

SDOT-WalkOn-1

Sponsors: Councilmember Pedersen and Councilmember Herbold

Cut \$2.4 million GF from SDOT for the Center City Streetcar Connector (MC-TR-C040) CIP Project

Effect:

This Council Budget Action would cut \$2.4 million of General Fund (GF) from the Seattle Department of Transportation (SDOT) for the Center City Streetcar Connector (MC-TR-C040) CIP project. The \$2.4 million GF is revenue from the Transportation Network Company Tax and would be available to support other Council spending priorities.

As proposed in the 2022 Proposed Budget, the \$2.4 million would allow SDOT to restart project development on the Center City Streetcar Connector project, which would connect the existing South Lake Union Streetcar and the 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 \$2.4 million in the 2022 Proposed Budget 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 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.