

SEATTLE DEPARTMENT OF TRANSPORTATION

Staff: Calvin Chow

Table 1: Budget Summary (\$ in 000s)

| | 2021 Adopted | 2022 Proposed | % Change |
|--|------------------|--------------------|--------------|
| Appropriations by BSL | | | |
| Operating | | | |
| a. Mobility Operations | \$77,033 | \$96,747 | 25.6% |
| b. Bridges & Structures | \$16,385 | \$16,316 | (0.4%) |
| c. Waterfront and Civic Projects | \$30,612 | \$28,075 | (8.3%) |
| d. Maintenance Operations | \$39,745 | \$42,502 | 6.9% |
| e. ROW Management | \$42,995 | \$42,130 | (2.0%) |
| f. Parking Enforcement | -- | \$18,446 | -- |
| g. South Lake Union Streetcar Operations | \$4,224 | \$4,324 | 2.4% |
| h. First Hill Streetcar Operations | \$9,466 | \$9,666 | 2.1% |
| i. General Expense | \$55,286 | \$59,517 | 7.7% |
| j. Leadership and Administration ¹ | \$910 | -- | (100%) |
| Operating Subtotal | \$276,656 | \$317,723 | 14.8% |
| Capital | | | |
| k. Mobility-Capital | \$211,149 | \$162,015 | (23.3%) |
| l. Major Maintenance/Replacement | \$79,367 | \$124,986 | 57.5% |
| m. Major Projects | \$806 | \$1,951 | 142.1% |
| n. Central Waterfront | \$68,650 | \$111,616 | 62.6% |
| Capital Subtotal | \$359,972 | \$400,568 | 11.3% |
| Total Appropriations² | \$636,630 | \$718,291 | 12.8% |
| Total FTEs | 959.0 FTE | 1,116.5 FTE | 16.4% |
| Revenues/Resources – includes use of fund balance | | | |
| o. General Fund | \$56,657 | \$71,348 | 25.9% |
| p. Transportation Fund | \$298,964 | \$240,032 | (19.7%) |
| q. Move Seattle Levy Fund | \$110,145 | \$124,740 | 13.3% |
| r. STBD Fund | \$46,468 | \$69,943 | 50.5% |
| s. SSTPI Fund | \$7,877 | \$8,940 | 13.5% |
| t. Seattle Streetcar Operations | \$13,691 | \$13,991 | 2.2% |
| u. Real Estate Excise Tax I/II | \$27,068 | \$33,007 | 21.9% |
| v. LTGO Bond Funds | \$66,260 | \$63,571 | (4.1%) |
| w. Waterfront LID Bond | -- | \$65,173 | -- |
| x. Central Waterfront Fund | \$9,500 | \$22,289 | 134.6% |
| y. Unrestricted Cumulative Reserve Fund | -- | \$2,000 | -- |
| z. Payroll Expense Tax | -- | \$300 | -- |
| aa. Coronavirus Local Fiscal Recovery Fund | -- | \$2,800 | -- |
| Total Revenues² | \$636,630 | \$718,291 | 12.8% |

¹ The Leadership and Administration BSL accounts for Citywide and departmental indirect costs and the operations of the SDOT Director’s Office. These indirect costs are offset through overhead recovery from other BSLs. In the 2021 Adopted Budget, SDOT’s total indirect costs before offsets was \$74,267,584. In the 2022 Proposed Budget, the total indirect costs before offsets is \$77,446,391 and is fully cost recovered. The 2022 Proposed Budget shows this as a net-zero entry to avoid double counting.

² Numbers may not add up due to rounding.

I. Background

The Seattle Department of Transportation's (SDOT's) 2022 Proposed Budget includes a significant increase in spending compared to the 2021 Adopted Budget. As shown in Table 1, SDOT's 2022 Proposed Budget is \$718.3 million. This is \$81.7 million more than the 2021 Adopted Budget and represents a 12.8 percent increase in total appropriations. This proposed level of 2022 spending approaches the level of spending that had been anticipated in SDOT's 2020 Adopted Budget (\$738.9 million), before the impacts of COVID-19 necessitated mid-year budget reductions.

Of SDOT's total proposed spending, \$317.7 million is for operations, which is an increase of 14.8 percent from 2021. However, this includes the addition of 120.0 FTE and \$18.4 million of General Fund to transfer the Parking Enforcement Division from the Seattle Police Department to SDOT's new Parking Enforcement Budget Summary Level (BSL) as authorized by [ORD 126420](#). Another significant factor is a \$19.2 million increase in transit service purchases (discussed in more detail in Issue #5 below) in the Mobility Operations BSL. Excluding these two increases, SDOT's proposed operating budget is largely unchanged compared to the 2021 Adopted Budget. The 2021 Adopted Budget included \$5.9 million of SDOT operational program cuts that are not restored in the 2022 Proposed Budget. These cuts were made in response to the COVID-19 downturn, and they included decreases in the following programs:

- \$2.8 million in Commuter Mobility;
- \$1.5 million in Parking and Curbspace;
- \$530,000 in Street Use;
- \$430,000 in Urban Planning;
- \$400,000 in Streetcar Operations;
- \$150,000 in Street Cleaning; and
- \$120,000 in Neighborhood Programs.

SDOT's proposed capital spending is \$400.6 million, which is an increase of 11.3 percent from 2021. SDOT's capital spending typically varies from year to year based on project status and schedule, and this increase does not necessarily reflect policy shifts in capital spending. The most significant proposals for new capital spending in 2022 are \$5.2 million for bridge repair and \$2.4 million to restart the Center City Connector Streetcar project (both items discussed in the issues section below).

The 2022 Proposed Budget adds a total of 157.5 FTE to SDOT:

- 120.0 FTE are related to the transfer of Parking Enforcement Officers from SPD to SDOT.
- 24.0 FTE are conversions of temporary term-limited positions to permanent positions. These positions will expire in 2022, and they cannot be extended without authorizing legislation. SDOT's 2020 Proposed Budget does not request any additional budget authority for these positions.

- 6.5 FTE are new positions with no new budget appropriations requested. These include a 0.5 FTE increase in Communications, 1.0 FTE in Pavement Engineering, 2.0 FTE in Right-of-Way (ROW) Maintenance/Urban Forestry, 1.0 FTE in Parking Shop, and 2.0 FTE in Traffic Signals. Funding for these positions would be reallocated within existing program budgets.
- 7.0 FTE are new positions with new budget appropriations. These include 2.0 FTE for bridge maintenance planning, 2.0 FTE to support Sound Transit’s West Seattle to Ballard Light Rail Extension project (partially reimbursable), 1.0 FTE for ORCA Opportunity and Transportation Access programs, and 2.0 FTE for the Office of the Waterfront (previously approved in the 2021 Mid-Year Supplemental Budget legislation, [ORD 126429](#)).

While the 2022 Proposed Budget anticipates significant economic recovery from the COVID-19 downturn, transportation revenues are not projected to cover expenses in 2022. SDOT’s proposed budget relies on almost \$41 million of fund balance to support 2022 expenditures. Table 2 summarizes the proposed use of fund balance for SDOT’s major funds. The use of Move Seattle Fund balance is consistent with planned spending on the Move Seattle portfolio of projects, as the levy expires in 2024. The other funds support SDOT’s on-going operations and are projected to draw on fund balance in the future until revenues recover. The Transportation Fund is not projected to be net positive in revenue until 2024.

Table 2: Projected Use of Fund Balance (\$ in 000s)

| | 2022 Revenue | 2022 Expense | Contribution/Use of Fund Balance |
|--|------------------|------------------|----------------------------------|
| SDOT Managed Funds | | | |
| a. Transportation Fund | \$222,174 | \$240,235 | (\$18,061) |
| b. Move Seattle Fund | \$107,074 | \$124,740 | (\$17,666) |
| c. Seattle Transportation Benefit District (STBD) Fund | \$63,767 | \$69,943 | (\$6,176) |
| d. School Safety Traffic and Pedestrian Improvement (SSTPI) Fund | \$11,607 | \$11,633 | (\$26) |
| e. Seattle Streetcar Operations Fund | \$14,911 | \$13,911 | \$1,000 |
| Total | \$419,533 | \$460,462 | (\$40,929) |

In addition, not all transportation revenues are recovering at the same rate. Table 3 shows selected transportation revenues for 2019-2022. Note that the fluctuations in Vehicle License Fee and Sales Tax revenue reflect Council and voter-approved changes in fee and tax rates.

Table 3: Selected Transportation Revenue (\$ in 000s)

| | 2019 Actual | 2020 Actual | 2021 Revised | 2022 Proposed |
|--|------------------|------------------|------------------|------------------|
| SDOT Revenue from Selected Sources | | | | |
| a. Commercial Parking Tax | \$49,232 | \$19,408 | \$30,891 | \$40,158 |
| b. Motor Vehicle Fuel Tax | \$15,363 | \$13,917 | \$14,469 | \$14,859 |
| c. Property Tax (Move Seattle) | \$102,022 | \$101,502 | \$104,876 | \$107,074 |
| d. Vehicle License Fee (STBD) ¹ | \$34,392 | \$29,793 | \$11,844 | \$16,012 |
| e. Sales Tax (STBD) ² | \$30,440 | \$26,708 | \$36,285 | \$47,755 |
| f. Traffic Camera Revenue ³ | \$9,657 | \$3,130 | \$6,383 | \$11,606 |
| g. Streetcar Fares (farebox & ORCA pass revenue) | \$1,922 | \$433 | \$448 | \$1,562 |
| Total of Selected Revenue | \$243,028 | \$194,891 | \$205,196 | \$239,026 |

¹ Includes \$80 VLF (voter-approved \$60 VLF and council-approved \$20 VLF) in 2019 and 2020. Includes council-approved \$40 VLF in 2021 and 2022.

² Includes voter-approved 0.1% sales tax in 2019 and 2020. Includes voter-approved 0.15% sales tax in 2021 & 2022.

³ Includes 100% of school zone camera revenue in 2019 and 2020; the 20% red light camera contribution to SDOT was suspended for 2019 and 2020 ([ORD 125719](#)). Includes 100% of school zone camera revenue and 20% of automatic traffic safety camera revenue in 2021 and 2022.

Some of these revenues are restricted for specific transportation purposes. As the pace of recovery from COVID-19 remains uncertain, there remains some risk that transportation revenues will not meet projections. This could result in a further drawdown of reserves or reduced spending in 2022.

The 2022 Proposed Budget also includes two large technical adjustments in SDOT which do not have a policy impact on proposed project spending. The first adjustment is a \$41.7 million appropriation that is related to new SDOT capital budgeting and accounting procedures. Pursuant to [RCW 35.32A.080](#), unspent capital appropriations are automatically carried forward from year to year unless affirmatively abandoned. As part of the proposed 2021 Year-End Supplemental Ordinance, SDOT is proposing to abandon \$73.6 million of unspent 2021 capital appropriations and will re-appropriate some of these funds in 2022 and future years to match currently planned spending. This recalibration of capital appropriations will allow for better tracking of SDOT's project spending through the CIP and follows similar budget practices in place at Seattle City Light and Seattle Public Utilities.

The second adjustment is a \$23.3 million reduction in anticipated 2022 Limited Term General Obligation (LTGO) bond sales to support the West Seattle Bridge Immediate Response project. This reduction is offset by an \$11.3 million federal Infrastructure for Rebuilding America (INFRA) grant and a \$12 million WSDOT Local Bridge Program grant, both accepted in 2021 ([ORD 126431](#)). This adjustment does not have any impact on the repair of the West Seattle Bridge, which is scheduled to reopen to traffic by mid-2022. This reduction will reduce the debt service burden on the Real Estate Excise Tax (REET), which is the source of funds supporting the bond financing.¹

¹ With the proposed adjustment, the West Seattle Bridge Immediate Response project would be funded by \$119.2 million of LTGO bonds and \$37.7 million of state and federal grants. In 2020, the Council revised financial policies to expand the use of REET for debt service for the repair of the West Seattle Bridge ([RES 31952](#)).

To ensure no supplantation of funds, the Move Seattle Levy requires a minimum General Fund contribution to SDOT in order to collect levy proceeds. For 2022, the minimum General Fund contribution requirement is calculated at \$46.4 million. SDOT's 2022 Proposed Budget includes \$71.3 million of General Fund. Excluding the transfer of the Parking Enforcement Division to SDOT and revenues from the TNC Tax (which was imposed after Move Seattle was authorized), the remaining General Fund contribution to SDOT would be \$49.5 million.

II. Contextual Issues and Issue Identification

1. Vehicle License Fee Related Spending

As part of the 2021 Adopted Budget, the Council authorized an increase in the Vehicle License Fee (VLF) from \$20 per vehicle to \$40 per vehicle ([ORD 126234](#)). This fee increase, which went into effect in July 2021, was anticipated to raise an additional \$3.6 million of VLF revenue in 2021. Council further directed SDOT to engage in a stakeholder process to develop a spending plan for the additional revenue for Council's consideration and approval.

In May 2021, Council approved SDOT's 2021 spending plan for the \$3.6 million of VLF ([ORD 126327](#)) which included:

- \$1,125,000 for Safe Streets (Vision Zero safety improvements).
- \$1,025,000 for Safe Sidewalks (sidewalk repairs and maintenance of crosswalks and crossing signals).
- \$850,000 for Strong Bridges and Structures (maintenance of bridges, structures, and areaways).
- \$350,000 for Active Transportation Maintenance (maintenance and upkeep of bicycle lanes and bicycle signal improvements).
- \$250,000 for Planning Ahead (integration of modal plans, assessment of transportation revenue, and planning for the expiry of the Move Seattle Levy).

In Section 4 of this legislation, Council directed SDOT to provide Council with a list of transportation projects that could be funded by \$100 million of bond financing in 2022, including a minimum of \$75 million of bridge maintenance and bridge repair projects. Table 4 shows SDOT's September 2021 response.

Table 4: SDOT Response to ORD 126327 (\$ in 000s)

| | 2022 | 2023 | 2024 | 2025 | 2026 | Total |
|--|----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Bridge Projects | | | | | | |
| a. Fauntleroy Expressway | \$1,600 | \$5,100 | \$0 | \$0 | \$0 | \$6,700 |
| b. Spokane Street Swing Bridge Hydraulic Overhaul | \$300 | \$4,800 | \$0 | \$0 | \$0 | \$5,100 |
| c. Magnolia Bridge Structural Rehab | \$0 | \$1,100 | \$4,400 | \$0 | \$0 | \$5,500 |
| d. Spokane Viaduct Rehab | \$0 | \$1,800 | \$5,800 | \$0 | \$0 | \$7,600 |
| e. University Bridge Structural Rehab | \$0 | \$0 | \$1,800 | \$4,400 | \$0 | \$6,200 |
| f. 2 nd Ave Ext Bridge Structural Rehab | \$0 | \$0 | \$1,800 | \$7,300 | \$7,300 | \$16,400 |
| g. Thornton Creek Bridges (Bridge 105, 109, and 115) | \$0 | \$0 | \$1,100 | \$2,500 | \$18,300 | \$21,900 |
| h. AAC – 15 th Ave W (Ballard Bridge North Approach – Bridge 20) | \$0 | \$300 | \$4,500 | \$800 | \$0 | \$5,600 |
| Bridge Subtotal | \$1,900 | \$13,100 | \$19,400 | \$15,000 | \$25,600 | \$75,000 |
| Non-Bridge Projects | | | | | | |
| i. Beacon Ave S Multi-use Trail Phase 1 (S Myrtle to S 39 th St) | \$400 | \$400 | \$2,300 | \$0 | \$0 | \$3,100 |
| j. East Marginal Way Corridor Improvements Phase 1 (PBL, Signals, Pedestrian Lighting) | \$0 | \$5,000 | \$0 | \$0 | \$0 | \$5,000 |
| k. Corson Ave Grade Crossing Upgrade | \$0 | \$900 | \$0 | \$0 | \$0 | \$900 |
| l. Occidental Ave Rail Removal | \$0 | \$2,000 | \$0 | \$0 | \$0 | \$2,000 |
| m. Lucile St Grade Crossing Upgrade | \$0 | \$0 | \$900 | \$0 | \$0 | \$900 |
| n. 1 st Ave NE/Corliss Ave N/N 125 th St Intersection improvements | \$0 | \$100 | \$1,000 | \$0 | \$0 | \$1,100 |
| o. Beacon Ave S PBL/Multi-use Trail Phase 2 (S Spokane St to S Myrtle St) | \$1,500 | \$6,200 | \$0 | \$0 | \$0 | \$7,700 |
| p. SODO Trail Extension Multi-use Trail (6 th Ave from S Spokane to S Forest) | \$200 | \$1,400 | \$0 | \$0 | \$0 | \$1,600 |
| q. Curb Ramp/ADA Program (approximately 50 locations) | \$2,700 | \$0 | \$0 | \$0 | \$0 | \$2,700 |
| Non-Bridge Subtotal | \$4,800 | \$16,000 | \$4,200 | \$0 | \$0 | \$25,000 |
| Total | \$6,700 | \$29,100 | \$23,600 | \$15,000 | \$25,600 | \$100,000 |

SDOT’s list identifies \$100 million of bond eligible projects that are not currently funded in the 2022-2027 Proposed CIP. The list identifies capital spending needs over the next five years reflecting project development time to evaluate project delivery methods, finish design, and complete construction. In developing the project list, SDOT excluded projects with a useful life of less than 20 years, which are not considered bond eligible. The project list does not assume any external grant contributions.

The 2022 Proposed Budget does not include any funding for the projects identified in Table 4. The incremental \$20 VLF is anticipated to generate approximately \$8 million in 2022 (see Table 3, row d which tracks the overall \$40 VLF). SDOT proposes to spend these funds consistent with the 2021 spending plan. SDOT's proposal for 2022 includes:

- \$2.2 million for Safe Streets (Vision Zero safety improvements).
- \$2.3 million for Safe Sidewalks (sidewalk repairs, curb ramps, and remarking crosswalks).
- \$1.9 million for Strong Bridges and Structures (utility upgrades for University and Ballard Bridges, begin Spokane Street Swing Bridge hydraulic maintenance, and bridge audit process recommendations).
- \$800,000 for Active Transportation Maintenance (maintenance of bicycle infrastructure, spot improvements, vegetation management, and sweeping of bike lanes).
- \$550,000 for Planning Ahead (Integrated Transportation Plan and preparing for a future transportation funding package).

To provide additional context, this paper includes discussion of SDOT's bridge infrastructure and Vision Zero programs in issues #2 and #3 below.

Options:

- A. Redirect \$8 million of VLF funding to other transportation priorities, such as the \$100 million SDOT project list.
- B. No Action.

2. Bridge Infrastructure

At the request of Councilmember Pedersen, the City Auditor completed an audit of SDOT's bridge maintenance program in September 2020.² The report made 10 recommendations for business process improvements, which SDOT is in the process of implementing.³ The report also identified an ongoing need for \$34 million per year for bridge maintenance, based on an engineering assumption that SDOT's annual bridge maintenance spending should be one percent of the total replacement cost for SDOT-owned bridges that are over 60 years old. The report found that SDOT's average spending on bridge maintenance from 2006 to 2019 was \$6.6 million per year. In calculating this figure, the audit only considered bridge maintenance expenses (including the Bridge Load Rating, Bridge Painting, and the Structures Maintenance programs). The audit excluded bridge seismic and bridge replacement expenses, as these programs are related to preservation of assets and are not routine maintenance.

The 2022 Proposed Budget includes several capital and operating programs for bridge

² City Auditor's September 11, 2020 bridge maintenance report is available [here](#).

³ SDOT concurred with nine of the audit's recommendations, and partially concurred with one recommendation. Appendix B in the City's Auditor's report provides SDOT's response, implementation strategy, and anticipated schedule for implementation.

replacement, repair, maintenance, and operations. Table 5 shows the level of funding identified in the 2022-2027 Proposed CIP and 2022 Proposed Budget, excluding unsecured funding identified in the CIP. The table excludes dedicated funding for the West Seattle Bridge repair. The Structures Major Maintenance CIP project was established by the Council in the 2021-2026 Adopted CIP.

Table 5: Bridge Related Funding (\$ in 000s)

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|-----------------|-----------------|-----------------|--------------|--------------|----------|
| Capital – Major Maintenance/Replacement BSL – secured funding only | | | | | | |
| a. Bridge Load Rating | \$1,088 | \$346 | \$273 | \$366 | - | - |
| b. Bridge Painting Program | \$2,020 | \$7,510 | \$1,935 | \$2,135 | \$3,648 | - |
| c. Structures Major Maintenance | \$3,660 | \$1,200 | - | - | - | - |
| d. Bridge Seismic – Phase III | \$24,855 | \$11,764 | \$5,966 | - | - | - |
| e. Bridge Rehabilitation and Replacement | \$1,244 | \$30 | \$30 | \$33 | - | - |
| f. Bridge Rehabilitation and Replacement Phase II | \$6,652 | - | \$2,923 | \$500 | \$500 | - |
| Capital Total | \$39,519 | \$20,850 | \$11,127 | 3,034 | 4,148 | - |
| Operating – Bridges and Structures BSL | | | | | | |
| g. Bridge Operations | \$3,924 | | | | | |
| h. Engineering & Ops Support ¹ | \$1,617 | | | | | |
| i. Structures Engineering | \$1,356 | | | | | |
| j. Structures Maintenance ² | \$9,419 | | | | | |
| Operating Total | \$16,316 | | | | | |

¹ In addition to bridge engineering, this program supports general construction management and engineering support for street vacations, neighborhood projects, and other transportation activities.

² Includes reimbursable bridge work for partner agencies. For 2022, this accounts for \$2.3 million of program spending.

This proposed capital funding includes a \$2.15 million increase in 2022 for repairs on the 4th Over Argo Bridge. Also included are a \$3.1 million increase in 2022 and \$1.2 million increase in 2023 for replacement of components on the University, Ballard, and Spokane bascule bridges. The operating funding includes the \$1.9 million of VLF funding for Strong Bridges and Structures described in issue #1 above; this largely replaces the \$2 million of one-time General Fund support for the Structures Maintenance program that Council added in the 2021 Adopted Budget ([SDOT-008-D-001](#)).

The proposed funding for the Bridge Seismic – Phase III CIP project (\$24.9 million In 2022, \$11.8 million in 2023, and \$6 million in 2024) would complete seismic retrofits for nine bridges, funded by the Move Seattle Levy. This proposal is consistent with the workplan endorsed by the Move Seattle Levy Oversight Committee following Council’s 2020 re-budgeting effort to address shortfalls resulting from COVID-19. The proposed spending in 2022, 2023, and 2024 reflects changes to individual project schedules, but does not change the overall spending on the program.

Options:

- A. Contextual budget issue. No staff options identified at this time.

3. Vision Zero Infrastructure

Vision Zero is the City’s goal of eliminating traffic fatalities and serious injuries on City streets by 2030.⁴ The initiative focuses on redesigning street infrastructure to influence safer behavior. Implementation includes incremental capital investments (such as reconfiguring roadways and intersections, providing protected bike lanes, and improving pedestrian crossings), as well as operational changes (such as updating the right-of-way improvements manual, lowering the default speed limit, and conducting education and enforcement campaigns).

Because Vision Zero is an overarching vision for traffic safety, spending on Vision Zero infrastructure is spread throughout SDOT’s Proposed CIP. Many large discrete capital projects, such as the Delridge corridor improvements or the Georgetown to South Park Trail, incorporate Vision Zero improvements within their project scopes. However, there are several programmatic capital programs that are dedicated to implementation of vision zero improvements. These programs are listed in Table 6, along with the proposed funding allocations in the 2022-2027 Proposed CIP. This table excludes unsecured funding identified in the CIP. The Move Seattle Levy, which is a major funding source for most of these programs, will expire at the end of 2024 unless voters authorize a continuation of the property tax. This is reflected in the 2025, 2026, and 2027 totals.

Table 6: Vision Zero Capital Funding (\$ in 000s)

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|-----------------|-----------------|-----------------|-----------------|----------------|----------|
| Vision Zero Programmatic CIP Projects – secured funding only | | | | | | |
| a. Vision Zero | \$6,243 | \$3,104 | \$3,748 | \$500 | - | - |
| b. Neighborhood Traffic Control Program | \$354 | \$329 | \$354 | \$374 | \$617 | - |
| c. Neighborhood Large Projects | \$887 | \$2,082 | \$3,658 | \$53 | - | - |
| d. Neighborhood Parks Street Fund - Your Voice, Your Choice | \$1,001 | \$2,000 | \$600 | \$1,008 | \$2,922 | - |
| e. Pedestrian Master Plan - New Sidewalks | \$5,435 | \$6,882 | \$3,335 | \$933 | \$400 | - |
| f. Pedestrian Master Plan - Crossing Improvements | \$5,802 | \$4,719 | \$2,356 | - | - | - |
| g. Pedestrian Master Plan - School Safety | \$2,746 | \$6,483 | \$6,733 | \$3,594 | 43,186 | - |
| h. Pedestrian Master Plan - Stairway Rehabilitation | \$1,494 | \$1,525 | \$1,556 | \$403 | - | - |
| i. Sidewalk Safety Repair | \$5,016 | \$5,243 | \$4,695 | \$2,142 | - | - |
| j. SDOT ADA Program | \$13,768 | \$12,142 | \$14,640 | \$3,417 | - | - |
| k. Bike Master Plan - Urban Trails and Bikeways | \$1,001 | \$1,039 | \$979 | \$1,352 | - | - |
| l. Bike Master Plan - Protected Bike Lanes | \$9,188 | \$16,519 | 43,257 | - | - | - |
| m. Bike Master Plan - Greenways | \$3,412 | \$1,412 | \$907 | - | - | - |
| Total | \$56,347 | \$63,479 | \$46,817 | \$13,776 | \$7,125 | - |

⁴ SDOT’s June 2, 2021 Vision Zero presentation to the Transportation and Utilities Committee is available [here](#).

The Vision Zero CIP program provides dedicated funding for corridor safety projects, focusing on arterial corridors with the highest crash locations. The Neighborhood Traffic Control Program provides for traffic calming on non-arterial streets. The Neighborhood Large Projects and Neighborhood Parks Street Fund – Your Voice, Your Choice programs provide opportunities for participatory budgeting to fund projects selected by the community. The remaining programs provide dedicated funding for implementation of the Pedestrian Master Plan and the Bike Master Plan. SDOT develops sub-project lists for each of these programs and prioritizes projects with vetting through the transportation modal boards and the Move Seattle Oversight Committee.

Table 6 identifies capital spending only, and it does not include operational funding in support of Vision Zero programs. As such, the table does not include the \$4.5 million of VLF funding for Safe Streets and Safe Sidewalks described in Issue #1 above.

Options:

- A. Contextual budget issue. No staff options identified at this time.

4. Federal Infrastructure Funding

In August 2021, the US Senate passed the Infrastructure Investment and Jobs Act,⁵ which provides \$1.2 trillion for transportation, utility, and internet investments. The legislation includes approximately \$110 billion for road and bridge projects, \$11 billion for road safety, \$39 billion for public transit, \$15 billion for electric vehicles, and \$1 billion for reconnecting communities.⁶ This funding would be provided over five years, through fiscal years 2022 through 2026. The legislation still requires passage in the US House before becoming law.

The proposed transportation funding would largely rely on existing federal grant programs and formula allocations. Federal agencies will need to issue administrative rules for how local governments may apply for funding. Depending on the grant program requirements, potential SDOT projects may need additional project development to be eligible. SDOT has recent experience with securing federal funding for the Madison Bus Rapid Transit project and the West Seattle Bridge repair, and the department will continue to monitor federal funding opportunities as they arise.

Options:

- A. Contextual budget issue. No staff options identified at this time.

⁵ The full text of the legislation is available [here](#). Division A of the bill is cited as the Surface Transportation Reauthorization Act of 2021.

⁶ Funding summary as reported by the New York Times, [The Infrastructure Plan: What's In and What's Out](#), updated August 10, 2021.

5. STBD Proposition 1 Transit Service

In November 2020, Seattle voters approved a renewal of the Seattle Transportation Benefit District (STBD) Proposition 1 which authorized a 0.15 percent sales tax to fund transit service and transit-related programs ([ORD 126115](#)).⁷ The measure authorized spending on transit service hours from King County Metro (Metro); programs to support access to transit for low-income individuals, essential workers, and students; transit infrastructure projects; and programs to meet emerging needs related to COVID-19 recovery and the closure of the West Seattle Bridge.

For 2022, STBD Proposition 1 is anticipated to generate \$47.8 million. The 2022 Proposed Budget identifies \$47.3 million of SDOT spending including:

- \$28.5 million for transit service.
- \$8.2 million for emerging needs.
- \$3.7 million for transit access for youth.
- \$2.8 million for transit access for low-income individuals.
- \$1.9 million for transit access for essential workers.
- \$1 million for transit infrastructure.
- \$1.2 million for program administration.

The \$28.5 million of transit service funding is an increase of \$7.7 million over 2021 transit spending. This would provide approximately 150,000 total bus service hours in 2022, or roughly 2,200 weekly bus trips. It is worth noting that transit ridership remains depressed compared to pre-COVID-19 levels. As reported to the Washington State Department of Transportation (WSDOT), transit ridership has remained about 40 percent below baseline through the summer.⁸ With reduced ridership, there is less fare revenue to offset transit operating costs, resulting in higher costs to provide service. SDOT is holding \$17 million in fund balance as a reserve against the escalating cost of transit service, possible fluctuations in sales tax revenue, and to allow for a gradual ramp down of transit service if the measure is not renewed in 2027.⁹

Options:

- A. Contextual budget issue. No staff options identified at this time.

⁷ In 2014, Seattle voters approved a six-year transit measure that imposed a \$60 per vehicle license fee and a 0.1 percent sales tax. The 2020 transit measure authorized a lower level of continued funding, relying on sales tax only.

⁸ WSDOT COVID-19 State Transportation System Performance [website](#).

⁹ The available fund balance reflects a carryover of reserves from the 2014 transit measure that were held for similar purposes. The transit service purchase agreement with Metro ([ORD 126285](#)) allows for a maximum ramp down of 100,000 transit service hours per service change to allow Metro to adjust its workforce, facilities, and resources in response to a potential loss of City funding.

6. Center City Streetcar Connector and Seattle Streetcar

The 2022 Proposed Budget includes \$2.4 million to restart project development on the Center City Streetcar Connector, which would connect the existing South Lake Union Streetcar and First Hill Streetcar lines through Downtown Seattle. In 2019, after cost estimates increased and problems with vehicle design parameters became known, the Council authorized \$9 million for further design and engineering to re-baseline the project ([ORD 125889](#)). However, due to the economic downturn caused by COVID-19, \$8 million of these funds were redirected to other transportation priorities, \$1 million was used to cover incurred expenses, and the project was placed on hold ([ORD 126148](#)). The proposed \$2.4 million would allow SDOT to reassess how to proceed with the project, including maintaining eligibility for federal grant funding and evaluating potential conflicts with the Sound Transit Downtown tunnel alignment for the West Seattle to Ballard Light Rail Extension.

The proposed 2022 funding would utilize Transportation Network Company (TNC) Tax revenues, which are deposited in the General Fund. The Center City Streetcar Connector project is included in the 2022-2027 Proposed CIP, with anticipated federal grants and utility funds shown in the years 2023 through 2025, however no additional local funding is identified. The project shows a remaining unsecured funding gap of \$92.8 million. There are no outstanding financial liabilities or grant obligations requiring the proposed \$2.4 million of 2022 spending on the project. In September 2021, the Federal Transit Administration (FTA) Small Starts grant allocation of \$7.3 million for vehicle procurement expired unused, but the project remains in the FTA Small Starts Project Development phase and retains eligibility for a future Small Starts grant allocation.

SDOT continues to operate the existing South Lake Union Streetcar and First Hill Streetcar lines at about a 10 percent reduced frequency and span of service due to COVID-19. The 2022 Proposed Budget would maintain this reduced level of service with an operating budget of \$14 million for the two lines.

The Seattle Streetcar receives partnership funding from King County for the South Lake Union Streetcar (\$1.5 million inflation-adjusted annually through 2024) and from Sound Transit for the First Hill Streetcar (\$5 million annually through 2023), as well as federal funding support and private contributions.¹⁰ The 2022 Proposed Budget allocates \$5.3 million of Commercial Parking Tax revenue to support Streetcar operations, and this contribution is projected to increase in future years.

Seattle Streetcar fare revenue (including farebox and ORCA pass revenue) is projected to be \$1.6 million in 2022. This represents a significant increase from 2021 fare revenue, which is projected to be \$448,000. For comparison, fare revenue prior to the COVID-19 downturn was \$1.8 million in 2019. If ridership and fare revenue do not recover as anticipated, Seattle Streetcar service may require additional public subsidy or further reductions in service. The

¹⁰ Amazon provides a contribution of \$250,000 inflation-adjusted annually through 2024 to support the South Lake Union Streetcar.

Seattle Streetcar Operating Fund anticipates \$232,000 of unreserved fund balance for 2022 which could offset some of the revenue risk.

Options:

- A. Do not restart project work on the Center City Streetcar Connector. Redirect \$2.4 million of TNC Tax revenues to other priorities.
- B. No Action.

7. Integrated Transportation Planning

SDOT is proposing a major overhaul and integration of the City’s modal transportation plans, concurrent with the Office of Planning and Community Development’s (OPCD’s) major update to the Comprehensive Plan. This effort would update and unify the Transit Master Plan (2012), Pedestrian Master Plan (2017), Bicycle Master Plan (2014), and Freight Master Plan (2016) into one plan for Seattle’s transportation system. The plan would establish an integrated transportation policy framework, identify performance targets for mobility goals, update the modal priority network maps, and develop a funding plan for improvements. The intent is to coordinate planned improvements by location to comprehensively address transportation needs and avoid partial or incremental solutions based on individual modes.

As part of this work, SDOT anticipates extensive community engagement and equity outreach. SDOT would launch public outreach in conjunction with OPCD’s Comprehensive Plan Update in early 2022, and SDOT would continue the planning process through 2023. SDOT would seek approval of the integrated transportation plan in 2024, together with OPCD’s Comprehensive Plan Update. Coordinating these efforts allows for the consideration of potential Comprehensive Plan changes to the City’s urban village strategy or other development scenarios.

The 2022 Proposed Budget includes \$2.5 million of Street Use Fee revenue and \$550,000 of VLF revenue for the integrated transportation plan. With existing planning resources, SDOT would have a total of \$3.5 million available to support this work. SDOT anticipates that the total cost of developing the integrated transportation plan will be between \$4.5 million and \$5 million.

SDOT’s work on the integrated transportation plan would also help inform development of a new levy proposal for when the Move Seattle Levy expires in 2024. A levy renewal would provide an opportunity to reassess SDOT’s transportation revenue strategy and reprioritize spending to best leverage a new proposal to voters. SDOT may need additional resources in the future to advance project concepts and develop cost estimates to further develop a renewal proposal.

Options:

- A. Contextual budget issue. No staff options identified at this time.

8. SDOT Equity Investments

The 2022 Proposed Budget includes several funding proposals directed towards historically under-served communities. These proposals include:

- \$1.75 million for the 8th Ave S street-end park and pedestrian improvements, as part of the Duwamish Valley Action Plan.
- \$550,000 to implement pedestrian and public space improvements in support of SDOT's Recovering with Sustainable and Equitable Transportation (ReSET) program. The ReSET program will make targeted improvements in Pioneer Square, Westwood, Rainier Beach, South Beacon Hill, and Chinatown/International District.
- \$250,000 for public space improvements at the Detective Cookie Chess Park in Rainier Beach.
- \$184,000 on-going to support SDOT's Transportation Equity Workgroup. With this funding, SDOT would have an annual budget of \$296,000 to support this work.

Options:

- A. Contextual budget issue. No staff options identified at this time.

9. COVID-19 Response Programs

In response to COVID-19, SDOT implemented several programs designed to better accommodate social distancing and encourage greater public use of the right-of-way. These programs include Safe Start/Café Streets that allow businesses to make use of streets and invest in structural improvements in the right-of-way, as well as Stay Healthy Streets/Keep Seattle Moving Streets that provide for non-motorized use of street right-of-way. As Seattle recovers from COVID-19, SDOT is evaluating what programs and improvements should be made permanent.

For the Safe Start/Café Street program, SDOT intends to provide initial recommendations for program changes to Council by the end of 2021 which would allow for public outreach and Council consideration in early 2022. The 2022 Proposed Budget does not identify specific resources for this effort, but related costs are absorbed within the Street Use cost center.

For the Stay Healthy Streets program, SDOT is implementing permanent improvements at the Greenwood, Beacon Hill, and Bell Street locations in 2021. For 2022, SDOT intends to develop additional permanent proposals for other existing locations through a focused community outreach process. SDOT does not have cost estimates for construction, and the 2022 Proposed Budget does not include funding for additional construction of permanent Stay Healthy Streets improvements. The 2022 Proposed Budget does not include funding for design or construction of permanent improvements related to the Keep Seattle Moving Streets program.

Options:

- A. Contextual budget issue. No staff options identified at this time.

III. Budget Legislation

1. Car Share Fee Ordinance

This legislation would revise the permit fee schedule for free-floating car share companies to move from a parking-based cost model to a per-trip cost model, which would reduce permit costs for car share operators. Under the current parking-based cost model, the fee structure would generate approximately \$340,000 in 2022. The proposed legislation would replace the parking-based fee with a per trip fee of \$0.50 per trip for an internal combustion vehicle and \$0.25 per trip for an electric vehicle. This change would result in approximately \$150,000 less in fees collected. The existing \$300 per-vehicle administrative fee would continue to be charged and would generate approximately \$110,000 in 2022.

In addition, the proposed legislation would grant SDOT the authority to determine an equitable geographic coverage for free-floating car share services. Currently, [SMC 11.23.160](#) requires car share companies to offer service across the entire City within 2 years of beginning operations. SDOT is requesting flexibility to facilitate operators being able to grow and maintain car share operations in Seattle. Instead of a city-wide service requirement, the legislation would allow SDOT to consider:

- Operational feasibility and fleet size.
- Serving areas of the City with identified and potential need for service.
- Breadth of service in various neighborhoods of the City.
- Identified strategies for reaching a diverse customer base, including low-income customers.

SDOT began permitting free floating car share operators in 2012. In 2019, the three companies (Car2Go, ReachNow, and LimePod) then operating in Seattle ceased local operations. These three companies had operated a combined fleet of 1,938 vehicles. In 2020, a new company (Gig) entered the Seattle market and is currently operating a fleet of 370 vehicles.

The legislation would also shift the permit fee for designated-space car share to a sliding scale, based on the average paid parking revenues collected at the location of the designated-space car share zone.

Options:

- A. Pass
- B. Do not pass

2. Street Use Fee Ordinance

This legislation would update SDOT’s street use hourly service rates and permit fees. The proposed changes would advance the goal of full cost recovery for permitting while maintaining existing free permit programs for businesses and homeowners. The legislation would also make changes to consolidate administrative charges into the cost of the permit that were previously charged separately. Table 7 provides examples of the change in cost for select representative permits.

Table 7: Proposed changes to Street Use Fees

| | Primary Customer | Current Fee | Proposed Fee | Change |
|---|-------------------------------------|-------------|--------------|-----------|
| Street Use Permit Issuance Fee Type | | | | |
| a. ROW Management Simple (e.g., ROW maintenance) | Homeowners | \$155 | \$178 | \$23 |
| b. ROW Management Complex (e.g., ROW construction, heavy crane, minor utility) | Developers, contractors & utilities | \$324 | \$640 | \$316 |
| c. Public Space Management Short-term (e.g., public activation and vending) | Homeowners & businesses | \$181 | \$275 | \$94 |
| d. Public Space Management Long-term (e.g., new private encroachments) | Homeowners & businesses | \$232 | \$362 | \$130 |
| e. Public Space Management Renewal (e.g., encroachments) | Homeowners & businesses | \$176 | \$275 | \$99 |
| f. Street Vacations | Developers | \$6,500 | \$10,130 | \$3,630 |
| g. Council Term (e.g., skybridges, tunnels) | Developers & utilities | \$232 | \$362 | \$130 |
| h. Utility Major | Utilities | \$4,865 | \$7,580 | \$2,715 |
| i. Street Improvement Lite | Small developers & community groups | \$4,865 | \$2,900 | (\$1,965) |
| j. Street Improvement | Developers | \$4,865 | \$7,580 | \$2,715 |
| k. Modification Fee (e.g., date change, extension or revisions to permits) | Developers, contractors & utilities | \$165 | \$255 | \$90 |
| l. Free permits (e.g., block party, signs, Safe Streets, gardening, public amenities) | Homeowners & businesses | Free | Free | -- |

Options:

- A. Pass
- B. Do not pass