

Eastside Transportation Association

“Dedicated to improving our quality of life and environment by reducing congestion through increased mobility”

**P.O. Box 50621
Bellevue, WA 98015**

June 19, 2017

To: Senator Dino Rossi,
From: Victor H. Bishop, P.E.
Chair, Eastside Transportation Association

Re: Sound Transit 3 Revenues related to selected cities in the taxing district

The Sound Transit 3 \$54 Billion 25 year light rail construction program is funded by the revenues shown in Chart 1. This data is from the ST 3 Financial Plan.

Chart 1, Sound Transit 3 Sources of Revenue

Sources of ST 3 Funds		From
ST 3 Program Taxes	\$ 27,710,000,000	Direct Taxes (Sales, MVET, Property)
SM +ST 2 Added Taxes	\$ 8,621,000,000	Direct Taxes (Sales & MVET)
Total Local Taxes	\$ 36,331,000,000	
Bond Proceeds	\$ 10,999,000,000	Direct Taxes (ST District Obligation)
ST3 Grants (Federal)	\$ 4,669,000,000	Indirect Taxes (Income, Corp., Gen. fund)
Fares and Other Revenues	\$ 1,514,000,000	Mostly Fares, later years
Interest Earnings	\$ 333,000,000	Interest (sys. earnings on invested early taxes)
Total Sources	\$ 53,846,000,000	

The \$54 Billion was divided into the five Subareas of the taxing district by Sound Transit as shown in Chart 2. This is calculated as a percentage of the new taxes collected in each subarea, per the ST 3 Financial Plan.

Chart 2, Subarea Share of Sound Transit 3’s \$54 Billion.

Subarea	Subarea Share	
	%	Revenues
East King	18.4%	\$ 9,890,050,389
South King	15.8%	\$ 8,492,659,073
North King	30.9%	\$ 16,621,560,440
Snohomish	17.6%	\$ 9,459,401,769
Pierce	17.4%	\$ 9,380,328,330
		\$ 53,844,000,000

Each subarea has a number of cities. Chart 3 shows the distribution of the East King Subarea revenues allocated by population to those cities in the subarea. Similar charts for each of the subareas were created to reflect the distribution of the annual revenues collected from the residents of each city to support the ST 3 \$54 Billion program.

Chart 3. The distribution of the East King Subarea’s portion of ST 3’s \$54 Billion to each city in the subarea, by population, per the 25 year program and annually.

East King Subarea Distribution by City		
City	Revenue Collected for ST 3 from City Residents, millions (25 years)	Annual Revenue Collected for ST 3 from City Residents, millions
Beaux Arts	\$ 5	\$ 0.2
Bellevue	\$ 2,332	\$ 93
Bothell (Part)	\$ 792	\$ 32
Clyde Hill	\$ 51	\$ 2.0
Hunts Point	\$ 7	\$ 0.3
Issaquah	\$ 579	\$ 23
Kenmore	\$ 373	\$ 15
Kirkland	\$ 1,417	\$ 57
Medina	\$ 53	\$ 2.1
Mercer Island	\$ 396	\$ 16
Newcastle	\$ 186	\$ 7.4
Redmond	\$ 1,013	\$ 41
Renton	\$ 1,695	\$ 68
Sammamish	\$ 1,025	\$ 41
Woodinville	\$ 194	\$ 7.7
Yarrow Point	\$ 17	\$ 0.7
	\$ 9,786	\$ 391

Each city within the subarea has an annual budget in their Capital Investment Program (CIP). A bar graph similar to Chart 4 has been prepared for 14 of the larger suburban cities in the Sound Transit taxing district. Bellevue, Bothell and Issaquah also had proposed transportation levy’s on their ballot in 2016.

Chart 4. Annual revenues collected within the City of Bellevue for ST 3 compared to Bellevue’s Transportation Budget and proposed Transportation Levy (approved in 2016).

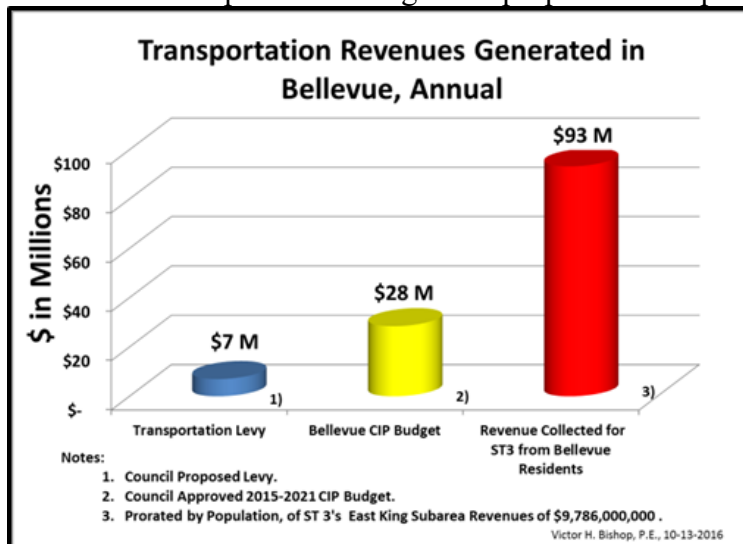
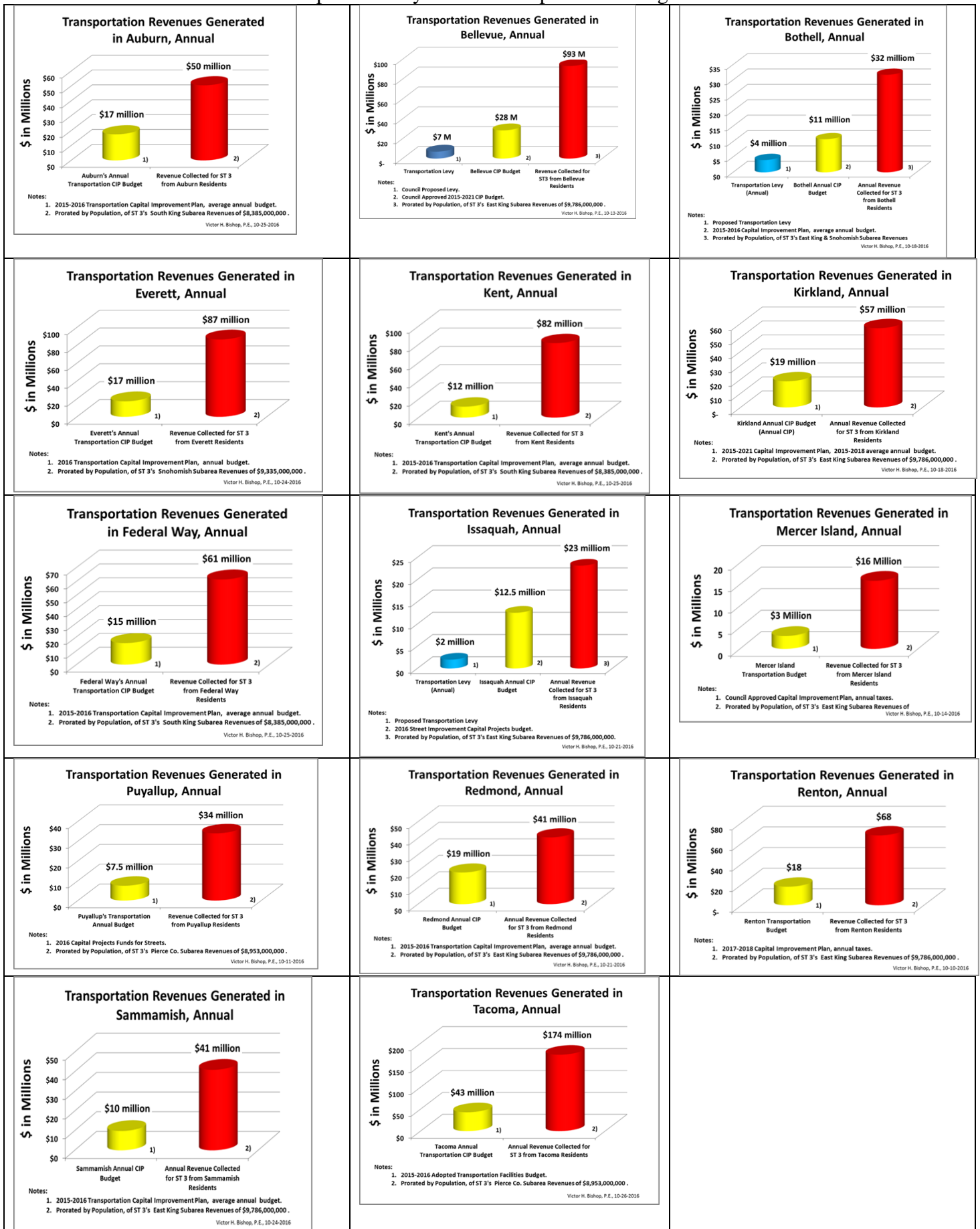


Chart 5. ST 3 Annual revenue compared to city annual Transportation Budget for fourteen cities.



This data shows the dramatic increase in annual tax revenue that is being experienced by the residents of each of the fourteen cities identified in Chart 5 to fund Sound Transit 3 compared to the annual revenue raised and allocated to all transportation services by the city councils of each of the cities. The disparity ranges from about double for ST 3 in Redmond and Issaquah to nearly seven times as much for ST 3 in Kent.

PSRC calculates a projected 0.4% of the regions' daily person trips will take light rail in 2040. PSRC's 2015 Stuck in Traffic Report http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2015/May19/documents/2015_0519_BP7_StuckinTraffic_2015Report.pdf shows dramatic increases in vehicle delay of 25-28% in one year on the region's freeway network.

The miss-allocation of taxes to Sound Transit for light rail could not be more stark.

Thank you for your interest in this subject.

Vic Bishop
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