

Program Realignment Board Briefing Book

Revised January 2021

Board members:

The COVID-19 pandemic has created truly challenging impacts across the country for local governments generally and public transit agencies specifically. The governments of the Puget Sound region and Sound Transit are no exception. The resources in this briefing book support the process the Sound Transit Board is required to undertake to realign plans and timelines for the agency's capital construction projects as we continue to advance the most extensive transit expansion program in the nation. The Board successfully fulfilled this responsibility once before as the Great Recession took hold almost immediately following the enactment of ST2. The agency's staff is again committed to supporting the Board in responding to the agency's revenue and cost challenges by utilizing the best available strategies to deliver the mobility, economic and environmental benefits our region needs to thrive in the future

This briefing book lists all of the projects and programs which are not yet baselined and must thus be included in realignment discussions. The briefing book restates all of the realignment tools available to the Board and evaluates Sound Transit 2 and Sound Transit 3 (ST2 and ST3) projects against each of the eight criteria adopted by the Board in M2020-36. This content will be reviewed in detail during a Board workshop to be scheduled in January. Further information about capital cost increases and the effects on the agency's financial plan will also be provided in January. While you will receive multiple briefings over the coming months on these and related issues, please do not hesitate to contact me directly at any time if you have any questions regarding any aspect of this process.

At the same time as we grapple with this challenging process, staff will continue to support the Board in advancing the historic system expansions that are already in construction. Between now and 2024 we are on track to nearly triple the length of our light rail system, from 22 to 62 miles. We will open service to Northgate less than a year from now. We will expand well into Snohomish County while also reaching Federal Way, close to the Pierce County line. We will reach Tacoma's Hilltop neighborhood while launching service to Bellevue and Redmond. All but one of these six projects is on or ahead of schedule and on or under budget.

These fully-funded expansions that we will achieve over the next four years will be historic by themselves. But the work entrusted to Sound Transit to deliver all voter-approved projects is slated to continue for another two decades. The staff is eager to support the Board's work to advance the remaining voter-approved projects as quickly and efficiently as possible.

Sincerely,

Peter Rogoff

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1 INTRODUCTION

1.1 Why realign the capital program?

The COVID 19 pandemic is hitting Sound Transit hard. Ridership plummeted and financial forecasts have rendered a significant portion of the capital program unaffordable within voter-approved timeframes. At the same time the local construction and real estate markets remain strong. The cost increases that impacted recently baselined projects, such as Lynnwood and Federal Way Link, are certain to impact similar ST3 projects.

1.2 Realignment is required

The ST3 plan requires the Board take action when the voter-approved plan becomes unaffordable for any reason. More specifically, the ST3 plan stipulates that:

“In the event the Sound Transit 3 Plan improvements, or some portion thereof, are for any reason determined to be unaffordable due to increased cost or insufficiency of legally available funds, or are deemed impracticable or infeasible due to changed or unforeseen conditions or force majeure occurrence or event, or otherwise impracticable or infeasible for any other reason, Sound Transit will use the available funds to pay for the cost of those improvements, or portions thereof, contained in the Plan, or in ST2 or Sound Move, that the Board deems, in its discretion, to be most necessary and in the best interests of Sound Transit after consideration of the Plan and the financial policies adopted as part of the Plan. The Board may amend the Plan accordingly to reflect such adjustments to the Plan as the Board, in its discretion, deems appropriate under the circumstances, and as permitted by law or as provided by this Resolution. In addition, or alternatively, the Board may, in its discretion, implement the steps authorized in the "Adjustments to Subarea Projects and Services" section of the Financial Policies adopted in Resolution No. R2016-16 (Appendix B), and use the resulting available funds (1) to pay for such portions of the capital and/or service improvements identified in the Sound Transit 3 Plan, or in ST2 or in Sound Move, or such other capital and/or service improvements, that are affordable, practical, and feasible, and that the Board in its discretion determines best achieve the stated goals of the Plan; and/or (2) to pay principal or interest on bonds, loans, or other obligations; all as the Board in its discretion determines to be most necessary and in the best interests of Sound Transit after consideration of the Plan and the financial policies adopted as part of the Plan, or otherwise appropriate or necessary in accordance with law and Board policies.”

1.3 Actions taken thus far

In response to the pandemic, the agency has already taken several steps to manage the potential impacts to the capital program. In March 2020, to avoid overcommitting the agency's resources, the CEO directed that work on projects not already in construction pause until the Board could consider impacts of the pandemic and formulate an approach to address them.

In June, Sound Transit developed the Path Forward for the Capital Program Realignment. This established July 2021 as the target for completing the realignment process and provided a framework to make measured progress on near-term actions.

In September, the Board designated nine of 17 projects for near-term unpausing actions to go before the System Expansion Committee (see Motion [M2020-55](#)). In taking this action the Board emphasized that these and all capital projects not currently under construction will need to be considered as part of the realignment process.

1.4 Realignment process

The Board adopted criteria in Motion [M2020-36](#) to help inform the Board on how to best achieve the objectives of the ST2 and ST3 plans when making upcoming realignment decisions. They include “ridership potential”, “socio-economic equity”, “connecting centers”, “tenure”, “outside funding”, “completing the spine”, “advancing logically beyond the spine”, and “phasing compatibility”.

Another action of the Board, Motion [M2020-37](#), directed staff to develop and present the Board with realignment scenarios utilizing current financial forecasts, as well as less dire alternative scenarios, that could result through, among other things, increased state and/or federal funding, third-party funding, and/or an increase in the agency’s debt capacity.

The Puget Sound region is the economic engine of the state, and high capacity transit is a vital element of the region’s economic recovery and future growth. Every effort should be taken to minimize the need to slow or cancel any aspect of the voter-approved ST2 and ST3 programs. To that end, the staff will kick off the realignment process by apprising the Board of the potential for new revenue and fiscal opportunities called for in Motion M2020-37. Following this discussion the Board will develop a realignment plan, which utilizes these financial tools to keep as close as possible to the current schedule and scope for system expansion consistent with the Board’s adopted criteria. Additionally, consistent with requirements of the voter-approved plan, the Board will develop a back-up realignment plan based only on funds likely to be available from current and reasonably certain sources. This plan will be utilized in the event that new revenue and/or fiscal capacity is not realized.

In Q1 2021, after receiving the project assessments and following a January workshop, the Board will provide direction to staff on how best to develop for Board review scenarios that reflect the two basic approaches to realignment. The first, an expanded capacity approach, will rely upon new revenue and/or fiscal capacity to minimize impacts to the voter-approved system expansion plans. The second, the approach required in the ST3 plan, will rely upon the other realignment tools available to the Board to identify which set of project and program investments will best meet the objectives of the voter-approved plans and still be affordable.

Both approaches to realignment will consider how expansion plans may be modified to best achieve the overall plan objectives consistent with the anticipated revenue, project costs, and budget and schedule guidance provided by the Board.

1.4.1 Expanded capacity approach

The first approach to realignment will rely principally upon the new financial resources identified in M2020-37 to expand the agency’s financial capacity. These include aggressively pursuing new federal and state funding and boldly identifying other tools to increase fiscal capacity such as seeking approval to raise the agency’s debt limit. See Section 2.4 for further discussion of these levers.

1.4.2 Plan-required approach

In the event that new financial resources are not secured, the second approach to realignment will allow the Board to utilize all or some combination of the following tools to ensure affordability based on the agency's most recent financial plan update:

Delay the delivery of projects to various extents to maintain plan affordability

Projects could be delayed in their entirety as required to maintain plan affordability.

Deliver projects in phases

Staff will identify options for what portions of a project could be affordable within budget limits of an initial phase and what portions of scope could be delayed to a later phase.

Choices for phasing could include approaches such as implementing light rail extensions in segments; opening the three bus rapid transit lines over several years rather than simultaneously; spreading the ST2 and ST3 Sounder improvements over a longer period of time; and deferring some parking and access elements for some or all high capacity transit (HCT) extensions.

Reduce project scopes

The Board also has the option to permanently reduce the scope of projects if that would better meet plan objectives than utilizing the other tools described here.

Suspend or delete projects

Consistent with the ST2 and ST3 plans, the Board retains the option to suspend or delete projects if it deems that would best achieve the objectives of the plans.

This second approach will enable the Board to comply with the requirements of the ST3 plan and establish which projects should proceed, even if new financial resources are not achieved, in order to best meet the objectives of the voter-approved plans.

Also in Q1 2021, staff will engage the Board in discussions about how to engage with the public in April so the Board's realignment decisions can be guided by public input. During public engagement, the public could be asked for their input on trade-offs between new financial resources versus project scope and schedule, through review of a draft realignment plan. As outlined below, we anticipate public engagement in April following Board discussions in Q1 of 2021.

For the expanded capacity approach to realignment and consistent with Motion 2020-37, following the compilation and presentation of public input, staff will work with Board leadership to develop a financial scenario that could include, but not be limited to, increased assumptions in state funding, third party funding, federal funding and/or debt capacity. This plan will allow the Board to identify projects that could be delivered more quickly and/or with their full scope should economic conditions improve more quickly than projected and/or alternative funding sources or increased debt capacity materialize.

For the plan-required approach and consistent with Motion 2020-36, staff will also work with Board leadership to develop a realignment plan based on funds likely to be available from current and reasonably certain sources, and that utilizes a combination of the tools at the

Board's disposal (including, but not limited to project delay, phasing, reducing project scope, suspension, cancellation) to rebalance the agency financial plan. The plan will utilize the best projections of revenue and costs available at that time. We anticipate the plan will establish budget targets for the initial and subsequent phase of each project. Even when a project is anticipated to be phased, the Board may choose to evaluate the full project in environmental review in order to maintain readiness for a variety of revenue outcomes.

The schedule outlined below envisions the Board leadership proposing a final realignment plan to the full Board in June 2021 for discussion. Beginning in July 2021 the Board could then consider revisions to the plan before adoption. Adoption in the summer of 2021 will align with the 2022 budget planning cycle and provide needed guidance to staff on how to proceed.

1.5 Realignment schedule 2021

January: review project evaluation

Briefings: discuss project evaluation results and answer questions; tools available to the Board; clarification on what project and program elements are subject to realignment; and legal principles and subarea finances to provide common grounding for the 2021 realignment requirements, processes, and decisions.

01/07 Executive Committee: financial update; project cost updates.

01/21 Workshop: review and answer questions from the Board regarding legal requirements for realignment; financial updates, including subarea finances; new financial resource tools; and project evaluation results from the Board-adopted criteria. Provide current project cost estimates; discuss tools to realign the plan; provide direction to staff to develop two approaches to realignment, one utilizing new financial resources and the other constrained by legally available funds. Review the full array of tools available to the Board.

February: discuss realignment approaches

Briefings: follow up on questions from the workshop; discuss alternative approaches developed based on the workshop and their affordability; gather feedback about what else Board members want staff to explore.

02/04 Executive Committee: review financial update; preview work on approaches emerging from the Board workshop.

02/25 Board: review financial update; discuss alternative approaches to realignment based on the Board workshop.

March: define realignment approaches for public feedback

Briefings: discuss public engagement questions to pose to the public, for instance, how to frame the trade-offs between new financial resources versus changes to system expansion plans.

03/04 Executive Committee: review financial update; discuss public engagement plans.

03/18 Finance and Audit Committee: review financial update.

03/25 Board: review financial update; direct staff on how to engage with the public and which questions to pose; review outreach plan.

April: engage the public

Briefings: review final financial and cost forecasts to use as the basis of the realignment plans; continue discussing Board member questions and interests as we await public input.

04/01 Executive Committee: review final financial and cost update, to use as the basis of the realignment plan; and outreach update.

04/22 Board: review final financial and cost forecasts to use as the basis of the realignment plan; and outreach update.

May: discuss the realignment plan

Briefings: discuss public engagement results; continue discussing Board member questions and interests.

05/06 Executive Committee: discuss public engagement results; discuss Board priorities for a draft realignment plan.

05/27 Board: discuss public engagement results; discuss priorities for a draft realignment plan.

June: develop realignment plan

Briefings: Identify Board member interests and requirements for the plan-required realigned plan as well as the revenue assumptions for the Expanded Capacity plan including increased federal/state resources.

06/03 Executive Committee: Board leadership outlines what they have heard as priorities and requirements for realigned plans.

06/24 Board: present and discuss proposal for a realigned plan; identify potential refinements; direct staff to prepare final plan/action for Board consideration in July.

July: take realignment action

Briefings: review and discuss final plan/action; identify potential adjustments or amendments.

07/01 Executive Committee: review final plan/action; recommend final plan/action to Board.

07/08 System Expansion Committee: discuss Executive Committee final plan recommendation.

07/15 Finance and Audit Committee: review financial analysis for final plan.

07/22 Board: review and discuss final plan/action recommended by Executive Committee; adopt final plan/action.

1.6 Projects subject to realignment

System expansion projects not yet committed or in construction, including (see map):

- West Seattle and Ballard Link Extensions
- Tacoma Dome Link Extension
- Everett Link Extension
- South Kirkland – Issaquah Link Extension
- Tacoma Link Extension to Tacoma Community College
- I-405 and SR-522/NE 145th St. Stride
- Sounder Parking and Access (Mukilteo, Edmonds, Kent, Auburn, Sumner, South Tacoma, Lakewood)
- Sounder South Capacity Expansion (platform extensions, added trips, additional station access improvements)
- DuPont Sounder South Extension
- Infill stations at NE 130th, S. Graham Street and S. Boeing Access Road
- Bus on Shoulder improvements, SR-162 bus speed and reliability, North Sammamish Park & Ride
- RapidRide C/D improvements (remaining investment)

Voter-approved capital programs, including:

- Innovation and Technology Program
- System Access Fund (remaining investment)
- HCT planning and environmental studies

1.7 Projects not subject to realignment

System expansion projects already in construction, including (see map):

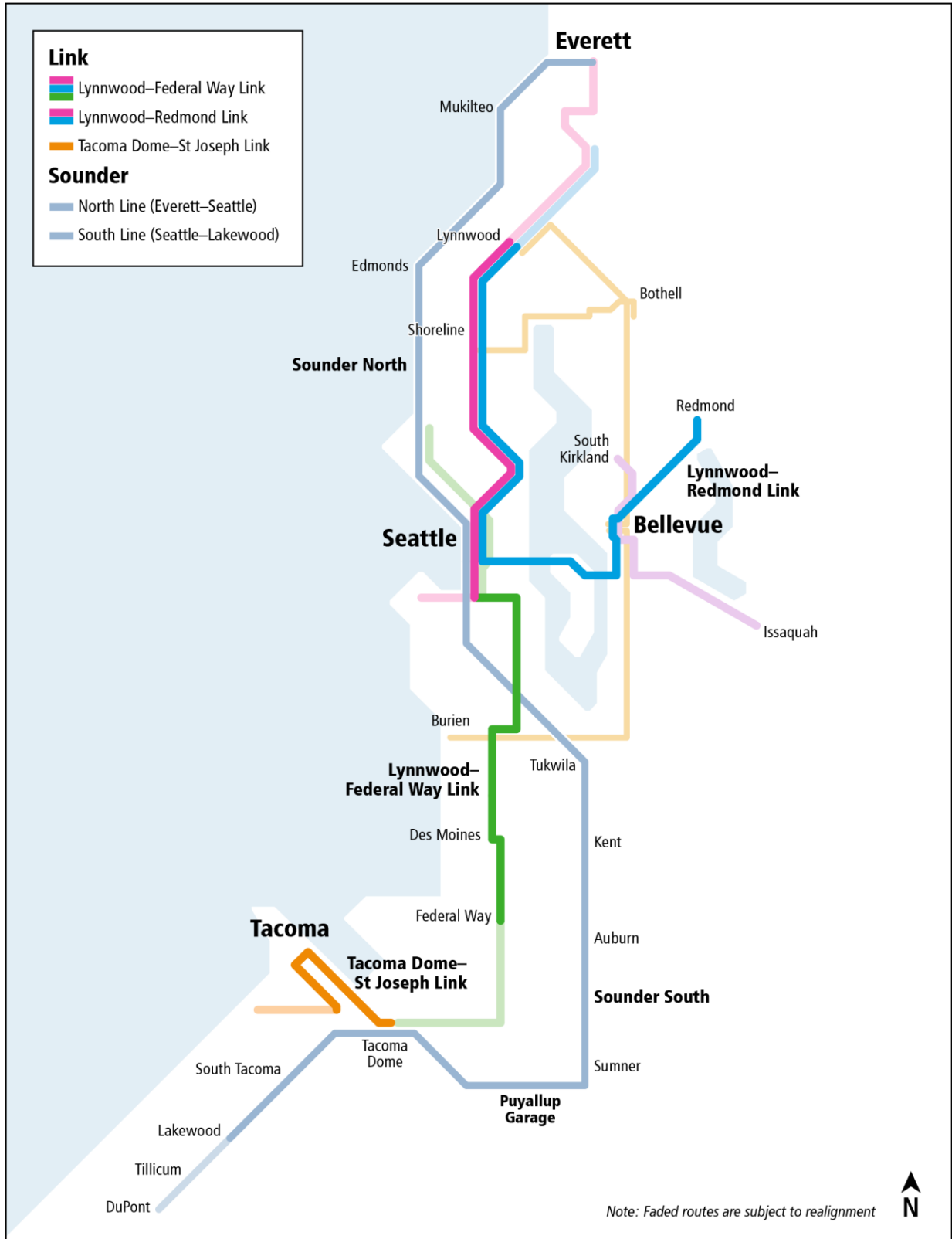
- Northgate Link Extension
- Hilltop Tacoma Link Extension
- East Link Extension
- Lynnwood Link Extension
- Federal Way Link Extension
- Downtown Redmond Link Extension
- OMF East
- Puyallup Parking & Access Improvements

System expansion projects nearing closeout (e.g. Tacoma Trestle, Point Defiance Bypass)

Projects Subject to Realignment



Projects not subject to realignment



2 FINANCIAL STATUS AND RISKS

2.1 Economic outlook

The December 2020 long range financial plan (2017-2041) projects a drop in tax revenues of \$6.1B as compared to the 2019 plan with the current moderate recession revenue forecast. The December 2020 finance plan also reflects a higher federal grant assumption of \$800M over the same time period. Staff are continuing to review project cost estimates, as well as the possibility of updating federal funding assumptions, including the addition of any federal relief funds that Congress is currently debating.

At the January Board workshop staff will provide updated federal revenue and project cost forecasts and the resulting overall funding gap in the finance plan. This funding gap will illustrate the size of changes needed to restore affordability to the capital program and will be based on reasonable estimates of projected revenues and costs.

Current Forecast: 2020 Revenue Forecast vs. 2019 Revenue Forecast			
(in thousands)	2020 - 2021	2020 - 2041	2020 - 2041 (%)
Sales Tax	\$ (256,667)	\$ (5,428,424)	-11.5%
MVET	\$ (49,183)	\$ (606,513)	-8.1%
Property Tax	\$ (121)	\$ (33,849)	-0.8%
Rental Car Tax (RCT)	\$ (4,102)	\$ (39,050)	-46.2%
Total Tax Revenues	\$ (310,073)	\$ (6,107,835)	-10.3%
Grants (Incl. CARES Act)	\$ 305,982	\$ 800,489	10.8%
Total Taxes and Grants	\$ (4,091)	\$ (5,307,346)	-8.0%

The nature of the pandemic and accompanying recession carry with them a high degree of uncertainty – uncertainty driven by unknown factors such as the timing of vaccine availability, the enactment of economic stimulus packages, and future unemployment rates. The revenue forecast above is the most current given the latest data available, including five months of Sound Transit tax collections since the beginning of the pandemic. If the current recession forecast were to increase in severity similar to the Great Recession, the range of total tax revenue decline could be as high as \$11.5B.

Severe recession scenario: 2020 Revenue Forecast vs. 2019 Revenue Forecast			
(in thousands)	2020 - 2021	2020 - 2041	2020 - 2041 (%)
Sales Tax	(\$381,141)	(\$10,593,260)	-22.4%
MVET	(\$50,507)	(\$853,482)	-11.4%
Property Tax	(\$121)	(\$33,849)	-0.8%
Rental Car Tax (RCT)	(\$4,102)	(\$39,050)	-46.2%
Total Tax Revenues	\$ (435,871)	\$ (11,519,640)	-19.4%

2.2 Capital cost and operating cost growth

In addition to high revenue uncertainty, we also face uncertainty surrounding the high cost pressure we are currently experiencing on major projects. Increases in forecasted operating or capital costs similar to what the agency has been experiencing in recent years would further widen the funding gap and increase the unaffordability of the plan. Further information about cost increases and their effect on the finance plan will be provided at the January 7, 2021 Executive Committee meeting and at the January 21, 2021 Board Realignment Workshop.

2.3 Debt financing, capacity, credit ratings

Debt financing

The agency uses debt to bridge the gap between the timing of expenditures and the receipt of revenues. Debt is necessary to complete the voter-approved plans, and the amount of debt used to fund the plan fluctuates based on updated revenue and expenditure needs. However, there are limits on how much debt can be issued. When forecasted expenditures exceed forecasted revenues and available debt that can be borrowed, the program becomes unaffordable. That is the situation in which Sound Transit currently finds itself.

Debt capacity

Sound Transit's debt capacity is driven by three constraints:

1. **Legal debt capacity:** The amount of debt issued by Sound Transit currently cannot exceed 1.5% of the assessed valuation of real property located within the regional transit authority district. This limit will vary based on property value movement and would usually decline in a recession. The process to raise Sound Transit's legal debt limit under Washington state law is described in Section 2.4.2.
2. **Financial policy - net coverage ratio:** According to the Board's adopted Financial Policy, net debt service coverage (revenues available to cover all cost including operating costs) must not fall below 1.5x in a single year in order to ensure adequate funding to maintain operations and maintenance needed for the system.
3. **Bond covenants and loan agreements - gross coverage ratios and additional bond tests:** Coverage ratios and tests defined in the bond covenants and loan agreements may vary by lien and series to ensure the Agency's ability to pay debt obligations to debtholders, and the credit quality of the debt obligations.

Credit ratings

Sound Transit benefits from one of the highest credit ratings in the country. We enjoy this high rating and associated low cost of capital due to our revenue strength, our strong management, and our track record of program and service delivery. We were able to maintain these high credit ratings through the Great Recession and to date, through the pandemic, principally because the credit rating agencies understand that the Board has the statutory tools and ability to adjust the capital program to respond to any loss of revenues. Our current high credit ratings translate directly into millions of dollars in lower borrowing costs. If our credit were to deteriorate by 2-3 notches, our borrowing costs would be expected to grow between \$400-500 million,

requiring even more severe project limitations through the realignment process to achieve program affordability.

2.4 Financial levers

2.4.1 Revenue levers

Sound Transit can seek to offset revenue losses due to the pandemic and cost increases by pursuing revenue from existing and new sources.

Existing sources

Federal grant funding

Sound Transit generally secures federal funding through Federal Transit Administration, Federal Highway Administration, and Federal Railroad Administration programs currently authorized under the Fixing America's Surface Transportation Act. Grant funding is projected to be secured through FTA's Capital Investment Grants program, FTA formula funding and other regional/national grant competitions. The voter-approved ST3 plan assumed that grants would fund 16% of the planned capital expenditures through 2041, and the updated agency Finance Plan increased that assumption to 17.5% of the planned capital program. Staff is currently conducting a further analysis to determine whether it may be reasonable to increase this assumption. Any increased assumption proposal will be discussed with the Board at the January workshop.

To increase the opportunity for grants, the agency can ensure project readiness and competitiveness. Typically, for federal grants, the strongest indicator of readiness is for a project to have completed the environmental process and received a Record of Decision from the federal government.

Rental car tax

The Board currently has the authority to increase the rental car tax rate from .8% to 2.172% without additional approval from the voters. However, the current severe downturn in travel and tourism means that any upward adjustment to this very small source of revenue would yield little immediate benefit to the financial plan.

Fare Revenues

Currently, farebox recovery for certain modes is below Board-approved farebox recovery ratios. In order to comply with those recovery ratios and meet fare revenue projections, the Board will be required to consider fare increases for certain modes in the near term and continuously into the future. The Board could also seek to raise farebox recovery ratios further to generate higher revenue from passenger fares.

New revenue sources

State funding: Sound Transit is prohibited from receiving money from grant programs funded by the State's omnibus transportation budget (with the exception of transit coordination grants). This funding prohibition was added by the legislature during

transportation package negotiations in 2015 as a condition for authorizing the revenue tools to be considered by the voters in the ST3 ballot measure. However, Sound Transit is allowed to receive funding that is directly appropriated by the legislature. Direct appropriations could include formula funding for operating expenses or funding toward development or construction of a capital project.

Other sources: Lastly, the agency can pursue alternative revenue sources. Examples include increased third-party funding such as contributions from cities or counties, and increasing current revenue assumptions from advertising or paid parking.

2.4.2 Non-revenue financial levers

Legal debt capacity

Sound Transit's legal debt limit is set at 1.5% of assessed value of property within the RTA district. Local government indebtedness is addressed in Art. VIII, Sec. 6 of the Washington State Constitution, which sets out both the limitations and how such debt limits can be increased. There are two possible ways to change the limitations of Sound Transit's debt capacity:

- The Sound Transit Board could issue a ballot measure seeking to increase the agency's maximum indebtedness from 1.5% of the assessed property value in the RTA district to as much as 5% of the assessed value of property in the district. The ballot measure would need to pass by 60% of the voters within the RTA District.
- The Washington State Constitution could be amended to either create sideboards on what types of municipal corporations are restricted by the constitutional limit, or to set out an alternative path for increasing debt capacity above the current 1.5% maximum. An amendment to the Constitution could either be initiated as a petition and initiative (statewide) or via the legislature, which would require a 2/3rds vote of each legislative chamber and a majority vote of the public across Washington State.

Federal loans such as TIFIA and RRIF

The agency can pursue additional lower cost debt such as TIFIA, the Transportation Infrastructure Finance and Innovation Act program. Sound Transit already is the nation's largest TIFIA borrower and currently has executed TIFIA loans for five projects, totaling \$3.3 billion. Sound Transit has initiated conversations with the Build America Bureau at the United States Department of Transportation about opportunities to expand scope and refinance its existing TIFIA portfolio to further reduce interest costs. Another federal financing option the agency could explore is the Railroad Rehabilitation and Improvement Financing program, also administered by USDOT. This program is limited to lending for freight and commuter rail investments and could be a source of lower cost credit for Sounder commuter rail improvements.

2.5 Subarea equity

Subarea equity

The ST3 plan requires the Board to incorporate subarea equity considerations into the realignment process and decision making, and consider how a realigned capital program will

compare to the original voter-approved plans. For the Board's realignment deliberations, the Board must consider subarea affordability and system-wide and subarea transit benefits sufficient to support the Board's conclusion that the realigned capital program best achieves the overall objectives of the ST2 and ST3 Plans.

As the Board considers subarea equity through its realignment deliberations, it is worth noting that Sound Transit manages agency finances on a consolidated basis. Sound Transit keeps account of subarea finances on an annual basis, and routinely allocates available funds to subareas to help meet their expenditure needs in order to continue to deliver the program as planned, and to ensure a balanced and affordable Financial plan. All subareas routinely borrow and lend funds among each other and borrowed funds are paid back during and after the completion of the capital program. The financial policies adopted by the voters also permit the Board to allocate grant reimbursements to other subareas as it deems necessary to complete the system plan. In addition, and consistent with the subarea equity principle, the Board has the flexibility to consider cross-subarea and regional benefits when developing the realigned capital program.

To assist the Board in its realignment deliberations, staff will be bringing subarea information forward, including:

- Each subarea's forecasted available funds relative to the subarea's projected costs.

- Evaluation of the transit benefits of those capital projects subject to realignment through the application of the Board adopted project evaluation criteria (M2020-36).

For reference, below is the pertinent subarea equity text from the ST3 voter-approved plan:

"Equity will be defined as utilizing local tax revenues for projects and services that provide transportation benefits to the residents and businesses in each of the subareas generally in proportion to the level of revenues each subarea generates. Subareas may fund projects or services located outside of the geographic subarea when the project substantially benefits the residents and businesses of the funding subarea. The Financial Plan for Sound Transit activities addresses this equity principle by providing a financial plan for each of the five Sound Transit subareas, comprised of the subarea's share of local taxes, debt capacity, farebox proceeds and an assumption for federal funding. The five subareas are defined as Snohomish County, North King County/Seattle, East King County, South King County and Pierce County. While the Financing Plan will be managed by the Board on a consolidated basis, the Board will report annually on individual subarea performance.

The Board agrees, therefore, that the facilities, projects and services identified in all voter-approved system plans represent a reasonable definition of equity."

3 PROJECT EVALUATION

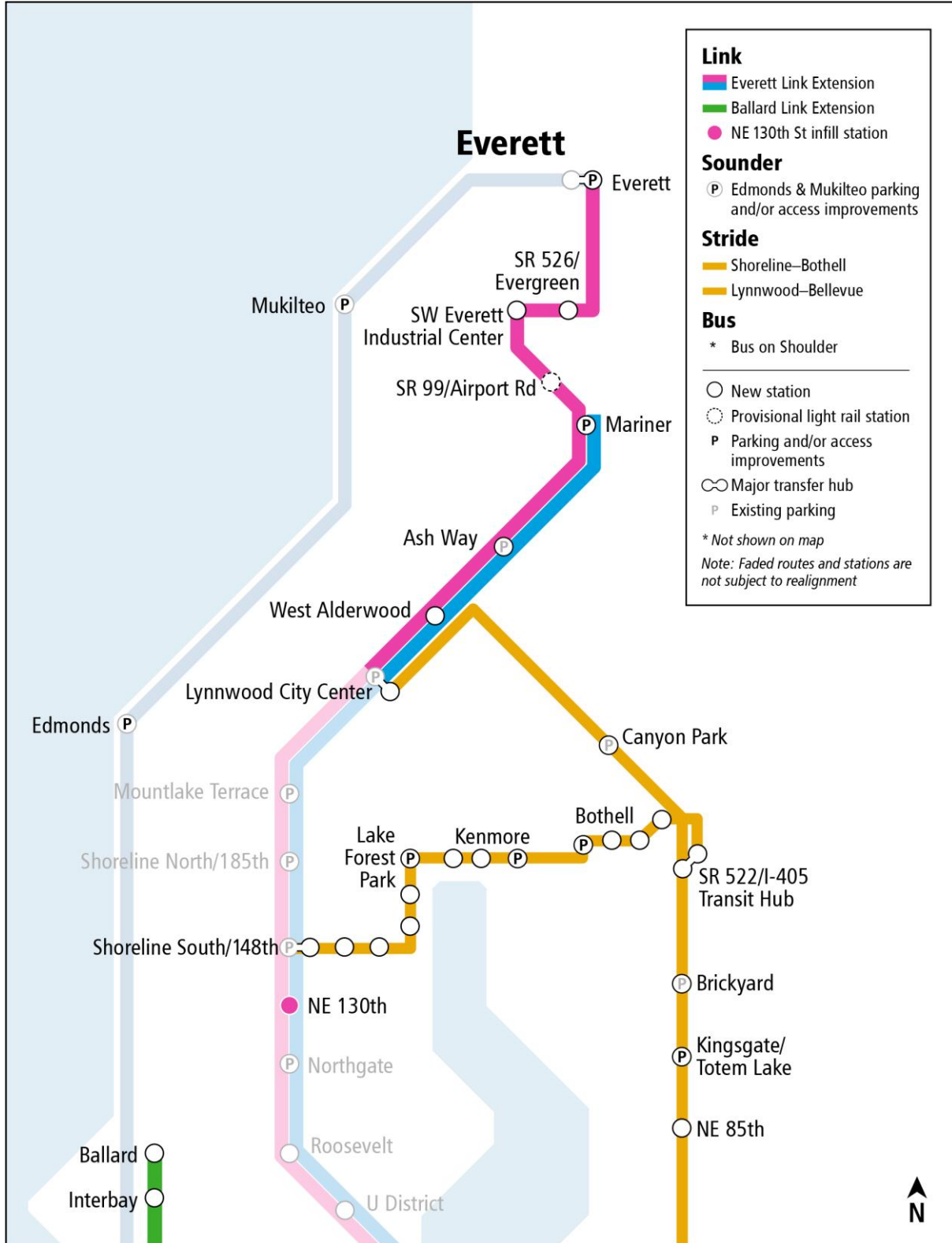
3.1 Adopted criteria

This section describes the performance of each system expansion project subject to realignment against the evaluation criteria adopted by the Board in Motion M2020-36. The table below defines the methods and indicators for each criterion, and the tables that follow present measures for each project. An appendix provides supplemental information for a subset of the criteria.

Criterion	Methodology	Performance Indicator
Ridership Potential <i>How many daily riders is the project projected to serve?</i>	The measure uses outputs from ridership forecasts based on the Sound Transit ridership model to assess the number of projected daily riders.	More than 45,000 daily riders
		Between 5,000 and 45,000 daily riders
		Less than 5,000 daily riders
Socio-Economic Equity <i>How well does the project expand mobility for transit-dependent, low-income, and/or diverse populations?</i>	The measure identifies how well each project serves key populations based on a demographic analysis within a one-mile radius of station areas. Key populations include: 1) Black and Indigenous populations; 2) non-Black, non-Indigenous populations of color; 3) limited English proficiency populations; 4) low income populations; 5) very low income seniors; 6) populations with a disability.	High
		Medium-high
		Medium-low
		Low

Criterion	Methodology	Performance Indicator
Connecting Centers <i>Does the project connect designated regional centers?</i>	The measure identifies the number of Puget Sound Regional Council-designated regional growth and manufacturing/industrial centers served by the project.	More than One
		One
		None
Project Tenure <i>How long have voters been waiting for the project?</i>	The measure identifies which voter-approved capital program the project was originally a part of.	Sound Move
		ST2
		ST3
Outside Funding <i>Are other funding sources available or secured?</i>	The measure identifies if Sound Transit plans to pursue outside funding for the project and if the project is expected to be competitive for a significant portion of outside funding.	Yes, and competitive for >25% of project cost
		Yes, and competitive for <25% of project cost
		No, and not planned to pursue
Completing the HCT Spine <i>Does the project advance development of the regional HCT spine?</i>	The measure identifies whether the project contributes to the completion of the regional HCT spine.	Yes
		No
Advancing Logically Beyond the Spine <i>Is the project a "logical next step" beyond the spine and within financial capacity?</i>	The measure identifies whether the project advances logically beyond the spine. Because all projects were included in a voter-approved system plan, all projects that don't complete the spine are assumed to advance logically beyond the spine.	Yes
		N/A
Phasing Compatibility <i>Can the project be constructed and opened for service in increments?</i>	The measure identifies whether a project can be constructed and opened for service in increments.	Yes
		No

3.2 North Corridor Projects subject to realignment



Evaluation Criteria	Everett Link Extension	NE 145th Street and SR 522 BRT	Edmonds & Mukilteo Sounder Stations Parking & Access Improvements	NE 130th Street Infill Station
Ridership Potential	37,000-45,000 daily riders	8,300-9,900 daily riders	<500 daily riders	3,300-3,700 daily riders
Socio-Economic Equity	Medium-high	Medium-low	Low	Medium-low
Connecting Centers	3	0	0	0
Project Tenure	ST3	ST3	ST3	ST3
Outside Funding	Yes, competitive for >25% of project cost	Yes, competitive for <25% of project cost	No, not planning to pursue	Yes, competitive for <25% of project cost
Completing the HCT Spine	Yes	No	No	No
Advancing Logically Beyond the Spine	N/A	Yes	Yes	Yes
Phasing Compatibility	Yes	Yes	No	Yes

3.3 Central Corridor Projects subject to realignment



Evaluation Criteria	West Seattle Link Extension	Downtown Seattle Light Rail Tunnel	Ballard Link Extension
Ridership Potential	25,000-27,000 daily riders	113,000-150,000 daily riders	65,000-81,000 daily riders
Socio-Economic Equity	Medium-low	Medium-low	Low
Connecting Centers	1	2	3
Project Tenure	ST3	ST3	ST3
Outside Funding	Yes, competitive for >25% of project cost	Yes, competitive for >25% of project cost	Yes, competitive for >25% of project cost
Completing the HCT Spine	No	No	No
Advancing Logically Beyond the Spine	Yes	Yes	Yes
Phasing Compatibility	Yes	No	Yes

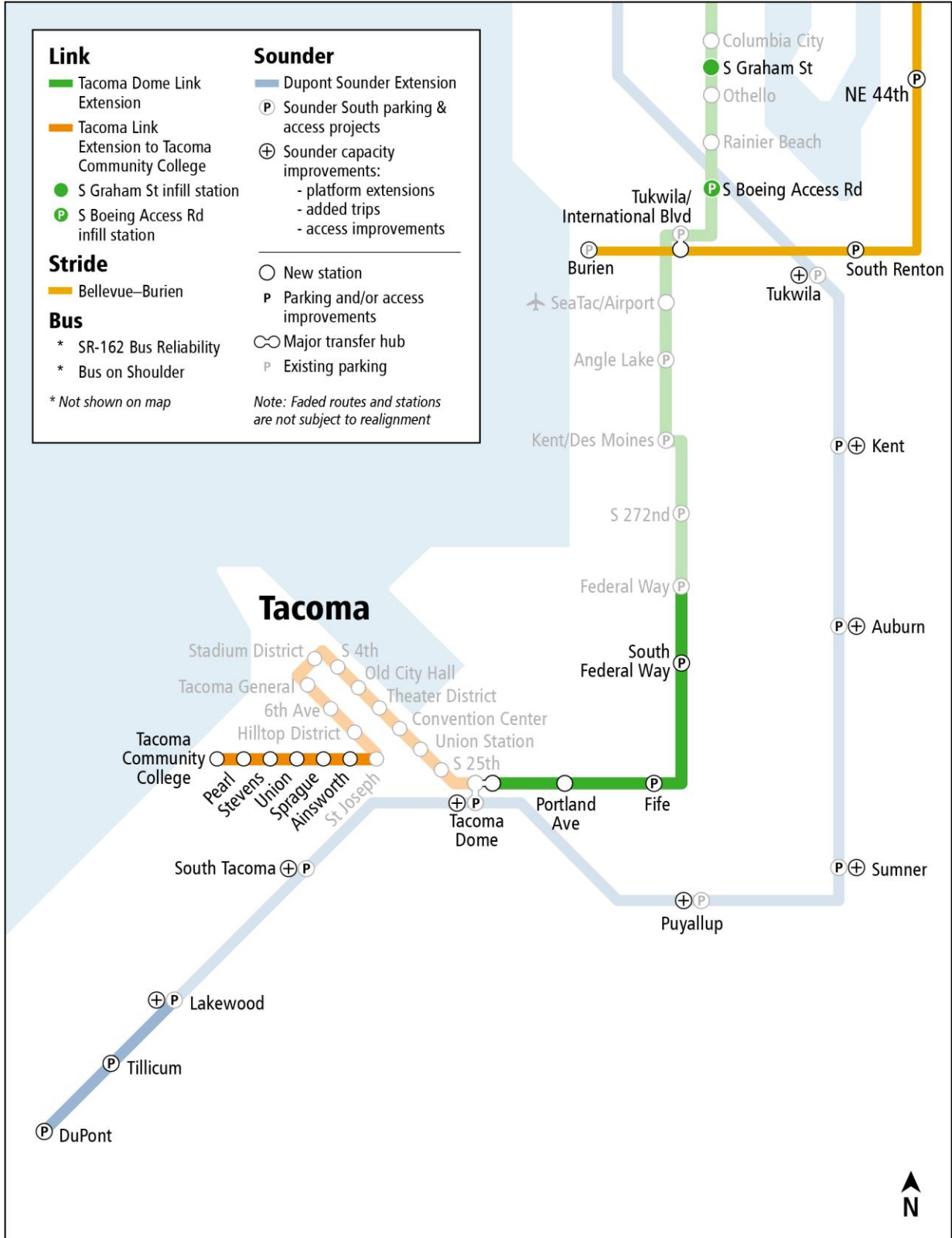
Evaluation Criteria	RapidRide C&D Capital Improvements	Graham Street Infill Station	Boeing Access Road Infill Station
Ridership Potential	N/A	1,500-2,500 daily riders	1,500-2,000 daily riders
Socio-Economic Equity	Medium-low	High	High
Connecting Centers	4	0	1
Project Tenure	ST3	ST3	Sound Move
Outside Funding	No, not planning to pursue	Yes, competitive for <25% of project cost	Yes, competitive for <25% of project cost
Completing the HCT Spine	No	No	No
Advancing Logically Beyond the Spine	Yes	Yes	Yes
Phasing Compatibility	Yes	No	No

3.4 East Corridor Projects subject to realignment



Evaluation Criteria	South Kirkland – Issaquah Extension	North Sammamish Park and Ride	I-405 BRT: North	I-405 BRT: South
Ridership Potential	12,000-15,000 daily riders	<500 daily riders	10,800-15,000 daily riders	8,600-11,400 daily riders
Socio-Economic Equity	Low	Low	Low	Medium-high
Connecting Centers	2	0	4	3
Project Tenure	ST3	ST3	ST3	ST3
Outside Funding	Yes, competitive for >25% of project cost	No, not planning to pursue	Yes, competitive for <25% of project cost	Yes, competitive for <25% of project cost
Completing the HCT Spine	No	No	No	No
Advancing Logically Beyond the Spine	Yes	Yes	Yes	Yes
Phasing Compatibility	Yes	No	Yes	Yes

3.5 South Corridor Projects subject to realignment



Evaluation Criteria	Kent Station Parking & Access Improvements	Auburn Station Parking & Access Improvements	Sumner Station Parking & Access Improvements
Ridership Potential	<1,000 daily riders	<1,000 daily riders	<1,000 daily riders
Socio-Economic Equity	High	Medium-high	Low
Connecting Centers	1	1	0
Project Tenure	ST2	ST2	ST2
Outside Funding	No, not planning to pursue	Yes, competitive for <25% of project cost	No, not planning to pursue
Completing the HCT Spine	No	No	No
Advancing Logically Beyond the Spine	Yes	Yes	Yes
Phasing Compatibility	No	No	No

Evaluation Criteria	Tacoma Dome Station Parking & Access Improvements	South Tacoma Station Parking & Access Improvements	Lakewood Station Parking & Access Improvements
Ridership Potential	<1,000 daily riders	<1,000 daily riders	<1,000 daily riders
Socio-Economic Equity	High	Medium-high	High
Connecting Centers	1	0	1
Project Tenure	ST2	ST2	ST2
Outside Funding	No, not planning to pursue	Yes, competitive for <25% of project cost	Yes, competitive for <25% of project cost
Completing the HCT Spine	No	No	No
Advancing Logically Beyond the Spine	Yes	Yes	Yes
Phasing Compatibility	Yes	Yes	Yes

Evaluation Criteria	Sounder South Platform Extensions	Sounder South Expanded Service	Sounder South Access Improvement Program	DuPont Sounder South Extension
Ridership Potential	22,900 - 31,100 daily riders			1,000-1,500 daily riders
Socio-Economic Equity	High	High	N/A	Medium-low
Connecting Centers	6	6	N/A	1
Project Tenure	ST3			ST3
Outside Funding	Yes, competitive for >25% of project cost	No, and not planned to pursue	Yes, competitive for <25% of project cost	Yes, competitive for >25% of project cost
Completing the HCT Spine	No			No
Advancing Logically Beyond the Spine	Yes			Yes
Phasing Compatibility	Yes			Yes

Evaluation Criteria	Tacoma Dome Link Extension	Tacoma Link Extension to Tacoma Community College	SR-162 Bus Speed & Reliability Capital Improvements
Ridership Potential	24,300-36,000 daily riders	13,000-18,000 daily riders	<1,000 daily riders
Socio-Economic Equity	Medium-high	Medium-high	Low
Connecting Centers	3	1	0
Project Tenure	ST3	ST3	ST3
Outside Funding	Yes, competitive for >25% of project cost	Yes, competitive for >25% of project cost	No, not planning to pursue
Completing the HCT Spine	Yes	No	No
Advancing Logically Beyond the Spine	N/A	Yes	Yes
Phasing Compatibility	Yes	Yes	No

3.6 System-wide projects subject to realignment

Evaluation Criteria	Bus on Shoulder Program	System Access Program	Innovation & Technology Program
Ridership Potential	N/A	N/A	N/A
Socio-Economic Equity	N/A	N/A	N/A
Connecting Centers	N/A	N/A	N/A
Project Tenure	ST3	ST2	ST3
Outside Funding	No, not planning to pursue	Yes, competitive for <25% of project cost	No, not planning to pursue
Completing the HCT Spine	No	No	No
Advancing Logically Beyond the Spine	Yes	N/A	N/A
Phasing Compatibility	Yes	Yes	Yes

Evaluation Criteria	ST4 System Planning	High Capacity Transit Planning Studies	High Capacity Transit Environmental Study
Ridership Potential	N/A	N/A	N/A
Socio-Economic Equity	N/A	N/A	N/A
Connecting Centers	N/A	N/A	N/A
Project Tenure	ST3	ST3	ST3
Outside Funding	No, not planning to pursue	No, not planning to pursue	No, not planning to pursue
Completing the HCT Spine	No	No	No
Advancing Logically Beyond the Spine	N/A	N/A	N/A
Phasing Compatibility	No	No	No

Appendix A: Supplemental project evaluation

The following tables provide additional information regarding the evaluation of the following criteria: Ridership Potential, Connecting Centers, Outside Funding, and Phasing Compatibility.

Ridership Potential

Project or Program	Ridership Potential	Additional Information
Central Corridor		
West Seattle Link Extension	25,000-27,000 daily riders	Source: WSBLE Phase 2 Analysis
Downtown Seattle Transit Tunnel	113,000-150,000 daily riders	Source: WSBLE Phase 2 Analysis
Ballard Link Extension	65,000-81,000 daily riders	
RapidRide C&D Capital Improvements	N/A	Not modeled; daily ridership based on assumed improvements
Graham Street Infill Station	1,500-2,500 daily riders	Source: ST3 System Plan
Boeing Access Road Infill Station	1,500-2,000 daily riders	Source: ST3 System Plan

Project or Program	Ridership Potential	Additional Information
North Corridor		
NE 145th Street / SR 522 Bus Rapid Transit	8,300-9,900 daily riders	Source: NE 145th Street / SR 522 BRT Phase 1 analysis
Edmonds & Mukilteo Stations Parking & Access Improvements	<500 daily riders	Not modeled; daily ridership based on assumed improvements
NE 130th Street Infill Station	3,300-3,700 daily riders	Source: Project-specific analysis
Everett Link Extension	37,000-45,000 daily riders	Source: ST3 System Plan

Project or Program	Ridership Potential	Additional Information
East Corridor		
I-405 Bus Rapid Transit: North	10,800-15,000 daily riders	Source: I-405 BRT Phase 2 Analysis
I-405 Bus Rapid Transit: South	8,600-11,400 daily riders	
South Kirkland – Issaquah Extension	12,000-15,000 daily riders	Source: ST3 System Plan
North Sammamish Park & Ride	<500 daily riders	Not modeled; daily ridership based on assumed improvements

Project or Program	Ridership Potential	Additional Information
South Corridor		
Kent Station Parking & Access Improvements	<1,000 daily riders	Not modeled; daily ridership based on assumed improvements
Auburn Station Parking & Access Improvements	<1,000 daily riders	Not modeled; daily ridership based on assumed improvements
Sumner Station Parking & Access Improvements	<1,000 daily riders	Not modeled; daily ridership based on assumed improvements
Tacoma Dome Station Parking & Access Improvements	<1,000 daily riders	Not modeled; daily ridership based on assumed improvements
South Tacoma Station Parking & Access Improvements	<1,000 daily riders	Not modeled; daily ridership based on assumed improvements
Lakewood Station Parking & Access Improvements	<1,000 daily riders	Not modeled; daily ridership based on assumed improvements
Sounder South Platform Extensions	22,900-31,100 daily riders	Source: Sounder South SDIP (number shown is new daily riders)
Sounder South Expanded Service		
Sounder South Access		

Project or Program	Ridership Potential	Additional Information
South Corridor		
Improvement Program		
DuPont Sounder South Extension	1,000-1,500 daily riders	Source: ST3 System Plan
Tacoma Dome Link Extension	24,300-36,000 daily riders	Source: TDLE Phase 2
Tacoma Link Extension to Tacoma Community College	13,000-18,000 daily riders	Source: ST3 System Plan
SR 162 Bus Speed & Reliability Capital Improvements	<1,000 daily riders	Source: ST3 System Plan

Project or Program	Ridership Potential	Additional Information
System-wide – Programs/Plans		
Bus on Shoulder Program	N/A	
System Access Program	N/A	
Innovation & Technology Program	N/A	
ST4 System Planning	N/A	
HCT – Planning Studies	N/A	
HCT – Environmental Study	N/A	

Connecting Centers

Project or Program	Connecting Centers	Additional Information
Central Corridor		
West Seattle Link Extension	1	Connects Duwamish MIC
Downtown Seattle Transit Tunnel	2	Connects Seattle Downtown RGC and Seattle South Lake Union RGC
Ballard Link Extension	3	Connects Seattle South Lake Union RGC, Seattle Uptown RGC, and Ballard-Interbay MIC
RapidRide C&D Capital Improvements	4	Connects Seattle Downtown RGC, Seattle South Lake Union RGC, Seattle Uptown RGC, and Ballard-Interbay MIC
Graham Street Infill Station	0	
Boeing Access Road Infill Station	1	Connects North Tukwila MIC

Project or Program	Connecting Centers	Additional Information
North Corridor		
NE 145th Street / SR 522 Bus Rapid Transit	0	
Edmonds & Mukilteo Stations Parking & Access Improvements	0	
NE 130th Street Infill Station	0	
Everett Link Extension	3	Connects Lynnwood RGC, Paine Field/Boeing Everett MIC, and Everett RGC

Project or Program	Connecting Centers	Additional Information
East Corridor		
I-405 Bus Rapid Transit: North	4	Connects Lynnwood RGC, Bothell Canyon Park RGC, Kirkland Totem Lake RGC, Bellevue Downtown RGC
I-405 Bus Rapid Transit: South	3	Bellevue Downtown RGC, Renton RGC, and Burien RGC
South Kirkland – Issaquah Extension	2	Connects Issaquah RGC and Bellevue Downtown RGC
North Sammamish Park & Ride	0	

Project or Program	Connecting Centers	Additional Information
South Corridor		
Kent Station Parking & Access Improvements	1	Connects Kent RGC
Auburn Station Parking & Access Improvements	1	Connects Auburn RGC
Sumner Station Parking & Access Improvements	0	
Tacoma Dome Station Parking & Access Improvements	1	Connects Tacoma Downtown RGC
South Tacoma Station Parking & Access Improvements	0	
Lakewood Station Parking & Access Improvements	1	Connects Lakewood RGC
Souder South Platform Extensions	6	Connects Lakewood RGC, Tacoma Downtown RGC, Puyallup Downtown RGC, Auburn RGC, Kent RGC, and Seattle Downtown RGC
Souder South Expanded Service		
Souder South Access Improvement Program		

Project or Program	Connecting Centers	Additional Information
South Corridor		
DuPont Sounder South Extension	1	Connects Lakewood RGC
Tacoma Dome Link Extension	3	Connects Federal Way RGC, Port of Tacoma MIC, and Tacoma Downtown RGC
Tacoma Link Extension to Tacoma Community College	1	Connects University Place RGC
SR 162 Bus Speed & Reliability Capital Improvements	0	

Project or Program	Connecting Centers	Additional Information
System-wide – Programs/Plans		
Bus on Shoulder Program	N/A	
System Access Program	N/A	
Innovation & Technology Program	N/A	
ST4 System Planning	N/A	
HCT – Planning Studies	N/A	
HCT – Environmental Study	N/A	

Outside Funding

Project or Program	Outside Funding	Additional Information
Central Corridor		
West Seattle Link Extension	Yes, and competitive for >25% of project cost	FFGA and TIFIA planned
Downtown Seattle Transit Tunnel	Yes, and competitive for >25% of project cost	FFGA (Core Capacity) and TIFIA planned
Ballard Link Extension	Yes, and competitive for >25% of project cost	FFGA and TIFIA planned
RapidRide C&D Capital Improvements	No, and not planned to pursue	
Graham Street Infill Station	Yes, and competitive for <25% of project cost	Potential for local match
Boeing Access Road Infill Station	Yes, and competitive for <25% of project cost	Potential for infill stations to be combined into Core Capacity FFGA

Project or Program	Outside Funding	Additional Information
North Corridor		
NE 145th Street / SR 522 Bus Rapid Transit	Yes, and competitive for <25% of project cost	BRT buses funded with \$11.1M of FTA 5307 funding with additional on contingency list
Edmonds & Mukilteo Stations Parking & Access Improvements	No, and not planned to pursue	
NE 130th Street Infill Station	Yes, and competitive for <25% of project cost	On contingency list for \$7.3M in FTA 5307 funding
Everett Link Extension	Yes, and competitive for >25% of project cost	FFGA and TIFIA planned

Project or Program	Outside Funding	Additional Information
East Corridor		
I-405 Bus Rapid Transit: North	Yes, and competitive for <25% of project cost	\$26.7M secured of CMAQ and FTA 5307 funds for BRT buses and construction of S Renton Transit Center
I-405 Bus Rapid Transit: South		
South Kirkland – Issaquah Extension	Yes, and competitive for >25% of project cost	Potential FFGA and TIFIA
North Sammamish Park & Ride	No, and not planned to pursue	

Project or Program	Outside Funding	Additional Information
South Corridor		
Kent Station Parking & Access Improvements	No, and not planned to pursue	
Auburn Station Parking & Access Improvements	Yes, and competitive for <25% of project cost	\$3M in FHWA CMAQ funding
Sumner Station Parking & Access Improvements	No, and not planned to pursue	
Tacoma Dome Station Parking & Access Improvements	No, and not planned to pursue	
South Tacoma Station Parking & Access Improvements	Yes, and competitive for <25% of project cost	\$5M on contingency list in FTA 5307 funding
Lakewood Station Parking & Access Improvements	Yes, and competitive for <25% of project cost	
Souder South Platform Extensions	Yes, and competitive for >25% of project cost	\$14.5M secured of CMAQ and FTA 5307 for platforms and vehicles for longer trains; FFGA (Core Capacity) planned & RRIF loan
Souder South Expanded Service	No, and not planned to pursue	

Project or Program	Outside Funding	Additional Information
South Corridor		
Sounder South Access Improvement Program	Yes, and competitive for <25% of project cost	
Sounder South Extension to DuPont	Yes, and competitive for >25% of project cost	Potential for FFGA and RRIF loan
Tacoma Dome Link Extension	Yes, and competitive for >25% of project cost	FFGA and TIFIA planned
Tacoma Link Extension to Tacoma Community College	Yes, and competitive for >25% of project cost	Potential for FFGA and TIFIA
SR 162 Bus Speed & Reliability Capital Improvements	No, and not planned to pursue	

Project or Program	Outside Funding	Additional Information
System-wide – Programs/Plans		
Bus on Shoulder Program	No, and not planned to pursue	
System Access Program	Yes, and competitive for <25% of project cost	Anticipates leverage of local funding
Innovation & Technology Program	No, and not planned to pursue	
ST4 System Planning	No, and not planned to pursue	
HCT – Planning Studies	No, and not planned to pursue	
HCT – Environmental Study	No, and not planned to pursue	

Phasing Compatibility

Project or Program	Phasing Compatibility	Additional Information
Central Corridor		
West Seattle Link Extension	Yes	Potential to build in segments
Downtown Seattle Transit Tunnel	No	Project cannot be built in segments
Ballard Link Extension	Yes	Potential to build in segments
RapidRide C&D Capital Improvements	Yes	Can be scaled based on available funding
Graham Street Infill Station	No	Infill stations along active alignment cannot be phased
Boeing Access Road Infill Station	No	

Project or Program	Phasing Compatibility	Additional Information
North Corridor		
NE 145th Street / SR 522 Bus Rapid Transit	Yes	Service levels could begin before all capital components complete
Edmonds & Mukilteo Stations Parking & Access Improvements	No	Small overall project size does not allow for phasing
NE 130th Street Infill Station	Yes	Board currently in process of “advancing progressively”
Everett Link Extension	Yes	Potential to build in segments

Project or Program	Phasing Compatibility	Additional Information
East Corridor		
I-405 Bus Rapid Transit: North	Yes	Service levels could begin before all capital components complete
I-405 Bus Rapid Transit: South	Yes	Service levels could begin before all capital components complete
South Kirkland – Issaquah Extension	Yes	Potential to build in segments
North Sammamish Park & Ride	No	Small overall project size does not allow for phasing

Project or Program	Phasing Compatibility	Additional Information
South Corridor		
Kent Station Parking & Access Improvements	No	Size of investments could be scaled to budget but garage unlikely to be delivered in pieces
Auburn Station Parking & Access Improvements	No	
Sumner Station Parking & Access Improvements	No	
Tacoma Dome Station Parking & Access Improvements	Yes	Early enough in project development to allow for phased implementation
South Tacoma Station Parking & Access Improvements	Yes	
Lakewood Station Parking & Access Improvements	Yes	
Souder South Platform Extensions	Yes	Potential investments can be implemented over time
Souder South Expanded Service		
Souder South Access Improvement Program		

Project or Program	Phasing Compatibility	Additional Information
South Corridor		
DuPont Sounder South Extension	Yes	Potential to build in segments
Tacoma Dome Link Extension	Yes	Potential to build in segments
Tacoma Link Extension to Tacoma Community College	Yes	Potential to build in segments
SR 162 Bus Speed & Reliability Capital Improvements	No	Small overall project size does not allow for phasing

Project or Program	Phasing Compatibility	Additional Information
System-wide – Programs/Plans		
Bus on Shoulder Program	Yes	Potential to implement over time
System Access Program	Yes	Potential to implement over time
Innovation & Technology Program	Yes	Potential to implement over time
ST4 System Planning	No	
HCT – Planning Studies	No	
HCT – Environmental Study	No	

Motion No. M2020-36

A motion of the Board of the Central Puget Sound Regional Transit Authority adopting realignment criteria to help inform the Board on how to best achieve the objectives of the Sound Transit 2 and Sound Transit 3 plans when making upcoming realignment decisions.

Background

As a result of the COVID-19 pandemic, Sound Transit has experienced reductions in actual and forecasted revenues needed to build and operate regional transit. The Board has begun discussing potential changes to the way Sound Transit delivers the service and capital improvements adopted by voters under Sound Transit 2 and Sound Transit 3.

When the Sound Transit 3 plan was developed, the Board identified five core principles to guide Board decisions on the projects to include in the plan. These principles included completing the spine, connecting regional centers, ridership potential, socio-economic equity, and advancing logically beyond the spine.

At the June 3, 2020 Board Workshop, the Board also discussed the importance of additional criteria to help the Board make difficult realignment decisions. These additional criteria include project tenure, outside funding, and phasing compatibility.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the following realignment criteria be adopted to help inform the Board on how to best achieve the objectives of the Sound Transit 2 and Sound Transit 3 plans when making upcoming realignment decisions:

Ridership Potential – How many daily riders is the project projected to serve?

Socio-Economic Equity – How well does the project expand mobility for transit-dependent, low-income, and/or diverse populations?

Connecting Centers – Does the project connect designated regional centers?

Project Tenure – How long have voters been waiting for the project?

Outside Funding – Are other funding sources available or secured?

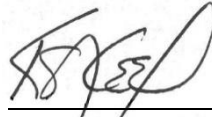
Completing the HCT Spine – Does the project advance development of the regional HCT spine?

Advancing Logically Beyond the Spine – Is the project a 'logical next step' beyond the spine and within financial capacity?

Phasing Compatibility – Can the project be constructed and opened for service in increments?

Staff are directed to use these criteria to develop and present to the Board realignment scenarios that would be affordable even in the severe recession forecast discussed at the June 3, 2020 Board workshop.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 25, 2020.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator

Motion No. M2020-37

A motion of the Board of the Central Puget Sound Regional Transit Authority directing staff to develop and present to the Board realignment scenarios utilizing currently planned financial resources and alternative scenarios that would utilize a variety of tools which could include but are not limited to state funds, additional federal funds and increased debt capacity to inform the Board on how to best achieve the objectives of the Sound Transit 2 and Sound Transit 3 plans when making upcoming realignment decisions.

Background

As a result of the COVID-19 pandemic, Sound Transit has experienced reductions in actual and forecasted revenues needed to build and operate regional transit. The Board has begun discussing potential changes to the way Sound Transit delivers the service and capital improvements adopted by voters under Sound Transit 2 and Sound Transit 3.

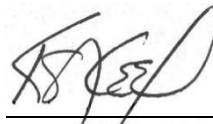
When the Sound Transit 3 plan was developed, the Board identified five core principles to guide Board decisions on the projects to include in the plan. These principles included completing the spine, connecting centers, ridership potential, socio-economic equity, and advancing logically beyond the spine.

In developing options that best reflect the core principles and achieve the plan objectives, the Board should consider other tools available to the Board to manage plan affordability, including increasing debt capacity through approval, increasing revenue through state funding, additional federal funding, other new revenue, and reducing borrowing costs through federal and other sources.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that staff develop and present to the Board realignment scenarios that would utilize other tools to manage plan affordability which could include but are not limited to state funds, additional federal funds and increased debt capacity to inform the Board on how to best achieve the objectives of the Sound Transit 2 and Sound Transit 3 plans when making upcoming realignment decisions.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 25, 2020.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator



Motion No. M2020-55

A motion of the Board of the Central Puget Sound Regional Transit Authority identifying paused projects to advance through near-term actions in 2020.

Background

The COVID-19 crisis is greatly reducing the revenues Sound Transit relies on to expand the regional transit system. With greatly depleted revenues, Sound Transit will not be able to deliver many expansion projects on their original timelines unless we receive alternative revenue from federal, state, or other new sources. Through a realignment process, the Sound Transit Board will determine which voter-approved projects will need scope, and /or schedule modifications due to lower revenue projections.

In June 2020, Sound Transit developed the Path Forward for the Capital Program Realignment. The Path Forward established July 2021 as the target for completing the realignment process and provided a framework “to make measured progress on near-term actions while not over-committing resources or over-correcting the program before the ramifications of the recession and possible government responses come into clearer focus.” These near-term actions include potentially approving paused project actions whose cost does not limit the Board’s ability to pay for those capital and service improvements, or portions thereof, deemed most necessary to best achieve the state goals of the voter-approved plans after consideration of the adopted financial policies.

As the Board discussed, notwithstanding the limited project work approved in this motion, the Board will identify the final schedule, scope and budget for those projects allowed to advance in summer 2021 when the realignment process is completed.

At the August 27, 2020 Board Meeting, staff reviewed actions that have been paused pending Board direction. Attachment A includes projects with paused actions in either pre-planning and planning or final design phase and projects with paused action for third party funding agreements.

In response to a request from Chair Keel, at the September 10, 2020 Executive Committee, staff provided recommendations regarding which actions could be considered by the Board in the fall of 2020. By deciding which paused project actions to advance, the Board will support progress on the system expansion program in order to develop a balanced and affordable plan that best achieves the stated goals of the plans. The work recommended for advancement will help staff provide the Board with better information next year and will neither predetermine future decisions nor cause material financial impact to other projects.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that:

Section 1: The Board has identified the following paused projects to advance through near-term actions in the fall of 2020.

Project Name	Near-Term Action(s)
Kent and Auburn Station Parking and Access Improvements	<ul style="list-style-type: none"> Execute DBPM consultant contract with focus on cost savings alternatives

South Tacoma and Lakewood Station Parking and Access Improvements	<ul style="list-style-type: none"> • South Tacoma: Budget amendment to start project development • South Tacoma and Lakewood: Authorize Phase 1: Alternatives Development consultant contract
Sumner Station Parking and Access Improvement	<ul style="list-style-type: none"> • Execute DBPM consultant contract with focus on cost savings alternatives
I-405 BRT North & I-405 BRT South	<ul style="list-style-type: none"> • Authorize Phase 3: Preliminary Engineering (PE) consultant contract • Authorize General Engineering consultant (GEC)
SR 522 BRT	<ul style="list-style-type: none"> • Authorize General Engineering consultant (GEC)
Everett Link and OMF North	<ul style="list-style-type: none"> • Authorize consultant contract to start Alternatives Development and project development
Everett Parking Agreement	<ul style="list-style-type: none"> • Authorize agreement with City of Everett for contribution to project
Madison BRT Agreement	<ul style="list-style-type: none"> • Authorize agreement with City of Seattle for contribution to project
RapidRide C Agreement	<ul style="list-style-type: none"> • Authorize agreement with King County Metro and City of Seattle for speed and realibility improvements

Section 2: The Board directs staff to prepare the actions identified to advance the selected projects for Board consideration in the fall of 2020.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 24, 2020.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator



**Motion No. M2020-55
Attachment A**

Projects and related actions for the Board to consider advancing in 2020

Project	Paused Action(s)	Approximate Value	Staff Recommendation
Souder Projects			
Edmonds & Mukilteo Station Parking and Access Improvements	Authorize Phase 2: Environmental review/conceptual engineering consultant contract	\$2 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 to allow more time to analyze the effect of telework on commuter based service Improvements have relatively short lead time compared to other projects
Kent and Auburn Station Parking and Access Improvements	Execute DBPM consultant contract with focus on cost savings alternatives	\$4 million	<ul style="list-style-type: none"> Staff recommends advancing in 2020 in order to develop lower cost scope and contract packaging options to determine if the projects can be delivered within the Transportation Improvement Plan (TIP) estimates
Souder Platform Extensions	<ul style="list-style-type: none"> Budget amendment to start project development Authorize Phase 1: Alternatives Development consultant contract 	\$3 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 to allow more time to analyze the effect of telework on commuter based service
Souder Maintenance Base	Execute DBPM consultant contract	\$2 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 due to limited scope of work for DBPM without advancing baseline decision
	Baseline for construction	\$210 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 because long term savings opportunity depends on size of ST fleet and future decisions regarding train and platform lengths
South Tacoma and Lakewood Station Parking and Access Improvements	<ul style="list-style-type: none"> South Tacoma: Budget amendment to start project development South Tacoma and Lakewood: Authorize Phase 1: Alternatives Development consultant contract 	\$4 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 to allow more time to analyze the effect of telework on commuter based service Improvements likely to have shorter lead time than other projects

Project	Paused Action(s)	Approximate Value	Staff Recommendation
Summer Station Parking and Access Improvement	Execute DBPM consultant contract with focus on cost savings alternatives	\$6 million	<ul style="list-style-type: none"> Staff recommends advancing in 2020 in order to develop lower cost scope and contract packaging options to determine if the projects can be delivered within the Transportation Improvement Plan (TIP) estimates
Stride Bus Rapid Transit Projects			
Bus Base North	Execute DBPM consultant contract	\$12 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 because potential program phasing options for I-405 Stride and SR 522 Stride that have not yet been examined impact the scope and timing for Bus Base North
I-405 BRT North & I-405 BRT South	<ul style="list-style-type: none"> Authorize Phase 3: Preliminary Engineering (PE) consultant contract Authorize General Engineering consultant (GEC) 	\$13 million	<ul style="list-style-type: none"> I-405 BRT PE: Staff recommends advancing in 2020 to preserve the option of opening BRT segments as the WSDOT toll lanes are completed and obtain better cost estimates GEC: Staff recommends advancing in 2020 to review scope, phasing, contract packaging options, and partner capacity
NE 85th Interchange St. Agreement	Authorize agreement with WSDOT to rebuild interchange	~\$275 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 because it comprises nearly one-third the cost of the I-405 BRT program Agreement could be completed in 2021 and still support pre-COVID-19 plan of I-405 North service in 2025
SR 522 BRT	Authorize General Engineering consultant (GEC)	\$1 million	<ul style="list-style-type: none"> Staff recommends advancing in 2020 to review scope, phasing, contract packaging options, and partner capacity
Link light rail Projects			
Everett Link and OMF North	Authorize consultant contract to start Alternatives Development and project development	\$16 million	<ul style="list-style-type: none"> OMF North: Staff recommends advancing in 2020 due to long planning lead time for a facility that supports multiple alignments Everett Link: Staff recommends advancing in 2020 to develop phasing options and better cost estimates for the longest ST3 light rail extension

Project	Paused Action(s)	Approximate Value	Staff Recommendation
Third Party Agreements and Other Projects			
Bus on Shoulder	Authorize Phase 2: Environmental Review and Conceptual Engineering	\$1 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 because initial project development identified limited potential locations with modest travel time improvements, and further analysis can be deferred until next year
Everett Parking Agreement	Authorize agreement with City of Everett for contribution to project	\$0.7 million	<ul style="list-style-type: none"> Staff recommends advancing in 2020 because it leverages City funding to cost effectively provide 90 parking stalls
Madison BRT Agreement	Authorize agreement with City of Seattle for contribution to project	\$35.8 million	<ul style="list-style-type: none"> Staff recommends advancing in 2020 because Sound Transit funding is needed, amongst other factors, for the City to pursue \$60 million in federal funding
North Sammamish Park and Ride	Authorize Phase 2: Environmental Review and Conceptual Engineering	\$2 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 because further work at risk until site preference clarified
Rapid Ride C/D Agreement	Authorize agreement with City of Seattle and King County	~\$25 million	<ul style="list-style-type: none"> Staff recommends deferring until 2021 because not all project elements are defined and more time needed to determine these elements. Chair proposes authorizing \$4.5 million for RapidRide C improvement due to West Seattle bridge closure.

