



February 8, 2021

Members of the House and Senate Transportation Committees
Washington State Legislature
416 Sid Snyder Avenue
Olympia, WA 98504

Members of the House and Senate Transportation Committees:

Thank you for your leadership in proposing both policy and revenue solutions to hardships that transportation agencies across Washington State currently face. We are grateful ideas are being proposed and urgently ask that the policy and revenue solutions you advance this session include funding to protect and advance Sound Transit's critical projects and services.

The COVID 19 pandemic has taken a crushing toll on the local tax streams dedicated to building the regional transit network that our fast-growing Central Puget Sound region needs. Full realization of the transit system approved by voters is the most economically and ecologically sound investment that exists for our region. Sound Transit is further increasing its environmental benefits by expanding use of clean energy. Through a partnership with Puget Sound Energy, Link light rail is the first major system in the United States to operate on 100% carbon-free electricity.

Through a realignment process that is now underway, the Sound Transit Board of Directors is working to determine the agency's course of action for projects not yet in construction as required by state law. The first emphasis to our reduced revenues and increased costs is pursuing expanded financial capacity, including aggressively seeking federal and state funding. The Board is currently looking to identify ways to restructure or reduce costs to keep the Sound Transit 3 package affordable. However, many of these projects are needed now to address our mobility challenges, and further delay or truncation will affect the future of our state. To the extent that sufficient resources are not secured, the only tools available to address our \$11.5 billion affordability gap include delaying projects or, in some cases, potentially eliminating them. Major projects potentially impacted by the realignment include but aren't limited to getting light rail to Tacoma, Everett, West Seattle, Ballard, South Kirkland, Issaquah and Tacoma Community College; expanding Sounder commuter rail service and access; and launching Stride bus rapid transit service on I-405.

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CHIEF EXECUTIVE OFFICER

Peter M. Rogoff

To help address this affordability gap, we ask you to include significant funding for Sound Transit in any transportation revenue proposal that moves forward. In addition to a direct appropriation, we ask you to consider these budget related items to assist Sound Transit:

- Remove the statutory prohibition placed on Sound Transit preventing the agency from accessing any transportation grant program other than the transit coordination grants, which are currently expected to sunset. While the amount of funding added with this change is meager in comparison to the size of the affordability gap, new grant programs that are created and projects in partnership with local jurisdictions could benefit substantially from this change.
- Eliminate the section of the 2019-2021 transportation budget, which mandates that the Washington State Department of Transportation (WSDOT) use 100% market value on all rent or lease agreements with Sound Transit. By doing so, this language singles out Sound Transit and our partnerships with the State to deliver the high capacity transit investments approved by the voters and in service of improving mobility for the citizens of this State. Further, this language hurts taxpayers by constraining opportunity for efficient partnerships on major transportation projects. The property affected by this language has already been paid for by taxpayers, and the federal government provided 85-95% of the funding to purchase the property.
- Eliminate language incorporated into the 2019-2021 transportation budget (Section 706 of ESHB 1160) which seeks to require Sound Transit to provide “full reimbursement” to the Washington State Department of Licensing (DOL) for the costs to collect Motor Vehicle Excise Tax (MVET). The section sets a minimum reimbursement of \$7.8 million, which is estimated to be 50 times the cost of MVET collection projected for 2020. Sound Transit has previously shared concerns about the methodology used to generate this figure and accuracy of the resulting estimate.

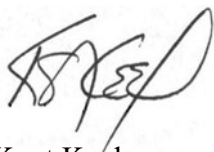
Several bills currently under consideration could benefit Sound Transit and other local governments. However, many of them would require some level of modification from present language to have any impact on our agency; we would be happy to work with on changes that would allow Sound Transit to benefit from these encouraging policy proposals.

The transportation revenue and funding crisis our state and region faces is daunting. The stakes are high, including the enormous opportunity that transportation projects provide to create economic stimulus that helps our communities recover from this pandemic and thrive. Thank you for taking the time to consider our request, we look forward to working with you in the spirit of delivering green, high-capacity transportation to the people of Washington State. Please don't hesitate to reach out to myself or Alex Soldano, our Director of State Relations, with any questions.

Sincerely,

Members of the Sound Transit Board of Directors

cc: Peter M. Rogoff, Chief Executive Officer
Alex Soldano, Director of State Relations
Sound Transit Legislative Delegation



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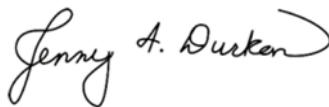
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