

Roads & Transit 2007

A Smart Joint Program?

Financial Considerations

As of April 15, 2007

Roads & Transit 2007

- Currently Funded Sound Move Rail
- Currently Funded Road Projects
- - - - - \$9.3 billion RTID* Road Program
- - - - - \$18.3 billion ST2* Transit Program

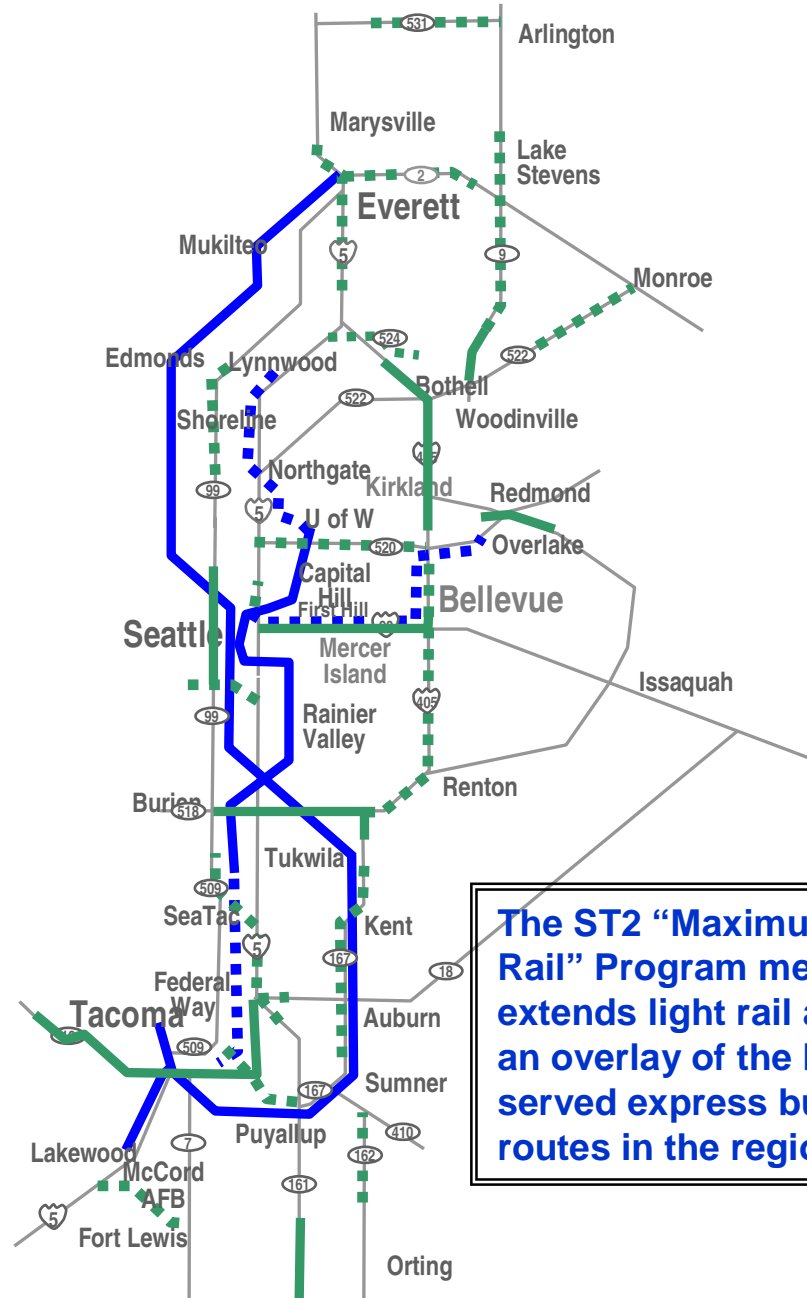
* Capital costs only.

This is the comprehensive map being put forward to voters. But let's break it down into the proposed NEW tax programs.

- Eliminate Currently Funded Rail Projects
- Eliminate Currently Funded Road Projects

This is the \$28 billion Roads & Transit Package coming in November

Now Eliminate the RTID projects that address road congestion



Program Capital Costs

■ RTID

- Original Plan - \$18 billion (YOES)
- But transit proponents called for a “balanced” Roads and Transit program”
- Current Reduced Capital Plan - \$9.3 billion (YOES)
- Being Shown to Voters as **\$6.7 billion** (2006\$)

■ ST2

- Original Plan Expectation - \$9.4 Billion (YOES)
- Current Expanded Plan - \$18.3 billion (YOES)
- Being shown to Voters as **\$9.8 billion** (2006\$)

But These are only the Program Capital Costs

YOES\$ vs 2006\$

- YOES\$ = Project costs inflated to “Year of Expenditure” – the true costs of projects
- All highway Mega-project Cost Estimates are being disclosed in YOES\$
- The RTID Financial Plan was Disclosed in January 2007 in terms of actual future Revenue & Expense
- **Enter: Apple to Orange comparison to make program costs appear lower**
- Sound Transit has influenced the RTID to publicize revenues and costs in terms of 2006\$
- So we are now comparing RTID and ST2 in 2006\$ to our knowledge of Road Projects in YOES\$

RTID Financial Summary

2008 thru 2027

Post 2027 Debt Service

Revenues

YOE \$millions

Taxes	\$7,900*
Bonds	6,240
Other	<u>190</u>
Total	\$14,330

Remaining Debt Service:

Bond Principal -	\$5,750
Bond Interest -	<u>\$4,200</u>
Debt Balance -	\$9,950
Total Tax Collection =	
\$7,900+9,950 =	\$17,850

Expenses

Projects	\$9,280**
Finance	4,945
Other	<u>105</u>
Total	\$14,330

Total Program Cost

Thru 2027 -	\$14,330
Interest Bal -	\$4,200
Grand Total -	\$18,530

* Being publicized as \$4.7 billion.

** Being publicized as \$6.7 billion.

In effect, half of the program
Cost is for bond interest.

What Does East King Get?

Out of the \$18.5 billion RTID Program Ultimate Cost

- \$1.1b for I-405 expansion from Renton to Bellevue
- \$380m for I-405/SR-167 HOV Ramp System
- \$550m to apply to the East King half of the \$4.4 billion SR-520 Bridge Replacement Project
- **The.. the.. the.. That's all Folks!**
 - \$2 billion out of the \$18.5 billion RTID
- Leaves SR-520 Trans-lake only half funded
- Does nothing to resolve the SR-520 Redmond Mess
- Leaves I-405 Expansion only half funded
- Leaves I-5 overloads diverted to I-405

ST2 “Maximized Rail Extension”

The ST-Preferred Capital Program Scenario

- Central Link -- 95% of Capital Program
 - Extends Link north to Lynnwood, south to Tacoma, and east to Bellevue/Overlake – 42 miles
 - Adds Rail Streetcar from downtown Seattle to Capital Hill Station (Included to compensate for loss of First Hill rail station)
- Sounder -- 2% of Capital Program
 - 7 New stations and parking garages/expansions
- Regional Express -- 3% of Capital Program
 - Parking Garages in Kenmore and Bothell
 - Parking Garages at South Kirkland and Renton
 - REx Bus Fleet expansion (included in Phase I Fin Plan)

Losses to Regional Express

- As of January 2005 there were 80+ projects proposed by ST member jurisdictions for ST2
- Included were 33 projects to enhance the Phase I Regional Express (REx) bus system
- 16 of the REx projects were for East King
 - A significant enhancement of REx/BRT in the I-405 Corridor
 - 6 HOV lane access ramp systems and flyer stops
 - BAT lanes on SR-522
- The \$1.8 billion for East King REx projects could have been financed by existing Phase I taxes
- **All but 4 of the 33 REx projects were eliminated in the push to Maximize Rail Extensions**

ST2 Financial Summary

2008 thru 2027

2028 thru 2057

Revenues

YOE \$millions

ST1 Taxes	\$2,200
ST2 Taxes	\$11,700*
Bonds	9,800
Grants/Other	<u>1,300</u>
Total	\$25,000

Expenses

Projects	\$17,300**
Admin/O&M	1,500
Finance	5,600
Other	<u>600</u>
Total	\$25,000

Remaining Debt Service:

Bond Principal -	\$9,300
Bond Interest -	<u>\$10,200</u>
Debt Balance -	\$19,500

To be paid by post-2027 tax collections.

Total Program Cost

Thru 2027 -	\$25,000
Interest Bal -	\$10,200

Grand Total - \$35,200

Plus Post-2027 O&M

* Being publicized as \$7.5 billion.

** Being publicized as \$9.8 billion.

Source: Maclsaac estimate based on limited financial info disclosed by ST.

Roads & Transit Sum thru 2027

YOE \$billions **Thru 2027**

<u>Revenues</u>	<u>RTID</u>	<u>ST2</u>	<u>Combined</u>
Taxes	\$7.9	\$13.9	\$21.8*
Bonds	6.2	9.8	16.0
Grants/Other	<u>0.2</u>	<u>1.3</u>	<u>1.5</u>
Total	\$14.3	\$25.0	\$39.3
<u>Expenses</u>			
Projects	\$9.3	\$17.3	\$26.6**
Finance Cost	4.9	5.6	10.5
O&M/Other	<u>1.0</u>	<u>2.1</u>	<u>2.2</u>
Total	\$14.3	\$25.0	\$39.3

* Publicized as \$12.2 billion.

** Publicized as \$16.5 billion.

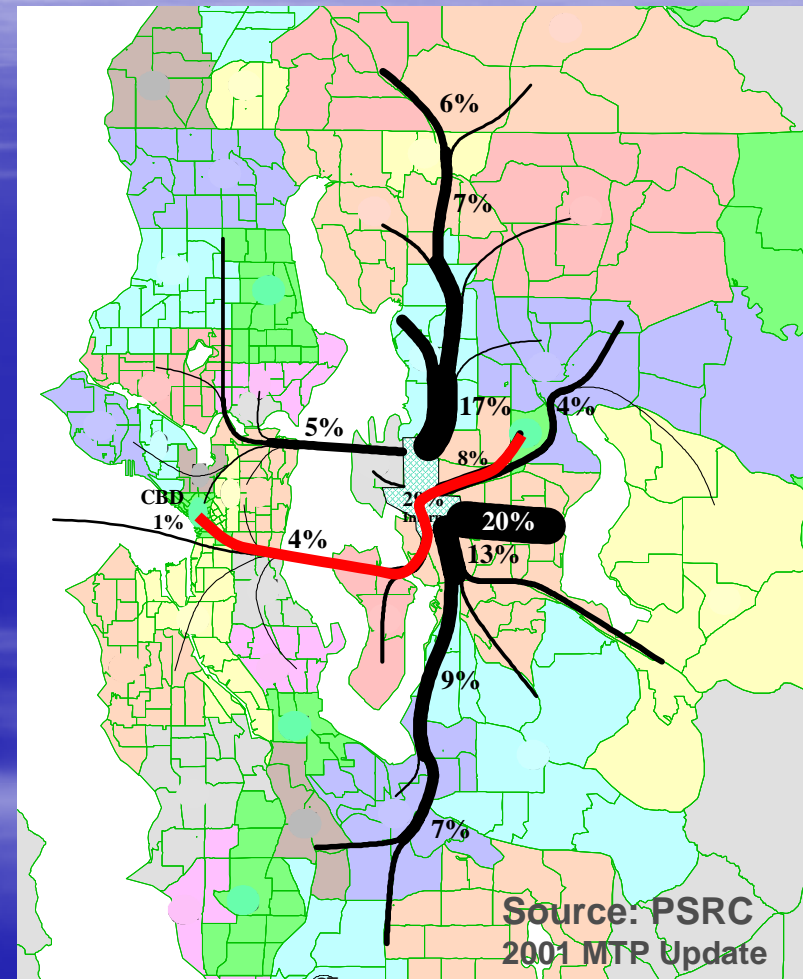
Plus \$29.5 billion of Debt Service remaining after 2027

ST2 Benefits?

- ST2 is merely a rail overlay of the already best-served Seattle-centric express bus transit routes
- “It provides an alternative to being stuck in traffic”
 - Does not provide a transit alternative for anyone not already served by transit
- “ST2 will increase Sound Transit use by 160,000 rides per day by 2030”
 - That represents 1% of the 16 million daily trips by 2030
 - But 60% of those “new” trips on Sound Transit are merely raided from the existing bus systems
- “Rail provides reliable transit service”
 - So 2% of trips are on time, and 98% are stuck in traffic in cars and buses?

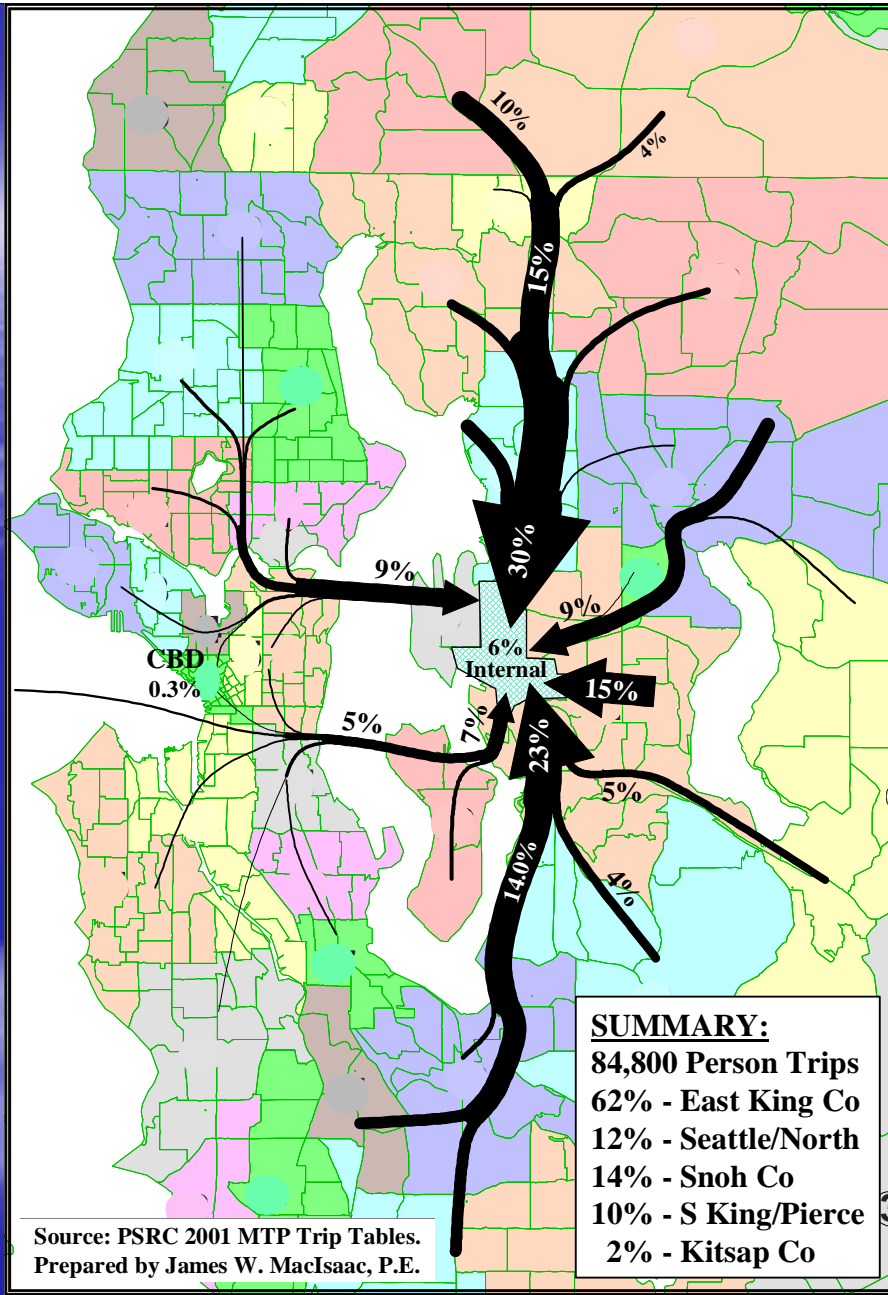
ST2 - Wrong Plan for East King

- Over 90% of all Central Bellevue trips come from the Eastside and via the I-405 corridor
- East Link will merely overlay existing Routes 550 and 545 to/from downtown Seattle
- ST2 delays for 20-30 years any significant improvement of Eastside job access by public transit
- **Should we not demand an ST2 plan that better serves our EASTSIDE transportation needs?**

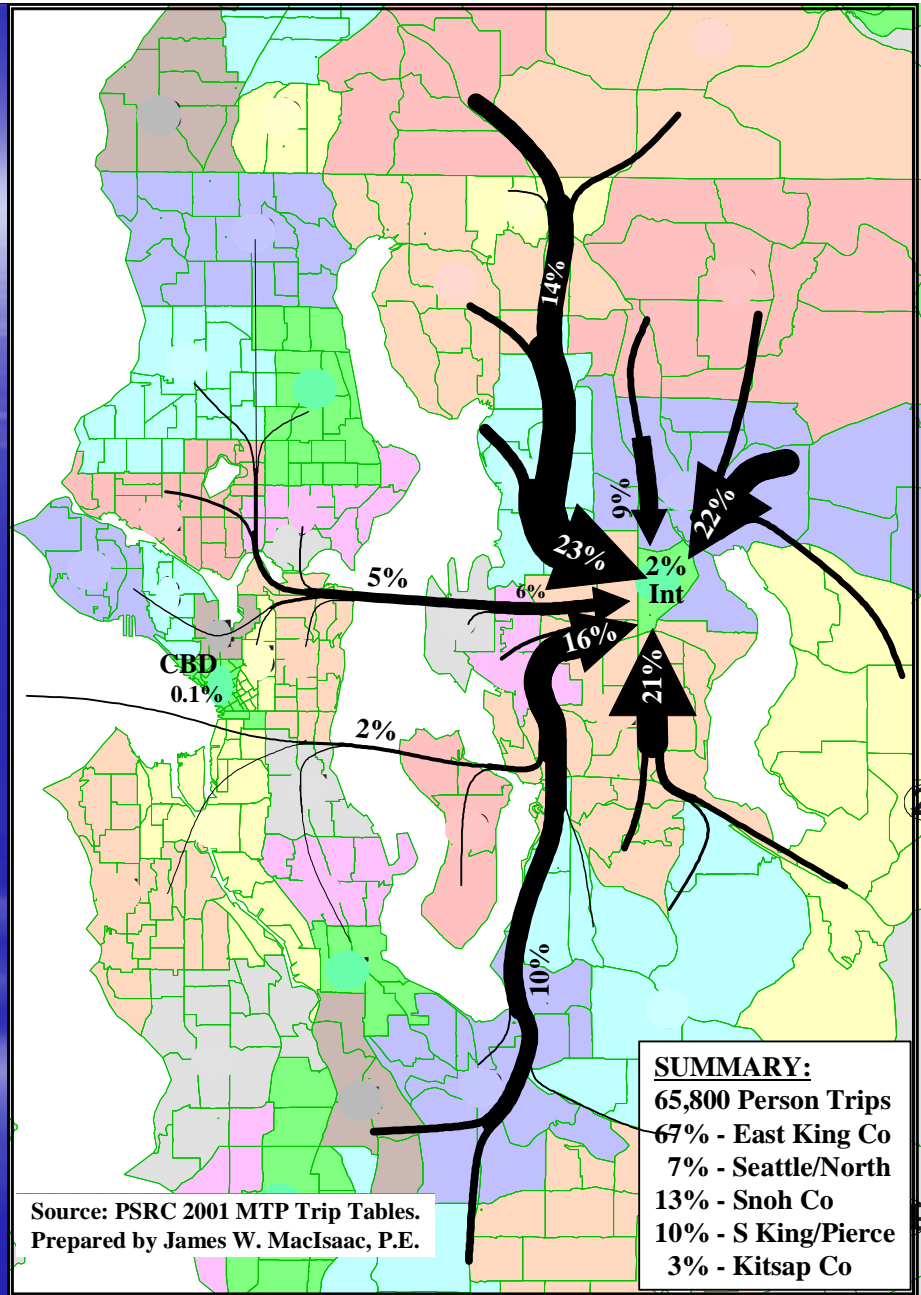


Central Bellevue 2020
Travel Patterns

**End of Financial
Presentation**



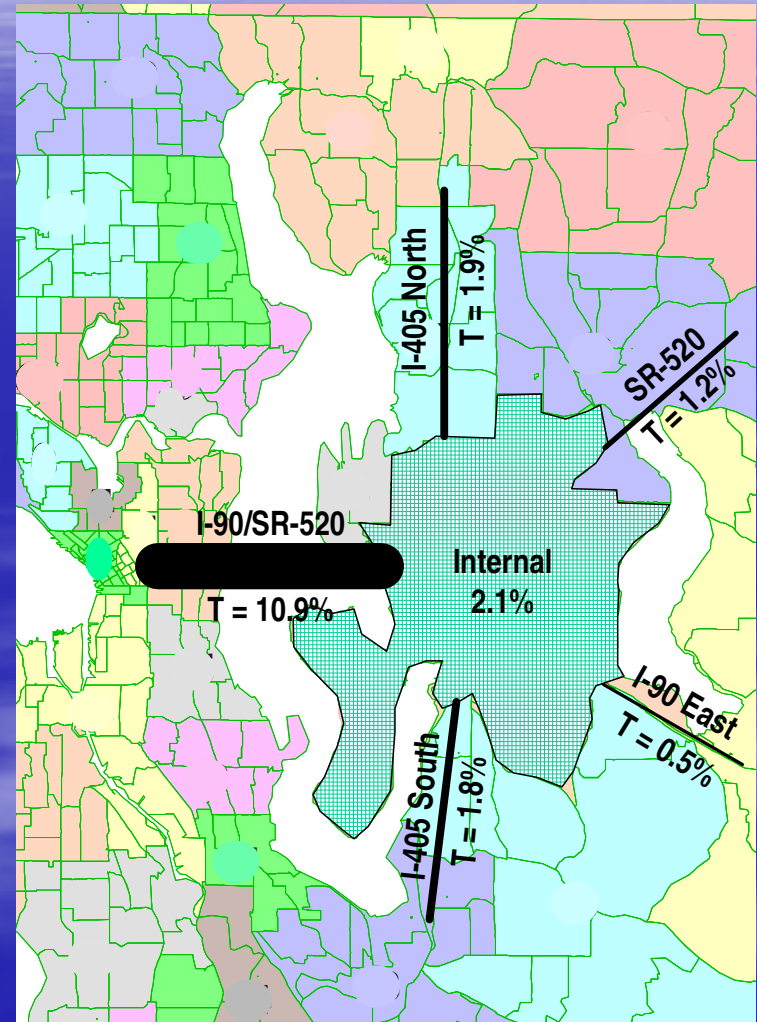
2020 Home-Work Person Trips To
 CENTRAL BELLEVUE



2020 Home-Work Person Trips To
 OVERLAKE / MICROSOFT

2020 Transit Mode Share*

<u>Total Person Trips</u>	<u>1998</u>	<u>2020</u>
Seattle CBD	22.3%	37.3%
All of Seattle	9.0%	15.0%
Bellevue CBD	1.3%	3.8%
Overlake (MS)	0.1%	0.6%
All Eastside	0.6%	1.4%
Region	2.7%	4.1%



Source: PSRC 2001 MTP Update

Assumed full 125-mile LRT Master Plan