



**TO:** Elizabeth A. Pauli, City Manager  
**FROM:** Chris E. Larson, Engineering Division Manager, Public Works  
Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *KDK*  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – Expressing support and committing match funding for the Puget Sound Gateway Program – SR 167 and SR 509 Completion Projects – April 24, 2018  
**DATE:** April 18, 2018

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**SUMMARY:**

A resolution authorizing a commitment to providing \$2 million in future City funding to assist the Washington State Department of Transportation in securing federal grants for the estimated \$2 billion Puget Sound Gateway Program – SR 167 and SR 509 Completion Projects.

**STRATEGIC POLICY PRIORITY:**

- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This commitment, along with similar commitments from the other benefitting municipalities, will create the best chances for a successful federal grant submission and provides the best chance for needed congestion relief in and out of the Port of Tacoma.

**BACKGROUND:** As part of the SR 167 Project presentation at the study session on April 3, 2018, the Washington State Department of Transportation (WSDOT) shared that in July 2015, the Washington State Legislature and Governor Jay Inslee acted to fund the Puget Sound Gateway Program through the Connecting Washington Revenue Package. The Puget Sound Gateway Program is composed of two projects: completion of SR 167 in Pierce County, and completion of SR 509 in King County. These projects provide essential connections to the ports of Tacoma and Seattle and will help ensure people and goods move more reliably through the Puget Sound region. Delivering the SR 167 and SR 509 projects under one program will allow WSDOT to realize efficiencies in planning, environmental review, design, and construction. Funding for the total Puget Sound Gateway Program will come from the state gas tax, tolls, local contributions, and potential federal grants. Total funding for the project is approximately \$2 billion with \$1.69 billion from the Connecting Washington Revenue Package, \$180 million from tolling, and \$130 million from local contributions.

WSDOT is requesting a City of Tacoma commitment of match funds for two project grants:

- \$500,000 for the 70<sup>th</sup> Avenue East Project
- \$1.5 million for the Port of Tacoma Spur

**ISSUE:**

At issue is whether the City Council should agree to provide \$2 million in future City funding towards transportation projects that will benefit the Port of Tacoma and relieve local congestion as part of a larger regional project. This commitment would require the City to budget for and provide \$2 million in matching funds in the 2019-20 or 2021-2022 biennial budget in order for the State to be successful in receiving the Federal grant funding required to complete an approximately \$2 billion regional transportation project.



**ALTERNATIVES:**

Not agreeing to commit this funding could put the federal grants required to complete the overall Gateway Project at risk and either delay or defeat the effort to complete much needed transportation improvements regionally and locally at the Port of Tacoma. The congestion issues at the Port of Tacoma require regional solutions due to the need to plan for and tie into existing state highway infrastructure. The City of Tacoma could not develop and implement an equivalent transportation project that would relieve local congestion for \$2 million.

**RECOMMENDATION:**

Staff recommends the City Council commit to providing \$2 million in future City funding to assist WSDOT in securing federal grants for the estimated \$2 billion Puget Sound Gateway Program. This commitment, along with similar commitments from the other benefitting municipalities, will create the best chances for a successful federal grant submission by WSDOT and provides the best chance for needed congestion relief in and out of the Port of Tacoma.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
3211-TRANS - Finance Transportation Capital Fund	814190	5600000	\$2,000,000
<b>TOTAL</b>			<b>\$2,000,000</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
3210-GENF - Capital Revenue Fund	814004	Various	\$2,000,000
<b>TOTAL</b>			<b>\$2,000,000</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** No fiscal impact to the current biennium.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** No.

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**

This fiscal note represents the City’s commitment for grant match. Funds will not be budgeted at this time, but will be considered in future years as the project progresses.