunity to address impacts, including unintended consequences, on racial equity by expanding opportunity and reducing harm for communities most affected by Washington's regressive tax system. Here are some ways STM renewal can do that:

- Fund transit service and programming that directly benefit the communities who experience the greatest "tax pain" from sales taxes. Intentionally direct toward specific bus routes, and on days of the week and during times of day that align with racial and social equity goals.
- Ensure the benefit of more frequent transit service is felt the most by populations who are most burdened by regressive tax structures and who have been subject to racially discriminatory patterns of underinvestment.
- Continue working closely with advisory partners such as the Transit Advisory Board and the Transportation Equity Workgroup, key thought partners in shaping equity-centered STM investment decisions.
- Continue to dedicate investment to ORCA subsidy programs and collaborate with key partners, such as Seattle Housing Authority (SHA), so communities most impacted by regressive taxes can receive meaningful benefits.
- Continue working with Metro to invest STM dollars in strategies that enhance rider safety and security.

Step 4. Advance Opportunity or Minimize Harm

4a. How will you address the impacts (including unintended consequences) on racial equity?

Given that sales tax and VLF are the only tools currently available under state law to directly fund transit service and have been the primary tools over the past two measures, (past 12 years), there is an opportunity to address impacts, including unintended consequences, on racial equity by expanding opportunity and reducing harm for communities most affected by Washington’s regressive tax system. STM investments can help do this by funding transit service and programming that directly benefit the communities who experience the greatest “tax pain” from sales taxes and ensuring they receive meaningful investment benefits.

The current measure already includes programmatic strategies and decision-making practices that the STM RET team is highlighting in this step. We recommend that these key strategies and practices continue to be supported and/or expanded in the final STM renewal proposal so SDOT can meet the STP goals and key moves on equity, continue implementing the TEF and meet the community outcomes indicated in Step 1 of this RET.

Strengthening these approaches will help ensure that STM investments not only minimize harm but actively advance opportunity for the communities most impacted by inequitable tax structures and historic underinvestment.

Step 4. Advance Opportunity or Minimize Harm

4b. What strategies address immediate impacts?

STM addresses the immediate impacts outlined in Section 4A by providing additional and/or more frequent service on bus routes and times of day that serve populations who are historically underinvested due to racial discrimination and/or are most burdened by the regressive tax structure. Additional and more frequent bus services make it faster and cheaper to get around the city, like saving on fuel, parking, and other car-related expenses.

Figure 8: STM Equity Priority Areas and transit service investments

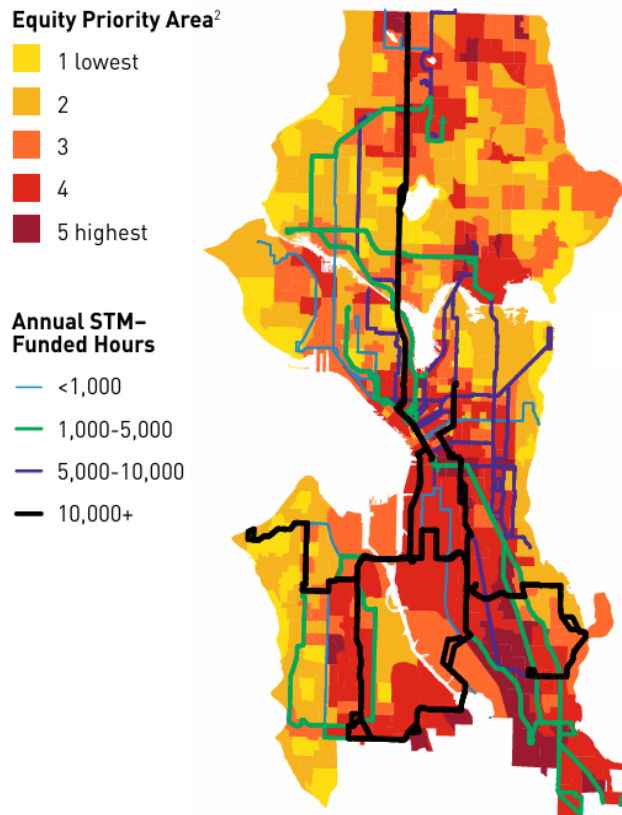
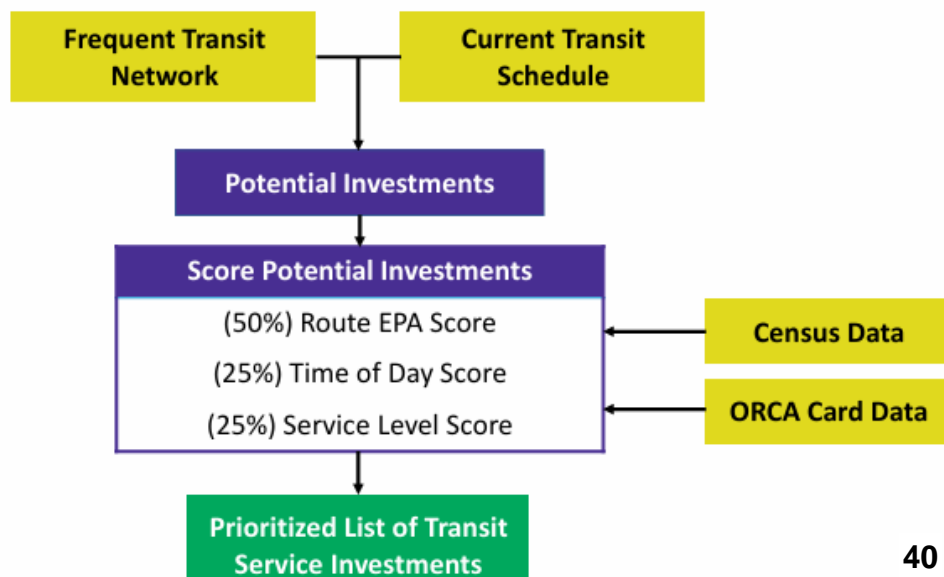


Figure 9: STM service investment methodology



These service improvements also complement the state’s Free Youth Transit Pass program, allowing families to benefit even more from reduced household transportation costs and helping offset the regressive nature of sales tax-funded transit investments.

Per guidance from a previous RET process, SDOT uses an equity-centered prioritization methodology to inform how STM-funded transit service is invested. There are two main steps to the methodology:

1. **Identify potential service investments.** A list of potential investments is identified by comparing the gaps between the current transit network and the Frequent Transit Network vision defined in the Seattle Transportation Plan. These gaps represent the full list of all the transit service investments needed to achieve the Frequent Transit Network vision.
2. **Rank potential service investments.** Every potential investment is scored based on the following criteria:
 1. (50% weighting) Route Equity Priority Area Score
 2. (25% weighting) Time of Day Score
 3. (25% weighting) Service Level Score

Equity Priority Areas (EPAs, see figure 8) are a tool that allows the City to focus transit service investments. It is generated at the census block group level and is based on the proportion of the population who are Black, Indigenous, People of Color, low-income, foreign-born, disabled, or who have limited English proficiency. Each area is scored from 1 (lowest equity priority) to 5 (highest equity priority). EPAs are used in the STM Service Investment Prioritization Methodology (figure 9) to prioritize investments in routes that serve EPA areas in the city.

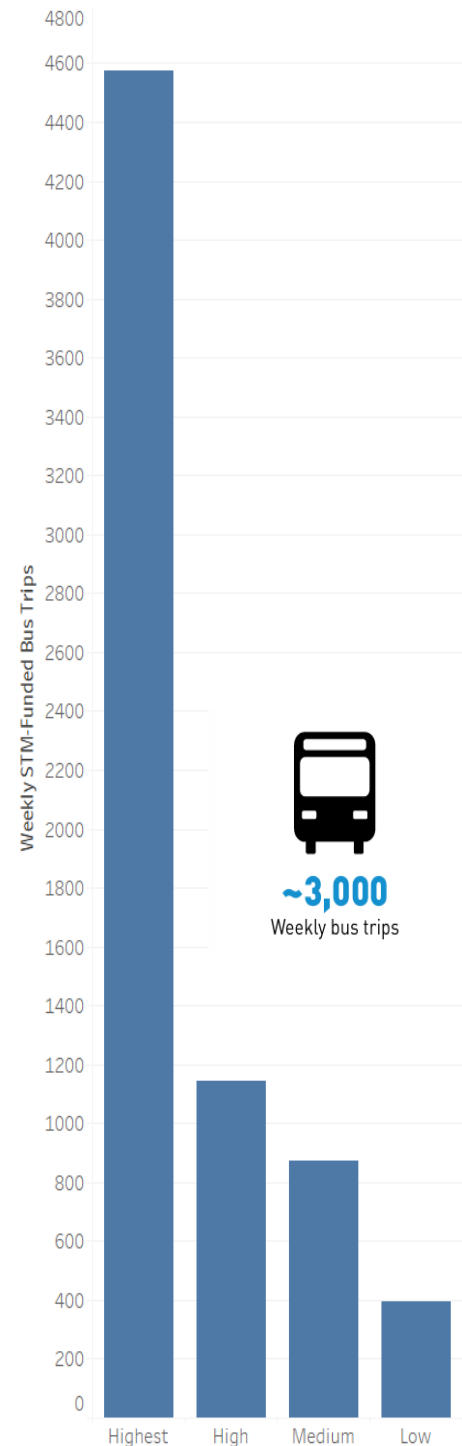
ORCA card data is used to inform the Time-of-Day score, prioritizing the addition of more frequent transit service when riders who use reduced-fare ORCA cards are riding the bus the most. The proportion of reduced-fare ORCA card ridership is calculated and prioritized for each bus route to ensure STM-funded investments are more likely to directly support riders who meet income, disability, or age-related eligibility criteria.

As a result of this methodology:

- Over 50% of STM investment goes toward the top 10 highest EPA routes
- 80% of STM-funded transit service supports more frequent buses during off-peak times

Figure 10: STM investments ranked by Equity Priority Area score

Investments ranked by EPA score



Step 4. Advance Opportunity or Minimize Harm

4c. What strategies address root causes of inequity listed in 2.e?

As indicated in Step 2e, the root factor creating inequities in how sales tax and transit affordability impact communities of color is Washington's highly regressive tax system.

Beyond service investments, another key strategy to address this is ensuring that the STM renewal continues to dedicate investment to ORCA subsidy programs and collaborating with key partners, such as Seattle Housing Authority (SHA), so communities most impacted by regressive taxes can receive meaningful benefits and save money they would otherwise spend on transit or transportation. Quantitative data and experience from the current STM measure show that this strategy is effective in both reducing household transportation costs and increasing transit ridership.

Further, expanding STM-funded ORCA subsidy programs would extend support to more people who are experiencing affordability challenges and the negative impacts of regressive taxes.

Figure 11: SHA Transit Pass Program Participant Savings

| Year | Annual Amount Saved Per Person |
|------|--------------------------------|
| 2023 | \$543 |
| 2024 | \$568 |
| 2025 | \$555 |

Step 4. Advance Opportunity or Minimize Harm

4d. How will you partner with stakeholders for long-term positive change?

The STM Renewal will maintain current stakeholders and improve those partnerships for long-term positive change by:

- Keeping and adding transit frequency and reliability in equity-priority areas from our core transit service provider, King County Metro.
- Strengthening rider safety with King County Metro, like expanding the behavioral health and SaFE transit ambassadors programs and adding transit security personnel on buses.
- Sustaining and potentially expanding ORCA subsidy programs with organizations such as the Seattle Housing Authority, the Seattle Preschool Program, and other low-income housing providers and community-based organizations.
- Supporting transit education programs that help riders navigate the transit system and access affordable mobility options with organizations like Hopelink, senior centers, and youth-serving organizations.
- Shaping equity-centered decisions by collaborating with advisory partners and organization such as the TAB and TEW, who maintain community perspectives in the STM.

Step 4. Advance Opportunity or Minimize Harm

4e. If impacts are not aligned with desired community outcomes, how will you realign your work?

If STM investments are not aligned with desired community outcomes, SDOT will realign its work through established oversight and governance structures. SDOT will also refer to the STP equity goals, TEF values, this RET document and lean on internal organizational bodies, such as SDOT Office of Equity & Economic Inclusion (OEEI) and RSJ Change Team, to provide realignment support.

The TAB, created in 2014 to provide oversight for the Seattle Transportation Benefit District (now STM), plays a central role in guiding STM investments. TAB members, appointed by the Mayor and City Council, bring diverse perspectives on managing Seattle's transit system and offer feedback that can be used to redirect funds toward more equitable outcomes.

Step 5. Evaluate. Raise Racial Awareness. Be Accountable.

Track impacts on communities of color overtime. Continue to communicate with and involve stakeholders. Document unresolved issues.

Key Takeaways

- SDOT will continue producing an annual STM report to document revenue use and provide transparency to key stakeholders, including Seattle residents, transit riders, elected officials, and partner agencies.
- SDOT will prioritize data-driven, equity-focused decision-making for transit service and capital improvement projects, emphasizing routes serving high equity priority areas and aligning with Frequent Transit Network goals.
- ORCA subsidy programs will be evaluated through pilot initiatives, community feedback, and data analysis to ensure they equitably improve transit access for those most impacted by affordability barriers.
- These practices aim to reduce transportation inequities and support Seattle's long-term goal of eliminating racial disparities in access to affordable, reliable transit.
- SDOT's Transportation Funding Task Force (TFTF) will evaluate Transportation Impact Fees and other potential funding strategies that could reduce reliance on regressive taxes and support a more equitable, sustainable transportation system.

Step 5. Evaluate. Raise Racial Awareness. Be Accountable.

5a: How will you evaluate and be accountable?

There is an established history of evaluation and reporting over the span of the STBD and STM which continues today. This includes the following practices:

- As required by City ordinance, STM staff create a yearly report explaining how money was spent and what impact those investments, including service hours and capital projects, had on racial equity. This report helps keep the public informed and shows how funds were used in the previous year.
- The Seattle Streetcar, also funded by STM, has its own yearly report with details like ridership, demographics, and capital improvements.
- Other STM-funded programs, like the Seattle Housing Authority (SHA) Transit Pass program, undergo evaluations to ensure they meet their stated goals of reducing transportation cost burden and increasing access for low-income people.
- In a future measure, STM will continue the practice of regular evaluation and reporting on the outcomes of investments and progress towards racial equity.

Together, these evaluation and accountability practices ensure that STM investments remain transparent, data-driven, and centered on advancing racial equity. By reporting annually, monitoring program performance, and prioritizing service improvements in equity-priority areas, SDOT can track progress over a future measure and adjust as needed. This ongoing commitment positions the STM renewal to meaningfully reduce transportation-related inequities over time and move the City closer to its long-term goal of eliminating racial disparities in access to affordable, reliable transit.

Step 5. Evaluate. Raise Racial Awareness. Be Accountable.

5b: What is unresolved? What resources/partnerships do you still need to make changes?

The biggest unresolved issues that emerged in the development of this RET are described below:

- Washington State's regressive tax system, which creates inequity for communities of color and low-income communities as discussed in Step 2. Local transit agencies and community partners could encourage elected officials to build a progressive transportation funding option. SDOT relies on new and existing partnerships to propose progressive funding and policy solutions for sidewalks, paving, bridges, and other transportation infrastructure needs, like our newly established Transportation Funding Task Force (TFTF).
- Communication of the STM's benefits to communities that experience the most "tax pain," so that they are clearly informed about how the STM supports their needs. A better understanding of where and how STM funds are spent could help relieve the perceived burden of the sales tax and/or VLF.

By naming these unresolved issues and strengthening the partnerships and resources needed to address them, SDOT can continue to refine its approach, respond to community needs, and make steady progress toward a more equitable and sustainable transportation funding system over time.

Step 6. Report Back.

Share information learned from analysis and unresolved issues with Department Leadership and Change Team.

Key Takeaways

- The RET is intended to guide SDOT leadership, the Mayor's Office, and City Council as they shape the final STM renewal measure ahead of the August 3 King County Elections deadline.
- The full RET will be shared with the SDOT RSJ Change Team and SDOT leadership, and findings will continue to be discussed with TEW and TAB throughout the renewal process.
- SDOT will continue integrating insights from this RET into ongoing equity efforts, including the STP goals and TEF tactics.
- Addressing displacement risks linked to transit investments will require close partnership with OPCD and use of the City's new Displacement Risk Indicators.
- Continued collaboration with the RSJI Change Team will help ensure accountability and alignment with intended RET outcomes during implementation of a renewed STM measure.
- The RET identifies key equity findings and lessons learned that should inform the next measure, while also highlighting systems-level inequities, Washington's regressive tax structure, that require leadership and action from elected officials.

Step 6. Report Back.

What we did

STM RET Review Timeline

The STM RET Coordination Team hopes that the contents of this RET will provide meaningful guidance to SDOT leadership, the Mayor's Office, and City Council as decisions are made regarding the final STM renewal measure that will go before voters in November 2026. Race and social justice guidance on the STM Renewal is provided by this RET to these decision-makers ahead of the King County Elections deadline on August 3rd. Prior to this deadline, the City Council will discuss the Mayor's proposed STM measure during June and July.

Below is an outline of groups who review the STM RET and when City leadership will have access to it:

- **SDOT RSJ Change Team** — *April 1-8*
- **SDOT Executive Leadership** — April 9-16
- **Mayor's Office** — May
- **City Council** — *June through July*

The TAB and TEW are embedded throughout the RET review process, with access to key findings from the RET through the STM RET Coordination Team. The Coordination Team will continue to engage regularly with both groups throughout the renewal process.

On-going Equity Monitoring

SDOT is regularly monitoring progress on the STP and TEF tactics and will continue to iteratively incorporate unresolved issues and insights from this RET analysis into these broader departmental equity efforts. To address the intersection of anti-displacement and transit investments, the SDOT RET team recommends SDOT to partner closely with the Office of Planning and Community Development (OPCD), particularly as the department has recently released the [City's Displacement Risk Indicators](#). These indicators can help SDOT identify and mitigate potential displacement impacts that may result from transit improvements.

The STM RET team also recommends continuing to partner with the RSJI Change Team and Office of Equity and Economic Inclusion (OEEI) during implementation of a renewed STM measure, serving as an internal accountability body to ensure the department is meeting its intended RET outcomes. Maintaining equity as an ongoing departmental priority remains essential.

Title VI Report

Title VI touches every part of SDOT's work, internally and in the communities we serve, because it governs how we use more than \$330 million in federal funding that supports our projects, programs, staff, contractors, and vendors. These requirements apply across all stages of our work, ensuring that none of our activities result in discrimination and that both staff and contractors meet Title VI obligations. By upholding Title VI, we advance equity through environmental justice policies, equitable language access, and inclusive public involvement, and we demonstrate compliance through annual reports to WSDOT and triennial reports to the FTA. While STM is not federally funded, SDOT still includes STM-related equity data, analysis, and planning in Title VI reporting to show how our broader transit investments align with federal nondiscrimination standards. This ongoing monitoring, training, and documentation is essential to maintaining current federal funding and ensuring SDOT can continue receiving federal support in the future.

This RET highlights key equity findings, processes, and lessons learned from the current measure that should inform the development of a renewed STM. It also underscores systems-level inequities, such as Washington's regressive tax structure, that extend beyond the City's direct authority. Addressing these broader inequities will require continued partnership and leadership from elected officials, whose legislative priorities can help advance the structural changes necessary to reduce the root causes of transportation-related disparities.

June 16, 2026

MEMORANDUM

To: Select Committee on Seattle Transportation Benefit District
From: Calvin Chow, Deputy Director
Subject: Seattle Transit Measure Sales Tax Renewal

Introduction and Overview

On June 18, 2026, the Select Committee on Seattle Transportation Benefit District (Select Committee) will meet to discuss the Mayor's proposal to renew the Seattle Transit Measure sales tax, [Council Bill \(CB\) 121226](#). The Mayor is proposing to double the sales tax from fifteen-hundredths of one percent (0.15 percent) to three-tenths of one percent (0.3 percent). If approved by the Council, the proposition would be placed on the November 2026 ballot. The Mayor's Office and the Seattle Department of Transportation (SDOT) presented their proposal at the June 4 Select Committee ([Mayor's Office and SDOT Proposal Presentation](#)).

This memorandum provides background and context on the Seattle Transit Measure, summarizes the Mayor's proposal, and identifies policy considerations for the Council's consideration.

Background

In April 2014, King County proposed a one-tenth of one percent (0.1 percent) sales tax and a \$60 vehicle license fee (VLF) for 10 years (King County Transportation Benefit District Proposition 1). The proposal was anticipated to raise approximately \$150 million per year to support King County Metro (Metro) transit service, local jurisdiction transportation projects, and roads in unincorporated King County. This proposal was not approved by King County voters, despite majority (two-thirds) support in Seattle.

Following the defeat of the King County proposal, Seattle voters approved a Seattle-only one-tenth of one percent (0.1 percent) sales tax and a \$60 VLF to support transit service for six years, approved as Seattle Transportation Benefit District Proposition 1 (STBD Proposition 1, authorized by [STBD Resolution 12](#)). Revenue raised under the City's authority as a transportation benefit district may be spent for any transportation purpose.¹

STBD Proposition 1 generated approximately \$55 million per year and was intended to preserve transit service in Seattle in the face of planned Metro service reductions. Ultimately, King County's revenues improved, and Metro service cuts were less severe than anticipated. As a result, the additional funding allowed Seattle to expand transit service on top of Metro's base service. The measure also established a low-income access program to provide subsidized fare cards and a low-income qualified VLF rebate program.

¹ The STBD was a separate government entity with the same jurisdictional boundaries as the City of Seattle, and governed by the STBD Board, comprised of the nine Seattle City Councilmembers. In 2016, the City assumed the rights, powers, and responsibilities of the STBD as authorized by state law ([ORD 125070](#)).

In November 2020, as the original STBD funding was set to expire, Seattle voters approved a fifteen-hundredths of one percent (0.15 percent) sales tax as a six-year continuation of STBD Proposition 1 ([ORD 126115](#)). This new proposal, the Seattle Transit Measure, passed during the COVID pandemic lockdown, and provided for more flexible spending given the uncertainty of transit needs during that time. This measure generated approximately \$50 million per year and supported additional transit-related programs and projects, such as Metro Flex transit service, King County passenger ferry service (during the West Seattle Bridge closure), and transit infrastructure improvements. The Seattle Transit Measure continued the low-income access program and was expanded to provide fare cards to Seattle Public School students until Washington State mandated a zero-fare youth policy in October 2022.

The Seattle Transit Measure currently supports approximately 180,000 bus trips per year. A summary of projected 2026 spending and legislated allowances is shown in Table 1. Note that total of planned expenditures in 2026 is approximately \$85.2 million, significantly more than one year’s worth of sales tax receipts. This level of spending represents use of available fund balance from previous years, particularly when Metro transit service was reduced during COVID response.

Table 1. Summary of Seattle Transit Measure 2026 spending

| Spending Category | Planned 2026 Expenditure | Legislated Allowances |
|---|--------------------------|--|
| Transit service, Metro | \$44.2 million | Minimum of 50 percent of annual revenue raised for transit service |
| Transit service, Streetcar | \$15.4 million | Included in transit service |
| Emerging Needs & COVID recovery | \$0 | Up to \$9 million per year |
| Low-income transit access | \$5.7 million | Up to \$10 million per year |
| City staffing for Sound Transit 3 (ST3) | \$5.2 million | Authorized (ORD 127138) |
| Transit infrastructure | \$14.7 million | Up to \$16.4 million per year (ORD 126952) |

In addition to the spending categories listed in Table 1, the Council expanded the allowable uses of Seattle Transit Measure revenues for:

- **Passenger transportation services** provided by transit agencies and private transportation service operators ([ORD 127357](#)). This provision was intended allow the use of Seattle Transit Measure funding to support alternative transportation services such as the Waterfront Shuttle; however, in the 2026 Adopted Budget, the City’s financial support for the Waterfront Shuttle came from Payroll Expense Tax revenue and was administered through the Office for Economic Development.
- Staffing resources and consultant services to advance and **support transit safety and security efforts** ([ORD 127361](#)). As part of the 2026 Adopted Budget, the Council authorized the use of Seattle Transit Measure funds to support a Chief Transit Security and Safety Officer to implement the recommendations of the King County Regional Transit Safety Task Force. The position has not been filled.

The base cost of Metro’s transit service also includes overhead to support Metro’s safety and security efforts. SDOT estimates that roughly nine percent of the City’s annual service

investment supports Metro’s transit safety and security programs. For 2025, this amount was approximately \$3.9 million.

Seattle currently purchases transit service under an interlocal agreement with King County that expires at the end of 2027 ([ORD 126285](#)). If voters approve the proposed renewal, a new interlocal agreement will be needed to continue transit service purchases. A new agreement would require future City Council and King County Council legislative approval. In addition, the City Council would consider annual appropriations for transit service, low-income access, and other transit programs and projects as part of Council’s annual budget deliberations within the voter-approved spending constraints.

In the event that the Seattle Transit Measure is not renewed, remaining fund balance and sales tax collections through April 2027 would be sufficient to meet the terms of the City’s agreement with Metro to gradually wind down the City’s transit service purchases through Metro’s service change process.

Transit Ridership Patterns

The characteristics of transit ridership have shifted over the course of the 2014 STBD Proposition 1 and the 2020 Seattle Transit Measure. Prior to the COVID pandemic, Seattle transit service was heavily focused on commuter peak-hour service. Much of the purchased STBD Proposition 1 service was used to address overcrowding and improve reliability of service on commuter routes.

During the COVID pandemic, travel demand was significantly reduced. Metro reported that annual county-wide bus ridership fell by more than half from 2019 to 2020, but by 2024 bus ridership had recovered to about 70 percent of 2019 ridership.² In the wake of COVID response, Metro reduced service hours and experienced staffing and coach-availability issues which limited its ability to respond to Seattle’s service requests. Available Seattle Transit Measure funding was used to support transit-related capital projects and for “emerging issues” such as transit-demand management strategies to mitigate the impacts of the West Seattle Bridge repair.

Reflecting the change in ridership patterns, the City’s transit service purchases under the Seattle Transit Measure were focused on the Frequent Transit Network to support riders who are most reliant on transit. The Frequent Transit Network is a concept in the Seattle Transportation Plan that focuses on providing consistent, 15-minute or better frequency on the core arterial network and increasing the span of service to all day and weekends.

Both SDOT and Metro report that ridership recovery since the COVID pandemic has been stronger for off-peak hours and during the weekends, as opposed to historic peak commuting hours. This appears to be a persistent change in travel behavior following the COVID pandemic. The existing Seattle Transit Measure requires that purchased transit service be consistent with the Seattle Transportation Plan and Metro’s Service Guidelines, or for routes serving historically low-income communities in Seattle.

² Based on King County Metro’s annual National Transit Database [reports](#) (Federal Transit Administration)

Metro Restoration of Seattle Transit Service

In March 2023, King County approved Metro’s Service Recovery Plan (King County [Ordinance 19581](#)) to guide restoration of service that had been suspended due to the COVID pandemic. Under these guidelines, Metro restructured bus service related to Madison Street and the RapidRide G line in 2024, resulting in restoration of approximately 4,000 service hours.

Metro is beginning the process of a larger restoration of service effort for the Seattle-area, with planned implementation in 2028. This effort is expected to restore approximately 100,000 service hours in the Seattle service area.³ Metro’s process includes opportunities for community engagement, and service changes will ultimately require approval by the King County Council. King County’s Regional Transit Committee will receive a briefing on Metro’s Service Recovery Plan at their June 17, 2026, meeting.

In addition to fare revenue, Metro’s operations are primarily supported by a dedicated nine-tenths of one percent (0.9 percent) county-wide sales tax. Metro’s long-term service plan (2021 Metro Connects) faces a significant funding gap, and King County will need to identify additional revenue or slow implementation of the plan. In the event that the King County Transportation Benefit District enacts a county-wide transit funding measure, the Mayor’s proposed legislation reserves the City’s right to reduce the City’s proposed sales tax or to revise the amount of City purchased transit service.

Seattle Transportation Revenue Options

The proposed three-tenths of one percent (0.3 percent) sales tax represents the maximum sales tax that the City may impose under its transportation benefit district authority. This sales tax may be used for any transportation purpose, and one-tenth of one percent (0.1 percent) may be imposed through councilmanic means without a ballot measure. The maximum term allowed under this authority is 10 years. Both previous Seattle transit funding measures were for six-year terms.

State law provides for other revenue options to transportation benefit districts. The City currently imposes a \$50 VLF which is projected to raise \$22.1 million in 2026. This funding supports transportation programs in SDOT’s base budget and is the maximum that the City may impose without voter approval.

The City may ask voters to approve up to an additional \$50 VLF (to a combined maximum of \$100 VLF). This is the maximum amount that may be collected from any vehicle licensee, and as such this limit is shared jointly with the King County Transportation Benefit District (KCTD). Currently the KCTD does not impose a VLF. Unlike a motor vehicle excise tax (which is based on the value of the vehicle), the VLF is a flat fee per vehicle. A \$50 VLF would generate the same revenue as approximately five-hundredths of one percent (0.05 percent) sales tax.

State law provides transportation benefit districts with a few other revenue options; however these are largely duplicative of the City’s general powers. These include voter-approved bond measures, one-year excess property tax levies, and impact fees. Transportation benefit districts may also pursue vehicle tolling with approval from the Washington State Transportation Commission and voters.

³ Metro’s Seattle-area service recovery project also includes Vashon Island service.

The primary source of SDOT’s dedicated transportation funding comes from the eight-year \$1.55 billion transportation property tax levy, authorized by Seattle voters in 2024 ([ORD 127053](#)). Of this eight-year total amount, \$151 million was identified specifically for Transit Corridors and Connections. This included \$27 million for transit spot improvements, \$9 million for transit passenger safety, and \$115 million for improved access to light rail.

Mayor’s Proposal

As presented to the Select Committee on June 4, 2026, the Mayor proposed a three-tenths of one percent (0.3 percent) sales tax that would generate approximately \$138 million annually. For comparison, the Seattle Transit Measure is projected to raise \$56.6 million in 2026. Note that the \$138 million estimate is an average for the next 10 years and that sales tax revenue is projected to grow over that time period.

Table 2 shows anticipated spending annual allowances by category in the Mayor’s proposal. The proposal is anticipated to increase Seattle’s purchases of transit service from approximately 180,000 bus trips per year to 280,000 bus trips per year compared to the Seattle Transit Measure.

The proposal allows for transit service purchases consistent with the Seattle Transportation Plan, Metro’s Service Guidelines, and Metro’s long-range plan. The proposal also allows for purchase of service hours on routes serving the City’s highest equity priority areas, based on ridership and census data.

Table 2. Mayor’s proposed spending for Seattle Transit Measure renewal

| Spending Category | Anticipated Annual Expenditure | Proposed Allowances |
|--|--------------------------------|--|
| Transit service, Metro | \$94.6 million | Minimum of 60 percent of annual revenue raised for transit service |
| Transit service, Streetcar | \$23.4 million | Included in transit service |
| Low-income transit access | \$9.0 million | Up to \$12 million per year |
| City staffing for ST3 | \$6.1 million | Up to \$8 million per year |
| Transit & accessibility infrastructure | \$5 million | Up to \$5 million per year |

Following discussion between the Mayor’s Office and the Chair, the Mayor’s introduced legislation increased the spending allocation on transit infrastructure and accessibility from \$3.5 million annually to \$5 million annually, with a corresponding decrease in service purchases, when compared to the presentation at the June 4 Select Committee.

Table 3 provides a comparison of the legislated spending allowances between the 2020 Seattle Transit Measure and the Mayor’s proposed renewal. Actual appropriations would be proposed annually by the Mayor and approved by the Council as part of annual budget deliberations.

Table 3. Comparison of Spending Allowances.

| Spending Category | 2020 Seattle Transit Measure | Mayor’s Proposed Renewal |
|--|--|--|
| Transit service, Metro | Minimum of 50 percent of annual revenue raised for transit service | Minimum of 60 percent of annual revenue raised for transit service |
| Transit service, Streetcar | Included in transit service | Included in transit service |
| Emerging Needs | Up to \$9 million per year | Not included |
| Low-income transit access | Up to \$10 million per year | Up to \$12 million per year |
| City staffing for ST3 | Authorized (ORD 127138) | Up to \$8 million per year |
| Transit and accessibility infrastructure | Up to \$16.4 million per year (ORD 126952) | Up to \$5 million per year |
| Passenger transportation services | Authorized (ORD 127357) | Not included |
| Transit safety & security, line-item | Authorized (ORD 127361) | Not included |

Compared to the 2020 Seattle Transit Measure, the Mayor’s proposal does not include funding for Emerging Needs, passenger transportation services, or a separate program budget for transit safety and security.

Consistent with the current Seattle Transit Measure, the Mayor’s proposal requires an annual report of the transit service and other investments funded by the voter-approved measure. SDOT’s most recent 2025 Annual Report and historical annual reports are available on SDOT’s [webpage](#). Continuing with past practice, the Mayor’s proposal names the Transit Advisory Board as the public oversight committee charged with advising the City Council, Mayor, and SDOT on transit measure spending ([Resolution 31572](#)).

Considerations

1. Size of Proposal

The Council may wish to consider the size of the proposal. The 0.3 percent sales tax is projected to raise \$138 million annually for 10 years. SDOT has estimated the cost of this sales tax on a two-person median income household to be \$58 per year. This is generally consistent with Central Staff’s [presentation](#) on affordability at the June 1 Council Briefing. In that presentation, Central Staff noted that the current rate of 10.55 percent (which includes the current 0.15 percent Seattle Transit Measure) represented \$2,414 in annual sales tax for the median income household.

The Council may wish to consider preserving 0.1 percent of the sales tax authority to support other transportation purposes. The 0.3 percent sales tax proposal utilizes this taxing capacity that would otherwise be subject to councilmanic authority.

Of note, the KCTD just imposed a one-tenth of one percent (0.1 percent) county-wide sales tax to support roads in unincorporated King County ([Resolution TD2026-01](#)). The legislation included a 12.5 percent pass-through to local jurisdictions for roadway improvements (not for transit service) and Seattle’s share of this revenue is approximately \$4.7 million per year. The KCTD sales tax will begin collections in January 2027 and is authorized for 10 years. With this action, the KCTD has 0.2 percent of remaining sales tax capacity, which would be subject to voter approval.

2. Ten-Year Term

The Council may wish to consider revising the length of the proposal to allow the City to revisit its transportation priority needs for this revenue source sooner than the proposed 10-year term. Both the 2014 STBD Proposition 1 and the 2020 Seattle Transit Measure were previously approved as six-year measures.

3. Spending Categories and Limits

The Council may wish to consider revising the categories or definitions of allowable spending. The expiring Seattle Transit Measure included provisions that are not currently included in the renewal proposal, such as the \$9 million annual allowance for emerging needs, authorization to purchase passenger transportation services from sources other than Metro, or explicit spending on transit safety and security programs.

The Council may also wish to consider revising allowed spending limits by category. These allowances will establish the baseline parameters for the Council's deliberations on future budgets. The Mayor's proposal reserves a minimum of 60 percent of revenue for transit service and establishes maximum allowable annual spending for other categories.

Next Steps

To be eligible for the November 2026 General Election, the Council must pass legislation, and the ballot title must be delivered to King County Elections by August 4.

The Select Committee is scheduled to meet on the following dates:

- *Thursday, June 4 - 9:30 a.m. (Completed)*
- Thursday, June 18 - 9:30 a.m.
- Monday, July 6 – 2:00 p.m.
- Monday, July 13 (Public Hearing) - 9:30 a.m. (remote) and 5:00 p.m. (in person)
- Thursday, July 16 - 9:30 a.m.

Under this schedule, City Council consideration and final approval of the legislation could occur at the July 21 or July 28 City Council meeting to allow time for the City Attorney's Office to write the final ballot title by the deadline of August 4 to place the measure on the November ballot.

Central Staff is available to assist Councilmembers in crafting potential amendments for discussion at the July 6 Select Committee meeting. The Chair has requested that Councilmembers engage with Central Staff by June 24 to facilitate publication of amendments prior to the July 4 holiday.

cc: Lish Whitson, Director
Amanda Allen, Analyst
Ann Gorman, Analyst