

May 17, 2021

The Honorable Patty Murray United States Senate 154 Russell Senate Office Building Washington, DC 20510

Dear Senator Murray:

I am writing on behalf of the Sound Transit Board of Directors to seek your support to address the agency's key priorities in legislation soon to be considered by Congress on the Biden Administration's American Jobs Plan and on the reauthorization of surface transportation programs.

Thanks to the long-standing support and hard work of our Congressional delegation, Sound Transit enjoys a robust partnership with the federal government. That partnership has facilitated the delivery of voter approved projects under our Sound Move and Sound Transit 2 programs and will play a crucial role in delivering on the Sound Transit 3 (ST3) plan approved by voters in 2016.

The ST 3 plan, with its significant regional investments, makes Sound Transit uniquely positioned to leverage federal funding. That bold plan -- the largest transit expansion in the nation – will deliver a high-capacity transit system that is climate friendly, provides affordable housing, sustains and respects our communities, and provides training and jobs for thousands of unionized workers.

Our top priority in upcoming legislation is to address the impacts of events in the last year on our regional program. As you well know, the COVID-19 pandemic has taken a toll on local tax revenue and, combined with cost increases forecasted for the next generation of transit infrastructure projects, the full and timely implementation of the regional high capacity transit system is at risk. That's why we seek approval of a provision modeled after Section 103 of H.R.2, which passed the House last year with strong support from the regional delegation. That provision would increase federal funding for projects we currently have under Full Funding Grant Agreements (FFGA) by 30% based on total project costs. Senators Murray and Cantwell in March introduced legislation in the Senate (S. 837) along with cosponsors from California, Minnesota, and Illinois that closely aligns with the House provision from last year.

With the enactment of this provision, Sound Transit will be able to reallocate to other important projects funds now committed to the existing FFGA projects. This will accelerate projects that might otherwise be delayed as a result of the agency's affordability gap.

CHAIR Kent Keel University Place Councilmember

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In addition to that number one priority, we support other changes to federal programs that would benefit the region. These include:

- Expedited Project Delivery Congress should replace the current Expedited Project Delivery Pilot Program with a permanent program that would provide expedited approval and other benefits to project sponsors with a strong track record of delivering projects in partnership with the federal government. The program should expedite approvals, streamline processes and reform the method and timing of locking-in the federal contribution to a project.
- Loan Program Improvements The two programs that lend money for transportation projects TIFIA and RRIF – should be harmonized to ensure they are user-friendly for project sponsors. In particular, federal funds should be available to pay Credit Risk Premiums in the RRIF program as they are in TIFIA program. For TIFIA recipients with low credit risk such as Sound Transit, we ask that drawdowns be able to occur with oversight provided by the annual single audit, Federal Transit Administration (FTA) triennial review or other existing grant oversight reviews.
- Formula Funding Changes
  - The FTA's High Intensity Motorbus formula (Section 5337) should be amended to authorize bus service operated in Express Toll Lanes to be counted as fixed-guideway route mileage under the High Intensity Motorbus program. Our region has a robust HOV and Express Toll Lane system and all of the Puget Sound transit agencies would benefit from this formula change.
  - FTA's State of Good Repair Fixed Guideway formula (Section 5337) should be updated so that half of the apportionment is distributed according to the proportion a recipient would have received in FY 2020. Also, the other half of FTA's State of Good Repair Fixed Guideway formula should continue to be weighted with revenue miles weighted for 60 percent and directional miles weighted for 40 percent. The Puget Sound region has invested in rail, trolley bus, BRT and ferry fixed guideway systems that operate higher service frequencies. The 60/40 weighting allows for services with higher frequencies to receive funding to help keep that service in a state of good repair.
- Affordable Housing To encourage transit agencies and other local governments who want to sell or lease surplus property to third parties for the development of affordable housing, Congress should allow the removal of the federal interest at no cost as long as the property being sold or leased is being used for affordable housing. Removing the requirement to repay the federal interest and the requirement that the surplus land must first be offered to other federal agencies would allow transit agencies in partnership with third parties to accelerate the development of critical units of affordable housing.

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Each of these potential legislative changes address issues of particular concern to Sound Transit. We also support strong increases to the national funding levels for existing surface transportation programs and the generational investments contemplated in the President's American Jobs Plan. The nation has an opportunity to make investments now that will pay dividends for years to come in addressing climate change, racial and social equity and economic opportunity for all. Sound Transit looks forward to working with you to ensuring the benefits of these national investments flow to our region.

Thank you for your consideration of our priorities and for your continued support of our shared regional agenda.

Sincerely,

Kent Keel Chairman, Sound Transit Board of Directors

Cc: Sound Transit Board of Directors Peter M. Rogoff, Chief Executive Officer Ann Snell McNeil, Chief Government & Community Relations Officer