

Initiative 976

Potential Impacts on Seattle Transportation Benefit District



Today's Discussion

1. Background
2. City of Seattle Direct Impacts of I-976
3. Potential Impacts on VLF \$60
4. Questions



Background - Transportation Benefit Districts

- RCW 36.73 allows formation of Transportation Benefit Districts (TBDs) to fund transportation improvements
- Multiple funding options
 - Vehicle fees, up to \$100 annually
 - Sales tax, up to 0.2%
 - Property tax (up to 1 year)
 - Vehicle tolls (congestion pricing mechanism)
 - Impact fees
 - General obligation bonds
- 99 active TBDs state-wide, 62 of which collect vehicle fees
- Seattle TBD (STBD) formed in 2010



Initiative 976 - Indirect City of Seattle Impacts

- If I-976 passes, Washington State would lose approximately \$1.9 billion in revenues over the next six years (2020-2025)
 - State funding supports many key City of Seattle projects
 - Regional Mobility Grants and Connecting Washington fund many RapidRide and Transit Plus Multimodal Corridors
 - Without those funds, key Seattle projects face funding gap
 - No current direction on how State funding would affect specific projects
- Sound Transit 3 would lose \$328 million per year



Initiative 976 – Direct City of Seattle Impacts

- Seattle TBD (STBD) collects revenue through \$80 VLF and 0.1% Sales Tax
 - 2011 – Council-approved \$20 VLF
 - 2014 – Voter-approved STBD Proposition 1 (\$60 VLF & 0.1% sales tax)
- November 2019: Statewide Initiative 976, “Bring back our \$30 car tab fees”
 - Remove/reduce all vehicle fees in RCW, incl. vehicle fee authority under TBDs
- **STBD revenue impact: \$32M annually (\$24M for transit, \$8M for basic services)**
 - \$24M annually from \$60 VLF to fund improved transit service, low income access to transit, transit capital programs, and ORCA Opportunity through 2020
 - \$8M annually from \$20 VLF to fund basic services



Overall Reduction Goals (VLF \$60)

- Goals
 - Maintain original voter-approved aspects of STBD by preserving bulk of transit service*
 - Continue ORCA Opportunity program

**Passage of I-976 will require cutting some service in March 2020*

Current SDOT Transit Service Priorities

Build out the Frequent Transit Network (FTN)

The FTN established Local (30-minute service), Frequent (15-minute service), and Very Frequent (10-minute service) routes that create a network of transit options for riders in Seattle.

Downtown Mobility

To accommodate the increased and projected growth, STBD funds service in the peak commute periods to help achieve Downtown Mobility goals.

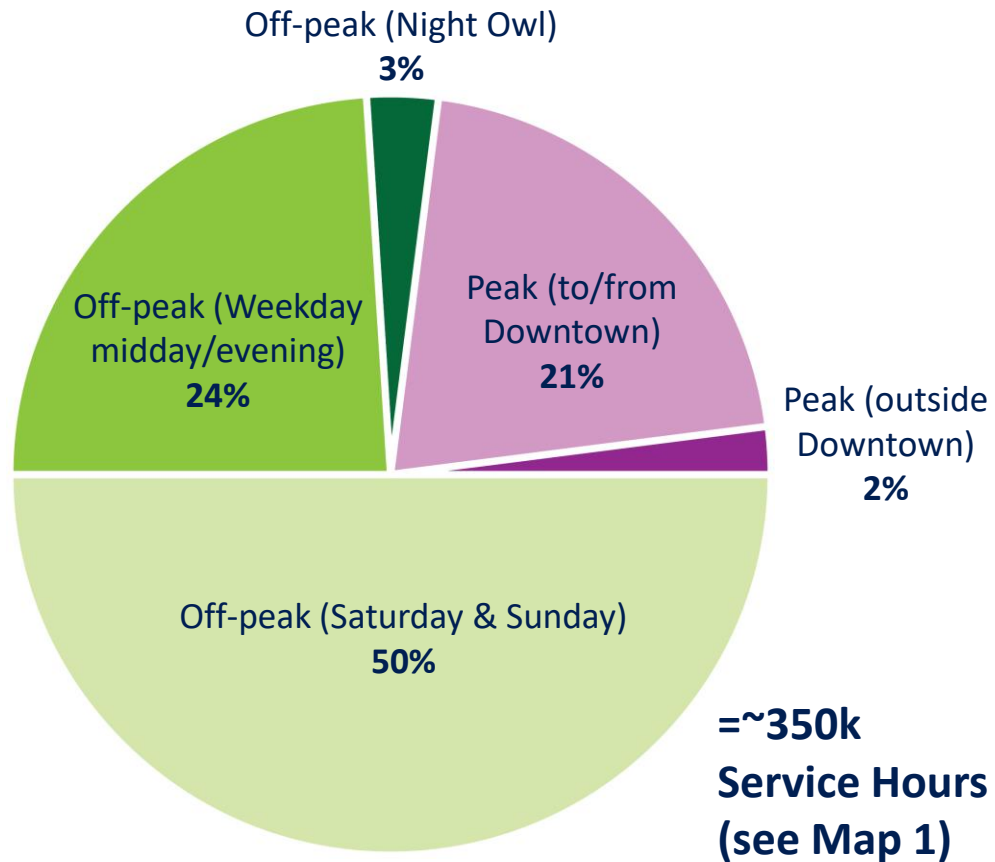
Service for those without alternatives

STBD adds service in RSJI focus areas and for those who rely on transit for most or even all of their mobility needs.

Improve Evening, Night, and Weekend service

For riders who take transit outside of peak travel times, STBD increases frequency during evening, night, and weekends

Current SDOT Transit Service Investments



- Transit Service Priorities and peak/off-peak breakdown overlap
 - E.g. Improving a route that serves Downtown to 15-minute service both improves the Frequent Transit Network and improves downtown mobility (Routes 1, 11, and 14)
- Individual investments can help address many priorities

Considerations for Transit Service Cuts

- When evaluating potential transit service cuts, SDOT is considering cost, ridership, downtown congestion, policy goal alignment
- To accommodate revenue loss, SDOT needs to cut about ~1/3 of Seattle-funded transit service in March 2020
- Cuts are temporary if new funding is identified, and can be reversed

Considerations for Transit Service Cuts

- Guidance on potential cuts could focus on:
 - Incorporating RSJI principles and goals
 - Minimize impact to routes serving historically disadvantaged communities
 - Reducing services with little or no ridership growth since implementation
 - Preserve a minimum level of service across the city
 - Minimizing negative impact to Downtown Mobility efforts
 - Keep productive peak period services



Discussion

- Given that SDOT would need to cut about 1/3 of service, how should SDOT prioritize service?
- How would TAB recommend balancing service priorities?
- Are there other priorities or focus areas SDOT should consider?



Questions

