Seattle Transit Measure

Racial Equity Toolkit

Seattle Department of Transportation

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.

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

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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

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

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.

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:

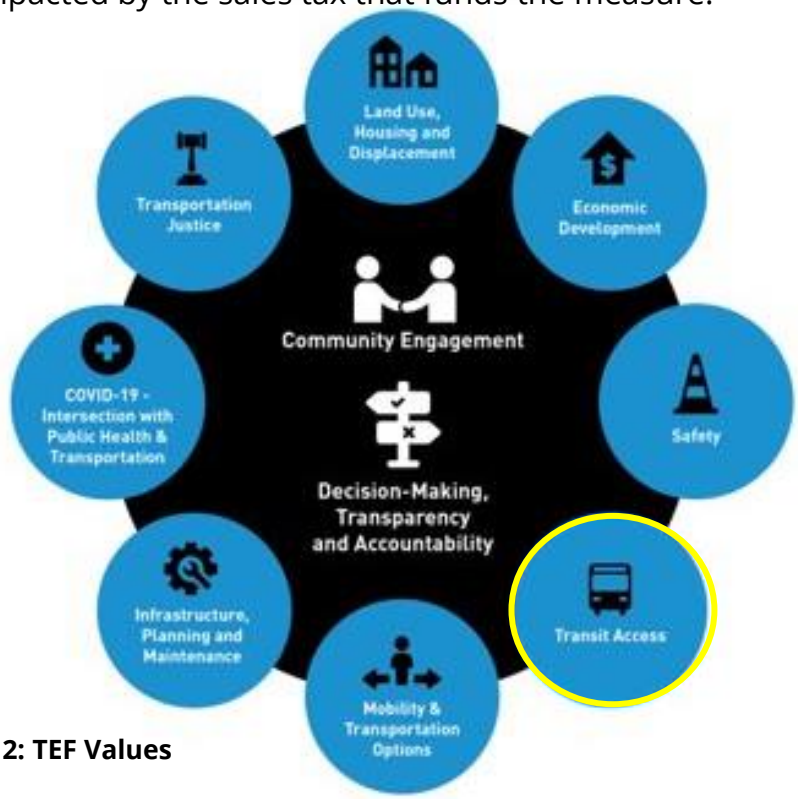


Figure 2: TEF Values

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?

- [x] Yes
- [ ] No

Check all neighborhoods that apply

- [x] All Seattle neighborhoods
- [ ] Ballard
- [ ] North
- [ ] NE
- [ ] Central
- [ ] Lake Union
- [ ] Southwest
- [ ] Southeast
- [ ] Delridge
- [ ] Greater Duwamish
- [ ] East District
- [x] 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)

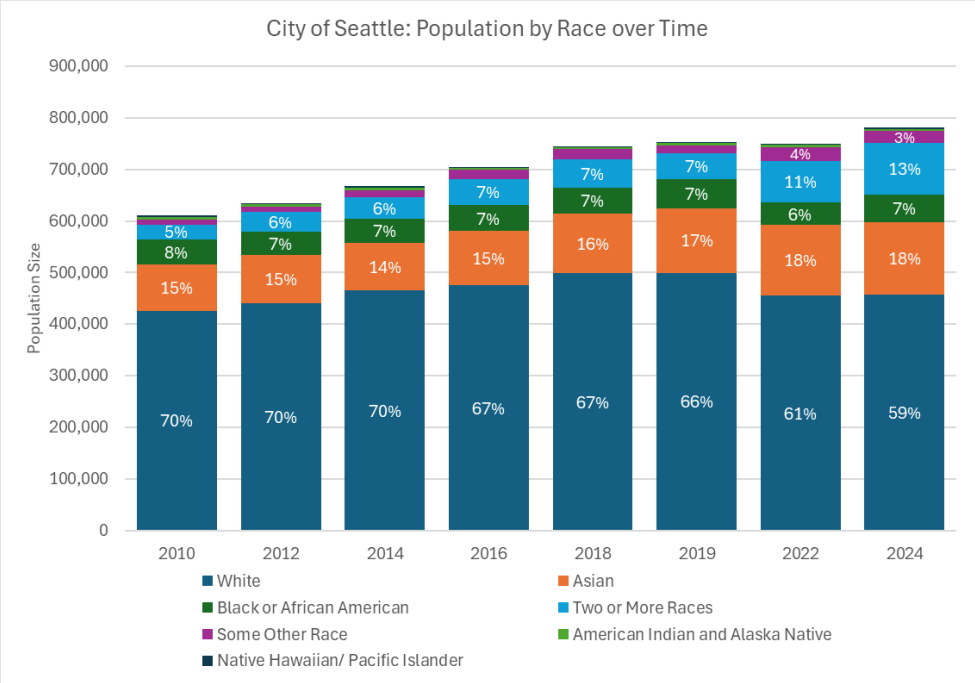


Figure 3: Seattle Population Demographics, 2010 to 2024

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.

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.

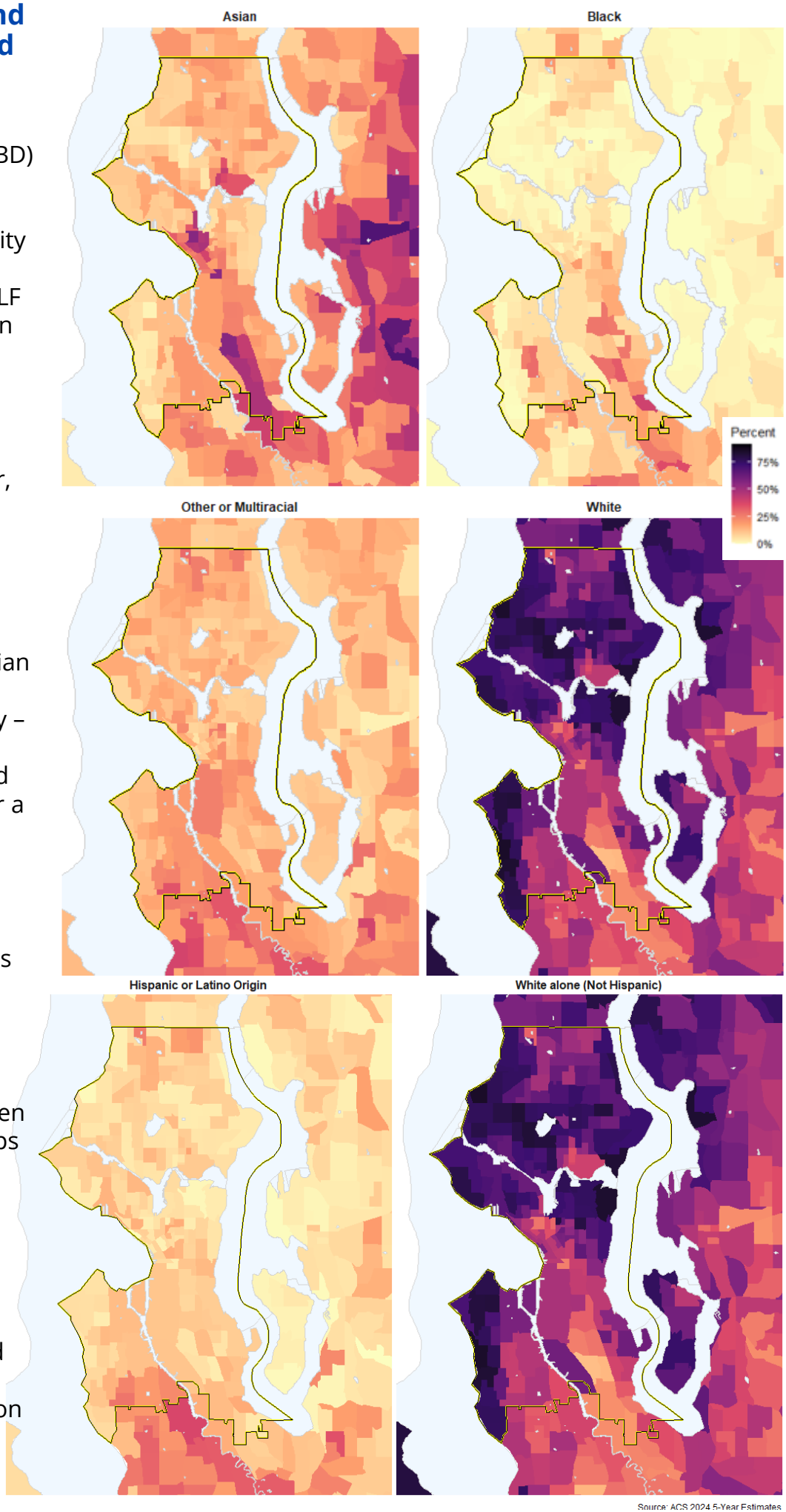
A family of four at 30% Area Median Income (AMI) - which would be about $45,400 in income annually – is estimated to pay about $22 a year towards the current STM and would pay up to $44 a year under a 0.3% sales tax scenario.

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.

Figure 4: Racial Demographics by Census Tract



Source: ACS 2024 5-Year Estimates

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.

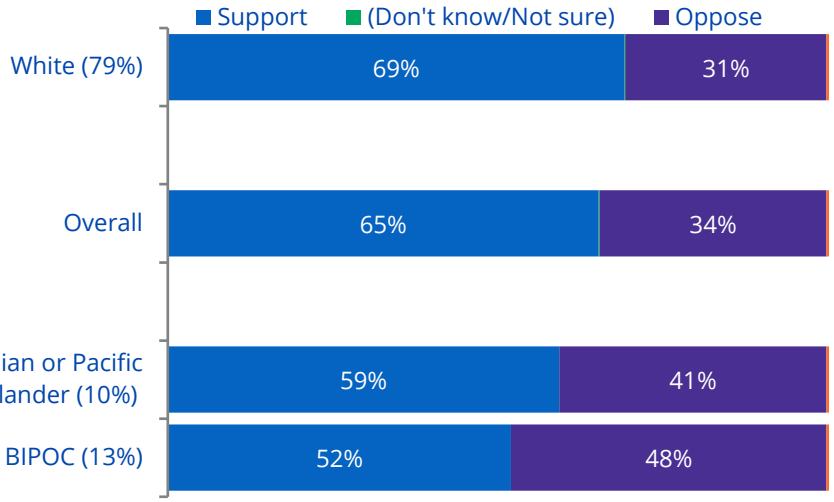
SDOT staff had several meetings with the TAB's STM renewal subcommittee to share information about the STM renewal process and hear their input. Through subcommittee meetings and full board discussions, TAB members considered the impact that an STM renewal would have on different Seattle communities.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

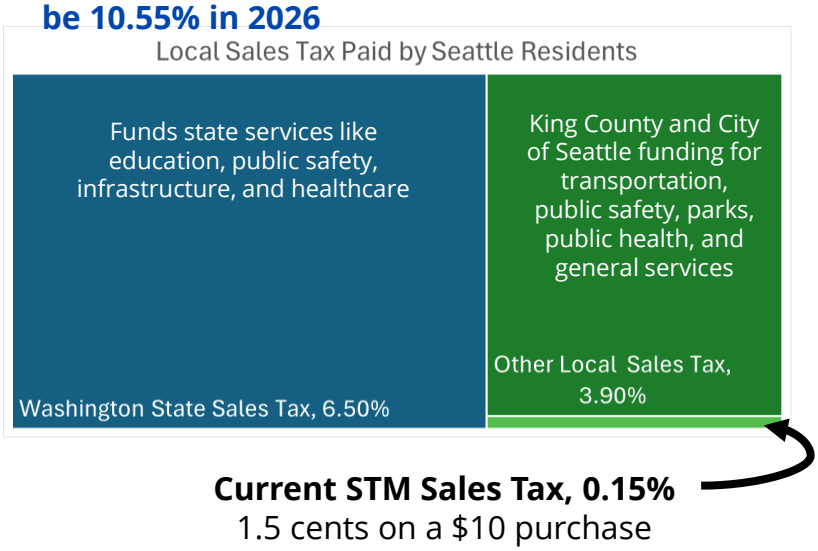
To further address burden and increase racial equity, SDOT could:

- Communicate STM benefits in ways that help communities understand how STM investments support their mobility and affordability needs, especially those facing high transportaton 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?

Figure 7: Seattle sales tax allocation



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 transportaton 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.

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.

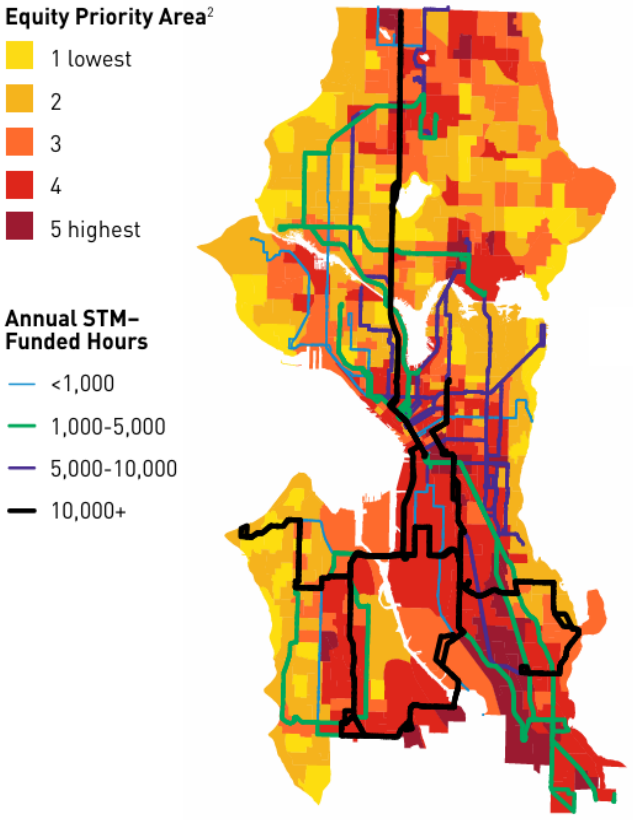
Step 4. Advance Opportunity or Minimize Harm

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.

Figure 8: STM Equity Priority Areas and transit service investments



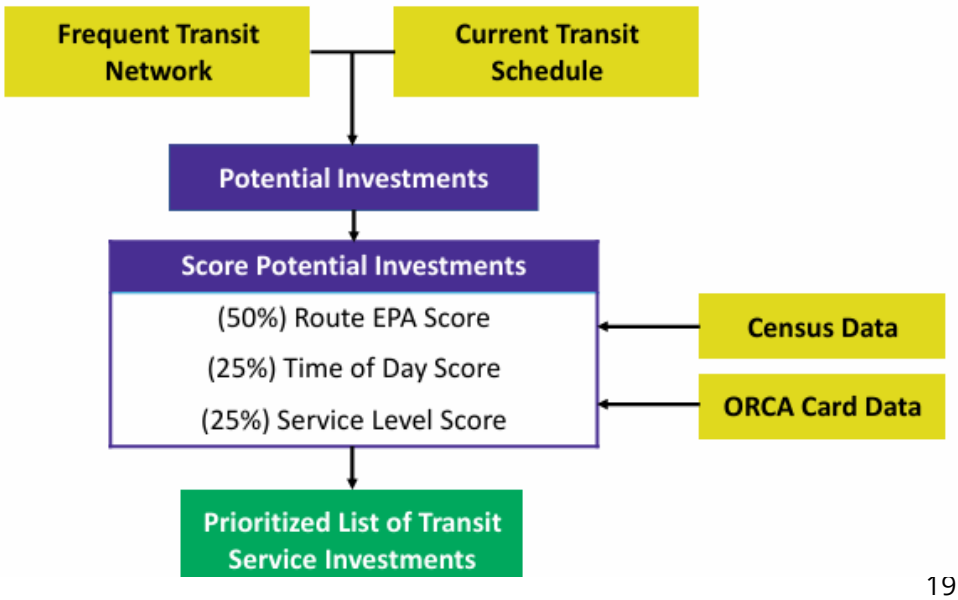
Strengthening these approaches will help ensure that STM investments not only minimize harm but actively advance opportunity for the communities most impacted by inequitable tax structures and historic underinvestment.

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 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

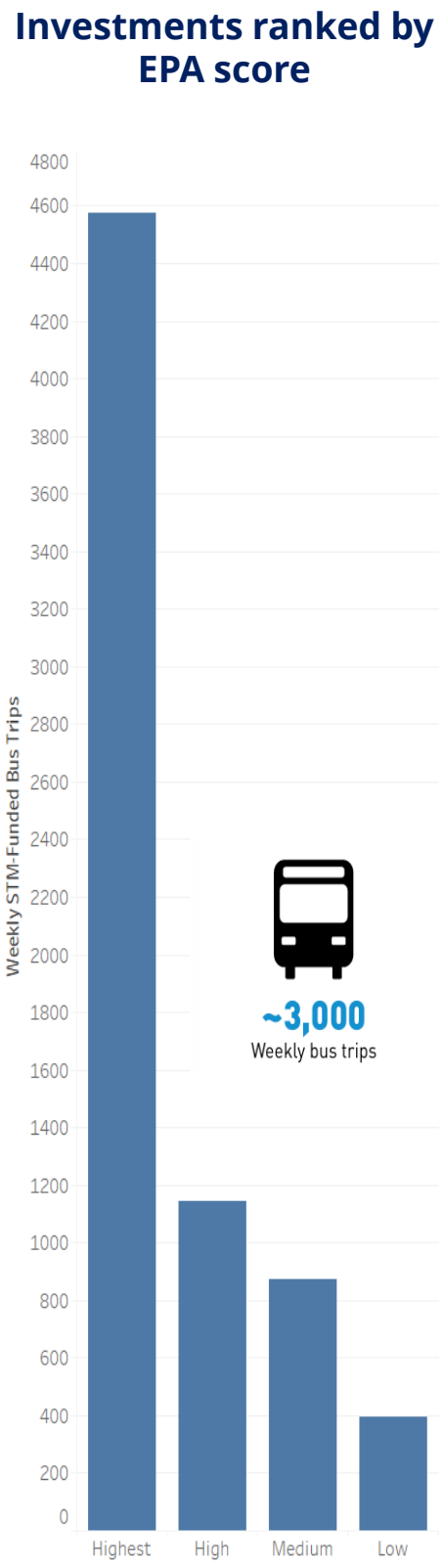
Equity Priority Areas (EPAs, see figure 8) are a tool that allows the City to focus transit service investments. It is generated at the census block group level and is based on the proportion of the population who are Black, Indigenous, People of Color, low-income, foreign-born, disabled, or who have 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



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 tram 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.