

February 24, 2025

#### MEMORANDUM

То:	City Council
From:	Calvin Chow, Analyst
Subject:	Background and Status of Sound Transit Light Rail Extension Projects

On February 20, 2025, Mayor Harrel released an <u>Executive Order</u> describing four initiatives related to Sound Transit's West Seattle and Ballard light rail extension projects. The order announced the expansion of the Office of the Waterfront and Civic Projects & Sound Transit, efforts to streamline permits, development of a staffing and resource plan, and efforts to integrate community, public realm, and safety improvements in station design and station area planning.

This memorandum is intended to provide Councilmembers with additional context and background on Sound Transit, Sound Transit's West Seattle Link Extension (WSLE) and Ballard Link Extension (BLE) projects, the City's involvement in delivering these projects, and the related legislation anticipated for Council's consideration in 2025. Central Staff is available to follow-up with Councilmember offices on any questions or concerns.

#### Sound Transit Background

Sound Transit (formally known as the Central Puget Sound Regional Transit Authority) was formed in 1993 to provide regional transit service across a three-county service area. Sound Transit is governed by an 18-member Board which is made up of local elected officials (ten from King County, four from Pierce County, and three from Snohomish County) plus the Washington State Secretary of Transportation. Board appointments are at the discretion of the County Executives and are subject to confirmation by the respective County Councils. Historically, the City of Seattle has held two seats on the Board, represented by the Mayor of Seattle and a Seattle Councilmember.

Through a series of voter-approved ballot measures, Sound Transit constructs and operates regional transit services including Sounder heavy commuter rail, Sound Transit Express regional bus service, and Link light rail. Link light rail initially began service in 2009, connecting Downtown Seattle to SeaTac Airport. This initial line has since been extended as the 1 Line and now provides service from Lynnwood to Angle Lake. The 2 Line, an east-west extension of the Link system, is currently operating as a spur line between Redmond and Bellevue and is scheduled to begin connecting service to Seattle (with trains continuing to Lynnwood) in 2025. This memo focuses primarily on Sound Transit's planned Link light rail extensions to West Seattle (WSLE) and Ballard (BLE).

### Sound Transit 3 Ballot Measure

The most recent ballot measure to expand regional transit service was the Sound Transit 3 (ST3) proposal which was approved by voters in November 2016 and included the WSLE and BLE projects as part of the ST3 regional project portfolio. The ST3 ballot measure authorized a 0.5 percent sales tax, a 0.8 percent motor vehicle excise tax, and a \$0.25 per \$1,000 assessed value property tax. During the development of the ST3 proposal, the City Council passed <u>Resolution 31688</u>, which made alignment recommendations for the WSLE and BLE projects to the Sound Transit Board, including a new light rail tunnel through Downtown Seattle. Resolution 31688 also called for in-fill light rail stations at Graham Street and NE 130<sup>th</sup> Street, funding for the Madison Bus Rapid Transit (RapidRide G) project, and improvements to the RapidRide C and RapidRide D lines. These recommendations were part of the successful ballot measure.

Following voter-approval, the City entered into a ST3 Partnership Agreement with Sound Transit (<u>Resolution 31788</u>) to collaborate on project delivery, streamline permitting, and seek ways to reduce project costs and deliver the project in advance of schedule. The agreement noted that local third-party funding may be considered for project scope changes that go beyond Sound Transit's financial plan.

Since the passage of ST3, Sound Transit has seen significant cost increases for ST3 projects. Recent media reports cited an updated cost estimate for the WSLE project at between \$6.7 billion and \$7.1 billion, significantly higher than the \$4 billion estimate in Sound Transit's current financial plan.<sup>1</sup> Sound Transit is developing updated cost estimates for the rest of the ST3 project portfolio; however, at the time of this writing, Sound Transit does not have an updated cost estimate for the BLE project.

While Sound Transit continues with project development on WSLE and BLE, the Sound Transit Board will ultimately have to update the ST3 financial plan and consider scope and schedule changes to ST3 projects. In the past, Sound Transit has dealt with financial constraints by reducing scope, phasing project delivery, and extending project schedules. As an example, Sound Transit's initial light rail proposal (approved by voters in 1996) was intended to be a 21mile line from the University of Washington to SeaTac Airport. In response to cost escalation, the initial segment was constructed as a 14-mile line from Downtown Seattle to SeaTac Airport, the First Hill station was removed from the plan, and the Graham and Boeing Access Road stations were deferred.

In response to the financial constraints on the ST3 portfolio, the Sound Transit Board will need to consider similar revisions to the WSLE project, the BLE project, and the remaining ST3 projects. The Sound Transit Board will also need to consider potential revenue options which could include third-party funding contributions. Sound Transit's financial plan anticipates significant federal grant funding, which has yet to be awarded. Delay in federal funding would result in additional financial constraints for the ST3 portfolio. At the time of this writing, Sound Transit has not yet announced a formal timeline for the Sound Transit Board to make final ST3 project scope and financial decisions.

<sup>&</sup>lt;sup>1</sup> Lindblom, M. (2024, September 19). <u>West Seattle's light rail estimate soars past \$6 billion</u>. *The Seattle Times*.

## Status of West Seattle Link Extension (WSLE) Project

The <u>WSLE preferred alignment</u> includes a 4.1-mile extension of the existing system (beginning south of Stadium Station), a new SODO station, a bridge structure over the Duwamish Waterway, an elevated station at Delridge, a cut-and-cover station at Avalon, and a tunnel station at Alaska Junction. Sound Transit's current schedule calls for construction to begin in 2027 and for start-of-service to West Seattle in 2032.



Source: Sound Transit

Sound Transit completed the <u>WSLE Final Environmental Impact Statement</u> in September 2024 and has advanced the project into design and permitting. Sound Transit is awaiting the Federal Transit Administration (FTA) Record of Decision (ROD), which defines the project scope to be eligible for federal funding under the New Starts grant program. After the ROD is issued, the Sound Transit Board will select the WSLE project to be built, which may include revisions to project scope and schedule. To inform this Board decision, Sound Transit is completing a value engineering exercise and exploring cost-saving options for the project.

The Sound Transit Board has authorized early property acquisitions (with FTA approval) for a number of properties along the WLSE alignment (<u>Resolution R2024-07</u> and <u>Resolution R2024-20</u>), and is considering early acquisition of three additional properties (proposed <u>Resolution R2024-3</u>). This allows Sound Transit real estate staff to work with property owners on property acquisition and with business tenants on relocation in advance of the ROD and WSLE project decisions. These early acquisition properties include business tenants with challenging relocation needs that may take time to resolve, including a childcare facility currently located in Delridge. The Seattle Department of Construction and Inspections (SDCI) has staffing in place to process permits for business relocation associated with the WSLE and BLE projects.

## Status of Ballard Link Extension (BLE) Project

The <u>BLE preferred alignment</u> includes a 7.7-mile extension of the existing system, including a new downtown tunnel with stations serving Chinatown/International District (near S Dearborn St), Midtown, Westlake, Denny, South Lake Union, and Seattle Center, an elevated structure along Elliot Ave W and elevated station at Smith Cove, a cut-and-cover station at Interbay, and a tunnel and tunnel station in Ballard (on 15<sup>th</sup> Ave NW). Alternative alignments and station locations are also under evaluation through the environmental process. Sound Transit's current schedule calls for construction to begin in 2027 and for start of service to Ballard in 2039.



Source: Sound Transit

Sound Transit anticipates publishing an updated Draft Environmental Impact Statement for the BLE project in 2025. In response to previous Board actions, Sound Transit continues to explore station location options for the Chinatown/International District station and for the Denny station. Following publication of a Final Environmental Impact Statement and an FTA ROD, the Sound Transit Board will select the BLE project to be built. To inform this future decision, Sound Transit is developing updated cost estimates and exploring value engineering and cost-saving strategies for the BLE project.

The Sound Transit Board has authorized early property acquisition for three properties along the BLE alignment (<u>Resolution R2024-07</u>) and is considering an additional parcel near the Seattle Center station that is at risk of imminent redevelopment (proposed <u>Resolution R2025-</u>4).

# **Anticipated Legislative Actions**

The following is a brief description of legislation related to the Sound Transit WLSE and BLE projects that is anticipated to be transmitted for Council's consideration in 2025.

## Project Adoption and Transit Way Agreement

Following the FTA ROD for the WLSE project, the Seattle Department of Transportation (SDOT) anticipates transmitting legislation for the City to adopt the WSLE project and to update the existing Transit Way Agreement to record Sound Transit's use of the City's right-of-way. These legislative steps are required for the City to begin processing permit applications from Sound Transit. The legislation is expected to be transmitted before the Sound Transit Board makes final decisions on the WSLE project and will likely reflect the current WSLE preferred alignment to allow for permitting work to proceed. If the Sound Transit Board subsequently modifies the WLSE project scope, additional legislation would be necessary to revise the legislation and Transit Way Agreement accordingly.

Similar legislation for the BLE project is not expected until after 2025, once Sound Transit completes environmental work and receives the FTA ROD for the BLE project. The Transit Way Agreement was last amended in 2022 to reflect the construction of the NE 130<sup>th</sup> St infill station (<u>Ordinance 126701</u>).

#### Permit Streamlining

As part of the City's commitment to partner with Sound Transit, SDCI will be proposing legislation to streamline the permitting process for the WSLE and BLE projects. The legislation will allow SDCI to coordinate consistent development standards for Sound Transit stations and facilities across the project alignment which are classified as essential public facilities under state law. The legislation will also clarify and streamline various permit processes related to advisory design review, environmental critical areas, tree and vegetation management, construction noise variance, and bicycle parking requirements.

#### City Staffing Plan

The City of Seattle is a partner with Sound Transit in the delivery of the WSLE and BLE projects, and multiple City departments are engaged with environmental review, design, permitting, utility relocations, and other project-related work. The 2025 Adopted Budget included a \$5.2 million reserve in Finance General to support a City-wide staffing increase from 28 positions to 79 positions, in anticipation of a detailed City staffing plan. Legislation will be needed to establish the necessary position authority and to transfer appropriations from Finance General to the affected departments.

The City's ST3 team was reorganized in 2025 and is led by Angela Brady, as the City's Designated Representative and Director of the Office of the Waterfront and Civic Projects & Sound Transit. The role of the Designated Representative was established in the ST3 Partnership Agreement and is supported by the Sound Transit Program Manager, Sara Maxana (SDOT), the Sound Transit Deputy Program Manager, C.J. Holt (SDOT), and the ST3 Government and Community Relations Manager, Chris Gregorich (SDOT).

cc: Ben Noble, Director Yolanda Ho, Deputy Director