



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

February 25, 2014

TD Resolution TD2014-03

Proposed No. TD2014-03.1

Sponsors

1 A RESOLUTION of the King County transportation
2 district relating to financing transportation improvements;
3 submitting a ballot measure regarding transportation
4 funding to the qualified electors of the King County
5 transportation district at a special election to be held on
6 April 22, 2014, and submitting a proposition to district
7 voters to authorize the district to fix and impose a one-tenth
8 of one percent sales and use tax within the district and a
9 sixty dollar vehicle fee on all vehicles within the district to
10 finance transportation improvements; requesting that the
11 King County prosecutor prepare a ballot title for the
12 proposition; and appointing committees to prepare the pro
13 and con statements for the local voters' pamphlet.

14 WHEREAS, in the last several years, new transportation challenges have emerged
15 affecting the funding of transportation improvements for King County Metro transit and
16 all King County cities and unincorporated King County, including a prolonged recession,
17 and declined gas-tax, property tax, and sales tax revenues, and

18 WHEREAS, chapter 36.73 RCW, provides for the establishment of transportation
19 benefit districts by cities and counties and authorizes those districts to levy and impose

various taxes and fees to generate revenues to support transportation improvements that benefit the district and that are consistent with state, regional or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels, and

WHEREAS, King County Ordinance 17746 established the King County transportation district with the authority to fund, acquire, construct, operate, improve, provide, maintain and preserve transportation improvements authorized by chapter 36.73 RCW, and

WHEREAS, the King County transportation district intends to fund transportation improvements authorized by chapter 36.73 RCW and that local jurisdictions receiving funding will directly acquire, construct, operate, maintain, preserve or otherwise provide any transportation improvement authorized by chapter 36.73 RCW and consistent with this resolution, and

WHEREAS, the King County Transportation District has the legal authority to fix and impose up to a one hundred dollar vehicle fee under RCW 82.80.140 with approval of a majority of district voters, and

WHEREAS, the King County Transportation District has the legal authority to fix and impose up to a two-tenths of one percent sales and use tax within the district under RCW 82.14.0455 with approval of a majority of district voters, and

WHEREAS, a voter-approved vehicle fee imposed by the King County transportation district does not affect the authority of city-established transportation

40 benefit districts to impose up to a twenty dollar councilmanic vehicle fee under RCW
41 82.80.140, and

42 WHEREAS, the King County Transportation District cannot impose a voter
43 approved sales and use tax that exceeds a period of ten years, unless extended by an
44 affirmative public vote in accordance with RCW 82.14.0455;

45 BE IT RESOLVED BY THE KING COUNTY TRANSPORTATION
46 DISTRICT:

47 SECTION 1. Fee and tax submittal to voters. To provide necessary funding for
48 the transportation improvements identified in section 3 of this resolution, the King
49 County transportation district shall submit to the qualified electors of the district a
50 proposition authorizing the district to fix and impose, for ten years, a sixty-dollar vehicle
51 fee to be added to any existing fees and to fix and impose, for ten years, an additional
52 one-tenth of one percent sales and use tax.

53 SECTION 2. Distribution of revenues. The district sales and use tax and
54 vehicle fee revenues shall first pay any administrative costs to the state Department of
55 Licensing and state Department of Revenue, the administrative costs of the district and
56 the cost of the license fee low-income rebate program in section 4 of this resolution. The
57 remaining combined revenue will be distributed pursuant to interlocal agreements for use
58 for transportation improvements consistent with this resolution in the following manner:

59 A. Sixty percent distributed to King County. On a biennial basis, the Board shall
60 determine and allocate for Metro transit purposes the amount of the sixty percent

distribution necessary to fund the operation, maintenance and capital needs of the Metro transit system. In making this determination and allocation the Board shall be guided by the following criteria:

1. Preserving Metro transit service at levels comparable to the 2014 Metro transit system;

2. Covering the costs of administering any low income fare program and the amount of the reduction in fare revenue resulting from a \$1.50 low-income fare; and

3. Adjusting for any changes in the amount of other Metro transit revenues above the revenues estimated in the adopted King County 2013-2014 biennial budget.

If as a result of this determination and allocation, there are remaining revenues from the sixty percent distribution, these will be distributed fifty percent for Metro transit purposes and fifty percent for unincorporated area road purposes. Attachment A titled Estimated Distributions of King County Transportation District Revenues to this resolution illustrates estimated distributions using these criteria, based on currently projected revenues and expenditures; and

B. Forty percent distributed to the cities within King County and to King County for city transportation improvement purposes and for county unincorporated area road purposes, respectively, in amounts shared pro rata based on each jurisdiction's percentage of the total population of jurisdictions entering into interlocal agreements with the district for the distribution of revenues.

SECTION 3. Use of revenues and description of transportation

improvements.

A. The sales and use tax and vehicle fee revenues, less the administrative and rebate program costs identified in Section 2 of this resolution, shall be used by the district consistent with RCW chapter 36.73 and this resolution to fund transportation improvements permitted by RCW chapter 36.73, including but not limited to, the acquisition, construction, operation, improvement, provision, maintenance, and preservation of public transportation facilities, services and programs, and roads.

B. Specifically, the transportation improvements carried out with the sales and use tax and vehicle fee revenues must be projects or programs contained in the transportation plan of the Puget Sound Regional Council, King County or a city within King County that are:

1. The provision of Metro transit public transportation services;

2. The service planning and public engagement for the provision of Metro transit public transportation services;

3. The operation, maintenance and repair of Metro transit vehicles, equipment and facilities;

4. The acquisition and replacement of Metro transit vehicles and equipment and the planning, design, construction and implementation of Metro transit capital improvements;

5. The implementation of transportation demand management programs;

102 6. The planning, design, construction and implementation of capital
103 improvement, preservation and restoration projects for road facilities such as streets,
104 roads, bridges, signals, guardrails, drainage systems, pedestrian and bicycle pathways and
105 related facilities and improvements;

106 7. The operation, maintenance and repair of road facilities such as streets, roads,
107 bridges, signals, guardrails, drainage systems, bicycle pathways and related facilities and
108 improvements;

109 8. The provision of emergency responses to protect road facilities and public
110 health and safety; or

111 9. The planning, design, installation and management of intelligent
112 transportation systems including traffic cameras, control equipment and new technologies
113 to optimize the existing transportation system.

114 C. Consistent with RCW 36.73.020, the transportation improvements carried out
115 with the sales and use tax and vehicle fee revenues shall be needed by existing or
116 reasonably foreseeable congestion levels; and selection of the transportation
117 improvements shall, to the extent practicable, consider the following criteria:

118 1. Reduced risk of transportation facility failure and improved safety;

119 2. Improved travel time;

120 3. Improved air quality;

121 4. Increases in daily and peak period trip capacity;

122 5. Improved modal connectivity;

123 6. Improved freight mobility;

124 7. Cost-effectiveness of the investment;

125 8. Optimal performance of the system through time;

126 9. Improved accessibility for, or other benefits to, persons with special

127 transportation needs.

128 SECTION 4. The vehicle fee shall be subject to a rebate program consistent with
129 chapter 36.73 RCW under which low-income individuals will be eligible, upon
130 application, to receive a twenty-dollar rebate for each vehicle for which an individual
131 pays the full vehicle fee.

132 SECTION 5. On an annual basis, the board of the district shall review the
133 identification of projects and programs carried out by King County and the cities within
134 King County with the sales and use tax and vehicle fee revenues for consistency with this
135 resolution. Additionally, the district shall issue an annual report to the public, indicating
136 the status of transportation improvement costs, transportation improvement expenditures,
137 revenues, and construction schedules.

138 SECTION 6. If the Washington state legislature enacts legislation that grants new
139 authorization for county transportation revenues and King County imposes and collects
140 revenues under such legislation, the board shall consider whether to, and may, reduce or

eliminate the continued imposition and collection of the sales and use tax and vehicle fee authorized by this resolution.

SECTION 7. For the purposes of defining a transportation plan under chapter 36.73 RCW and section 3 of this resolution:

A. The transportation plan of King County includes, as adopted and updated, the Transportation Element of the King County Comprehensive Plan, the King County Metro Transit Strategic Plan for Public Transportation, the King County Metro Transit Service Guidelines, the annual King County Metro Transit Service Guidelines Report, the King County Department of Transportation Strategic Plan for Road Services, the Transportation Needs Report, and the King County Roads Services CIP.

B. The transportation plan of a city is its transportation program adopted and annually revised and extended as required by RCW 35.77.010.

C. The transportation plan of the Puget Sound Regional Council is its transportation improvement program developed and updated as required by RCW 47.80.023.

SECTION 8. For the purposes of this resolution, "city" means city or incorporated town.

SECTION 9. Call for special election. The district hereby requests that the King County director of elections call a special election on April 22, 2014, to consider a proposition authorizing the district to fix and impose, for ten years, a vehicle fee in the amount of sixty dollars and to fix and impose, for a term of ten years, a sales and use tax

in the amount of one-tenth of one percent for the purposes described in this resolution.

The King County director of elections shall cause notice to be given of this resolution in accordance with the state constitution and general law and to submit to the qualified electors of the district, at the said special county election, the proposition hereinafter set forth, in the form of a ballot title substantially as follows:

KING COUNTY TRANSPORTATION DISTRICT

PROPOSITION NO. ____

The Board of the King County Transportation District passed Resolution No. TD2014-03 concerning funding for Metro transit, roads and other transportation improvements. If approved, this proposition would fund, among other things, bus service, road safety and maintenance and other transportation improvements in King County cities and the unincorporated area. It would authorize the district to impose a sales and use tax for a term of ten years of 0.1% under RCW 82.14.0455, and an annual vehicle fee of sixty dollars (\$60) per registered vehicle under RCW 82.80.140 with a twenty dollar (\$20) rebate for low-income individuals.

Should this sales and use tax and vehicle fee be approved?

Yes

No

SECTION 10. The King County director of elections is hereby requested to prepare and distribute a local voters' pamphlet, in accordance with K.C.C. 1.10.010, for

the special election called for in this resolution, the cost of the pamphlet to be included as part of the cost of the special election.

SECTION 11. RCW 29A.32.280 provides that for each measure from a jurisdiction that is included in a local voters' pamphlet, the legislative authority of that jurisdiction shall formally appoint a committee to prepare arguments advocating voter approval of the measure and a committee to prepare arguments advocating voter rejection of the measure.

SECTION 12. As authorized by RCW 29A.32.280, the following individuals are appointed to serve on the voters' pamphlet committees, each committee to write a statement for or against the proposed measure.

FOR

AGAINST

1. Denis Hayes

1. Will Knedlik

2. Estela Ortega

2. Dick Paylor

3. John Marchione

3. Jerry Galland

SECTION 13. Ratification. Certification of the proposition by the clerk of the district to the King County director of elections in accordance with law before the election on April 22, 2014, and any other act consistent with the authority and before the effective date of this resolution are hereby ratified and confirmed.

SECTION 14. Severability. If any provision of this resolution or its application to

203 any person or circumstance is held invalid, the remainder of the resolution or the
204 application of the provision to other persons or circumstances is not affected.

205

TD Resolution TD2014-03 was introduced on and passed as amended by the King
County Transportation District on 2/24/2014, by the following vote:

Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Lambert, Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr.
Upthegrove
No: 0
Excused: 0

KING COUNTY TRANSPORTATION
DISTRICT
KING COUNTY, WASHINGTON


Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Board

Attachments: A. Estimated Distributions of King County Transportation District Revenues 2-24-14

**Estimated Distributions of King County Transportation District Revenues
February 24, 2014**

Attachment A
TD2014-03

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Forecasted KCTD Revenues												
Sales Tax		\$53,411,614	\$56,439,059	\$59,301,600	\$61,902,449	\$64,607,180	\$67,354,570	\$70,161,504	\$73,014,605	\$75,983,728	\$79,073,589	(Forecasted Growth Rates)
Vehicle Fee		\$81,622,728	\$82,438,955	\$83,263,345	\$84,095,978	\$84,936,938	\$85,361,623	\$85,788,431	\$86,217,373	\$86,648,460	\$87,081,702	(yrs 1-5:1%, 6-10:0.5%)
		\$135,034,342	\$138,878,014	\$142,564,944	\$145,998,428	\$149,544,118	\$152,716,193	\$155,949,934	\$159,231,978	\$162,632,188	\$166,155,291	
Estimated KCTD Expenses												
Administration	0.75%	\$1,012,758	\$1,041,585	\$1,069,237	\$1,094,988	\$1,121,581	\$1,145,371	\$1,169,625	\$1,194,240	\$1,219,741	\$1,246,165	
Rebate Cost	100%	\$5,479,820	\$5,534,620	\$5,589,960	\$5,645,860	\$5,702,320	\$5,730,840	\$5,759,500	\$5,788,300	\$5,817,240	\$5,846,320	
Rebate Administration	15%	\$821,973	\$830,193	\$838,494	\$846,879	\$855,348	\$859,626	\$863,925	\$868,245	\$872,586	\$876,948	
		\$7,314,551	\$7,406,398	\$7,497,691	\$7,587,727	\$7,679,249	\$7,735,837	\$7,793,050	\$7,850,785	\$7,909,567	\$7,969,433	
Net Estimated Revenue for Distribution		\$127,719,791	\$131,471,616	\$135,067,253	\$138,410,700	\$141,864,869	\$144,980,356	\$148,156,885	\$151,381,194	\$154,722,620	\$158,185,859	
Cities and Unincorporated King County												
Distribution	40%	\$51,087,916	\$52,588,646	\$54,026,901	\$55,364,280	\$56,745,948	\$57,992,142	\$59,262,754	\$60,552,477	\$61,889,048	\$63,274,343	
King County distribution	60%	\$76,631,875	\$78,882,970	\$81,040,352	\$83,046,420	\$85,118,921	\$86,988,213	\$88,894,131	\$90,828,716	\$92,833,572	\$94,911,515	
Estimated distribution of 40% to Unincorporated King County For Road Purposes												
		\$6,079,462	\$6,258,049	\$6,429,201	\$6,588,349	\$6,752,768	\$6,901,065	\$7,052,268	\$7,205,745	\$7,364,797	\$7,529,647	(11.9% of Population)
Transit Financial Gap												
Estimated Transit Service Costs (600,000 hours)		\$60,000,000	\$62,040,000	\$64,149,360	\$66,330,438	\$68,585,673	\$70,917,586	\$73,328,784	\$75,821,963	\$78,399,909	\$81,065,506	
Estimated Transit Capital Costs		\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	
Forecasted Additional Sales Tax Over Forecast*		\$15,568,307	\$17,474,604	\$17,237,240	\$15,589,719	\$13,991,278	\$11,503,572	\$8,264,381	\$5,507,570	\$2,497,198	(\$783,514)	
Low Income Fare Program Costs (\$1.50)		\$7,400,000	\$7,622,000	\$7,850,660	\$8,086,180	\$8,328,765	\$8,578,628	\$8,835,987	\$9,101,067	\$9,374,099	\$9,655,322	
Net Estimated Transit Financial Gap		\$86,831,693	\$67,187,396	\$69,762,780	\$73,826,898	\$77,923,160	\$82,992,842	\$88,900,390	\$94,416,460	\$100,276,810	\$106,504,342	
* Sales Tax Forecasts Based on August 2013 over August 2012 forecasts by the King County Office of Economic and Financial Analysis												
Unincorporated Area Roads Financial Gap**												
Estimated Financial Gap to maximize the lifecycle of the existing unincorporated area roadway system		\$130,000,000	\$133,900,000	\$137,917,000	\$142,054,510	\$146,316,146	\$150,705,830	\$155,226,799	\$159,883,603	\$164,680,111	\$169,620,614	
**Based on Strategic Plan for Road Services and the 2013-2014 adopted budget												
Estimated Distribution of KCTD Revenues to King County for Metro Transit and Unincorporated Area Road Purposes												
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Estimated KCTD Distribution of 60%												
Net of Estimated Transit Financial Gap		\$9,800,182	\$11,695,574	\$11,277,572	\$9,219,521	\$7,195,761	\$3,995,572	\$0	\$0	\$0	\$0	
50% Transit		\$4,900,091	\$5,847,787	\$5,638,786	\$4,609,761	\$3,597,881	\$1,997,786	\$0	\$0	\$0	\$0	
50% Roads		\$4,900,091	\$5,847,787	\$5,638,786	\$4,609,761	\$3,597,881	\$1,997,786	\$0	\$0	\$0	\$0	
Net estimated total distribution for King County Metro Transit												
		\$71,731,784	\$73,035,183	\$75,401,566	\$78,436,660	\$81,521,041	\$84,990,428	\$88,894,131	\$90,828,716	\$92,833,572	\$94,911,515	
Net estimated total distribution for Unincorporated Area Roads												
		\$10,979,553	\$12,105,836	\$12,067,987	\$11,198,110	\$10,350,648	\$8,898,851	\$7,052,268	\$7,205,745	\$7,364,797	\$7,529,647	
Percentage of estimated Unincorporated Area Roads Financial Gap		8.4%	9.0%	8.8%	7.9%	7.1%	5.9%	4.5%	4.5%	4.5%	4.4%	