

# Budget Hearing

# SEATTLE DEPARTMENT OF

# TRANSPORTATION

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Select Budget Committee | October 13, 2023

Calvin Chow, Analyst

# Budget Summary (\$ in 000s)

(Slide 1/2)

|                                        | 2023 Adopted | 2024 Endorsed | 2024 Proposed | % Change 2024<br>Endorsed to 2024<br>Proposed |
|----------------------------------------|--------------|---------------|---------------|-----------------------------------------------|
| <b>Operating Appropriations by BSL</b> |              |               |               |                                               |
| a. Bridges & Structures                | \$ 17,180    | \$ 17,705     | \$ 16,645     | (6.0%)                                        |
| b. Maintenance Operations              | \$ 50,807    | \$ 52,153     | \$ 55,703     | 6.8%                                          |
| c. Mobility Operations                 | \$ 100,944   | \$ 104,107    | \$ 104,916    | 0.8%                                          |
| d. ROW Management                      | \$ 47,547    | \$ 49,010     | \$ 50,842     | 3.7%                                          |
| e. First Hill Streetcar Operations     | \$ 9,748     | \$ 9,760      | \$ 9,760      | 0.0%                                          |
| f. SLU Streetcar Operations            | \$ 4,475     | \$ 4,630      | \$ 4,630      | 0.0%                                          |
| g. Waterfront and Civic Projects       | \$ 33,642    | \$ 34,811     | \$ 34,811     | 0.0%                                          |
| h. General Expense                     | \$ 52,288    | \$ 59,370     | \$ 59,204     | (0.3%)                                        |
| i. Leadership and Administration       | --           | --            | --            | --                                            |
| <b>Operating Subtotal</b>              | \$ 316,631   | \$ 331,545    | \$ 336,411    | 1.5%                                          |
| <b>Capital Appropriations by BSL</b>   |              |               |               |                                               |
| j. Major Maintenance/Replacement       | \$ 55,405    | \$ 61,504     | \$ 91,516     | 48.8%                                         |
| k. Mobility-Capital                    | \$ 236,186   | \$ 157,942    | \$ 240,533    | 52.3%                                         |
| l. Major Projects                      | \$ 1,922     | \$ 1,971      | \$ 1,971      | 0.0%                                          |
| m. Central Waterfront                  | \$ 102,753   | \$ 6,894      | \$ 35,607     | 416.5%                                        |
| <b>Capital Subtotal</b>                | \$ 396,265   | \$ 228,312    | \$ 369,628    | 26.1%                                         |

# Budget Summary (\$ in 000s)

(Slide 2/2)

|                                                   | 2023 Adopted | 2024 Endorsed | 2024 Proposed | % Change 2024<br>Endorsed to 2024<br>Proposed |
|---------------------------------------------------|--------------|---------------|---------------|-----------------------------------------------|
| <b>Appropriation Totals (Operating + Capital)</b> |              |               |               |                                               |
| <b>Total Appropriations</b>                       | \$ 712,897   | \$ 559,857    | \$ 706,139    | 26.1%                                         |
| <b>Total FTE</b>                                  | 1,044.0      | 1,044.0       | 1,113.5       | 6.7%                                          |
| <b>Revenues</b>                                   |              |               |               |                                               |
| n. General Fund                                   | \$ 57,860    | \$ 59,034     | \$ 58,907     | (0.2%)                                        |
| o. Transportation Fund                            | \$ 317,938   | \$ 241,716    | \$ 325,195    | 34.5%                                         |
| p. Move Seattle Levy Fund                         | \$ 105,311   | \$ 108,249    | \$ 129,835    | 19.9%                                         |
| q. STBD Fund                                      | \$ 79,673    | \$ 81,084     | \$ 96,092     | 18.5%                                         |
| r. SSTPI Fund                                     | \$ 11,720    | \$ 16,409     | \$ 14,939     | (9.0%)                                        |
| s. Seattle Streetcar Operations                   | \$ 15,073    | \$ 14,390     | \$ 13,890     | (3.5%)                                        |
| t. Payroll Expense Tax                            | \$ 250       | --            | \$ 1,000      | --                                            |
| u. REET I/II Capital Funds                        | \$ 42,571    | \$ 32,581     | \$ 31,173     | (4.3%)                                        |
| v. LTGO Bond Funds                                | \$ 6,950     | --            | \$ 28,713     | --                                            |
| w. Waterfront LID #6751                           | \$ 37,600    | \$ 350        | \$ 350        | 0.0%                                          |
| x. Central Waterfront Improvement                 | \$ 37,950    | \$ 6,044      | \$ 6,044      | 0.0%                                          |
| <b>Total Revenue</b>                              | \$ 712,897   | \$ 559,857    | \$ 706,139    | 26.1%                                         |

# **Issue Identification**

## **1. School Zone Camera Expansion**

- In 2023, Council approved doubling the deployment of School Zone cameras.
- The 2024 Proposed Budget does not include funding for expansion of this program.

### **Options:**

- A. Reprioritize funding for School Zone Camera expansion. Actual spending will depend on Executive support.
- B. Proviso SDOT spending related to School Zone Cameras
- C. No change

# **Issue Identification**

## **2. School Zone Camera Spending and Capital Spending**

- The Executive anticipates lower 2024 camera revenues.
- The 2024 Proposed Budget reduces the Road Safety Initiative program (\$350,000), the Americans with Disabilities Curb Ramp project (\$2.4 million), and Bike Master Plan – Greenways project (\$500,000).
- Despite the reduction in curb ramps delivered in 2024, the City would meet its obligations under the 2017 settlement of the federal curb ramp lawsuit.

### **Options:**

- A. Reprioritize other funding to backfill some or all of the reduced spending
- B. No change

# Issue Identification

## 3. Culture Connector Delivery Assessment

- The Culture Connector was paused in 2018.
- In 2023, the Executive began work to reevaluate delivery of the project. The Council did not approve an additional \$1.2 million for this work in the 2023 Mid-Year Supplemental, and the Executive re-prioritized existing budget. Results of the assessment are expected by the end of 2023.
- The City does not have a fully-funded financial plan for construction or operation of the Culture Connector.

### Options:

- A. Proviso SDOT to restrict 2024 spending on the Culture Connector
- B. Preclude further spending and remove project from the CIP
- C. No change

# Issue Identification

## 4. Seattle Transit Measure Emerging Needs

- Seattle Transit Measure allows for up to \$9 million annually on Emerging Needs.
- The Executive provided an updated 2024 spending plan that reduces planned Emerging Needs spending from \$8.8 million to \$3.5 million.

|                                                    | 2022 Actual      | 2023 Adopted     | 2024 Proposed    |
|----------------------------------------------------|------------------|------------------|------------------|
| <b>Seattle Transit Measure Spending Categories</b> |                  |                  |                  |
| a. Transit Service                                 | \$ 21,745        | \$ 36,074        | \$ 39,491        |
| b. Emerging Needs                                  | \$ 5,201         | \$ 7,506         | \$ 8,826         |
| c. Transit Access Programs                         | \$ 3,448         | \$ 5,139         | \$ 5,851         |
| d. Planning & Analysis                             | \$ 1,295         | \$ 1,618         | \$ 2,198         |
| e. Transit Infrastructure & Maintenance            | \$ 2,263         | \$ 15,097        | \$ 15,000        |
| <b>Total</b>                                       | <b>\$ 33,953</b> | <b>\$ 65,435</b> | <b>\$ 71,366</b> |

# **Issue Identification**

## **4. Seattle Transit Measure Emerging Needs**

### **Options:**

- A. Reduce appropriations to match planned spending
- B. Reprioritize all or a portion of spending
- C. Proviso spending for specific activities or until approved by Council
- D. No change



# Issue Identification

## 5. SDOT Budget for the Downtown Activation Plan

- The 2024 Proposed Budget includes \$1 million of JumpStart funds for SDOT activities in support of the Downtown Activation Plan.
- The 2024 Proposed Budget does not include a detailed spending plan for these funds.

### **Options:**

- A. Reprioritize all or some spending for other JumpStart uses
- B. Proviso all or a portion of spending for specific right-of-way activities
- C. Proviso all or a portion of spending until spending plan approved by Council
- D. No change

# Contextual Budget Issues

## **1. Move Seattle Levy expiring in 2024**

- The nine-year, \$930 million Move Seattle Levy will expire at the end of 2024.
- SDOT is completing work on the Seattle Transportation Plan (STP) and Council consideration of legislation adopting the STP is anticipated in early 2024.
- Building on the STP, SDOT will develop a Transportation Funding Plan (TFP) as the basis of a levy renewal proposal. SDOT has identified \$2.5 million to support this work in 2024.
- The deadline to place a measure on the November ballot is August 6, 2024.

# Contextual Budget Issues

## **2. Operational Subsidy for Streetcar Lines and use of STM Funds**

- Subsidy required to operate the First Hill and South Lake Union Streetcar lines will increase from \$5.5 million in 2023 to \$10.2 million in 2024.
- In 2025, the required subsidy is projected to rise to \$12.0 million.
- Historically, the City has used Commercial Parking Tax to provide this subsidy. In 2023 and in the Proposed 2024 Budget, the Executive uses available funding from the Seattle Transit Measure to support streetcar operations.

# Contextual Budget Issues

## 3. Bridge Operations and Capital Spending

- September 2020 City Auditor report on bridge maintenance identified ongoing need for \$34 million for bridge maintenance programs.
- 2024 Proposed spending includes \$10.1 million of deferred spending from 2023.

|                                                   | 2023<br>Adopted  | 2024<br>Endorsed | 2024<br>Proposed |
|---------------------------------------------------|------------------|------------------|------------------|
| <b>Bridge Maintenance Projects and Programs</b>   |                  |                  |                  |
| a. Structures Maintenance (O&M)                   | \$ 9,937         | \$ 10,242        | \$ 9,721         |
| b. Bridge Load Rating                             | \$ 346           | \$ 273           | \$ 273           |
| c. Bridge Painting Program                        | \$ 5,318         | \$ 2,576         | \$ 7,500         |
| d. Bridge Rehabilitation and Replacement          | \$ 30            | \$ 30            | --               |
| e. Bridge Rehabilitation and Replacement Phase II | --               | \$ 2,923         | \$ 2,923         |
| f. Structures Major Maintenance                   | \$ 5,561         | \$ 5,389         | \$ 11,134        |
| g. West Seattle Bridge Immediate Response         | --               | --               | \$ 4,682         |
| <b>Bridge Maintenance Subtotal</b>                | <b>\$ 21,192</b> | <b>\$ 21,433</b> | <b>\$ 36,233</b> |
| <b>Other Bridge Projects and Programs</b>         |                  |                  |                  |
| h. Bridge Operations (O&M)                        | \$ 4,134         | \$ 4,258         | \$ 4,258         |
| i. Engineering & Operations Support (O&M)         | \$ 1,676         | \$ 1,729         | \$ 889           |
| j. Structures Engineering (O&M)                   | \$ 1,433         | \$ 1,478         | \$ 1,778         |
| k. Bridge Seismic - Phase III                     | \$ 11,764        | \$ 5,966         | \$ 26,016        |
| <b>Other Subtotal</b>                             | <b>\$ 19,007</b> | <b>\$ 13,429</b> | <b>\$ 32,939</b> |
| <b>Total Bridge Programs/Projects</b>             | <b>\$ 40,199</b> | <b>\$ 34,862</b> | <b>\$ 69,172</b> |

# **Contextual Budget Issues**

## **4. Alaskan Way Main Corridor Concrete Strike Delay**

- The 2021/2022 concrete delivery strike resulted in schedule delay and increased costs.
- The 2024 Proposed Budget includes an \$25 million for this project.
- Proposal is to issue LTGO debt. Anticipated debt service is \$1.4 million in 2024 and \$2.2 million thereafter for the 20-year term, to be paid using Commercial Parking Tax.

# **Budget Legislation**

## **1. On-Street Paid Parking Rates**

- Increases minimum hourly rate from \$0.50 to \$1.00.
- Increases maximum hourly rate from \$5.00 to \$8.00. Does not affect Seattle Center maximum rate of \$12.00.
- Supports program cost recovery and flexibility to manage parking supply. Existing parking policies established in SMC 11.16.121.
- Anticipated to raise \$2.4 million General Fund in 2024 and \$3.8 million in subsequent years.

### **Options:**

- A. Pass
- B. Do not pass

# Questions?