



Feb. 14, 2002

TO: Sound Transit Board

FROM: Joni Earl, Sound Transit Executive Director

SUBJECT: Impacts of potential loss of Motor Vehicle Excise Tax revenues

At the Sound Transit Board's request, staff has evaluated the potential financial impacts from a loss of Motor Vehicle Excess Tax (MVET) effective Jan. 1, 2003.

Background

Sound Transit receives its tax revenues from three sources:

- Sales and Use tax
- Motor vehicle excise tax
- Car rental tax

The Sound Transit district is divided into five geographic subareas – Snohomish County, North King County, South King County, East King County and Pierce County. Under the principle of subarea equity, the taxes raised within each subarea are used for capital projects and operations that directly benefit that subarea. For a list of projects in each subarea, see "Sound Transit Projects by Subarea" fact sheet (attached).

The impact of losing MVET funding— Phase I (1997-2009)

With a loss of MVET funding, Sound Transit would be unable to complete approximately \$699 million of voter-approved transportation improvements throughout Central Puget Sound.

That \$699 million loss would affect all subareas and would require program reductions in Sounder (commuter rail operations and capital projects), Regional Express (ST Express regional bus service and capital projects such as park-and-ride lots, transit centers and direct access ramps), and Link (Tacoma Link and Central Link light rail) programs. The current Phase I capital and operations/maintenance budget for all subareas is \$4.712 billion.

Subarea Required Phase I Cuts	Required Phase I Program Cuts	Current Capital & OM Budget Totals	Specific Programs
Snohomish	95	439	Sounder, Regional Express Link Sounder, Regional Express, Link Regional Express Sounder, Regional Express, Link
North King	359	1,571	
South King	138	1,221	
East King	8	769	
Pierce	99	712	
Total	699	4,712	

The agency could lose an estimated \$472 million in collections in 2003-2009 and approximately \$227 million in bonding capacity. This bonding capacity is the ability of the agency to sell bonds, to be repaid from MVET collected after 2009 to finance regional transportation improvements.

Phase II funding

In addition to required reductions in transportation improvements in Phase I, the agency could lose approximately \$782 million in Phase II capacity in all five subareas. Phase II capacity is the agency's projected resources for additional voter approved transportation improvements through 2016. The table below depicts the reduction in Phase II capacity and the updated Phase II capacity:

Subarea Phase II Capacity	Current Phase II Capacity	Reduction in Phase II Capacity	Phase II Capacity W/O MVET
Snohomish	272	60	212
North King	232	59	173
South King	147	30	117
East King	1,048	511	537
Pierce	439	122	317
Total	2,138	782	1,356

Additional information

This evaluation does not include how cuts in Sound Transit projects and services might affect partner transit agencies, such as King County Metro, Pierce Transit, Community Transit and Everett Transit.

Sound Transit Projects by Subarea



SOUNDTRANSIT

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Pierce County area gets "fair share" of Sound Transit investments

One of the unique features of the Sound Transit plan is that it delivers a fair share of investments to each of Sound Transit's five geographic areas – Snohomish County, North King County, South King County, East King County, and Pierce County. The principle of "subarea equity" assures that Sound Transit taxes raised within an area are used for capital projects and operations that directly benefit that area. Each subarea has its own budget based on anticipated local revenues for that area plus any grants and partnership funds for specific projects.

Priority projects for each subarea are identified through a public process involving established local elected official organizations. For example, money raised in Pierce County pays for services in Pierce County – ST Express regional buses and capital projects, Sounder commuter rail and Tacoma Link light rail. Similarly, money raised in East King County is being used to fund ST Express bus routes that serve East King County as well as several capital projects located throughout the subarea.

The projects listed below were chosen to directly benefit the Pierce County area.

Pierce Subarea Capital & Operations/Maintenance Budget \$ 712m

In year of expenditure dollars

Pierce Subarea Projects (* indicates in service)

Sounder Commuter Rail

- Auburn to Tacoma track and signals
- Tacoma to Lakewood track and signals
- Stations:
 - * Sumner Station
 - * Puyallup Station
 - * Tacoma Dome Station (Temp.)
 - Tacoma Dome Station (Perm.)
 - South 56th St. Station
 - Lakewood Station

ST Express

CAPITAL PROJECTS:

- Tacoma Dome Station
 - Phase II garage expansion
- * South Hill Park & Ride
- * SR-512 Park & Ride expansion (Lakewood Transportation Center)
- DuPont Park & Ride

BUS ROUTES:

- 574** * Lakewood–Sea-Tac Express
- 582** * Bonney Lake–Tacoma
- 583** South Hill–DuPont
- 585** * Lakewood–Auburn Express
- 586** Mid-county to downtown
- 590-594** * Lakewood/Tacoma–Seattle Express
- 595** * Gig Harbor–Seattle Express

Tacoma Link Light Rail

- Track and signals
- Stations:
 - Tacoma Dome
 - S. 25th
 - Union Station/ S. 19th
 - Convention Center/ S. 15th
 - Theatre District/ S. 9th
- Vehicle maintenance facility

South King County area gets "fair share" of Sound Transit investments

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Priority projects for each subarea are identified through a public process involving established local elected official organizations. For example, money raised in South King County is being used to fund ST Express regional bus routes that serve South King County as well as several capital projects located throughout the subarea. Similarly, money raised in Pierce County pays for services in Pierce County – ST Express buses and capital projects, Sounder commuter rail and Tacoma Link light rail.

The projects listed below were chosen to directly benefit the South King County area.

South King Subarea Capital & Operations/Maintenance Budget \$ 1,221m

In year of expenditure dollars

South King Subarea Projects (* indicates in service)

Sounder Commuter Rail

- Seattle to Auburn track and signals
- Stations:
 - * King St. Station
 - Boeing Access Road Station
 - * Tukwila Station
 - * Kent Station
 - * Auburn Station

ST Express

CAPITAL PROJECTS:

- Pacific Highway Park & Ride (jointly with King County Metro)
- I-5 at 272nd flyer stop
- Federal Way Transit Center
- I-5 @ 317th HOV access access project

BUS ROUTES:

- 560** *Bellevue–SeaTac Express
- 565** *Federal Way–Bellevue Express
- 570** *Westside Express (Sea-Tac to Seattle)
- 574** *Lakewood/Tacoma–Sea-Tac Express
- 585** *Lakewood–Auburn Express

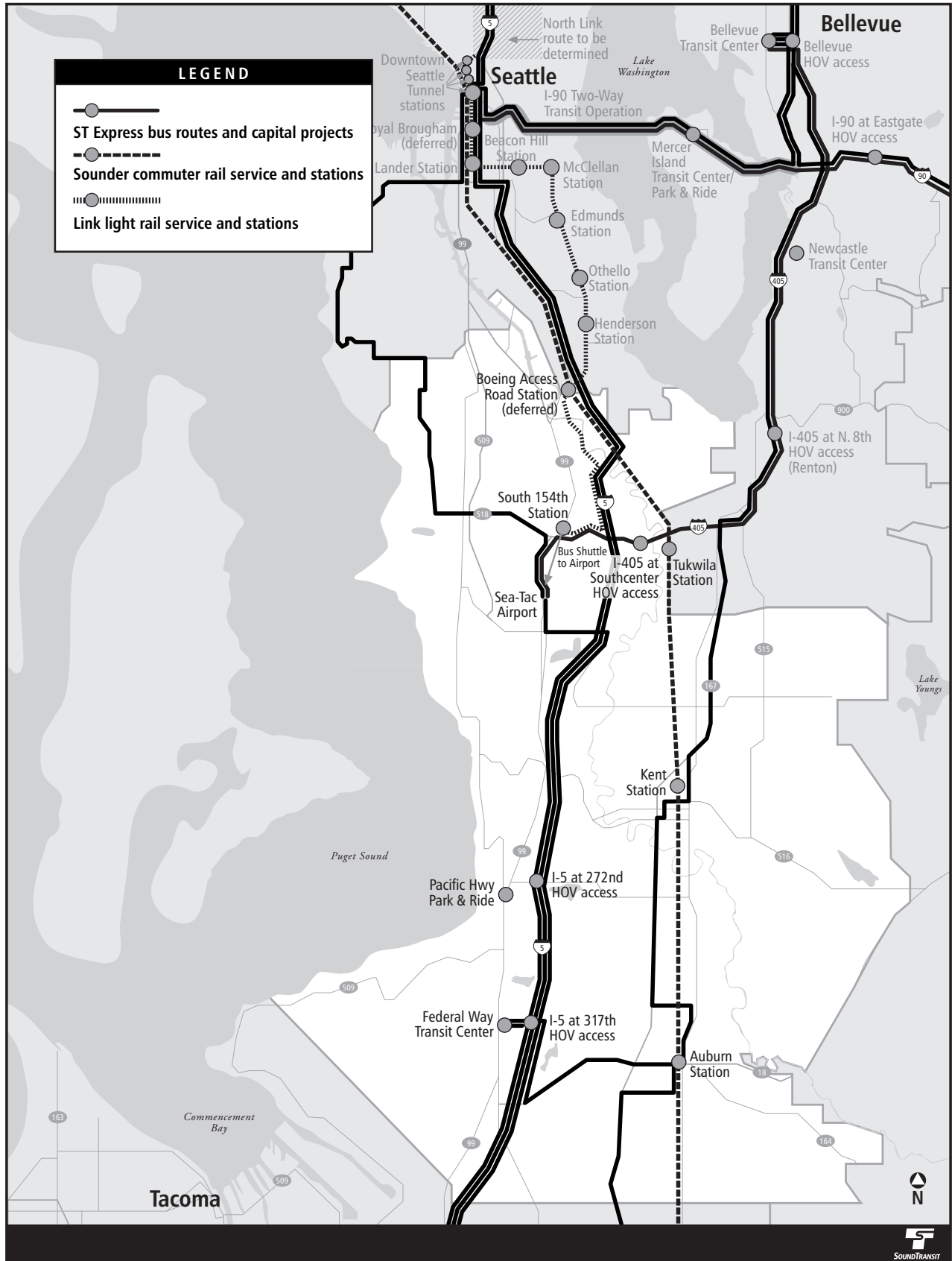
Central Link Light Rail

- Initial segment track and signals (Boeing Access Road to S. 154th)
- Initial segment station: S. 154th (Park & Ride)
- Shuttle Bus (Express service between S. 154th and Sea-Tac Airport)
- ** South segment track and signals (S. 154th to S. 200th)
- ** South segment stations:
 - ** Airport
 - ** S. 200th (Park & Ride)

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** Budget includes funding for planning and design. Additional funds will be needed for construction.

South King County



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Definition of terms Deferred – station construction delayed until funding source secured

East King County area gets "fair share" of Sound Transit investments

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Priority projects for each subarea are identified through a public process involving established local elected official organizations. For example, money raised in East King County is being used to fund ST Express regional bus routes that serve East King County as well as several capital projects located throughout the subarea. Similarly, money raised in Pierce County pays for services in Pierce County – ST Express buses and capital projects, Sounder commuter rail and Tacoma Link light rail.

The projects listed below were chosen to directly benefit the East King County area.

East King Subarea Capital & Operations/Maintenance Budget \$ 769m

In year of expenditure dollars

East King Subarea Projects (* indicates in service)

ST Express

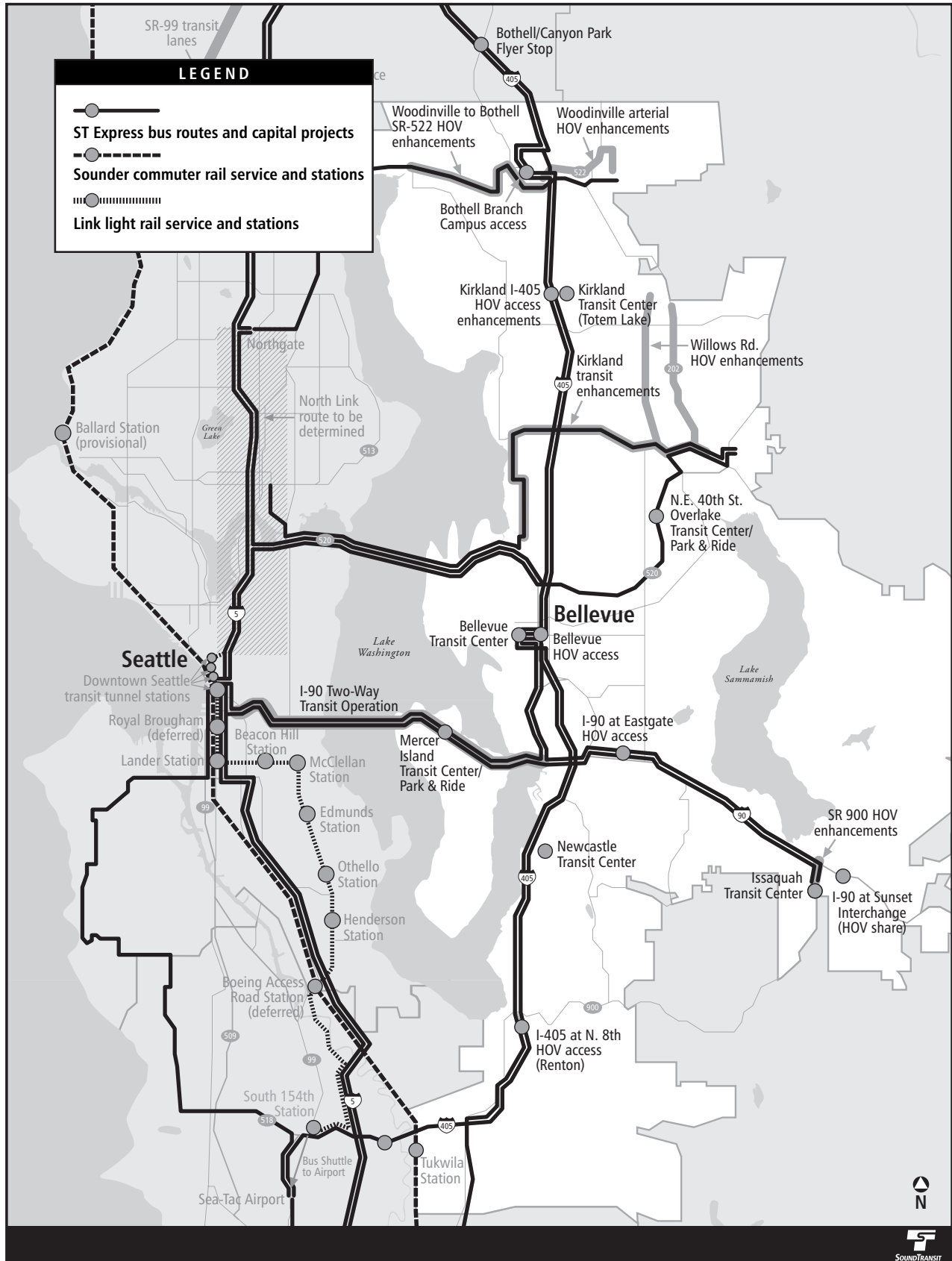
CAPITAL PROJECTS:

- Bothell/Canyon Park flyer stop
- Bothell Branch Campus access
- SR-522 HOV enhancements (Woodinville to Bothell)
- HOV arterial enhancements (Woodinville)
- Totem Lake Transit Center
- I-405 HOV access project (Kirkland)
- Route 540 corridor transit enhancement project (Kirkland)
- Willows Road HOV arterial enhancements (Redmond)
- N.E. 40th St. Overlake Transit Center/ Park & Ride
- Bellevue Transportation Center
- I-405 HOV access project (Bellevue)
- Mercer Island Transit Center/ Park & Ride
- I-90 two-way transit operation
- I-90 HOV access project (Eastgate)
- Newcastle Transit Center
- Issaquah Transit Center
- Sunset Interchange HOV access project (Issaquah)
- SR-900 HOV arterial improvements (Issaquah)
- I-405 at N. 8th HOV access project (Renton)
- Small cities transit access (projects to be defined)
- Unincorporated East King Co. transit access (projects to be defined)

BUS ROUTES:

- 522** Woodinville–Seattle
- 530,532** * Everett Mall–Bellevue Express
- 535** * Lynnwood–Bellevue Express
- 540** * Redmond–U. District Express
- 545,546** * Redmond–Seattle Express
- 550** * Bellevue–Seattle Express
- 554** * Issaquah–Seattle Express
- 555** * Issaquah–Northgate Express
- 560** * Bellevue–Sea-Tac Airport Express
- 565** * Federal Way–Bellevue Express
- 585** * Lakewood–Auburn Express

East King County



Snohomish County area gets "fair share" of Sound Transit investments

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Priority projects for each subarea are identified through a public process involving established local elected official organizations. For example, money raised in Snohomish County is being used to fund ST Express regional bus routes that serve Snohomish County as well as several capital projects located throughout the subarea. Similarly, money raised in Pierce County pays for services in Pierce County – ST Express buses and capital projects, Sounder commuter rail and Tacoma Link light rail.

The projects listed below were chosen to directly benefit the Snohomish County area.

Snohomish Subarea Capital & Operations/Maintenance Budget \$ 439m

In year of expenditure dollars

Snohomish Subarea Projects (* indicates in service)

Sounder Commuter Rail

- Everett to Seattle track and signals
- Stations:
 - Everett Station
 - Mukilteo Station
 - Edmonds Station

ST Express

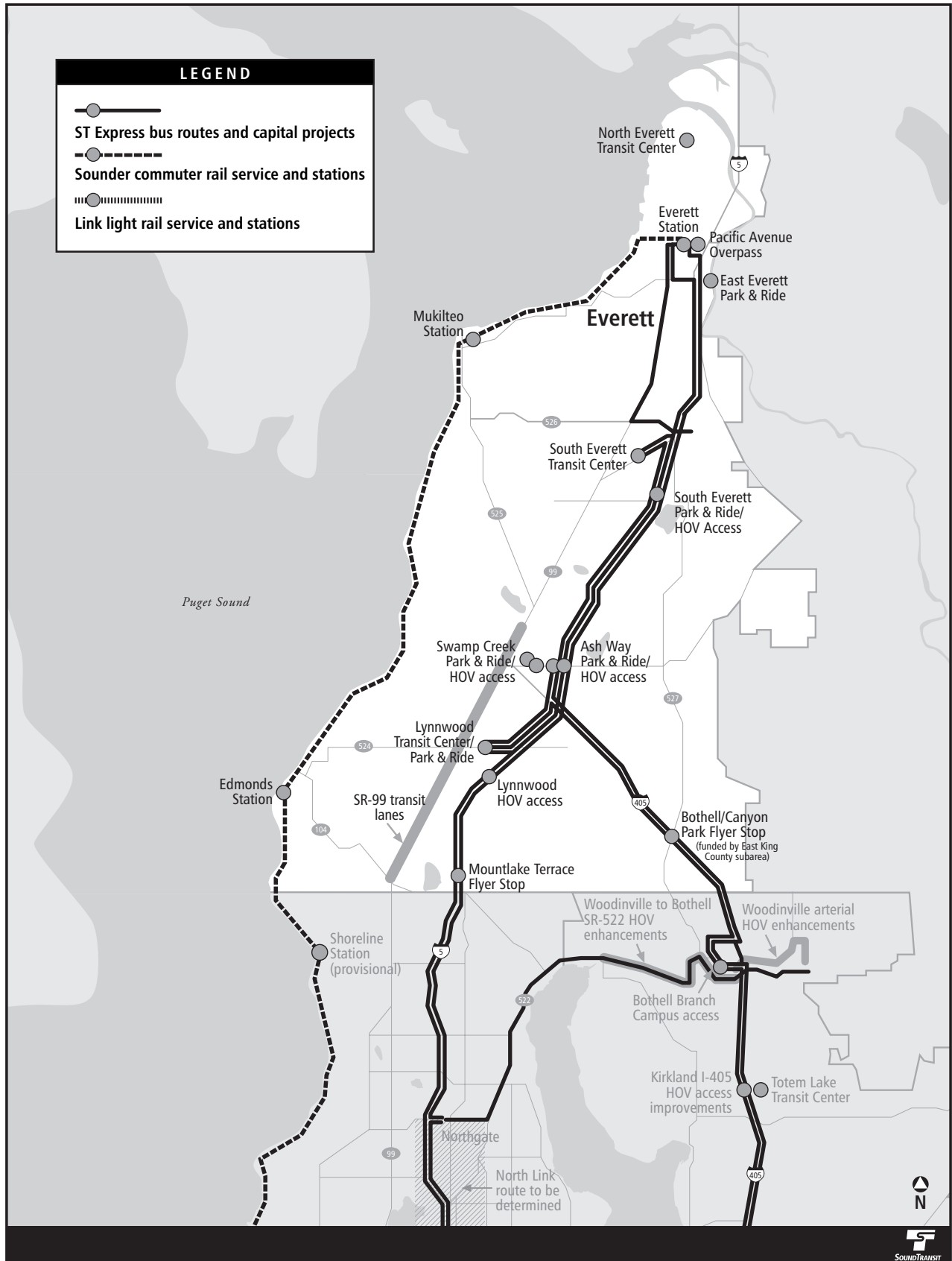
CAPITAL PROJECTS:

- North Everett Transit Center
- Pacific Avenue Overpass
- East Everett Park & Ride
- South Everett Transit Center
- South Everett Park & Ride/ HOV Access
- * Ash Way Park & Ride
- I-5 @ 164th HOV Access (Ash Way)
- Swamp Creek Park & Ride and HOV access project
- Lynnwood Transit Center/ Park & Ride
- Lynnwood HOV access project
- Lynnwood SR-99 transit lane improvements
- Mountlake Terrace flyer stop

BUS ROUTES:

- 505,506** * Everett–Northgate Express
- 510-513** * Everett–Seattle Express
- 530,532** * Everett Mall–Bellevue Express
- 535** * Lynnwood–Bellevue Express

Snohomish County



Seattle/North King County area gets "fair share" of Sound Transit investments

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Priority projects for each subarea are identified through a public process involving established local elected official organizations. For example, money raised in East King County is being used to fund ST Express regional bus routes that serve East King County as well as several capital projects located throughout the subarea. Similarly, money raised in Pierce County pays for services in Pierce County – ST Express buses and capital projects, Sounder commuter rail and Tacoma Link light rail.

The projects listed below were chosen to directly benefit the Seattle/North King County area.

Seattle/North King Subarea Capital & Operations/Maintenance Budget \$ 1,571m

In year of expenditure dollars

Seattle/North King Subarea Projects (* indicates in service)

Central Link Light Rail

- Initial segment track and signals (Downtown Seattle to Boeing Access Road)
- Initial segment stations:
 - Westlake (existing)
 - University Street (existing)
 - Pioneer Square (existing)
 - International District (existing)
 - Royal Brougham (deferred)
 - Lander
 - Beacon Hill
 - McClellan
 - Edmunds/Columbia City
 - Othello
 - Henderson
 - Boeing Access Road (deferred)
- Operations and Maintenance Facility

- **North segment track and signals (Downtown Seattle to Northgate)
- **North segment stations:
 - To be determined

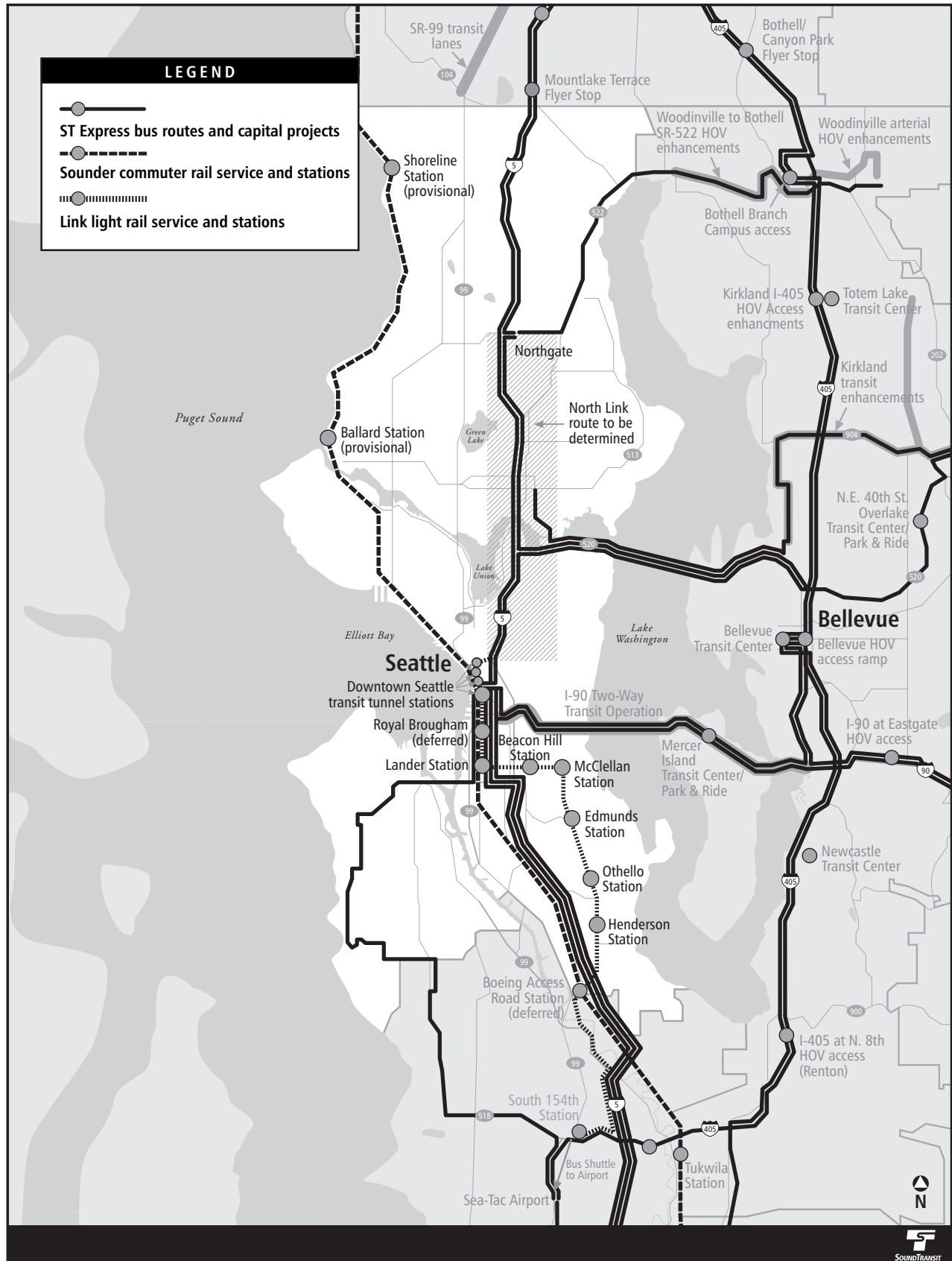
Sounder Commuter Rail

- Stations:
 - Shoreline Station (provisional)
 - Ballard Station (provisional)

REV. JANUARY 2, 2002

** Budget includes funds for planning and environmental review. Additional funds will be needed for construction.

Seattle/North King County



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Definition of terms Deferred – station construction delayed until funding source secured
 Provisional – station subject to funding availability



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