

Amendment 1

to

CB 120042 - \$20 Vehicle License Fee Spending Plan

Sponsor: CM Pedersen, CM Herbold, CM Lewis, CM Mosqueda

Direct SDOT to prepare a list of eligible projects in consideration of \$100 million of potential bond financing in the 2022 Budget, including a minimum of \$75 million of bridge repair, maintenance, and replacement projects.

Add eight Whereas clauses at the end of the current recitals, as follows:

...WHEREAS, the Department of Transportation submitted the described spending plan to the Council in conjunction with this ordinance, in accordance with BLG-042-B-001; ~~NOW, THEREFORE,~~ and

WHEREAS, the Council wishes to implement the described spending plan for 2021; and

WHEREAS, following the unexpected closure of the West Seattle High Bridge in March 2020, the Council requested that the City Auditor review the Department of Transportation's spending and practices for maintaining the City's vehicle bridges; and

WHEREAS, the City Auditor's report on bridges identified maintenance needs for bridges ranked as "poor" and "fair" condition under the Federal Highway Administration ranking criteria, to maintain facilities such as the 2nd Avenue South Extension Bridge, University Bridge, Ballard Bridge and Magnolia Bridge in working condition; and

WHEREAS, the Department of Transportation highlighted the need for replacing aging components on moveable bridges and seismic upgrades to the Council and in media reports; and

WHEREAS, transportation corridors of regional significance, such as the Ballard Interbay Regional Transportation corridor, rely on Seattle bridge infrastructure to transport goods and people; and

WHEREAS, the Council intends to direct 75 percent of the additional \$20 Vehicle License Fee in 2022 and beyond towards maintenance and repair of bridges; and

WHEREAS, the additional \$20 Vehicle License Fee revenue in 2022 and beyond would be sufficient to finance a \$100 million, 20-year bond that could provide local funding to leverage State and federal transportation funding that may become available; and

WHEREAS, financing \$100 million of bond revenues in 2022 for multimodal infrastructure projects would spur Seattle's economic recovery, including a near-term expansion of training and employment opportunities in the delivery of large capital projects; NOW, THEREFORE,

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Add new Section 4 as follows:

Section 4. The Seattle Department of Transportation Director is directed to provide to Council a list of transportation projects that could be funded by \$100 million of bond financing in 2022. At a minimum, the list shall include a title, short description, and cost estimate for each project. The project list shall identify a minimum of \$75 million of bridge maintenance, bridge repair, and bridge replacement projects. The project list shall be delivered to Council in writing by September 30, 2021.

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Re-number remaining sections accordingly.

Effect:

In response to Council's direction in Ordinance 126234 and Budget Action BLG-042-B-001, CB 120042 presents a proposed spending plan for the additional \$20 VLF, and transfers \$3.6 million of 2021 appropriations from Finance General to the corresponding SDOT budget summary levels. For 2022 and beyond, the proposed spending plan described in CB 120042 includes:

- 28% for Safe Streets;
- 28% for Safe Sidewalks;
- 24% for Strong Bridges and Structures;
- 10% for Active Transportation Maintenance;
- 7% for Planning Ahead; and
- 3% for Reserves.

This proposed amendment would not affect the 2021 appropriations included in CB 120042, but would signal the Council's desire to reprioritize this funding in 2022. The amendment adds recitals stating the Council's intention to direct 75% of the Vehicle License Fee revenues in 2022 and beyond to bridge maintenance and repair projects, and to consider \$100 million of bond financing as a means to leverage potential state and federal funds and promote economic recovery. Such direction would depart from the spending plan in CB 120042, which anticipates that 24% of the VLF revenue stream would be utilized for Strong Bridges and Structures and does not contemplate bond financing.

This amendment adds a new Section 4, directing SDOT to provide Council with a list of transportation projects that would be eligible for \$100 million of bond financing in 2022, with a minimum of \$75 million of these projects to be for bridge maintenance, repair, or replacement. The project list would be due to Council on September 30, 2021, which would coincide with the delivery of the Mayor's 2022 Proposed Budget.

The anticipated \$20 VLF revenues would be sufficient to cover debt service on a 20-year, \$100 million bond; however, no funding would remain for other programmatic spending until the bond was fully repaid. Any implementation actions for 2022 spending or bond issuance would need to be considered as part of the 2022 Budget.