

SEATTLE DEPARTMENT OF TRANSPORTATION

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

	2019 Adopted	2020 Endorsed	2020 Proposed	% Change 2020 Endorsed to 2020 Proposed
Appropriations by BSL				
<i>a. Mobility Operations</i>	\$115,479	\$116,238	\$116,796	0.5%
<i>b. Bridges & Structures</i>	\$47,009	\$47,740	\$14,939	(68.7%)
<i>c. Waterfront and Civic Projects*</i>	--	--	\$41,500	--
<i>d. Maintenance Operations</i>	\$37,229	\$37,786	\$38,722	2.5%
<i>e. ROW Management</i>	\$36,347	\$36,364	\$40,114	10.3%
<i>f. South Lake Union Streetcar Operations</i>	\$2,794	\$3,429	\$4,357	27.1%
<i>g. First Hill Streetcar Operations</i>	\$12,069	\$8,288	\$9,421	13.7%
<i>h. General Expense</i>	\$37,619	\$42,372	\$54,641	29.0%
<i>i. Leadership and Administration**</i>	--	--	\$1,584	--
Total O&M BSLs	\$288,546	\$292,217	\$322,074	10.2%
<i>j. Mobility-Capital</i>	\$185,023	\$207,437	\$198,438	(4.3%)
<i>k. Major Maintenance/Replacement</i>	\$101,692	\$82,684	\$107,135	29.6%
<i>l. Major Projects</i>	\$58,754	\$115,339	\$109	(99.9%)
<i>m. Central Waterfront*</i>	--	--	\$98,128	--
Total Capital BSLs	\$345,469	\$405,460	\$403,810	(0.4%)
Total Appropriation	\$634,015	\$697,677	\$725,884	4.0%
Total FTEs	931.5	931.5	957.0	2.7%
Revenues/Funds				
<i>n. General Fund</i>	\$43,193	\$44,337	\$45,877	3.5%
<i>o. Transportation Fund</i>	\$293,809	\$357,048	\$382,238	7.1%
<i>p. Move Seattle Levy***</i>	\$147,782	\$122,967	\$140,757	14.5%
<i>q. STBD Fund***</i>	\$70,564	\$72,624	\$84,652	16.6%
<i>r. SSTPI Fund***</i>	\$17,922	\$9,172	\$10,271	12.0%
<i>s. Seattle Streetcar Operations</i>	\$14,863	\$11,717	\$13,778	17.6%
<i>t. Real Estate Excise Tax I/II</i>	\$19,556	\$18,160	\$19,345	6.5%
<i>u. LTGO Bond Funds</i>	\$21,192	\$32,504	\$14,504	(55.4%)
<i>v. Waterfront LID Bond</i>	--	\$18,691	\$7,008	(62.5%)
<i>w. Central Waterfront Fund</i>	\$5,040	\$10,455	\$7,455	(28.7%)
<i>x. Cumulative Reserve Fund</i>	\$95	--	--	0.0%
Total Revenues	\$634,016	\$697,675	\$725,884	4.0%

* New Budget Summary Levels (BSLs) created in the 2020 Proposed Budget.

** Includes an indirect cost recovery offset charged to other BSLs (see p.434 of the 2020 Proposed Budget).

*** Includes use of fund balances as a resource.

Background

As shown in Table 1, SDOT's 2020 Proposed Budget is \$28.2 million more than the 2020 Endorsed Budget, reflecting a four percent increase in total appropriations. Most of this increase is in operational expenses, while overall capital spending remains roughly the same.

The largest proposed operational spending increases are in the General Expense BSL (\$12.3 million) and ROW Management BSL (\$3.8 million). The increase in General Expense is related to transactional costs for the Mercer Megablock sale (\$4.0 million), repayment of the outstanding South Lake Union Streetcar Operating Loan (\$3.6 million), and transfers related to the Streetcar Operating Fund (\$5.5 million) and the Seattle Center Monorail (\$1 million).

There are also proposed increases in the First Hill Streetcar Operations BSL (\$1.1 million) and South Lake Union Streetcar Operations BSL (\$900,000). More than half of this increase is due to changes in accounting practices for recording fare revenue; however, these increases also include a higher City subsidy for streetcar operations that is discussed further in the Contextual Issues and Issue Identification section below.

SDOT's capital spending in the 2020 Proposed Budget is consistent with the Move Seattle Levy Workplan Update that was a major focus of Council's review of the 2019 Adopted Budget and 2020 Endorsed Budget. The 2020-2025 Proposed Capital Improvement Program (CIP) includes many spending adjustments for individual projects which reflect a number of schedule, scope, and cost estimate changes; however, the overall proposed six-year capital spending (\$403.8 million) remains roughly the same as in the Adopted 2019-2024 CIP.

The 2020 Proposed Budget creates two new BSLs for the Waterfront program. The Central Waterfront BSL provides appropriations to design, manage, and construct improvements to the transportation infrastructure and public spaces along the Central Waterfront, while the Waterfront and Civic Projects BSL provides appropriations for reimbursable construction services to other City departments. These costs were previously included in the Major Projects BSL and the Bridges & Structures BSL, respectively.

SDOT's Proposed Budget includes \$45.9 million of General Fund. This satisfies the "no supplanting" requirement established in the Move Seattle Levy which prohibits the City from levying the Move Seattle property tax if a minimum amount of General Fund is not allocated to SDOT. The Proposed Budget also draws on available fund balance from the Move Seattle Levy Fund (\$36 million), the Seattle Transportation Benefit District (STBD) Fund (\$20.8 million), and the School Safety Traffic and Pedestrian Improvement (SSTPI) Fund (\$1.8 million) to support proposed spending in 2020. In addition, the Proposed Budget anticipates one-time transportation revenues from the Mercer Megablock sale in 2020 (\$54.7 million).

The Proposed Budget would add 25.5 new positions.

- Nineteen of these positions are currently either term-limited temporary assignments or temporary employment service positions that would expire during 2020. These positions

support ongoing programs and projects in SDOT; and funding to support temporary staffing was included in the 2020 Endorsed Budget. The Proposed Budget would add ongoing position authority, but no additional funding in 2020.

- The remaining 6.5 proposed new positions would include 2.0 Full Time Equivalents (FTEs) for Americans With Disabilities (ADA) curb ramp inspectors, 1.0 FTE for the commercial vehicle enforcement program, 1.0 FTE for the traffic permit counter, 1.0 FTE to support the Downtown Mobility program, a 0.5 FTE to convert a part-time urban forestry position to full-time employment, and 1.0 FTE to lead congestion pricing and climate efforts related to transportation. This last position would be housed in the Office of Sustainability and the Environment and is discussed further in the Contextual Issues and Issue Identification section below.

Contextual Issues and Issue Identification

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1. Streetcar Operating Deficit and Center City Streetcar

The 2020 Proposed Budget increases appropriations for the South Lake Union Streetcar Operations BSL by 27.1 percent and the First Hill Streetcar Operations BSL by 13.7 percent over the 2020 Endorsed Budget. While much of this increase is due to a revenue neutral change in accounting practice,¹ revenue projections for 2020 have decreased by \$826,000 from the 2020 Endorsed Budget, increasing the City subsidy to support streetcar operations.

Table 2 identifies the annual operating deficits for running the streetcar lines since 2016, when the First Hill segment began operations. These deficits were covered through use of Commercial Parking Tax and Street Use Revenues. The 2020 Proposed Budget includes \$4.9 million of Commercial Parking Tax revenue to support streetcar operations.

¹ Previously ORCA fare revenues were not recognized in SDOT’s budget, but were deducted from the cost to operate service under the King County Metro operating agreement.

Table 2: Streetcar Operating Deficits (\$ in 1,000s)

	2016	2017	2018	2019*	2020*
Operating Costs					
South Lake Union Streetcar	\$3,028	\$3,369	\$3,612	\$4,211	\$4,357
First Hill Streetcar	\$7,125	\$7,714	\$8,096	\$8,847	\$9,421
Total Operating Costs	\$10,153	\$11,083	\$11,708	\$13,058	\$13,778
Revenues					
South Lake Union Streetcar	\$2,795	\$3,051	\$2,831	\$3,127	\$2,897
First Hill Streetcar	\$5,864	\$5,919	\$6,256	\$6,364	\$6,025
Total Revenues	\$8,659	\$8,970	\$9,087	\$9,491	\$8,922
Operating Deficit	(\$1,494)	(\$2,113)	(\$2,622)	(\$3,567)	(\$4,855)

* Projected amounts for 2019 and 2020.

The revenues in Table 2 include external funding contributions from King County Metro and Sound Transit. King County Metro has agreed to continue annual contributions of \$1.5 million towards operation of the South Lake Union Streetcar through 2024 as part of extending the operating agreement for the streetcar system.² The funding agreement with Sound Transit, which currently provides \$5 million of support annually for operation of the First Hill Streetcar, is set to expire at the end of 2023. SDOT's most recent financial projections³ for the South Lake Union Streetcar and First Hill Streetcar provide estimates out to 2024, which will be the final year of King County Metro contributions. The projected 2024 operating deficit is \$12.5 million, which is expected to grow in subsequent years with cost escalation and the end of the King County Metro commitment.

The 2020 Proposed Budget does not include any new funding for the Center City Streetcar project. In August 2019, Council adopted [Ordinance 125889](#), which authorized \$9 million for additional design work on the Center City Streetcar following the stop-work order and independent review of the project. SDOT anticipates that this existing funding is sufficient to complete 30 percent design in 2020, and SDOT expects to be able to provide new baseline projections for capital costs, operating costs, fare revenues, and the ongoing operating subsidy for consideration in the 2021-2022 budget cycle. Currently, the estimated City subsidy for operating a consolidated streetcar system with the Center City Streetcar is \$18.1 million in 2026 when the Center City Streetcar is projected to begin operations.

The capital funding gap for the Center City Streetcar is \$56.4 million (excluding utility costs). The 2020 Proposed Budget contemplates imposing a tax on Transportation Network Companies (TNCs) and directing a portion of the tax revenue in future years (*i.e.*, beginning in 2021) to fund construction of the Center City Streetcar as well as to fund other City priorities. For 2020, all of the net tax proceeds after the costs of administering the new TNC tax is proposed to be held in Finance General Reserves and is not appropriated in the SDOT budget. Issues related to this proposed tax and associated spending plan are discussed separately in the TNC Issue Identification paper.

² The Executive anticipates submitting legislation authorizing the King County Metro agreement in late 2019.

³ Seattle Streetcar Operations [Report](#), July 2019, SDOT.

Options:

- A. Contextual budget issue. No staff options identified at this time.
- B. See **Budget Action #8** proposed by CM Herbold.

2. Micromobility Options and Parking Corrals

While Seattle was the first US city to permit private companies to operate free-floating bike share programs in July 2017, the micromobility industry continues to evolve quickly. In the last couple of years, many other free-floating bike share programs started in other jurisdictions and then ceased operations; those private companies generally opted to replace the free-floating bike share programs with free-floating scooter programs.⁴ Private bike share companies operating in Seattle continue to report strong ridership;⁵ and several companies have expressed interest in operating scooter share within the city limits.

SDOT is developing a free-floating scooter permit for launch in Spring 2020, with a goal of supporting both bicycle and scooter operations. While the SDOT permit will regulate the companies' operations in the City's right-of-way, bike share and scooter share programs are contracted services between private, for-profit companies and their customers. The scooter permit will require Council authorization to establish a permit fee schedule, as well as possible code changes governing how scooters can operate in the right-of-way. The Executive expects to transmit legislation to Council at the end of 2019 or beginning of 2020.

In September 2019, Council passed [Resolution 31898](#) which requested that SDOT develop a budget proposal for adding up to 3,000 micromobility parking spaces in 2020; and that this expansion be funded through permit fees on bikes and scooters. In response, SDOT identified a cost of approximately \$1.4 million for adding 3,000 spaces in 2020, as well as additional planning staff, materials, and installation costs including a dedicated installation crew. This funding was not included in the 2020 Proposed Budget.

This cost estimate is significantly higher than SDOT's costs to install bike parking to date. SDOT reported approximately \$1 million of revenue from bike share permits in 2019. Of this funding, approximately half was directed to providing bike parking, while the remainder supported permit administration and other bike share program activities. With the bike share permit fee funding, SDOT is deploying 1,500 micromobility parking spaces in 2019. This is in addition to 1,500 parking spaces that are funded as part of Move Seattle projects and will be delivered over the course of the levy. The lower per-installation costs to date may be attributable to "low-hanging fruit" in terms of available siting locations, the ability to use the existing labor force through overtime, and efficiencies in piggy-backing on other construction projects.

SDOT does not believe that the micromobility-share market would support the increase in permit fees that would be necessary to generate \$1.4 million for micromobility parking in 2020. SDOT

⁴ 2018 Shared Micromobility Ridership [Report](#), National Association of City Transportation Officials, April 2019.

⁵ 2019 Quarter 2 Bike Share Summary [Report](#), SDOT.

intends to present an updated parking installation plan for 2020 once the new scooter permit program is established and vendor applications have been received. This will allow SDOT to plan for parking deployment based on anticipated 2020 permit revenue.

Options:

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

3. Mercer Megablock Proceeds

The 2020 Proposed Budget recognizes \$138.5 million in proceeds from the sale of the Mercer Megablock. Of these proceeds, \$54.7 million must be used for transportation purposes, reflecting the use of gas tax revenue in the City’s initial acquisition of the property. Table 3 details the proposed spending of the transportation-related funds in the 2020 Proposed Budget and the 2020-2025 Proposed CIP.

Table 3: Use of Mercer Megablock Property Proceeds for Transportation

	Amount
Mercer West Construction Loan Repayment	\$12.2 million
South Lake Union Streetcar Operating Loan Repayment	\$3.6 million
Center City Streetcar Loan Repayment	\$9.0 million
Commercial Parking Tax Revenue Offset	\$9.2 million
SDOT Share of Property Transaction Costs	\$4.0 million
<i>SDOT Vision Zero Priorities (2020-2023)</i>	<i>\$16.7 million</i>
Pedestrian Master Plan – Crossing Improvements	\$2.2 million
NE 43 rd Street Improvements	\$650,000
Bike Master Plan – Greenways	\$2.0 million
Highland Park Intersection Improvements	\$3.5 million
Bike Master Plan – Protected Bike Lanes	\$8.35 million
Total Transportation Funds	\$54.7 million

The bulk of the transportation funds are proposed to be used to repay outstanding interfund loans previously pledged against the eventual sale of the property, as well as SDOT’s share of the transaction costs. The Proposed Budget would direct \$9.2 million of Mercer Megablock proceeds to offset a reduction in anticipated Commercial Parking Tax revenue through 2021. Commercial Parking Tax revenue is projected to be down \$2.7 million in 2019 and \$3.2 million in 2020 compared to the 2019 Adopted Budget and 2020 Endorsed Budget. This trend reduces forecasts in SDOT’s financial plan for 2021 and beyond.

The remaining \$16.7 million of Mercer Megablock proceeds would be programmed to support Vision Zero projects. This spending is spread over several years to align with project schedules for the projects listed in Table 3. Of this funding, \$1.8 million is programmed in 2020.

The funding for Vision Zero priorities would be used to implement the NE 43rd Street Improvements project and the Highland Park Intersection Improvements project, as well as provide programmatic spending in the Pedestrian Master Plan – Crossing Improvements project

(for intersection improvements on Lake City Way), the Bike Master Plan – Greenways project (for the Thomas Street Neighborhood Greenway), and the Bike Master Plan – Protected Bike Lanes project (unprogrammed). The unprogrammed funding for the Bike Master Plan – Protected Bike Lanes project is discussed in the next section on Bicycle Infrastructure.

Options:

- A. Council may wish to reprioritize Mercer Megablock spending for other transportation purposes. See **Budget Action #4** proposed by CM O’Brien.
- B. No action.

4. Bicycle Infrastructure

In September 2019, Council adopted [Resolution 31894](#) requesting that the Executive identify funding in the 2020 Proposed Budget for bicycle infrastructure projects that were not fully funded in the 2019-2024 Bicycle Master Plan Implementation Plan. The Proposed 2020-2025 CIP includes funding for several projects identified in the resolution, listed in Table 4.

Table 4: Bicycle Facilities Identified in Resolution 31894 funded in the Proposed 2020-2025 CIP

	Proposed Funding	Total Cost Estimate
Beacon Ave S Segment 1 (S 39th St to Myrtle St)	\$100,000	\$2,780,000
Beacon Ave S Segment 2 (Myrtle St to S Spokane St)	\$100,000	\$4,720,000
Beacon Ave S Segment 3 (S Spokane St to Jose Rizal Bridge)	\$100,000	\$3,380,000
Georgetown to Downtown	\$20,000	TBD
Martin Luther King Jr Way (Rainier Ave to Henderson St)	\$40,000	\$7,600,000
Two-way protected bike lane (PBL) on 4th Ave (Main St to Vine St)*	\$3,100,000	\$6,000,000
Alaskan Way (Virginia St to Elliott Bay Trail)	\$81,000	\$1,520,000
Georgetown-South Park Trail	\$600,000	\$3,280,000
Vine St (2nd Ave to Thomas St)/Bell St**	\$2,800,000	\$2,800,000
Total	\$6,941,000	\$32,080,000 + TBD

* SDOT is seeking additional grant funding to cover the remaining cost for the 4th Ave PBL.

** Bell St was selected as a preferred alternative to Vine St.

Of these projects, only the Vine St (2nd Ave to Thomas St)/Bell St connection is fully funded. The \$8.35 million of Mercer Megablock proceeds for Bike Master Plan – Protected Bike Lanes shown in Table 3 is currently unprogrammed, and SDOT intends to work with Bicycle Master Plan stakeholders in 2020 to prioritize the use of these funds. The projects identified in Resolution 31894 would be candidates for these funds.

Options:

- A. Council may wish to reprioritize resources for additional spending on bicycle facilities identified in Resolution 31894. See **Budget Action #4** proposed by CM O’Brien and **Budget Action #6** proposed by CM Herbold.
- B. No action.

5. Programmatic Spending in Neighborhoods

Much of SDOT’s spending on neighborhood transportation infrastructure is budgeted programmatically, which allows SDOT to manage delivery of multiple small projects across the city. Many of these projects are prioritized through modal plans such as the Pedestrian Master Plan (PMP) and Bicycle Master Plan (BMP), which include screening criteria for geographic equity and Race and Social Justice considerations to prioritize available resources.

Each year, SDOT updates the PMP implementation plan and the BMP implementation plan, which identify anticipated investments for the next 6 years. Typically, these implementation plans are presented to Council and discussed in Committee to apprise Councilmembers of funding decisions and implementation status. There are also other funding decisions that are driven by participatory budgeting, such as the Your Voice Your Choice program which allows residents to vote on priority transportation projects within their Council District.

Table 5: Programmatic Neighborhood Spending (\$ in \$1,000s) – excludes individual CIP projects

	Adopted 2016	Adopted 2017	Adopted 2018	Adopted 2019	Proposed 2020
a. PMP - New Sidewalks	\$9,732	\$12,354	\$5,700	\$15,971	\$12,207
b. PMP - School Safety	\$1,556	\$3,592	\$2,892	\$2,778	\$4,040
c. PMP - Stairway Rehabilitation	--	--	\$1,332	\$1,359	\$1,450
d. PMP - Crossing Improvements	--	--	\$2,650	\$3,693	\$3,456
e. SDOT ADA Program	\$432	\$0	\$4,300	\$8,430	\$14,060
f. PMP Implementation	\$6,180	\$8,730	--	--	--
g. BMP - Greenways	--	--	\$2,700	\$4,970	\$9,368
h. BMP - Protected Bike Lanes	--	--	\$9,480	\$9,170	\$8,670
i. BMP - Urban Trails & Bikeways	--	--	\$1,000	\$1,100	\$1,237
j. BMP Implementation	\$9,250	\$10,165	--	--	--
k. Sidewalk Safety Repair	\$1,500	\$1,530	\$3,561	\$5,692	\$3,807
l. Vision Zero	\$0	\$3,400	\$2,306	\$4,357	\$4,140
m. Neighborhood Large Projects	\$2,675	\$25	\$4,602	\$2,935	\$517
n. Neighborhood Parks Street Fund - Your Voice, Your Choice	\$1,998	\$2,244	\$3,222	\$1,767	\$2,913
o. Neighborhood Traffic Control Program	\$298	\$298	\$298	\$305	\$325
p. Home Zone pilot	--	--	--	\$350	--
Total	\$33,323	\$42,040	\$44,043	\$62,877	\$66,190

Table 5 identifies the total amount of budgeted programmatic neighborhood spending since 2016, which was the first year of the Move Seattle levy. Over this time period, funding has roughly doubled to \$66.2 million in the 2020 Proposed Budget. This increase reflects a ramp up of Move Seattle spending over the early years of the levy. Even at this level of funding, there are many neighborhood project proposals that remain unfunded.

The last program listed in Table 5 is the Home Zone pilot which Council added in the 2019 Budget. The Home Zone pilot provided \$350,000 to fund traffic calming measures (such as diverters and speed humps) on clusters of residential streets to create people-centered zones within the arterial grid. Working with community advocacy groups, SDOT evaluated 20 potential locations and developed conceptual plans for 4 of these locations. Ultimately SDOT selected 2 locations (Broadview South and South Park) for funding in 2019. The 2020 Endorsed Budget did not include funding for the pilot, and funding was not included in the 2020 Proposed Budget.

Options:

- A. Council may wish to reprioritize resources for additional programmatic spending to fund the next level of priority projects in one or more categories.
- B. Council may wish to reprioritize resources and direct spending for specific projects.
- C. Council may wish to reprioritize resources to continue the Home Zone pilot in 2020.
- D. Council may wish to consider formal review and approval of SDOT’s modal implementation plans as part of Council’s 2020 workplan.
- E. No action.

6. Congestion Pricing

During the 2018 Adopted Budget and the 2019 Adopted Budget process, the City allocated a total of \$1.2 million to support work on congestion pricing. In July 2019, SDOT [presented](#) its initial work to the Sustainability and Transportation Committee. The initial phase focused on evaluation and comparisons of major cities with congestion pricing programs, including Stockholm, London, Singapore, Milan, and Gothenburg. Based on this initial study, SDOT identified cordon pricing, area pricing, fleet pricing, and road user charges as the most promising strategies for application in Seattle. The study also focused heavily on equity considerations and how these cities approached public engagement.

In 2019, SDOT developed a congestion pricing model that could be used to:

- Analyze a potential area pricing program using different geographies, prices, and policy levers;
- Understand a potential program’s effects on congestion, greenhouse gas emissions, travel modes, and travel times;
- Use recent data regarding vehicle and bicycle volumes, transit ridership, shared mobility, and parking; and
- Use demographic and traveler data to further explore costs and benefits for specific groups of people.

The next phase of planned work through early 2020 is focused on public engagement. The Proposed Budget includes 1.0 FTE to lead Citywide efforts around congestion pricing and climate impacts related to transportation. The position is proposed to be funded through SDOT and housed in the Office of Sustainability and Environment (OSE). This position would be responsible

for guiding and leading the public conversation on congestion pricing, with technical support provided by SDOT.

The 2020 Proposed Budget does not include new resources for congestion pricing. Of the \$1.2 million previously appropriated, SDOT anticipates that a balance of \$470,000 will carry forward into 2020 to support this work. The congestion pricing effort is partially supported by a Bloomberg Climate Challenge grant that was awarded to Seattle in 2018.

Options:

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

7. Seattle Transportation Benefit District Funding and Vehicle License Fees

The Proposed Budget anticipates \$32.9 million of Vehicle License Fee revenue through the Seattle Transportation Benefit District (STBD) in 2020. Of these funds, \$24.6 million supports STBD Proposition 1 programs as approved by voters in November 2014, and \$8.3 million supports basic infrastructure investments such as the Neighborhood Traffic Control and Pothole Repair programs.

In November 2019, Washington voters will vote on Initiative 976 which would rescind the City's authority to assess vehicle license fees. If Initiative 976 passes, Central Staff will work with the Executive to develop potential budget actions to account for the resulting decrease in transportation revenues for Council's consideration.

Options:

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

8. Director of Citywide Mobility

In January 2019, the Executive announced the position of Director of Citywide Mobility to lead Seattle's efforts in addressing congestion impacts related to the "Seattle Squeeze," starting with the permanent closure of the Alaskan Way Viaduct. The Executive created this position as a term-limited temporary position, and the Proposed Budget includes funding for this position to continue through 2020. More recently, the Executive informed Council that the operational planning and preparation work conducted by this position would be completed by the end of 2019 and that the position would end.

The proposed 2020 funding for this position is included in the FAS budget, with costs recovered through allocation rates to City Departments. Funding for this position includes \$134,150 of General Fund, \$8,750 from the Seattle Department of Construction and Inspections (SDCI), \$18,100 from the Retirement Fund (RET), \$30,100 from Seattle Public Utilities (SPU), \$39,125 from Seattle City Light (SCL), and \$19,775 from SDOT.

Options:

- A. Council may wish to eliminate funding for this position and make resources available to fund other Council priorities.
- B. No action.

9. Capital Oversight

In recent years, Council has focused on increased oversight of SDOT's capital program during the budget process. For example:

- Since the 2017 Budget process, Council has passed budget legislation authorizing SDOT to apply for grants for specific projects and prohibiting SDOT from applying for grants of more than \$5 million for other projects ([Ordinance 125205](#), [Ordinance 125471](#), [Ordinance 125723](#)).
- The 2018 Adopted Budget included a "stage-gate" proviso on SDOT's Delridge Multimodal Corridor Project. The proviso limited spending until authorized by future ordinance, which was anticipated to occur after SDOT presented the 10 percent design baseline package. In July 2018, SDOT presented the 10 percent design package and Council passed [Ordinance 125635](#), which authorized additional spending and established a proviso in anticipation of SDOT's 30 percent design baseline package. In December 2018, SDOT presented the 30 percent design package and Council passed [Ordinance 125788](#) to lift the proviso.

In support of strengthening capital oversight, the Executive has established a new process for reviewing and validating capital cost estimates through the Capital Subcabinet.⁶ This process aims to provide more scrutiny during project development and avoid establishing unrealistic cost estimates before significant planning and design work has been completed. Through this process, baseline costs for projects would be formally established at the 30 percent design stage, and cost estimates over \$50 million would trigger third-party cost estimate review.

The Executive intends to use the Capital Subcabinet process to review the proposed new Northlake Retaining Wall (MC-TR-C102) project. This proposed project repairs a deteriorating timber structure along the north shoreline of Lake Union and the 2020-2025 Proposed CIP includes \$4 million for design. The total project is currently estimated to be between \$20 million and \$35 million. The Executive intends to propose funding for construction in a future budget, pending baseline cost estimates at 30% design.

Options:

- A. Council may wish to consider legislation to condition SDOT's 2020 grant applications.
- B. Council may wish to consider "stage-gate" provisos on 2020 appropriations for select CIP projects. See **Budget Action #9** proposed by CM Herbold.
- C. No action.

⁶ The Capital Subcabinet process is described in the CIP Overview [section](#), p.3 of the 2020-2025 Proposed CIP.

Budget Legislation

1. Commercial Vehicle Load Zone Fee Ordinance

This legislation would increase the annual fee for Commercial Vehicle Load Zone permits from \$195 to \$250 per permit. This fee was last adjusted in 2011. The legislation would also increase the Temporary No Parking fees (also known as meter hooding) by \$2 per day, resulting in a total fee of between \$17 and \$27 per day (depending on location). These additional fees would, in part, support the addition of a 1.0 FTE in the Commercial Vehicle Enforcement program and a 1.0 FTE for the Traffic Permits Counter that were included in the 2020 Proposed Budget.

Options:

- A. Pass legislation.
- B. Do not pass.

2. Mercer West Loan Extension

This legislation would extend the term of an existing \$12.2 million interfund loan for the Mercer West project from December 31, 2019 to December 31, 2020. The interfund loan would be repaid with property proceeds from the Mercer Megablock sale in 2020.

Options:

- A. Pass legislation.
- B. Do not pass.

3. SLU Streetcar Operating Loan Extension

This legislation would extend the term of an existing \$3.6 million interfund loan for South Lake Union Streetcar operations from December 31, 2019 to December 31, 2020. The interfund loan would be repaid with property proceeds from the Mercer Megablock sale in 2020.

Options:

- A. Pass legislation.
- B. Do not pass.

Budget Actions Proposed by Councilmembers as of October 10, 2019

- 1. Add funding for an Active Transportation Coordinator at Seattle Public Schools (Councilmember O'Brien)** – This action would fund a position to support walk-to-school and bike-to-school programs across the school district and ensure that crossing guard positions are filled. This staffing would help address disparity across schools which rely on volunteer support to fulfill these roles. Funding for this position (amount to be determined) could come from the School Safety Traffic and Pedestrian Improvement Fund.
- 2. Add \$1 million to provide for on-going maintenance of bicycle infrastructure (Councilmember O'Brien)** – This action would add \$1 million annually for ongoing maintenance of bicycle facilities which may require specialized equipment or staffing. Funding for maintenance may support investments such as small street-sweepers, staff-time to manually move debris, replacements posts, and snow-removal rental equipment.
- 3. Add funding to support implementation of the Transportation Equity Agenda (Councilmember O'Brien)** – This action would add funding (amount to be determined) to support implementation of the Transportation Equity Agenda. In the 2018 Adopted Budget, Council added an ongoing \$230,000 and 1.0 FTE to establish a Transportation Equity Work Group and to develop a Transportation Equity Agenda for the department. The Proposed Budget did not extend this additional funding into 2020 and does not include funding to implement the Transportation Equity Agenda. The work of the Transportation Equity Work Group and recommendations for the Transportation Equity Agenda are anticipated to be completed in Spring 2020, which SDOT expects to fund within existing program resources. Currently, SDOT's equity program relies on Seattle Transportation Benefit District (STBD) funding and revenues from the Residential Parking Zone program; the equity program manages the low-income transit access and vehicle license fee rebate programs authorized by STBD Proposition 1.
- 4. Direct funding from the Mercer Megablock property sale to support South Seattle bicycle infrastructure (Councilmember O'Brien)** – This action would specify that the Vision Zero spending related to the Mercer Megablock property proceeds would be used to implement South Seattle bicycle infrastructure projects (amount to be determined) as previously directed by Council in [Resolution 31894](#).
- 5. Add funding for implementation of Bicycle and Pedestrian Master Plan projects (Councilmember Pacheco)** – This action would increase funding (amount to be determined) for implementation of Bicycle Master Plan and Pedestrian Master Plan projects. Examples of traffic safety needs in District 4 include: crosswalks at NE 52nd St and Brooklyn Ave NE, safety improvements at NE 45th St and I-5, and safety improvements near View Ridge Elementary School.
- 6. Add funding for the Georgetown to South Park Connection (Councilmember Herbold)** – This action would add funding (amount to be determined) to support construction of walking and bicycling connections between Georgetown to South Park. The initial conceptual analysis

[report](#) was completed in April 2019. Council previously added \$600,000 for this project in the 2018 Budget.

- 7. Add funding and establish a CIP project for the Duwamish Longhouse Safe Street and Accessibility Project (Councilmember Herbold)** – This action would establish a new CIP project and add funding (amount to be determined) for pedestrian safety improvements at West Marginal Way. The project would include a pedestrian-activated traffic signal and marked crosswalk, sidewalk pavement on the west side of West Marginal Way, ADA accessible crossing of railroad track to the Duwamish Trail, and ADA accessible connection to the Duwamish Tribe’s Herring’s House parking lot. SDOT estimates this project will cost \$3.25 million: \$250,000 for planning, \$500,000 for design, and \$2.5 million for construction.
- 8. Proviso spending on the Center City Streetcar Connector (Councilmember Herbold)** – This action would establish a spending proviso on the Center City Streetcar Connector project to require SDOT to submit a funding plan for streetcar operations, with specific funding sources identified. Council previously requested information related to this project through a [Statement of Legislative Intent](#) (SLI) in the 2019 Budget. The SLI requested this information as part of any operating agreement for the Center City Streetcar, but SDOT has not yet proposed such an agreement.
- 9. Proviso spending on the Delridge Way SW – RapidRide H Line (Councilmember Herbold)** – This action would establish a proviso to limit spending on the Delridge Way SW – RapidRide H Line project to design activities until authorized by future Council action. During a [presentation](#) to the March 5, 2019 Sustainability and Transportation Committee, SDOT indicated that final design for this project would be complete by Fall 2019 which would have allowed time for Council’s review in consideration of the 2020 Proposed Budget.
- 10. Add funding and establish a CIP project for Fortson Square redesign implementation (Councilmember Bagshaw)** – This action would establish a CIP project and add funding (amount to be determined) for reconstruction of Fortson Square (located at the corner of Yesler Way and 2nd Ave Ext S). The project would commence after completion of the Chief Seattle Club renovation.
- 11. Add \$400,000 for Market to MOHAI (Councilmember Bagshaw)** – This action would add \$400,000 to implement pedestrian lighting on four blocks along the 1.4 mile pedestrian corridor from Pike Place Market to South Lake Union. This funding would fill the remaining funding gap for the project.
- 12. Add funding for the Thomas Street redesign implementation (Councilmember Bagshaw)** – This action would add funding (amount to be determined) to implement a pedestrian-friendly greenway connecting the east side of Seattle Center to Dexter Ave. The project has received funding for design through SDOT’s North Downtown Mobility Action Plan (NODO MAP) and Seattle’s Landscape Conservation and Local Infrastructure Program (LCLIP).

- 13. Add \$1 million to continue the Waterfront Shuttle service through 2020 (Councilmember Bagshaw)** – This action would add \$1 million to continue operations of the Waterfront Shuttle. The Waterfront Shuttle was funded by WSDOT in July 2018 as a mitigation for the Alaskan Way Viaduct removal. The free service runs approximately every 20 minutes, from 10 a.m. to 8 p.m., 7 days a week. The service connects Seattle Center to Pioneer Square and the Chinatown/International District via Alaskan Way, with an additional loop through Downtown Seattle from Pier 55 to the Central Library, Westlake Park, and Pike Place Market. WSDOT funding is scheduled to end in October 2019. This action would direct SDOT to take over funding responsibilities for the service through the end of 2020.
- 14. Add funding for a Public Life Study of Capitol Hill (Councilmember González)** – This action would add funding for a neighborhood focused Public Life Study of Capitol Hill in partnership with community organizations, such as the Capitol Hill EcoDistrict. A public life study seeks to evaluate and characterize the use of public space (i.e., how is public space being used and who is using the public space) to provide insight into how design, activation, social behavior, built environment, and urban form influence public activity. SDOT’s 2018 Public Life [Study](#) evaluated 108 block faces across the city, including 4 locations in Capitol Hill.
- 15. Adopt a Statement of Legislative Intent (SLI) requesting that SDOT develop a plan to make all public transit in Seattle free to ride (Councilmember Sawant)** – This action would request that SDOT develop an administrative plan and budget to make all public transit in Seattle (including bus, light rail, and streetcar) free for all. Models to investigate could include providing ORCA passes with public funding, requiring employers to provide ORCA passes to employees, and establishing a Seattle Ride Free Zone. The SLI would request that the analysis be presented to Council by June 1, 2020.