



Legislation Details (With Text)

File #: CB 118402 **Version:** 3 **Name:** CB 118402
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 6/29/2015

Final Action: 7/7/2015 **Ord. No.** Ord 124796

Title: AN ORDINANCE relating to transportation; providing for the submission to the qualified electors of the City at an election to be held on November 3, 2015, a proposition authorizing the City to levy regular property taxes for up to nine years in excess of the limitation on levies in Chapter 84.55 RCW for the purpose of providing City facilities and services, including transportation improvements, both capital and operating, with possible debt financing; creating a new oversight committee; and ratifying and confirming certain prior acts.

Sponsors: Tom Rasmussen

Indexes:

Attachments: 1. Att A: Spending Breakdown., 2. Proposed Substitute (added 6/29/15), 3. Summary and Fiscal Note, 4. Summary Att A: SDOT Transportation Levy, 5. Mayor's Transmittal Letter, 6. Amendment 1 - CM Licata Decrease Levy, 7. Amendment 3 - CM Licata Use of Funds, 8. Amendment 4 - CM Burgess Safe Routes - revised v2, 9. Amendment 5 - CM Burgess Spending Breakdown - revised, 10. Amendment 6 - CM Rasmussen GSF Support for SDOT, 11. Amendment 7 - CM Rasmussen New Categories Limits - revised, 12. Amendment 8 - CM Rasmussen, Godden Amend Spending Breakdown, 13. Amendment 9 - CM Licata Reporting, 14. Amendment 10 - CM O'Brien Bridges - revised, 15. Amendment 11 - CM Okamoto Bridge and Structures Recital, 16. Amendment 12 - CM Okamoto Structures Expertise on Oversight Committee, 17. Amendment 13 - CM Okamoto Structures and Bridges Annual Report, 18. Amendment 15 - CM Licata Conditioning Use of Funds, 19. Amendment 17 - CM Harrell Accessible Mount Baker, 20. Amendment 19 - CM Bagshaw Safe Routes Recital, 21. Central Staff Issue Identification Presentation (5/29/15), 22. Central Staff Issue Identification Memo (5/29/15), 23. Levy Proposal Presentation (6/2/15), 24. Amendment 1 - CM Licata Decrease Levy (6/9/15), 25. Amendment 2 - CM Licata EHT and CPT (6/9/15), 26. Amendment 3 - CM Licata Use of Funds (6/9/15), 27. Amendment 4 - CM Burgess Safe Routes (6/9/15), 28. Amendment 5 - CM Burgess Spending Breakdown (6/9/15), 29. Amendment 6 - CM Rasmussen GSF Support for SDOT (6/9/15), 30. Amendment 7 - CM Rasmussen New Categories Limits (6/9/15), 31. Amendment 8 - CM Rasmussen Amend Spending Breakdown (6/9/15), 32. Amendment 9 - CM Licata Reporting (6/9/15), 33. Amendment 10 - CM O'Brien Bridges (6/9/15), 34. Safe Routes to School Presentaion (added 6/9/15), 35. Signed Ordinance 124796

| Date | Ver. | Action By | Action | Result |
|-----------|------|--|---------------------------------|--------|
| 7/7/2015 | 3 | City Clerk | attested by City Clerk | |
| 7/7/2015 | 3 | Mayor | Signed | |
| 7/7/2015 | 3 | Mayor | returned | |
| 7/2/2015 | 3 | City Clerk | submitted for Mayor's signature | |
| 6/29/2015 | 1 | City Council | passed as amended | Pass |
| 6/23/2015 | 1 | Select Committee on Transportation Funding | pass as amended | Pass |
| 5/26/2015 | 1 | City Council | referred | |
| 5/12/2015 | 1 | Council President's Office | sent for review | |

5/12/2015 1 City Clerk

sent for review

5/12/2015 1 Mayor

Mayor's leg transmitted to Council

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to transportation; providing for the submission to the qualified electors of the City at an election to be held on November 3, 2015, a proposition authorizing the City to levy regular property taxes for up to nine years in excess of the limitation on levies in Chapter 84.55 RCW for the purpose of providing City facilities and services, including transportation improvements, both capital and operating, with possible debt financing; creating a new oversight committee; and ratifying and confirming certain prior acts.

WHEREAS, Seattle is one of the fastest-growing major cities in the country, gaining 100,000 new residents and more than 50,000 jobs in the last 20 years, and this growth is a boon to our economy and a test for our transportation system; and

WHEREAS, as Seattle's Comprehensive Plan directs, two-thirds of these new residents and jobs have been located in urban centers and villages that are walkable and easy to serve with transit; and

WHEREAS, Seattle is currently updating its Comprehensive Plan for 2035 and the public feedback received to date supports continuing to concentrate Seattle's growth in walkable, mixed-use, transit-rich urban villages; and

WHEREAS, public surveys and feedback continue to rank transportation as the highest priority issue area in Seattle; and

WHEREAS, Seattle is a built-out city where it is difficult to widen existing streets or build new streets, and the existing network of streets needs to be able to carry as much of the increasing numbers of people and goods as efficiently as possible; and

WHEREAS, maintaining safe and accessible pedestrian routes for all residents is central to relieving congestion and improving mobility; and

WHEREAS, the City of Seattle is located in an active seismic zone with the potential for a major seismic event and reinforcing the City's bridges and structures is a priority; and

WHEREAS, Seattle's transportation system must help fight climate change, promote vibrant communities and improve public health; and

WHEREAS, the 2006 Bridging the Gap transportation levy contributed approximately \$365,000,000 to transportation investment, with a focus on maintenance; and

WHEREAS, Bridging the Gap has funded significant transportation system maintenance and upgrades, and is on target to meet or exceed nearly all of the commitments made as part of the voter-approved measure, including the paving of 225 lane-miles of streets, rehabilitation or seismic retrofit of 12 bridges, replacement of 90,000 street signs, enhancement of three transit corridors, construction of 120 blocks of new sidewalk, restriping of 5,000 crosswalks, implementation of 48 Safe Routes to School projects and 30 Neighborhood Street Fund projects and development of a robust asset management program that has identified and catalogued the condition of transportation assets and their maintenance needs; and

WHEREAS, Bridging the Gap expires at the end of 2015 and the funding it provides needs to be replaced to continue critical maintenance and improvement of Seattle's transportation system; and

WHEREAS, these critical maintenance and improvement needs include safety improvements that will keep bridges safe in an earthquake and help Seattle reach its goal of zero serious or fatal crashes on Seattle streets; and

WHEREAS, Seattle families' transportation-related spending is second only to their spending on housing, and a well-functioning transportation system that provides many alternatives to the expense of car ownership can make living and working in Seattle more affordable; and

WHEREAS, careful maintenance of transportation infrastructure today can lessen the expense of increased maintenance tomorrow; and

WHEREAS, Seattle has three adopted modal master plans including the Bicycle Master Plan adopted in 2014, the Transit Master Plan adopted in 2012, and the Pedestrian Master Plan adopted in 2009, as well as a Freight Master Plan currently in development; and

WHEREAS, it is the City's goal to prioritize Safe Routes to School investments in safe walking and biking routes within an approximate 1-mile radius of elementary schools, emphasizing connections to community amenities such as community centers, libraries, transit hubs, and neighborhood business districts; and

WHEREAS, The 10-year Move Seattle Strategy was created in 2015 to integrate and prioritize the implementation of the modal master plans through a comprehensive approach to the transportation system organized around five core values: a safe, affordable, interconnected, vibrant, and innovative city for all; and

WHEREAS, efficient and reliable movement of freight and goods is a hallmark of a vibrant city and the Freight Master Plan currently in development will recommend increased investment in freight and goods movement; and

WHEREAS, existing revenue available for transportation maintenance and improvements is insufficient; and

WHEREAS, in 2001 voters statewide approved Initiative 747 and in 2007 the Washington State Legislature reinstated the initiative, which capped the growth in property tax without special approval of the voters at 1 percent, below the rate of inflation; and

WHEREAS, State-shared gas tax revenues for Seattle do not keep up with inflation; and

WHEREAS, while the City is evaluating and developing a proposal for transportation impact fees in the City of Seattle, impact fees are neither sufficient nor appropriate to fund all transportation maintenance and system operation needs; and

WHEREAS, in 2014 Seattle voters approved Seattle Transportation Benefit District Proposition One, which will provide an estimated \$50,000,000 annually for additional transit service over six years, and in 2016 voters region-wide may be asked to consider a measure to expand light rail by funding Sound Transit 3, and both of these measures can be complemented and leveraged with additional Seattle investment through a levy; and

WHEREAS, in 2006 the City developed and City Council adopted Resolution 30915 which specified a 20-year funding plan for transportation and assumed a second property tax levy to follow Bridging the Gap; and

WHEREAS, on March 18, 2015, the City released a draft transportation levy proposal to replace the Bridging the Gap transportation levy organized around the core Move Seattle principles, and asked for community feedback on the priorities it funded; and

WHEREAS, three open house meetings, 35 community briefings attended by 750 people, five coffee hour discussions, one webinar, and drop-in sessions at libraries, community centers and farmers markets, along with an online survey, generated over 8,000 comments and 5,300 survey responses on the proposed levy; and

WHEREAS, those comments have been incorporated and used to inform the proposal; and

WHEREAS, spending of future levy dollars will be directed by the City's commitment to social equity and equity in City contracting to advance the mission to promote race and gender equity in contracting as outlined in Executive Order 2014-03, Equity in City Contracting, and Seattle Municipal Code Chapter 20.42, Equality in Contracting; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Definitions. As used in this ordinance, the following words when capitalized have the following meanings:

"City" means The City of Seattle.

"Director" means the Director of Finance.

"Levy Proceeds" means that portion of regular property taxes levied and collected as authorized by voter approval pursuant to this ordinance that are above the growth limit on levies in RCW 84.55.010, and all interest and other earnings thereon, and, if the City issues bonds, notes, interfund loans, or other evidences of indebtedness payable wholly or in part from the additional taxes authorized under this ordinance, as permitted by Section 4 of this ordinance, then Levy Proceeds also includes the proceeds of those bonds, notes, interfund

loans, or other evidences of indebtedness.

“Spending Breakdown” means the categories and elements included as Attachment A to this ordinance.

"Transportation Improvements" means the categories and program areas referred to in Section 6, with such modifications as the City may from time to time authorize by ordinance.

Section 2. Levy of Regular Property Taxes Submittal. The City hereby submits to the qualified electors of the City a proposition as authorized by RCW 84.55.050 to exceed the levy limitation on regular property taxes contained in RCW 84.55.010 for property taxes levied in 2015 through 2023 for collection in 2016 through 2024, respectively, solely for the purpose of raising up to \$930,000,000 in aggregate over a period of up to nine years for transportation purposes. The proposition shall be limited so that the City shall not levy more than \$95,000,000 in the first year, in addition to the maximum amount of regular property taxes it could have levied consistent with RCW Chapter 84.55 in the absence of this ordinance. Pursuant to RCW 84.55.050 (5), the maximum regular property taxes that may be levied in 2024 for collection in 2025 and in later years shall be computed as if the limit on regular property taxes had not been increased under this ordinance.

Section 3. Deposit of Levy Proceeds. All Levy Proceeds shall be placed in and segregated within the Transportation Fund. The Levy Proceeds may be temporarily deposited or invested in such manner as may be lawful for the investment of City money and all investment earnings shall be deposited in the Transportation Fund. The Director of Finance is authorized to create other subfunds or accounts as may be needed to implement the purposes of this ordinance.

Section 4. Bond and Notes. To the extent permitted by applicable law the City may issue bonds, notes, or other evidences of indebtedness payable wholly or in part from the additional taxes authorized under this ordinance, and may pledge and may apply such taxes to the payment of principal of, interest on, and premium (if any) on such bonds, notes, or other evidences of indebtedness and to the payment of costs associated with them.

Section 5. Use of Levy Proceeds. The Levy Proceeds shall be used solely for Transportation

Improvements in accordance with the provisions in Section 6 and in accordance with RCW 84.55.050. The Council expects to appropriate or transfer General Subfund (GSF) revenues in the annual budget for transportation purposes. The minimum expected annual appropriation or transfer (Minimum Annual GSF Appropriation) is \$40,000,000 in the first year of the levy; the Minimum Annual GSF Appropriation thereafter will be adjusted by an inflationary factor on an annual basis. If the Council does not appropriate at least the Minimum Annual GSF Appropriation in a given year, then the Council may not levy any taxes authorized by this ordinance, for collection in the following budget year, unless the City Council by a 3/4 vote determines that economic or financial conditions prevent the Council from appropriating the Minimum Annual GSF Appropriation. The annual inflationary factor will be the lesser of three percent or the percent change in the Consumer Price Index for All Urban Consumers in Seattle-Tacoma-Bremerton (CPI-U-Seattle) for the 12-month period ending in June of the current budget year relative to the 12-month period ending in June of the prior budget year.

Section 6. Transportation Improvements. Transportation improvements shall occur in three core categories: safe routes, congestion relief, and maintenance and repair. The City anticipates collecting \$930 million in Levy Proceeds over a nine-year span. The Levy Proceeds shall be appropriated in the following ways:

1. Safe Routes Programs. The City shall appropriate \$207 million in Levy Proceeds for safe routes. The

Levy includes the following Safe Routes Programs:

- Safety Corridors
- Safe Routes to School
- Signs and Markings
- Transportation Operations
- Bicycle Safety
- Pedestrian Safety
- Neighborhood Projects

2. Congestion Relief Programs. The City shall appropriate \$303 million in Levy Proceeds for congestion relief. Of these appropriations, not less than \$20 million will be appropriated for the Lander Street grade

separation project; or, in the event the Lander Street project is not funded, these appropriations will be used for other freight mobility improvements. The Levy includes the following Congestion Relief

Programs:

- Multimodal Improvements
- Traffic Signal Timing
- Intelligent Transportation Systems
- Light Rail Connections: Graham Street Light Rail Station
- Northgate Bridge
- Light Rail Connections: Accessible Mt. Baker
- Bicycle and Walking Facilities
- New Sidewalks
- Partnership Improvements: Lander Street Overpass
- Heavy Haul Network: East Marginal Way Corridor
- Freight Spot Improvements

3. Maintenance and Repair Programs. The City shall appropriate \$420 million in Levy Proceeds for maintenance and repair. The Levy includes the following Maintenance and Repair programs:

- Bridge and Structures Maintenance
- Bridge Seismic Improvements
- Bridge Replacement
- Arterial Roadway Maintenance
- Paving Spot Improvements
- Drainage Partnerships
- Tree Trimming and Tree Planting

The nine-year appropriation amounts of Levy Proceeds for each core category established in this Section 6 may be changed by up to ten percent of the amount listed for each core category by separate ordinance, after the Levy Oversight Committee has been given an opportunity to comment. The nine-year appropriations amount of Levy Proceeds for each core category established in this Section 6 may be changed by more than ten percent of the amount listed for each core category by a 3/4 vote of City Council.

The Spending Breakdown (Attachment A) provides additional information about the anticipated deliverables, anticipated spending amounts, and the anticipated revenue sources; but the Spending Breakdown is illustrative only and shall not be mandatory. The City anticipates that appropriations of Levy Proceeds will be

consistent with the programs described in the Spending Breakdown attached to the ordinance.

In the annual City budget or by separate ordinance, the City shall from year-to-year determine the Transportation Improvements and funding allocations that will most effectively achieve the Levy goals and outcomes. Within a budget year the City is authorized to reallocate unexpended and unencumbered funds from one program to another within each of the three core categories by making operating budget transfers consistent with Seattle Municipal Code 5.08.020.

The City will seek to maximize the potential of the Levy Proceeds by pursuing complementary grant funds, by engaging in partnerships with other agencies, and by identifying improvements in efficiencies and effectiveness.

Section 7. The Seattle Department of Transportation shall evaluate whether and how its projects advance the goals of the following initiatives: (1) the City's Vision Zero Plan; (2) the City's Safe Routes to School program; and (3) the City's Race and Social Justice Initiative. The Seattle Department of Transportation shall provide an annual report to the City Council documenting this evaluation for (a) every freight, transit, and safety corridor project and (b) every other transportation project with a total Capital Improvement Project budget that exceeds \$5 million.

Section 8. Use of Funds. Any proposal to use Levy Proceeds to build or operate streetcars must be accompanied by a narrative presented to the appropriate Council committee evaluating the proposal's geographic value, productivity, and effect relative to race and social justice implications. The narrative shall describe findings from applying the Racial Equity Toolkit (or the successor thereto).

Section 9. Oversight Committee. Conditioned upon voter approval of the ballot proposition submitted by this ordinance, there is established an Oversight Committee to monitor revenues, expenditures, and program and project implementation, and to advise the City Council, the Mayor, and the Seattle Department of Transportation on responding to program and project cost savings or overruns. The Committee will annually review the Seattle Department of Transportation's program and project priorities, spending, and revised

financial plans. The Oversight Committee may make recommendations to the Mayor and City Council regarding the spending of Levy Proceeds.

The Oversight Committee shall consist of 16 members: a City Council member (the Chair of the City Council's Transportation Committee or its successor committee with responsibility for transportation); the City Budget Director; one representative each chosen by and from among the respective members of the Seattle Pedestrian Advisory Board, Seattle Bicycle Advisory Board, Seattle Transit Advisory Board, and Seattle Freight Board; five Seattle residents appointed by the City Council, including a licensed engineer with bridge and structures experience; and five Seattle residents appointed by the Mayor and subject to confirmation by the City Council.

The initial terms for appointed board members and residents shall be four years, except for two two-year terms (one mayoral appointee and one Council appointee) and four three-year terms (two mayoral appointees and two Council appointees). Subsequent terms for all appointed members shall be four years. The terms shall commence on January 1, 2016. Upon the resignation, retirement, death, incapacity, or removal of an Oversight Committee member, the authority appointing such member may appoint a replacement for the balance of the term. Late appointments or confirmations shall also be for the balance of a term. Any vacancy in an unexpired term shall be filled in the same manner as the original appointment. A member whose term is ending may continue on an interim basis as a member with voting rights until such time as a successor for that position has been appointed or, for the five residents appointed by the Mayor, confirmed.

The Oversight Committee will select a chair and may adopt rules for its own procedures, including quorum requirements and the frequency of meetings. Meetings of the Oversight Committee will be open to the public consistent with the Open Public Meetings Act, RCW Chapter 42.30. The Oversight Committee will publish annual reports to the Mayor, City Council, and people of Seattle. Between January 1 and April 30 of 2024, the Oversight Committee is requested to make a recommendation to the Mayor and City Council regarding the advisability of proposing to the voters of Seattle another levy to authorize additional property

taxes for implementation of transportation improvements.

The factors to be considered by the Oversight Committee in making any such recommendations will include, but are not limited to: (a) the City's success in project implementation, including its ability to manage and control project costs; (b) the availability of alternative revenue sources that provide a more direct link between the tax or fee paid and the use of the City's transportation system; and (c) the underlying need for funding to support the uses identified in Section 6. The Mayor and the Council will consider any timely recommendations that may have been made by the Oversight Committee.

The Seattle Department of Transportation shall provide staff and logistical support for the Oversight Committee. Members shall serve without pay but may be reimbursed for their expenses, including payments for child care while attending meetings. The Oversight Committee shall continue in existence through December 31, 2024, and thereafter if so provided by ordinance.

Section 10. Reporting. The Director of Transportation will prepare and submit to the City Council, the Mayor, and the Oversight Committee an annual progress report on the implementation of improvements funded by the levy. For each element of the Spending Breakdown included as Attachment A to this ordinance, the annual progress report will include for each category and each element (detailed by levy, local, and leverage funding):

- (a) the planned spending and planned deliverables;
- (b) actual annual spending and deliverables; and
- (c) actual cumulative spending and deliverables.

The report will include a narrative assessment comparing actual spending and deliverables to the original planned spending and deliverables, and it will explain why there are deviations (if any) from the originally planned spending and deliverables. Additionally, the annual progress report will summarize levy-supported investments implementing adopted modal plans, including details about the amounts of levy funding, local funding, and leverage funding.

In addition to the annual progress report, the Director of Transportation will prepare and submit an annual report focusing on bridges and structures including a narrative explaining in detail the condition of bridges and structures within the City of Seattle, especially the Ballard and Magnolia bridges, an assessment of known deficiencies and a funding plan to address known deficiencies.

The Director of Transportation will also annually revise and deliver to the City Council, the Mayor and the Oversight Committee a Transportation Improvements financial plan.

Section 11. Election Ballot Title. The City Council directs that the City Clerk file this ordinance with the Director of Elections of King County, Washington, as ex officio supervisor of elections, requesting that the Director of Elections call and conduct a special election in the City in conjunction with the state general election to be held on November 3, 2015, for the purpose of submitting to the qualified electors of the City the proposition set forth in this ordinance.

The City Clerk is directed to certify to the King County Director of Elections the ballot title approved by the City Attorney in accordance with the City Attorney's responsibilities under RCW 29A.36.071 and RCW 29A.72.050. The following ballot title containing a statement of subject and concise description are submitted to the City Attorney for consideration:

CITY OF SEATTLE

PROPOSITION NO. 1

The City of Seattle's Proposition 1 concerns replacing funding for citywide transportation maintenance and improvements.

If approved, this proposition would replace an expiring levy and would fund bridge seismic upgrades, transit corridor and light rail access projects, pedestrian and bicycle safety projects, synchronized traffic signals, street maintenance and repair, freight projects, and neighborhood street projects.

It authorizes regular property taxes above RCW 84.55 limits, allowing maximum collections of \$95,000,000 in

2016 and \$930,000,000 over nine years. The 2016 total regular tax limit would be \$3.60/\$1,000 assessed value, including approximately \$0.62/\$1,000 assessed value in additional taxes.

Should this levy be approved?

Levy, Yes

Levy, No

Section 12. Section Titles. Section titles are for convenient reference only and do not modify or limit the text of a section.

Section 13. Severability. In the event any one or more of the provisions of this ordinance shall for any reason be held to be invalid, such invalidity shall not affect any other provision of this ordinance or the levy of the additional taxes authorized herein, but this ordinance and the authority to levy those taxes shall be construed and enforced as if such invalid provisions were not contained in this ordinance; and any provision that may for any reason be held invalid shall be deemed to be in effect to the extent permitted by law.

Section 14. Ratification. The City Clerk's certification to the King County Director of Records and Elections of the proposition referred to in Section 11, and any other acts taken after the passage of this ordinance and consistent with its authority, are hereby ratified and confirmed.

Section 15. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2015, and signed by me in open session in authentication of its passage this ____ day of _____, 2015.

President _____ of the City Council

Approved by me this ____ day of _____, 2015.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

Monica Martinez Simmons, City Clerk

(Seal)

Attachment A: Spending Breakdown