

# *Enterprise Initiative: Updating the ST3 System Plan*

*Executive Committee*

*05/14/2026*

# Why we are here

## Briefing purpose

- Share updates per the May 7 Executive Committee reviewing Resolution R2026-11, which updates the ST3 System Plan
  - » *Why update ST3 now*
  - » *Active light rail extension project milestones*
  - » *Cost information related to the proposed affordable ST3 capital program*
  - » *Cost savings and new capacity from Enterprise Initiative opportunities*
  - » *Financial capacity and risk management*
- Review next steps for Board action to update ST3

# ***Principles guiding the Enterprise Initiative***

## ***Established by the Board via M2025-36***

### **Advance regional connectivity**

- serve our population and job centers
- complete the regional transit spine
- benefit the whole region and achieve the objectives of ST3

### **Support future growth**

- maintain and grow ridership
- align investments with current land use and future growth
- engender broad future support

### **Prioritize the passenger experience**

- prioritize the riders' experience
- maximize connections and ridership
- keep everyone safe
- ensure our system is dependable

### **Protect public investments with fiscal integrity**

- be careful stewards of public resources
- seek cost savings and efficiencies
- maintain strong oversight and accountability
- understand trade-offs

# ***Board-established process elements***

***To help inform the Board on how to best achieve the planned outcomes of the Enterprise Initiative***

- Engage communities through inclusive collaboration
- Build trust through transparent governance
- Drive decisions with data and insight

# ***Resolution R2026-11***

# ***Resolution R2026-11***

## ***Why update the ST3 System Plan now?***

- This process is required as part of the voter-approved ST3 ballot measure and done in consideration of the financial policies within ST3
- All subareas – and therefore the entire system – is out of compliance with voter-approved financial policies
- When the plan is unaffordable, there are legal limits to how the agency can spend money especially when committing significant sums of money that may jeopardize the whole program or other subareas

***Adaptive program  
management plan & project  
delivery framework***

## *ST3 program's scale and complexity necessitates a step up*

### 01

#### **We have the pieces and need to strengthen alignment.**

Sound Transit is managing multiple concurrent mega-programs while continuing to mature as an operating organization. Stronger alignment across programs and initiatives is needed to support durable decision-making and responsible allocation of resources.

### 02

#### **Changing conditions call for adaptability**

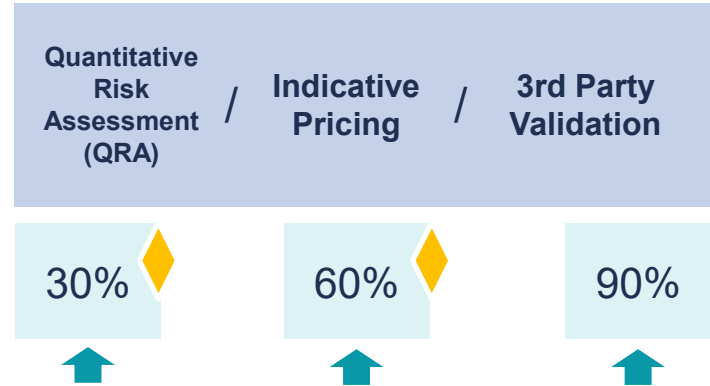
Today's dynamic environment necessitates a Board review process for costs, risks, and schedule that enables decision-making at key checkpoints while preserving program continuity. In parallel, we must explore additional revenue streams and cost savings.

### 03

#### **Execution depends on all of us.**

Adaptive program management will institute agencywide governance for how programs and projects are planned, controlled, and delivered. Improved visibility, stronger connectivity across programs, and rigorous reporting are essential to effective oversight.

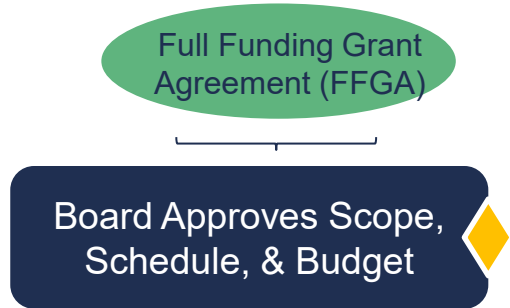
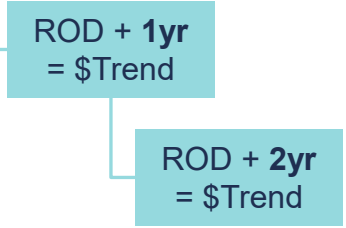
Bottom-up Cost Estimating



Institutionalized Cost Savings and Resource Identification

Framework Ideas

- Contingency pooling/hierarchy
- Board oversight
- Delegation

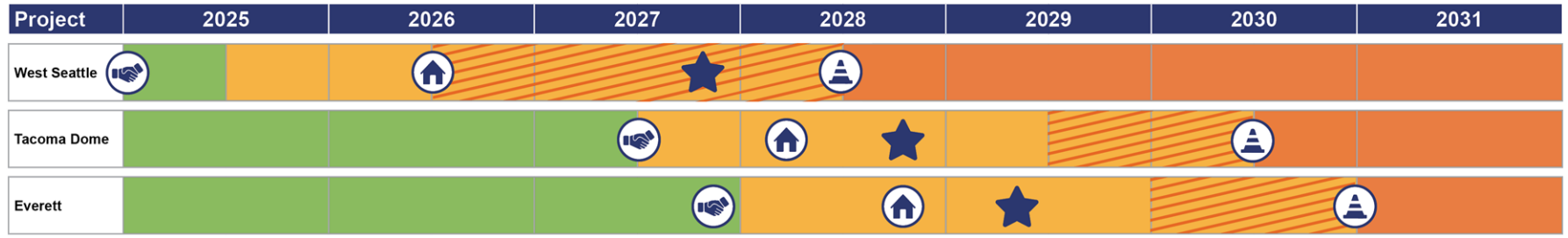


EIS = Environmental Impact Statement

▶ = Board Direction/Validation

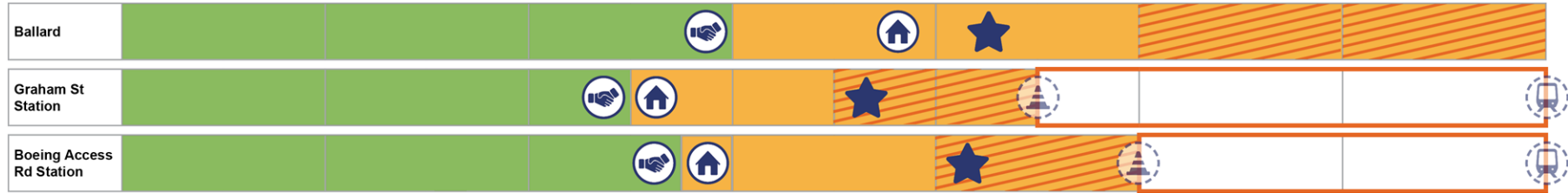
◆ = Project Off-ramp

# Anticipated milestones for active Link projects



↑ Projects affordable through construction

Projects with construction not fully affordable ↓



### Project Phases



**Unfunded**

Timeframes and durations shown are estimates based on current assumptions.

### Milestones

- Project to be built
- Start of major ROW acquisitions
- Approve project baseline
- Start of construction
- Start of service

***Affordable ST3  
capital program***

# Three illustrative approaches to surface trade-offs

Solid dashed lines indicate alignments are not confirmed. Light lines indicate deferred projects.



# *How we developed these approaches*

## *Rules & expectations*

- **Ensure meaningful differences:** Approaches should reveal real trade-offs and illustrate policy considerations for Board members
- **Focus on what matters:** Prioritize and vary components that truly move the needle
- **Keep it simple:** Complex approaches collapse under their own weight; clarity is critical
- **Build on existing work:** Leverage cost-savings opportunities as the foundation; supplement with additional technical work
- **Expect a blended outcome:** The eventual ST3 System Plan update put forward to the Board is likely to combine elements from multiple approaches

Board Principles	ST3 Baseline	Approach 1	Approach 2	Approach 3
<b>Advance Regional Connectivity</b>				
Spine completion	Yes (Everett to Tac. Dome)	Yes (Everett to Tac. Dome)	Yes (Everett to Tac. Dome)	No (SW Everett Ind. to Fife)
Regional centers served by rail	+6	+3	+3	+2
<b>Support Future Growth</b>				
Daily Sound Transit rail boardings*	630,000	<b>550,000</b> (87% baseline)	<b>550,000</b> (87% baseline)	<b>540,000</b> (86% baseline)
Population & jobs with access to rail	+430,000	+280,000 (66% baseline)	<b>+310,000</b> (72% baseline)	300,000 (70% baseline)
Zero-vehicle households with access to rail	+13,000	<b>+9,100</b> (71% baseline)	+8,800 (68% baseline)	8,800 (68% baseline)
<b>Passenger Experience</b>				
Regional travel time reduction	High	<i>Medium</i>	<i>Medium</i>	Low
<b>Fiscal Integrity</b>				
Program competitiveness	<i>Not applicable</i>	<i>High</i>	Medium	Low
Project readiness	<i>Not applicable</i>	<i>High</i>	Low	Medium

\* Baseline ridership was developed from 2024 ST3 forecast update

# *Themes from Board discussion*

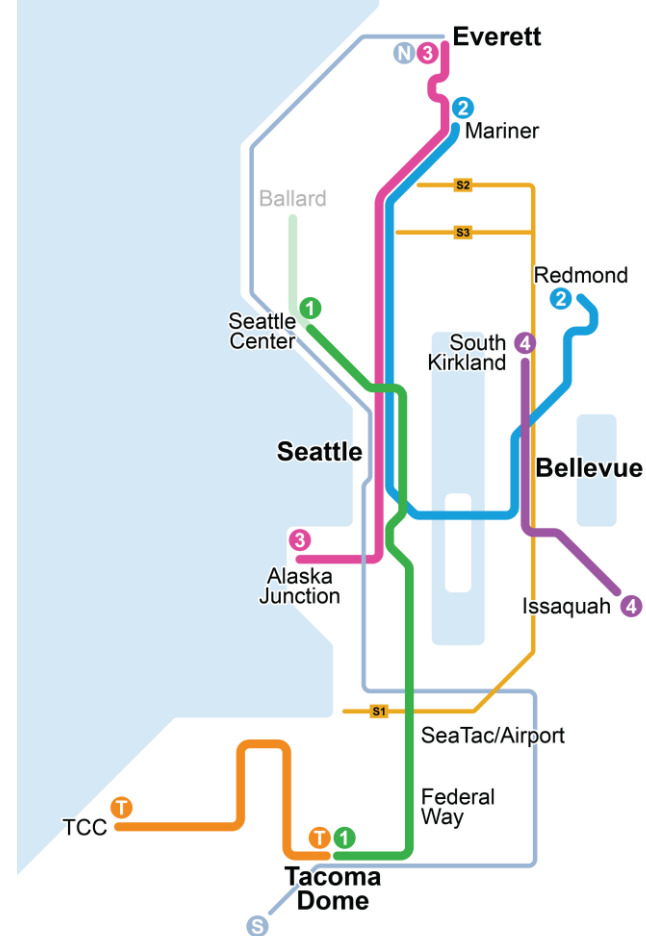
## *Where we go from here: capital program approaches*

- Shared commitment to delivering regional mobility benefits
- Support for advancing light rail investments over other investments in ST3
- Maintain momentum for projects in planning and design to refine potential cost savings and confirm cost risks
- Interest in advancing initial project development phases for projects not yet in planning
- Need for a clearer path for projects/project phases that may be deferred

# Affordable ST3 capital program

## Project categories

- Affordable within available resources
  - » *Fully funded projects*
  - » *Partially funded projects*
- Projects with unfunded construction phases or funded through planning/design
- Deferred projects



# Affordable ST3 capital program

## Affordable within available resources: \$57.5B

### Fully funded projects: \$55.7B

- *Tacoma Dome Access Improvements: \$23M*
- *West Seattle Link (no Avalon Station): \$6.8B*
- *Tacoma Dome Link: \$6.6B*
- *Everett Link, phase 1: \$6.1B*
- *Ballard Link initial segment (Seattle Center): \$17.8B*
- *Everett Link, phase 2: \$3.4B*
- *T Line to Tacoma Community College (now 2043): \$1.7B*
- *South Kirkland to Issaquah (now 2050): \$8.4B*
- *Link OMF – South: \$2.5B*
- *Link OMF – North: \$2.1B*
- *Sounder Maintenance Base: \$315M*

### Partially funded projects or projects funded through planning and design: \$1.8B

- *Ballard Link, through final design: \$300M*
- *Boeing Access Road Station, through final design: \$52M*
- *Graham Street Station, through final design: \$24M*
- *Sounder South Additional Trips, partially funded: \$1.1B*
- *Sounder Extension to DuPont (planning only): \$17M*
- *Regional Parking Fund: \$100M*
- *ST Express Bus Base (partially funded): \$100M*
- *ST4/High-Capacity Transit Corridor Studies (partially funded): \$106M*

# Affordable ST3 capital program

## Projects with construction or full delivery currently unfunded: \$9.3B-\$11.3B

- *Ballard Link (Seattle Center to Market Street): \$7B-\$9B*
- *Boeing Access Road Station: \$476M*
- *Graham Street Station: \$190M*
- *Souder South Additional Trips (remainder): \$500M*
- *Souder Extension to DuPont (final design and construction): \$865M*
- *ST4/High-Capacity Transit Corridor Studies (remainder): \$220M*

# Affordable ST3 capital program

## Deferred projects: \$2.5B

- Tacoma Dome Link Parking: **\$216M**
- Everett Link Parking: **\$285M**
- Stride Parking: **\$521M**
- North Sammamish Park & Ride: **\$60M**
- Edmonds & Mukilteo Parking and Access: **\$87M**
- Bus on Shoulder Project: **\$202M**
- SR 162 Corridor Improvements: **\$99M**
- Sounder South Platform Extensions: **\$457M**
- Sounder South Access Improvements: **\$277M**
- ST Express Bus Base (remainder): **\$335M**

Board Priorities	ST3 Baseline	Affordable ST3 Plan per R2026-11
<b>Advance Regional Connectivity</b>		
Spine completion	Yes (Everett to Tacoma Dome)	Yes (Everett to Tacoma Dome)
Regional centers served by rail	+6	+5
<b>Support Future Growth</b>		
Daily Sound Transit rail boardings*	650,000	<b>600,000</b> (92% baseline)
Population & jobs with access to rail	+430,000	<b>+360,000</b> (84% baseline)
Zero-vehicle households with access to rail	+13,000	<b>+10,000</b> (77% baseline)
<b>Passenger Experience</b>		
Regional travel time reduction	High	<b>Medium</b>
<b>Fiscal Integrity</b>		
Program competitiveness	<i>Not applicable</i>	<b>High</b>
Project readiness	<i>Not applicable</i>	<b>High</b>

\* Baseline ridership was updated for this Enterprise Initiative analysis

# Ridership effects of BLE interim segment

Station Name	Full Build	Seattle Center Interim Terminus (with SLU)
Ballard	12,100	0
Interbay	4,300	0
Smith Cove	3,400	0
Seattle Center	8,400	8,200
South Lake Union	8,100	6,300
Denny	11,200	8,700
Westlake (new)	24,500	19,200
Midtown	20,200	16,400
International District (new)	3,200	3,400
<b>Total Boardings</b>	<b>95,400</b>	<b>62,200</b>
<b>Trips-on-Project</b>	<b>137,000</b>	<b>103,000</b>



- Ridership information shown here is consistent with information in the Draft EIS
- Ongoing analysis shows slightly reduced overall ridership from consolidating Denny and South Lake Union stations with higher boardings at Denny and Seattle Center stations

***Enterprise Initiative  
workstream opportunities***

# Enterprise Initiative workstream levers

## Policy & planning: \$1.4B

- Updated Link service assumptions based on affordable ST3 capital program: **saves \$600M**
- Updated STX service assumptions: **saves \$300M**
- Discontinuation of Sounder N Line: **saves \$400M**
- Updated parking fee assumptions: **adds \$100M**

## Capital delivery: \$22B-\$26B

- Cost savings opportunities: **saves \$8B-\$10B**
- Schedule delay + extending finance plan: **adds \$3B**
- Potential deferral of some projects: **saves \$11B-\$13B**

## Transit operations: \$1.5B

- Updated resiliency and state of good repair assumptions: **saves \$600M**
- Updated light rail vehicle based on affordable ST3 capital program: **saves \$450M**
- Updated future staffing and administrative cost assumptions: **saves \$450M**

## Finance: \$5.3B

- Use remaining rental car tax authority: **adds \$300M**
- Updated federal grant assumptions per affordable ST3 capital program: **adds \$4.8B**
- Anticipated savings from underspend on ST2 projects nearing closeout: **adds \$150M**

***Financial capacity and  
program risk management***

# Key ST3 finance plan changes

## Getting to a balanced plan at system and subarea levels

- Extends the finance plan duration from 2046 to 2052
- Incorporates approximately \$11-13B of capital cost savings – including capacity created by extended plan duration – within the affordable ST3 capital program
- Need to identify approximately \$11-13B for capital investments that aren't currently affordable
- Includes approximately \$8B in cost savings and additional capacity from other Enterprise workstreams and future program efficiencies
- Makes debt interest a systemwide expense to ensure compliance with subarea equity reflecting that the agency bonds collectively

# *ST3 System Plan update*

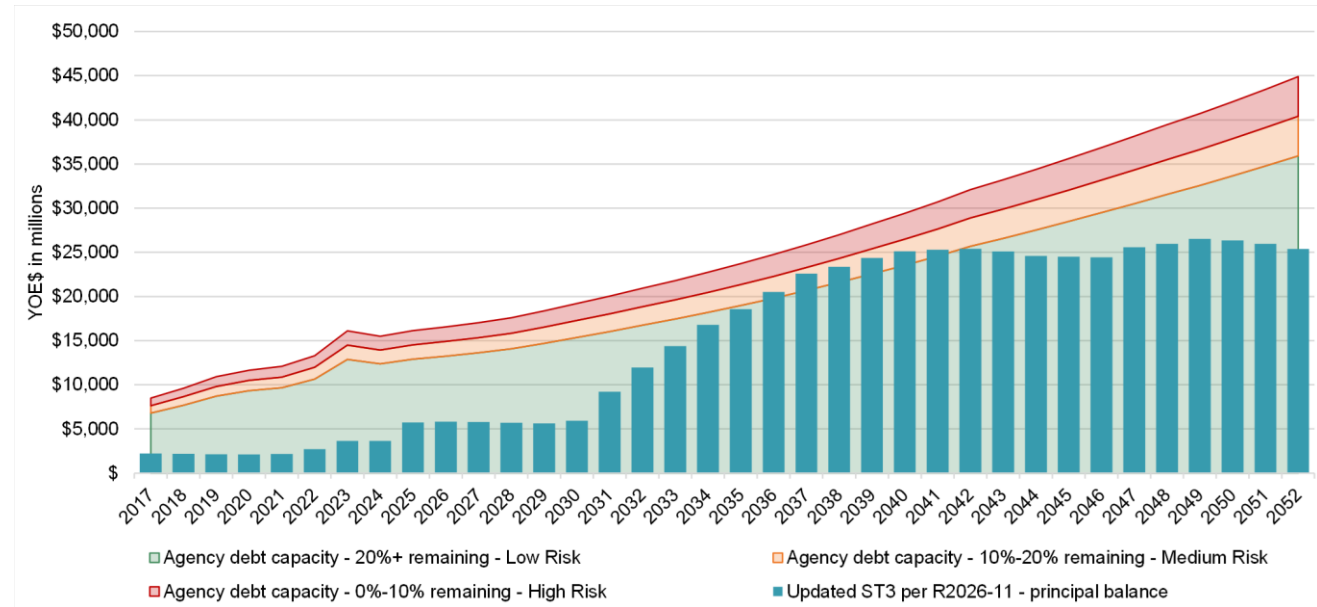
## *Maximizing available agency financial capacity*

- The proposed ST3 System Plan update fully utilizes agency financial capacity
- Unanticipated fluctuations in costs or reductions in revenue could potentially require Board action to adjust the plan
- The program continues to carry financial and delivery risk, and the adaptive program management plan and project delivery framework are necessary to manage and mitigate that risk

# Measuring program affordability

## Legal debt capacity

- Our ability to issue debt to deliver the ST3 program is a main criteria for affordability
- We assess “headroom” between the principal balance of debt against statutory requirements related to assessed value of property
- The ST3 plan update approaches a level that requires more active risk management to withstand unanticipated fluctuations in costs or reductions in revenue



***Next steps***

# ***Resolution R2026-11***

## ***Next steps and amendments process***

- Initial amendment concepts were submitted on **May 13**
- Final amendments due by **May 20**
- Amendments distributed with **Board mailing on May 22**
- Board consideration of R2026-11, amendments offered, and potential action on proposed update to ST3 System Plan at May 28 Board meeting

*Thank you.*



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