

## SOUND TRANSIT BOARD MEETING

**Summary Minutes****April 26, 2018**

## CALL TO ORDER

The meeting was called to order at 1:36 p.m. by Vice Chair Marchione, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

## ROLL CALL

Chair

(A) *Dave Somers, Snohomish County Executive*

Vice Chairs

(P) *John Marchione, City of Redmond Mayor*

(P) *Ron Lucas, City of Steilacoom Mayor*

Board Members

(A) *Nancy Backus, City of Auburn Mayor*

(A) *David Baker, City of Kenmore Mayor*

(P) *Claudia Balducci, King County Councilmember*

(A) *Dow Constantine, King County Executive*

(P) *Bruce Dammeier, Pierce County Executive*

(P) *Jenny Durkan, Seattle Mayor*

(P) *Dave Earling, City of Edmonds Mayor*

(P) *Rob Johnson, Seattle Councilmember*

(P) *Kent Keel, City of University Place Mayor*

(P) *Joe McDermott, King County Council Chair*

(P) *Roger Millar, WSDOT Secretary*

(P) *Paul Roberts, Everett Councilmember*

(P) *Dave Upthegrove, King County Councilmember*

(P) *Peter von Reichbauer, King County*

*Councilmember*

(A) *Victoria Woodards, City of Tacoma Mayor*

Katie Flores, Board Administrator, announced that a quorum of the Board was present at roll call.

## REPORT OF THE CHAIR

Board Member Request to Participate via Teleconference

Vice Chair Marchione announced that Boardmember Joe McDermott has asked to participate in the meeting by phone. The Board's Rules and Operating Procedures allow members to attend meetings by teleconference with a two-thirds affirmative vote of those members in attendance.

**It was moved by Boardmember Durkan, seconded by Boardmember Balducci, and carried by unanimous vote that Boardmember McDermott be allowed to participate in the Board meeting by telephone.**

Board Workshop

Vice Chair Marchione stated that on May 4, 2018, the Board will hold a workshop from 9:00 a.m. to 3:00 p.m. at the World Trade Center across from Pier 66. The purpose of the workshop is to continue reviewing and refining the board's processes, which has been ongoing over the past year.

## CHIEF EXECUTIVE OFFICER'S REPORT

University of Washington Vertical Conveyances Report

In response to the March 16, 2018, escalator outage at the University of Washington Station, Sound Transit staff briefed the Operations & Administration Committee at its April meeting on actions that have taken place. Staff is preparing back stairs to be used for access and establishing a procedure to use the

stairs to get people into and out of the station in the event that multiple escalators break down cutting off access between the station platform and upper levels. Labor & Industries strongly recommends against using stopped escalators as stairs from the escalator equipment manufacture. Walking on stopped escalators creates a higher risk of accident, including the possibility that the escalators suddenly start up again.

Changes to the security team's station observation protocols have been made to ensure each conveyance is observed at least every 30 minutes. Communication protocols between Security staff and the Link Control Center have been changed to shorten the duration for requesting repair technicians from KCM.

Regarding stations in design and construction, last year the agency amended its standard escalator specification. Although this raises installation costs, it will serve customers better with heavier-duty escalators. With one exception, all future stations will have public stairs where escalators are provided.

### System Expansion Engagement

Four major projects have begun this year: the West Seattle and Ballard Link Extensions, the Tacoma Dome Link Extensions, and the I-405 and SR 522 Bus Rapid Transit (BRT) projects. The agency's goal is to reach agreement on preferred routes and/or stations for each of these projects in 12 to 18 months. Each project has an Elected Leadership Group, a Stakeholder Advisory Group, and Interagency Group with a goal of getting to durable agreement on a preferred project and providing a high level of transparency to the project development processes. In addition to the formation of these groups, public open houses, stakeholder briefings, tours, project websites, neighborhood forums, and other outreach initiatives are underway.

The West Seattle and Ballard Link Extensions project began public engagement in January 2018. The agency held three public open houses in February with over 700 people attending, there have been over 5,000 visitors to the online open house, and a total of 2,800 comments received. The Elected Leadership and Stakeholder Advisory Groups have been meeting and are in the process of screening down alternatives at their April and May meetings. There will be a total of six neighborhood meetings held in Chinatown/International District, South Lake Union/Seattle Center, Midtown/Westlake, West Seattle, SODO, and Ballard/Interbay in April and May.

The Tacoma Dome Link Extension began public engagement in April with open houses on April 17 in Tacoma, April 18 in Federal Way, and April 24 in Fife. Station Area Workshops began this week, the Elected Leadership Group met on February 16 and March 19, and the Stakeholder Advisory Group met March 28.

The I-405 and SR 522 BRT projects will begin public engagement today with a public meeting in Kirkland focusing on the I-405 BRT project. Project staff has briefed a group of residents along the SR 522 project corridor who reached out with questions about potential property acquisition. The first of the SR 522 BRT public meetings will follow in May. Both projects held their first Elected Leadership Group meetings in April with SR 522 taking place on April 4 in Kenmore, and I-405 on April 25 in Bellevue. The Interagency Groups, comprised of technical staff from each of the jurisdictions along the corridor, have had their initial meetings and will now continue to meet on a monthly basis.

The North Corridor Leadership Forum has not yet formed an Elected Leadership Group for the Everett Link project. Chair Somers will be hosting a North Corridor Leadership Forum for elected officials in the corridor. The goal is to keep elected officials up-to-speed and engaged on the numerous projects in the corridor – Lynnwood Link Extension, SR 522 BRT, I-405 BRT, and eventually Everett Link Extension. The forum met for the first time on February 23 in Everett. The group received an overview of the Lynnwood Link Extension project, ST3 north corridor projects, and an update on federal funding. They will meet again on May 11.

## Updated Phase Gate Procedure

In April 2017, an interdepartmental team was tasked to review the Phase Gate Process, which provides capital project management and oversight to all system expansion projects. The goals set for the team were to look at streamlining the process by looking at opportunities to improve efficiency, eliminate redundancy, ensure no gaps in project oversight, accommodate different delivery methods, and support the System Expansion Implementation Plan.

The team identified a number of recommendations that the Executive Leadership Team endorsed. In the new process, project delivery will pass through phases during which collaborative decisions under established approval authorities will advance the project from planning through design and construction, and into operations. To support this change, a newly created Project Transition Office reporting to the Deputy CEO will have the responsibility for administering Phase Gate to deliver projects with consistency, accountability, and transparency. This is a significant change to the agency's management oversight process, but one that demonstrates Sound Transit's commitment to the voters to meet the goals established for system expansion.

## PUBLIC COMMENT

Paul W. Locke  
Alex Tsimerman, Stand Up America  
Hester Serebrin, Transportation Choices  
Abdi Yussuf, Puget Sound Sage  
Julissa Sanchez, Puget Sound Sage  
Yemane Gebremicael, Puget Sound Sage  
Will Knedlik  
Angela Compton, Futurewise  
Ildefonso Eustaquio

## CONSENT AGENDA

Minutes of the March 1, 2018, Special Board Meeting.

Minutes of the March 22, 2018, Board Meeting.

Voucher Certification for March 2018.

Motion No. M2018-44: Authorizing the chief executive officer to (1) execute a Construction and Maintenance Agreement with the Washington State Department of Transportation for their I-5 Steilacoom-DuPont Road to Thorne Lane Corridor Improvements Project; and (2) grant an easement to the Washington State Department of Transportation for consideration in the amount of \$985,100.

Motion No. M2018-51: (1) Authorizing the chief executive officer to execute an agreement with the City of Seattle and King County Metro, to provide capital improvements for downtown Seattle focusing on improving regional mobility and the customer experience for a near-term program of projects in the amount of \$8,981,750 with an 11% program contingency of \$1,018,250 for a total authorized agreement amount not to exceed \$10,000,000 plus applicable taxes, and (2) approving Downtown Seattle and Regional Mobility Improvements as the project name.

Motion No. M2018-52: Authorizing the chief executive officer to execute (1) an Agreement with the City of Seattle for project administration services for the West Seattle and Ballard Link Extensions Project that establishes a task order process for Sound Transit to reimburse the City for certain costs essential to meeting Project objectives and schedules; and (2) Task Order One, which establishes the scope, schedule, and budget for services to be provided by the City for the alternatives development phase of the Project, in

the amount of \$1,101,050, with a 10% contingency of \$110,105, for a total authorized amount not to exceed \$1,211,155.

**It was moved by Boardmember von Reichbauer, seconded by Vice Chair Lucas, and carried by unanimous vote that the consent agenda be approved as presented.**

## BUSINESS ITEMS

Resolution No. R2018-10: Adopting an Equitable Transit Oriented Development Policy to reflect ST3 and RCW 81.112.350 direction to implement a regional equitable TOD strategy during planning, design, construction and operation of the high-capacity transit system and supersedes Resolution No. R2012-24.

CEO Rogoff commented on the importance of the Equitable Transit Oriented Development policy to the agency. The policy directly impacts the work of the Office of Land Use and Development and changes how Sound Transit executes project development and delivery. The agency will now consider station area land use plans from project inception to completion. As projects go through alternatives analysis and preferred alternative identification, the Board will see land use as an explicit project evaluation criteria; as projects move into preliminary engineering and final design, the selection of construction staging areas will be informed by TOD opportunities; and as projects move into construction, there will be a goal to align equitable TOD development on Sound Transit surplus property to match project opening dates.

Brooke Belman, Director of Land Use Planning & Development, and Sarah Lovell, TOD Manger, presented the staff report. Updating the Equitable Transit Oriented Development (ETOD) policy is a commitment from ST3. The policy is being updated to ensure that it reflects the new programmatic direction of the System Expansion Implementation Plan (SEIP) as well as the state requirement to prioritize affordable housing outcomes on surplus property.

The statute requires the agency to first offer 80 percent of the surplus property that is suitable for housing to qualified entities. Qualified entities must agree to build 80 percent of the units on the site available for residents making 80 percent area median income (AMI) or below. When all three of these criteria are met, the Board may elect to discount property to facilitate the affordable housing development.

ST3 directs the agency to implement a regional equitable TOD strategy for diverse, vibrant, mixed-use, and mixed-income communities around Sound Transit stations and facilities. The ST3 system plan language further states that the agency will pursue and implement strategies to reduce the cost of affordable housing development, increase ridership, and leverage resources.

In December 2017, the Board directed staff to include five priorities to include in the policy – affordable housing development, engagement, fiscal responsibility, flexibility, and integrated project delivery. In January 2018, staff began drafting the document and released it in February to city, county, and regional jurisdictions and stakeholders to receive feedback. At the March Board meeting, staff presented the first draft of the policy and received Board direction to update the draft policy. The proposed staff revision was presented to the Executive Committee on April 5, 2018.

Vice Chair Marchione commented that the Executive Committee voted to forward this resolution to the full Board with a do-pass recommendation along with three revisions to the policy.

**It was moved by Boardmember Earling and seconded by Boardmember Balducci to approve Resolution No. R2018-10.**

Revision 1 – offered by Vice Chair Marchione as recommended by the Executive Committee

*Accept staff recommended changes to the draft Equitable Transit Oriented Development Policy shown in tracked changes.*

Vice Chair Marchione advised that the Executive Committee is recommending Revision 1 be adopted to accept the changes proposed by the Sound Transit staff in response to stakeholder feedback on the draft policy.

Ms. Lovell explained that the revisions reflect direction received from the Board and comments received from cities, counties, regional jurisdictions, and stakeholders. She described each change.

Section 1.0 Scope: revised to add a regional equitable TOD strategy and to define equitable TOD. Section 2.2 Strategies: revised to add a strategy for housing options, clarify roles in agency and community TOD, and elaborate on engagement. Section 2.2 External Engagement Approach: revised to strengthen language to commit the agency to inclusive engagement, to commit resources to the process, and to commit to early coordination with local jurisdictions. Section 2.4 Integrated Project Delivery Approach: revised to add language to Sound Transit's role in early planning and integration in adjacent land uses and to commit to avoiding remnant parcel creation. Section 2.5 Equitable TOD Implementation Approach: revised to refine revenue approach, to elaborate on discounting property, to add context for value capture, and to elaborate on creative development strategies and community goals. Section 2.6 Reporting and Accountability Approach: revised to add this section to add detail on guidelines/process and procedures, add detail on equitable TOD plan, and to add reporting requirements.

Vice Chair Lucas asked for more detail on what is meant by looking for funding availability. Ms. Lovell replied that Sound Transit is just one party to bring affordable housing projects to the market. Staff works with other funders of affordable housing projects.

**It was moved by Boardmember Roberts, seconded by Boardmember Balducci, and carried by the majority vote of all Boardmembers present that Revision 1 be accepted as a revision to the Equitable Transit Oriented Development Policy with Boardmember Dammeier voting in the minority.**

Revision 2 – offered by Boardmember Balducci as recommended by the Executive Committee

*Revise section 2.6.3 of the Proposed Staff Revision as follows:*

2.6.3 The Board will receive an annual report on the TOD program status and performance in meeting statutory requirements. ~~Program performance will be measured through the agency's property offers, detailed in the guidelines and reported annually through the plan.~~

Boardmember Balducci explained that in the draft policy, the language for reporting to the Board was unclear. She worked with staff on the proposed revision.

**It was moved by Boardmember Balducci, seconded by Boardmember Johnson, and carried by the unanimous vote of all Boardmembers present that Revision 2 be accepted as a revision to the Equitable Transit Oriented Development Policy.**

Revision 3 – offered by Boardmember Balducci as recommended by the Executive Committee

*Revise the eighth WHEREAS section and insert the following:*

WHEREAS, regional plans and policies, including those of the Puget Sound Regional Council (PSRC), encourage equitable transit communities and provide regional guidance on TOD, and Sound Transit is a signatory to PSRC's 2013 Growing Transit Communities Compact; and

WHEREAS, as described in the Growing Transit Communities Compact, new market-rate housing trends and subsidized housing resources are not providing sufficient housing choices in transit communities for households earning under 80 percent of area median income; and

WHEREAS, the combined cost burden of housing plus transportation can be substantially reduced by locating affordable housing opportunities in proximity to transit; and

WHEREAS, many communities that are now or may be served by high-capacity transit are home to low-income and minority households and small locally- and minority-owned businesses that are at a potentially higher risk of displacement due to a range of factors; and

Vice Chair Marchione stated that this revision was recommended by the Executive Committee to add recitals to the policy describing the Puget Sound Regional Council (PSRC) Growing Transit Communities Compact.

Boardmember Balducci stated that the language adds more detail and the additional recitals were taken directly from the Growing Transit Communities Compact. The first recital has been revised to mention that Sound Transit is a signatory to the Growing Transit Communities Compact. It is important to state why Sound Transit is a partner to this work as opposed to just a transit agency.

**It was moved by Boardmember Balducci, seconded by Boardmember Johnson, and carried by the majority vote of all Boardmembers present that Revision 3 be accepted as a revision to the Equitable Transit Oriented Development Policy with Boardmember Dammeier voting in the minority.**

Revision 4 – offered by Boardmember Roberts

*Add the following after the fourth WHEREAS section:*

WHEREAS, in 2015, the Sound Transit Board established core priorities, including, but not limited to, completing the light rail spine, promoting transit-friendly land use and supporting transit oriented development (TOD), to guide the development and evaluation of the system plan; and

Boardmember Roberts stated that the PSRC's Growing Transit Communities work, as well as the body of work on the Equitable Transit Improvement Plan, helps with the question of whether the agency is a transit agency or a housing agency. RCW 81.112 gave Sound Transit an obligation to fulfill in carrying out that work. He explained that Revisions 4, 5, and 6 are intended to provide more definition that Sound Transit is a transit agency that is engaged in TOD.

**It was moved by Boardmember Roberts, seconded by Boardmember Balducci, and carried by the majority vote of all Boardmembers present that Revision 4 be accepted as a revision to the Equitable Transit Oriented Development Policy with Boardmember Dammeier voting in the minority.**

Revision 5 – offered by Boardmember Roberts

*Revise section 1.1 of the Scope in the Proposed Staff Revision as follows:*

1.1 The 2016 voter-approved regional transit system plan established TOD as a programmatic component of implementing the agency's mission to plan, build and operate regional mass transit. The system plan directs the agency to implement a regional equitable TOD strategy for diverse, vibrant, mixed-use and mixed-income communities adjacent to Sound Transit stations. This policy responds to that direction by planning for equitable TOD throughout project delivery, emphasizing partnerships and collaboration, and committing the agency to inclusive and transparent engagement throughout every phase of project delivery.

Vice Chair Lucas spoke with the Puget Sound Regional Council's CEO about TOD at PSRC. The CEO indicated that funding of TOD with PSRC funding had been rebuffed. He asked Boardmember Roberts what the amendment has to do with seeking additional funding to meet this objective.

Boardmember Roberts replied that the amendment simply adds a recital that incorporates Sound Transit's adopted core priorities. In terms of TOD funding, there are several sources, but the first is that RCW 81.112 provides Sound Transit with an obligation to work with local communities to help provide some value added, if not direct funding. He said that in his experience with this type of project, he never ran into a project that was not cobbled together with multiple funding sources. This may include federal, private, or non-governmental organizations. It will look different in each community.

Mr. Rogoff stated that Sound Transit's contribution is revenue foregone in the form of discounting of property. There will be staff time, but Sound Transit will not fund or contribute to the construction of the housing.

**It was moved by Boardmember Roberts, seconded by Boardmember Earling, and carried by the majority vote of all Boardmembers present that Revision 5 be accepted as a revision to the Equitable Transit Oriented Development Policy with Vice Chair Lucas and Boardmember Dammeier voting in the minority.**

Revision 6 – offered by Boardmember Roberts

*Revise section 2.2.6 of the Proposed Staff Revision as follows:*

**2.2.6 Housing options.** Sound Transit seeks proposals from developers that align with local goals and deliver ~~commits to~~ a variety and diversity of housing options within its TOD projects to support various income levels and family sizes. Sound Transit explores home ownership models, disposition strategies that allow for mixed-income development, and community/mission ownership opportunities.

Boardmember Roberts stated that the language is to clarify that Sound Transit is not the developer, but that the agency will seek the developers for the projects.

**It was moved by Boardmember Roberts, seconded by Boardmember Earling, and carried by the majority vote of all Boardmembers present that Revision 6 be accepted as a revision to the Equitable Transit Oriented Development Policy with Vice Chair Lucas voting in the minority.**

Revision 7 – offered by Boardmember Roberts

*Revise section 2.3.2 of the Proposed Staff Revision as follows:*

**2.3 External Engagement Approach.** Sound Transit commits to inclusive and transparent engagement, starting early in transit project development and throughout project delivery. Sound Transit:

- 2.3.1 Collaborates with local and regional stakeholders to articulate a development vision and goals for station areas when planning and developing transit projects.
- 2.3.2 Resources engagement efforts to be equal in opportunity, accessibility and inclusive of existing low-income and minority populations, with particular emphasis on ~~historically~~ underrepresented communities.

Boardmember Roberts stated that time changes and underrepresented communities change. He would like to strike the word “historically” from 2.3.2.

**It was moved by Boardmember Roberts, seconded by Boardmember Earling, and carried by the unanimous vote of all Boardmembers present that Revision 7 be accepted as a revision to the Equitable Transit Oriented Development Policy.**

Revision 8 – offered by Vice Chair Marchione

*Add a new section 2.2.9 to the Proposed Staff Revision as follows:*

**2.2.9 TOD completion.** Sound Transit strives for the completion of agency TOD at the time the transit project opens or service begins, while considering the agency’s property needs for construction and operations of the transit system.

Vice Chair Marchione stated that he was proposing this revision because the agency is the recipient of ST2 and ST3. There are large purchases of property for staging and construction, but for the properties closest to the station, the hope is to open TOD at the same time and minimize or eliminate lag time.

Boardmember Keel commented that Sound Transit is a transit agency, not a housing agency. This revision sounds like Sound Transit is getting involved in making sure the housing piece is done at the same time as the transit project. He said he understood the intent, but felt it puts the agency into the housing business.

**It was moved by Vice Chair Marchione, seconded by Vice Chair Lucas, and carried by the majority vote of all Boardmembers present that Revision 8 be accepted as a revision to the Equitable Transit Oriented Development Policy with Boardmember Dammeier and Boardmember Keel voting in the minority.**

Revision 9 – offered by Boardmember Durkan and Boardmember McDermott

*Add the following WHEREAS section as a new recital following the revised eighth and ninth WHEREAS sections proposed by Boardmember Balducci (in italics):*

WHEREAS, regional plans and policies, including those of the Puget Sound Regional Council (PSRC), encourage equitable transit communities and provide regional guidance on TOD, *and Sound Transit is a signatory to PSRC’s 2013 Growing Transit Communities Compact; and*

*WHEREAS, as described in the Growing Transit Communities Compact, new market-rate housing trends and subsidized housing resources are not providing sufficient housing choices in transit communities for households earning under 80 percent of area median income; and*

WHEREAS, the Growing Transit Communities Partnership adopted the following vision for “equitable transit communities”:

Equitable transit communities are mixed-use, transit-served neighborhoods that provide housing and transportation choices and greater social and economic opportunity for current and future residents.



Although generally defined by a half-mile walking distance around high-capacity transit stations, they exist within the context of larger neighborhoods with existing residents and businesses.

These communities promote local community and economic development by providing housing types at a range of densities and affordability levels, commercial and retail spaces, community services, and other amenities integrated into safe, walkable neighborhoods.

Successful equitable transit communities are created through inclusive planning and decision-making processes, resulting in development outcomes that accommodate future residential and employment growth, increase opportunity and mobility for existing communities, and enhance public health for socially and economically diverse populations.

*WHEREAS, the combined cost burden of housing plus transportation can be substantially reduced by locating affordable housing opportunities in proximity to transit; and*

*WHEREAS, many communities that are now or may be served by high-capacity transit are home to low-income and minority households and small locally- and minority-owned businesses that are at a potentially higher risk of displacement due to a range of factors; and*

Boardmember Durkan stated that Revisions 9 and 10 are intended to show that Sound Transit is very comprehensive in what is viewed as equitable development and to make sure it is a planning process that is robust within the community. This revision makes clear the range of opportunities that will be provided.

**It was moved by Boardmember Durkan, seconded by Boardmember McDermott, and carried by the majority vote of all Boardmembers present that Revision 9 be accepted as a revision to the Equitable Transit Oriented Development Policy with Boardmember Dammeier voting in the minority.**

Revision 10 – offered by Boardmember Durkan and Boardmember McDermott

*Revise section 1.2 of the Proposed Staff Revision as follows:*

- 1.2 Sound Transit recognizes that equitable transit communities promote local community and economic development by providing housing types at a range of densities and affordability levels, commercial and retail spaces that support job creation, community services, and other amenities that are integrated into safe, walkable neighborhoods. Successful equitable transit communities are created through inclusive planning and decision-making processes, resulting in development outcomes that accommodate future residential and employment growth, increase opportunity and mobility for existing communities, and enhance public health for socially and economically diverse populations. Sound Transit recognizes its role in advancing equitable TOD, which ~~TOD~~ focuses growth around transit facilities and leverages transit investments to produce regional and local benefits such as increased ridership, housing and employment options, and walkable, livable communities. The agency is committed to TOD that is equitable by ensuring that:
  - 1.2.1 The processes to plan, develop and implement TOD are inclusive and reflective of the local community, with the goal of a shared station area vision between the agency, community and local jurisdiction.
  - 1.2.2 TOD outcomes benefit and support existing low-income communities and residents of color.
  - 1.2.3 Station areas include housing options for families of many sizes and various income levels, provide social and economic opportunity for current and future residents, and increase access to regional employment, health and educational centers.

**It was moved by Boardmember McDermott, seconded by Boardmember Durkan, and carried by the majority vote of all Boardmembers present that Revision 10 be accepted as a revision to the Equitable Transit Oriented Development Policy with Vice Chair Lucas voting in the minority.**

Revision 11 – offered by Boardmember Durkan and Boardmember McDermott

*Revise section 2.6.1 as follows, and make the following revision to Boardmember Balducci's proposed revision to section 2.6.3:*

**2.6 Reporting and Accountability Approach.** Sound Transit develops necessary plans, procedures and/or guidelines to implement this policy. Sound Transit staff report at least annually to the Board to inform the Board on TOD progress.

**2.6.1** Sound Transit staff will develop equitable TOD guidelines and/or procedures with direction from Board and input from diverse stakeholders and partners. Equitable TOD guidelines and/or procedures will address, but not be limited to, the following:

2.6.1.a Station area planning and evaluation of joint development opportunities.

2.6.1.b Disposition methods the agency will use for TOD.

2.6.1.c Engagement strategy for planning and implementing TOD.

**2.6.2** A regional equitable TOD plan will strategically capture the agency's excess and surplus property inventory in time increments with annual offer and disposition targets identified, tracked and reported to the Board. The agency's excess and surplus property inventory is fluid, and this approach allows the agency to work strategically with local jurisdictions, regional stakeholders, qualified entities and housing funders on portfolio collaboration and coordination. The plan will:

2.6.2.a Identify properties suitable for development as housing that are anticipated to be offered to qualified entities, as defined in statute, and those that will be offered more broadly.

2.6.2.b Capture financial plan assumptions and report the status of recouping the agency's financial plan assumptions for property disposition revenue.

2.6.2.c Align with regional planning efforts.

**2.6.3** The Board will receive an annual report on the TOD program status and performance in meeting statutory requirements and other targets identified in the TOD plan. The report will also describe development and implementation of equitable TOD guidelines and/or procedures.

Boardmember Durkan stated that the purpose of this revision is to have the goals clear and to provide accountability to the Board.

**It was moved by Boardmember Durkan, seconded by Boardmember Johnson, and carried by the majority vote of all Boardmembers present that Revision 11 be accepted as a revision to the Equitable Transit Oriented Development Policy with Boardmember Dammeier and Boardmember Keel voting in the minority.**

Vice Chair Marchione stated that they had gone through all of the revisions brought to the Board. He asked if there was further discussion on the resolution as revised.

Vice Chair Lucas advised that he would be voting no on the resolution. He has studied TOD at other transit agencies around the country. The winners in the TOD projects have been the developers. He stated that his personal concern is that there are two chunks of money – federal transit money and

federal highway money. He is concerned that money will be diverted from either of those to support TOD as the ST3 project grows.

Boardmember Johnson stated that from an economic development perspective, when a determination is made as an agency to site a large park-and-ride facility next to a transit station, it may feel like a transportation decision, but it is actually a land use decision. This policy sets up objectives to allow the ability to meet the objectives for each community.

Boardmember Millar commented that as a matter of public policy, the Board needs to acknowledge the reality that transportation, housing, and economic development are intricately linked. There have been highway investments made that have resulted in incredible changes to development patterns, and there have been land use decisions made without thinking about the transportation implications. Congestion is a problem, but it is a symptom of the real problem, which is a lack of housing and transportation choices. The state, the region, and the society are not in a place where they can think about making an investment and having that investment only serve a transportation purpose. For an investment to be worth making, it needs to achieve multiple interdependent goals including transportation choice, economic development, social equity, public health, and environmental protection. This policy is a step in the right direction.

Boardmember Balducci commented that there is a tremendous need for housing in this region. There is a shortage and not enough housing that is affordable. There is an unbreakable connection between housing, transportation, jobs, and education. Sound Transit is building and providing services to enable people to get from their homes to other places. The agency is building out a system and buying land for the projects. When the land is no longer needed, it should be used to create housing.

Boardmember Keel stated that the conversations have solidified his position that housing is needed. Transportation, housing, and economic development are all connected. He does have an issue that Sound Transit is in the forefront of the housing. In the future, he would like to see the housing responsibility handed it over to a housing agency and not have Sound Transit become the responsible party for housing.

Boardmember Dammeier thanked staff for their work. He stated that he would be voting no on the action. He agrees with the goal, but does not feel this policy is the right approach. He believes that with the policy, the agency has pushed to go beyond the statutory requirements and are poised to go beyond the ST3 requirements. There is an affordability problem in the region, and the most important thing the agency can do to promote affordability in housing is to get the system built out as far, wide, and quickly as possible.

**The motion to approve Resolution No. R2018-10 as amended carried by a majority vote of all Boardmembers present with Vice Chair Lucas and Boardmember Dammeier voting in the minority.**

Resolution No. R2018-05: (1) Adopting new fare rates and fare structure for ST Express bus service, and (2) superseding the fare rates established in Resolution No. R2014-28 and amended by Resolution No. R2015-29 with the rates established by this action as shown in Attachment A.

**It was moved by Boardmember Roberts and seconded by Boardmember Earling to approve Resolution No. R2018-05.**

Boardmember Roberts stated that the Operations and Administration Committee received a staff presentation on this action at its March meeting. The action adopts new fares for ST Express bus service. He explained that the Resolution before the Board was amended by the committee with the selection of Option 1, to adopt a flat-fare on ST Express bus service of \$3.25. Boardmember Roberts asked staff to make a presentation.

Lisa Wolterink, Director of Fares and Revenue, and Sunnie Sterling, Senior Revenue Analysis Manager, stated that in the fall of 2016, elected officials in a regional fare forum recommended simplifying fare structures for customers and for the design of the Next Generation ORCA system. There were two recommendations. One would eliminate trip-based peak fares, which affects Metro's fares, and the second would eliminate zone-based fares, which affects Metro, ST Express, and Community Transit's fares.

For ST Express, the current zone boundaries are county lines. ST Express has 13 routes operating in one county and 15 routes that cross county lines. A customer is charged a higher fare for a multi-county trip regardless of the length of the trip. Currently, a customer making a one-zone trip on a multi-county route must ask the bus driver for a fare override. With the elimination of zones, the driver interaction would not be necessary and it would speed-up boarding.

Two options were presented for public review and comment. Option 1 would establish a single flat fare for each of the rider categories regardless of the route taken or length of the trip. Option 2 would provide a route-based fare that eliminates the override that is available today. Along with simplifying fares, the goal was to keep the options as close to revenue neutral as possible while keeping with the regional fare agreement to set fares in \$0.25 increments.

Option 1 establishes one single fare of \$3.25 on any bus. Riders making one-county trips would see an increase of 50 cents; riders of two-county trips would see a decrease of 50 cents; reduced fare riders of two-county trips would see a decrease of over 40 percent.

Option 2 is similar to today's zone structure. There is no change for riders on routes serving one county or two-county trips. However, the one-county fare override on two-county routes would be eliminated and riders would see a \$1.00 fare increase. Reduced fare riders making multi-county trips would see a fare decrease of over 40 percent.

Sound Transit conducted a fare equity analysis for the potential fare change. For both options, there is no disproportionate impact on low-income riders. For minority riders, Option 1 has no disparate impact and Option 2 has a slight disparate impact. Sound Transit plans to use this fare change as an opportunity to conduct additional outreach to increase enrollment in ORCA LIFT.

#### Amendment 1 – offered by Boardmember Upthegrove

*Amend Resolution No. R2018-05 to add the following as Section 3 of the resolution:*

Section 3: Sound Transit will develop a communications plan for ORCA LIFT and other reduced fares by the end of May 2018. The plan will identify the target markets and establish goals, strategies, timelines and effectiveness measures. Major elements of the plan will be completed in conjunction with implementation of the ST Express Fare change, including progress reporting to the Board and other stakeholders.

Boardmember Upthegrove commented that the region is leading the nation in setting an example of a low-income fare through the ORCA LIFT program. This amendment will ensure that the agency is being more aggressive, strategic, and intentional about connecting people with the low-income fare options.

**It was moved by Boardmember Upthegrove, seconded by Boardmember Roberts, and carried by the unanimous vote of all Boardmembers present that Amendment 1 be accepted as an amendment to Resolution No. R2018-05.**

#### Amendment 2 – offered by Boardmember Johnson

Amend Resolution No. R2018-05 to add the following as Section 4 of the resolution:

Section 4: Sound Transit will analyze current payment methods by mode and determine the financial implications and ridership impact of changing youth fares on all modes from \$0.00 to \$1.50 in 25 cent increments. Staff will present the results of the analysis to the Board by the end of June 2018.

Boardmember Johnson stated that he has been working on youth fares. When Sound Transit, in conjunction with King County Metro, adopted a summer fare program in 2017, Sound Transit adjusted the youth fare from \$1.50 to \$1.00 and the ridership increased greatly on all lines of transit. As the fare changes are contemplated at the adult level, he would like to understand what the ramifications would be for potential increased revenue by lowering youth fares. The amendment asks staff to come back to the Board with a report on the potential financial and ridership implications for a youth fare that is anywhere between \$0.00 and \$1.50 in 25 cent increments.

**It was moved by Boardmember Johnson, seconded by Vice Chair Lucas, and carried by the unanimous vote of all Boardmembers present that Amendment 2 be accepted as an amendment to Resolution No. R2018-05.**

Amendment 3 – offered by Boardmember Balducci

Amend the rates established in Resolution No. R2018-05 Section 1 as follows:

Section 1: The following rates are established for ST Express bus service:

~~Option 1: A \$3.25 adult flat rate fare is established on all ST Express service.~~

Effective July 1, 2018, reduce 2-county fares for youth, ORCA LIFT, seniors and disabled riders to 1-county level as follows:

Effective July 1, 2018:

	<u>In-county</u>	<u>Intercounty</u>
<u>Adult</u>	<u>\$ 2.75</u>	<u>\$ 3.75</u>
<u>ORCA LIFT</u>	<u>\$ 1.50</u>	<u>\$ 1.50</u>
<u>Youth</u>	<u>\$ 1.50</u>	<u>\$ 1.50</u>
<u>Senior/Disabled</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>

Effective July 1, 2020, establish a \$3.25 flat-rate fare for adult riders as follows:

Effective July 1, 2020:

	<u>In-county</u>	<u>Intercounty</u>
<u>Adult</u>	<u>\$ 3.25</u>	<u>\$ 3.25</u>
<u>ORCA LIFT</u>	<u>\$ 1.50</u>	<u>\$ 1.50</u>
<u>Youth</u>	<u>\$ 1.50</u>	<u>\$ 1.50</u>
<u>Senior/Disabled</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>

Boardmember Balducci stated that the reason the fare rates and structure are coming to the Board at this time is because of the programming for Next Generation ORCA. As staff explained, if there are time-based or distance-based differential fares, it will add a time and cost to the New Generation ORCA programming.

Once this proposal is adopted, the majority of fares will go up by 50 cents. This amendment would delay the implementation of the new fares until 2020 when Next Generation ORCA goes live.

Boardmember Roberts commented that he has been involved in a major fare forum process with partners for months and they have looked carefully at the fare options. The public outreach came back with responses asking to flatten out the system. At some point it helps everybody to have cost and continuity. The three options that came forward to the Operations and Administration Committee were looked at carefully and Option 1 was consistent with the recommendations heard from the public.

Boardmember Dammeier asked if the amendment is splitting the options. Ms. Wolterink replied that Amendment 3 would immediately reduce the two-county fares for Youth, ORCA LIFT, and Senior/Disabled riders to the one-county level giving those riders a decrease in fares. However, it would delay the implementation of the adult \$3.25 flat fare to 2020.

Boardmember Dammeier commented that the presentation spoke to Title VI analysis and Option 2 had the concern for disparate impact and would require some mitigation. Ms. Wolterink replied that staff considers the proposed Amendment 3 as a phased implementation of Option 1 and there was no Title VI disproportionate and disparate impact in that analysis.

Boardmember Earling mentioned that he has been involved with ORCA discussions from the beginning. He asked if the proposed amendment has been shared with the transit partners. Ms. Wolterink replied that as part of the overall regional fare forum, Sound Transit is the last agency to act to simplify the fares. Community Transit has already acted to eliminate the override in its commuter bus routes; King County Metro has acted to enact the flat fare on its routes; and Pierce Transit voted to accept the recommendations of the regional fare forum.

Boardmember Balducci clarified that the amendment does not delay the decision; the amendment will delay the implementation of the decision until it is needed. She asked staff if there will be an impact on other transit agencies if the implementation is delayed as written in Amendment 3. Ms. Wolterink replied that this amendment would still establish the flat fare implementation in a phased way and the designer would know there will be a flat-based structure without zones in 2020.

Mr. Rogoff mentioned that the Amendment 3 will not only delay the fare increase for one-county riders, but it will delay the fare decrease for multi-county riders. He asked staff if this will have an impact on the ridership for the areas not receiving the decrease in 2018. Ms. Sterling replied that it should not have an impact on ridership, but this was not taken into consideration.

Boardmember Balducci stated that there would be no impact on partner operations and no impact on Next Generation ORCA because the commitment has been made for a flat-based structure. It has been suggested that the ridership might decrease on partner agencies because of the decrease in fare, but staff has said they do not believe it will be much of an impact. The impact would be to more than 50 percent of the riders who will receive a 50-cent increase, when it is not needed for two years. This is not fare simplification; fare simplification would be if all of the fares were the same for all ORCA partners.

**It was moved by Boardmember Balducci, seconded by Boardmember Upthegrove, and carried by the majority vote of all Boardmembers present that Amendment 3 be accepted as an amendment to Resolution No. R2018-05 with Boardmember Dammeier, Boardmember Earling, Vice Chair Lucas, Boardmember Millar, Boardmember Roberts, and Boardmember von Reichbauer voting in the minority.**

**The motion to approve Resolution No. R2018-05 as amended carried by a majority vote of all Boardmembers present with Vice Chair Lucas voting in the minority.**

Resolution No. R2018-09: Authorizing the chief executive officer to acquire certain real property interests, including acquisition by condemnation to the extent authorized by law, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary for the Lynnwood Link Extension.

**It was moved by Boardmember Keel and seconded by Boardmember Upthegrove to approve Resolution No. R2018-09.**

Boardmember Keel stated that the Capital Committee reviewed this action at its March meeting. The action would authorize the acquisition of 26 parcels consisting of full and partial acquisition, temporary construction easements, and/or permanent easements for the Lynnwood Link Extension. The parcels are located in the cities of Shoreline, Mountlake Terrace, and Lynnwood. Relocation activities are expected on six residential parcels and there are no anticipated business relocations.

Two of the properties in today's action are owned by the City of Seattle. Staff has informed him that there continues to be some conversations with City staff about the acquisitions. He offered an amendment to remove parcel Nos. LL148 and LL149 from the action and delay action on those parcels until further conversations have taken place.

**It was moved by Boardmember Keel, seconded by Boardmember Johnson, and carried by the unanimous vote of all Boardmembers present that Resolution No. R2018-09 be amended to remove parcel Nos. LL148 and LL149 from the action so that further conversations with the city can take place.**

**The motion to approve Resolution No. R2018-09 as amended carried by a unanimous vote of all Boardmembers present.**

#### REPORTS TO THE BOARD

Vice Chair Marchione announced that the East Link Extension briefing would be postponed to the May 24, 2018, Board meeting.

#### EXECUTIVE SESSION

None

#### OTHER BUSINESS

None


#### NEXT MEETINGS

Board Workshop  
Friday, May 4, 2018  
9:00 a.m. to 3:00 p.m.  
Holland America Line Room  
World Trade Center, 2200 Alaskan Way Seattle, WA

Board Meeting  
Thursday, May 24, 2018  
1:30 p.m. to 4:00 p.m.  
Ruth Fisher Boardroom  
401 South Jackson St, Seattle, WA

**ADJOURN**

The meeting adjourned at 3:54 p.m.

  
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Ron Lucas  
Board Vice Chair

ATTEST:

  
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Kathryn Flores  
Board Administrator

APPROVED on May 24, 2018, JE