

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
SDOT	Bill LaBorde 206.484.8662	Christie Parker 206.684.5211

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### 1. BILL SUMMARY

**Legislation Title:** AN ORDINANCE authorizing the Director of the Seattle Department of Transportation to execute a Transit Service Funding Agreement with King County Metro Transit in order to implement Proposition 1 as approved by Seattle voters in the 2020 General Election; and ratifying and confirming certain prior acts.

**Summary and background of the Legislation:** The legislation authorizes an agreement with King County to purchase transit service from Metro Transit. Contract costs would be paid primarily by sales and use tax revenues authorized by Seattle Proposition 1 in November 2020 and imposed by the Seattle City Council in December 2020 via Ordinance 126250; the tax is effective on April 1, 2021 and revenues will be collected through March 31, 2027.

### 2. CAPITAL IMPROVEMENT PROGRAM

**Does this legislation create, fund, or amend a CIP Project?** \_\_\_ Yes x No

### 3. SUMMARY OF FINANCIAL IMPLICATIONS

**Does this legislation amend the Adopted Budget?** \_\_\_ Yes x No

**Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

Yes, execution of the agreement with King County authorized by this legislation will require the City to pay an estimated \$238 million for transit service between 2021 and 2027, including service intended to meet emerging needs for West Seattle and post COVID-19 economic recovery. Additional information is in the appropriations notes section below.

**Is there financial cost or other impacts of *not* implementing the legislation?**

The City would not be able to fulfill voter intent behind Proposition 1 for purchasing transit service without the predictability and protections afforded by the attached Transit Service Funding Agreement.

#### 3.a. Appropriations

       This legislation adds, changes, or deletes appropriations.

**Appropriations Notes:**

This legislation does not provide appropriations. Funds for the voter approved measure were appropriated through the 2021 Adopted Budget and will also be made in future budget actions.

Annual spending for transit service through this agreement is estimated as follows (dollars in millions):

2021	2022	2023	2024	2025	2026	2027	Total
\$22.8M	\$37.3M	\$37.0M	\$39.0M	\$36.0M	\$38.0M	\$28.5M	\$238.6M

Spending from this agreement will begin with Metro’s spring 2021 service change, beginning March 20, and will continue at least through the first service change of 2027. The figures above do not include spending of reserves to ramp down the program. Contract costs could potentially be incurred through the end of 2027 to allow for reconciliation and contract closeout.

**4. OTHER IMPLICATIONS**

**a. Does this legislation affect any departments besides the originating department?**

No

**b. Is a public hearing required for this legislation?**

No

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No

**d. Does this legislation affect a piece of property?**

No

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

People of color tend to rely on public transportation more than Seattle residents as a whole. For example, through the pandemic, routes like Metro Route 7 that serve the most racially diverse parts of Seattle have retained up to 75% of their pre-COVID levels of ridership while routes serving less diverse parts of the City are generating as little as 20% of pre-COVID ridership. This legislation facilitates significantly more all-day, night owl and weekend service than would be possible with County-funded service alone, including an equitably-based emphasis on addressing gaps in existing coverage.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

4e.

Transportation is the largest source of greenhouse gas emissions generated in Seattle. While Seattle has been one of the fastest growing large US cities over the previous decade, denser development has largely allowed this growth to be served by transit, biking and walking rather than by personal vehicles. The agreement with King County will allow the City to continue to support the all-day Frequent Transit Network. This network has been a key part of allowing residents in areas with the most growth to live without a car, or at least with less day-to-day reliance on a car.

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

The benefits are more directly tied to reducing per capita and overall GHG emissions with than with enhancing resiliency and adaptation.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

This legislation allows a new phase of the Seattle Transportation Benefit District transit program that began in early 2015. The goals of the program are established in Proposition 1 (Ordinance 126115), as passed by Seattle voters in November 2020.