The City of Seattle

Ordinance 127474

Council Bill 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.

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.

On December 18, 2024, King County Metro driver Shawn Yim (Operator # 21882) was murdered while on duty and the City Council has since sought to find additional ways to improve transit safety and security for transit riders and operators in Seattle and enhance protection of our neighborhoods to help ensure that Seattle is a welcoming, safe community for all.

The City recognizes that improving transit safety and security for all is a shared responsibility borne by all jurisdictions, not just a responsibility for public transit agencies such as King County Metro or Sound Transit to address, meaning that local jurisdictions including the City play a critical role in investing in transit safety and security improvements within their jurisdictional boundaries.

The City, following the recommendations of the King County Regional Transit Safety Task Force, is committed to working toward a coordinated regional incident response system. This system will align agencies, jurisdictions, and care providers under a single framework with shared protocols that clearly define roles, responsibilities, and escalation standards for all types of incidents occurring within the regional transit system.

The City Council is further committed to working collaboratively with the county and the state to keep our buses and other forms of transit safe, as this is not just a concern for Seattle, but for everyone who uses public transit in the Puget Sound region, and support the City's prompt and faithful implementation locally, alongside other governments and public transit agencies, of all recommendations made by the King County Regional Transit Safety Task Force.

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 intends to work with King County Metro to prioritize the use of electric transit, including electric buses in Duwamish Valley and South Seattle communities that have been identified as overburdened and highly impacted by air pollution because they meet the statewide screening criteria based on the Washington Environmental Health Disparities Map ranking and the EJScreen demographic index.

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 continue its close collaboration 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 while ensuring that transit availability meets the needs of all Seattle transit riders.

Regressive sales and use taxes, such as the tax that is required to fund the Seattle Transit Measure, are more burdensome to individuals and families with lower incomes, and it is the goal of the City to decrease this burden by shifting transit costs to progressive revenue sources wherever possible.

The City will continue its work to identify and pursue new local progressive revenue options, and options that encourage more transit use, such as congestion pricing and a commercial parking tax. The City will continue to work with King County and other local partners to identify, advocate for, and pursue all possible progressive revenue options, with the intent that any future revenue from such sources be used to replace Proposition revenues as defined in Section 2 of this ordinance.

Similarly, the City intends to collaborate with King County and other regional partners to advocate for State authorization of new progressive revenue sources available to transportation benefit districts, so Washington cities and counties can adequately and reliably support equitable transit access without disproportionately burdening low-income households.

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.

1. 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 growth-focused prioritization approach that considers the needs of historically underserved populations, including individuals with disabilities and communities with limited access to accessible transportation options, which shall be revised periodically with input from the Transit Advisory Board. Night service shall be considered an essential component of all day transit access and prioritized within this investment framework.

2. Support for local implementation of King County Regional Transit Safety Task Force recommendations from a City of Seattle perspective, including but not limited to funding for additional behavioral health specialists, Metro Transit Police (MTP) Officers, Transit Security Officers, Metro Safety Ambassadors, contracted security personnel, fare enforcement officers, or other Metro safety supports or personnel resources above baseline levels already provided by Metro, that will enhance the transit safety and security experience for riders and operators, supporting an environment where they are free from harm.

B. Night service that supports the participation of teens in the City programming occurring in the evenings and shall be considered an essential component of all day transit access and prioritized within this investment framework.

C. 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).

D. King County Metro transit service hours that directly connect existing and planned Regional Centers, identified in the City of Seattle's Comprehensive Plan, with downtown Seattle and light rail stations.

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

F. The implementation, management, and administration of programs to support transit access by qualifying seniors, individuals with disabilities, residents of Seattle Housing Authority and other low-income housing within Seattle, youth and young adults, including students participating in the Seattle Promise program, other similar programs at Seattle colleges and universities, students attending Seattle-based Washington state-accredited educational institutions, Washington state-registered apprenticeship programs, or Washinton state-accredited training providers, and low-income families, or participants in other City-run income-verified support programs. This category may receive up to $12 million in annual appropriations.

G. Planning for, and the deployment of, increased use of electric transit, including electric buses in Duwamish Valley and South Seattle communities that have been identified as overburdened and highly impacted by air pollution, guided by documented prioritization metrics that could include the statewide screening criteria within the Washington Environmental Health Disparities Map, the EJScreen demographic index, or other evaluative tools.

H. 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. Eligible investments include, but are not limited to, transit speed and reliability improvements, accessible pedestrian connections, Americans with Disabilities Act accessibility improvements, accessible transit stop infrastructure, wayfinding improvements, safety enhancements, and projects that improve access to transit for individuals with mobility, sensory (like those who are blind, low-vision, or deaf), cognitive, or developmental disabilities. This category may receive up to $5 million in annual appropriations, excluding capital carryforward appropriations available under state law and appropriations made pursuant to Section 4 of this ordinance.

I. 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, 2.C, 2.D, and 2.E of this ordinance shall equal at least 75 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. Unspent transit service funds. By December 31 of each year beginning in 2028, the Seattle Department of Transportation shall report to the Council the anticipated amount of unspent funds that had been designated for the purchase of transit service in that year. The first report on unspent transit service funds is requested to include analysis of the unspent funds from the beginning of the measure and as projected through the end of 2028. The Council intends to appropriate the unspent funds for uses in subsection 2.H of this ordinance that support safe access to transit for pedestrians and increased or enhanced accessibility for transit riders in the public right-of-way.

Section 5. If the King County Transportation Benefit District enacts a countywide transit funding measure, or if the Washington State Legislature authorizes new progressive revenue sources available to transportation benefit districts, or if the City authorizes new local progressive revenue sources, such as congestion pricing or commercial parking tax, or if the City authorizes the expansion of any existing progressive revenue source, and if any such funding source can replace Proposition revenues, 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 6.

A. 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).

B. No supplanting of existing funding for safety and security services. Before funding any safety and security service associated with transit purchased through this measure, 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 existing safety and security services offered within Seattle that King County Metro would otherwise provide.

Section 7. Annual reporting and 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.

Additionally, the Seattle Department of Transportation, in partnership with King County Metro, shall provide a separate annual report, beginning March 31, 2028, to the City Council related to the following aspects of the Seattle Transit Measure's investments in transit service:

A. Fare recovery effectiveness, including the percentage of people paying fares, the farebox recovery ratio, including the farebox recovery ratios of a national group of at least 20 comparator or "peer" transit agencies and King County Metro's ranking within that group or the percentage of King County Metro operating costs that was funded directly by passenger fares, total fare revenues collected, the actions taken by King County Metro to support the goal that all adult transit passengers have paid fares or possess a valid transit pass, and any service, operational, or policy changes that affected revenue performance;

B. On-time performance across service hours and routes served, including the percentage of trips arriving within Metro's defined on-time window and early/late distributions, describing how far ahead of schedule ("early") or behind schedule ("late") buses arrive, disaggregated by route including, beginning in year two of the report's preparation, a comparison of on-time performance to the previous three year's metrics in this subject area; and

C. Reliability, or the number of missed or canceled trips and the degree to which King County Metro transit service was delivered consistently and predictably including, beginning in year two of the report's preparation, a comparison of reliability to the previous three years' metrics in this subject area.

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 8. One-time reporting. The Seattle Department of Transportation, in partnership with King County Metro, shall provide a report on the performance outcomes for bus routes that travel within one-quarter mile of public middle schools, public high schools, and community centers. The report should inform potential additional service delivery to these routes to accommodate the timely attendance at school or scheduled events at these locations of school students, school staff, and youth, prioritizing these individuals' safety both while waiting for buses and while in transit. For each such route, the report should analyze the service levels throughout the day and how the service provided aligns with the commitments of the Frequent Transit Network, the efficiency of the route and ability of drivers to keep to an on-time schedule, and the reliability of these routes. The report should also reflect, for each such route, any regular occurrences of overcrowding (a bus's lack of capacity to admit all who wish to board at a given stop, or the need to skip a stop or stops due to lack of capacity), particularly (1) during peak daily travel times or "rush hour" and (2) in the sections of the route that contain stops within one-quarter mile of public middle schools, public high schools, and community centers. The report should also make recommendations for prioritized potential future transit service changes that are most likely to alleviate overcrowding that impacts students, school staff, and youth. The report should be provided to the City Council by September 31, 2028.

Section 9. One-time reporting. The Seattle Department of Transportation, in partnership with King County Metro, is requested to provide a report that includes analysis and recommendations for an implementation plan to extend Transit Access Program (TAP) benefits to additional low-income populations, including, but not limited to, those participating in City-run, income-verified programs such as the Utility Discount Program, Seattle Preschool Program, Early Childhood Education and Assistance Program. Additional analysis regarding expanding the TAP to Seattle households receiving support to access low-income housing services is also requested. The report should include cost and funding scenarios, enrollment and eligibility pathways, demographic and equity impacts, administrative feasibility, and risks, barriers, and mitigation strategies. The report should be provided to the City Council by March 31, 2028.

Section 10. One-time reporting. The Seattle Department of Transportation (SDOT), in partnership with King County Metro, is requested to provide a report evaluating the current implementation of policies governing bus stop spacing within

Seattle, along with identification of opportunities to improve route speed and service quality. The report should:

A. Assess current policy application – Provide an analysis of how Metro's stop spacing guidelines – an average of 1/2 mile (RapidRide routes) and 1/4 mile (all other services) – are currently applied throughout the transit network within Seattle.

B. Identify variances & opportunities for optimization – Map and analyze locations where existing stop spacing does not follow the applicable guideline. Evaluate opportunities to expand stop spacing on routes where stop density exceeds policy targets. Assess the operational feasibility of increasing spacing on existing routes (e.g., route-level impacts on travel time, reliability, fleet planning).

C. Evaluate constraints and accessibility impacts – Analyze accessibility considerations, including impacts on riders with mobility challenges and access to essential services; economic impacts, such as: effects on local businesses, community access, and transit-dependent populations; and public safety considerations, including pedestrian conditions, lighting, crossings, and stop location safety.

D. Provide recommendations – Identify policy or implementation changes that could improve service delivery via consistency with guidelines while maintaining equitable access.

The report should be provided to the City Council by March 31, 2028.

Section 11. One-time reporting. The Seattle Department of Transportation, in partnership with King County Metro, is requested to provide a report on the outcomes to date, and opportunities for improvement or expansion, of King County Metro's Waterfront Shuttle pilot program, which provides seasonal transit service largely at stops west of the Third Avenue bus corridor. The report should include the qualitative input of neighborhood councils and other local business and advocacy organizations. The report should analyze the feasibility of making permanent and year-round transit service along this route or a similar route. The report should take into account cost and operational considerations for King County Metro, and economic, public safety, and public order considerations, as well as considerations around year-round proximity to public transit, that pertain in the area currently served seasonally by the Waterfront Shuttle. The report should be provided to the City Council by June 30, 2027.

Section 12. One-time reporting. The Seattle Department of Transportation, in partnership with King County Metro, is requested to provide a report on the current policies guiding the size of the buses in its fleet, the current use of small buses 40 feet in length or smaller, like shuttles, and opportunities to expand their use. Exploration of how smaller buses and shuttles may create opportunities to more efficiently serve riders during low- and off-peak hours and for potential cost savings generated from reduced fuel consumption and maintenance. The report should explore the possibility of serving routes on narrow streets and steeper terrain where smaller buses may allow for improved maneuverability and safety. Lastly, the report should address the impact that purchasing smaller buses and shuttles may have on King County Metro's ability to purchase electric or hybrid models that emit less carbon dioxide and make less noise than larger buses or shuttles. The report should be provided to the City Council by March 31, 2028.

Section 13. Midterm evaluation of programs. The Seattle Department of Transportation shall submit to the City Council and the Seattle Transit Advisory Board a written midterm evaluation report of this proposition’s revenues, expenditures, and program outcomes. The evaluations shall be transmitted no later than June 30, 2032. The midterm evaluation shall include, but not be limited to, the following:

A. Financial reporting: A summary of Proposition revenues and expenditures by program category, including service hours purchased, transit access programs, capital investments, and Sound Transit 3 (ST3) staffing support.

B. Transit service outcomes: An assessment of service frequency, reliability, coverage, ridership changes, and progress toward the Frequent Transit Network and Seattle Transportation Plan transit goals. The assessment should strive to identify the change in service characteristics and performance by route or corridor investment that can be attributed to proposition funded service. The report should assess the overall impact of this proposition’s service expenditures on the Seattle transit network’s performance.

C. Transit service equity outcomes: Identification and evaluation of investments and transit service improvements within equity priority areas, including ridership trends and assessment of service allocation.

D. Transit access programs: Utilization and performance of subsidized ORCA access programs.

E. Capital and infrastructure outcomes: Identification and progress on proposition funded capital projects, including delivery milestones and measured improvements to transit reliability, safety, and accessibility.

F. ST3 coordination outcomes: Performance of City funded ST3 planning, permitting, and project delivery staffing, including efficiencies achieved and milestone progress for Seattle based ST3 projects.

G. Administrative and cost efficiency measures: Evaluation of administrative expenditures, cost per service hour purchased, and assessment of reserve requirements.

H. Recommendations: Policy recommendations regarding whether to maintain or reduce the rate of any sales tax adopted under the authority of Section 1 of this ordinance, and whether adjustments to program spending priorities are warranted.

Section 14. 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 15. 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 16. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 17. 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 July 21, 2026.

President ________ of the City Council

Approved on July 30, 2026.

Katie B. Wilson, Mayor

Attested on July 30, 2026.

Scheereen Dedman, City Clerk

Seal