



Tacoma Streets Initiative Progress Report

Government Performance and Finance Committee
December 6, 2022

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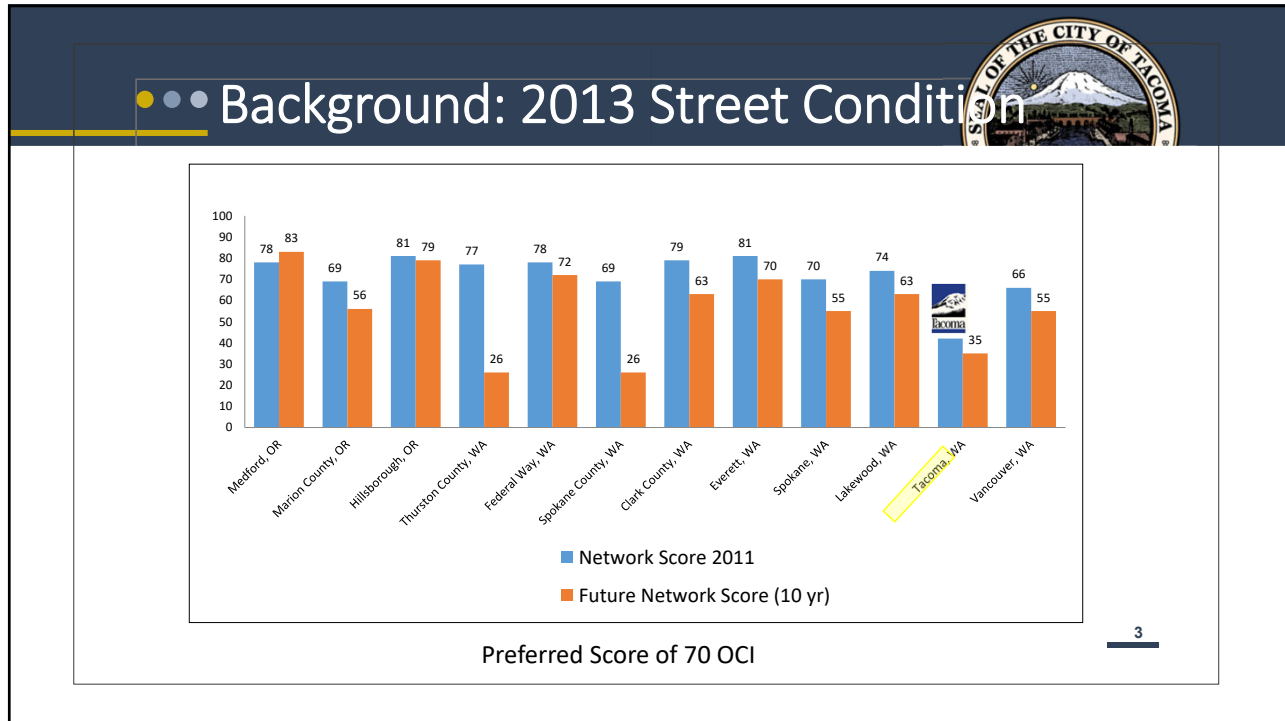
Overview

- Background / History
- Streets Initiative Overview
- Streets Initiative Progress Update
- Next Steps



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Background: 2013 Residential Street Inventory



Street Type: Asphalt
Blocks in the Residential System: 4882



Street Type: Temporary Oil Mat
Blocks in the Residential System: 2386



Street Type: Sheet Asphalt
Blocks in the Residential System: 606



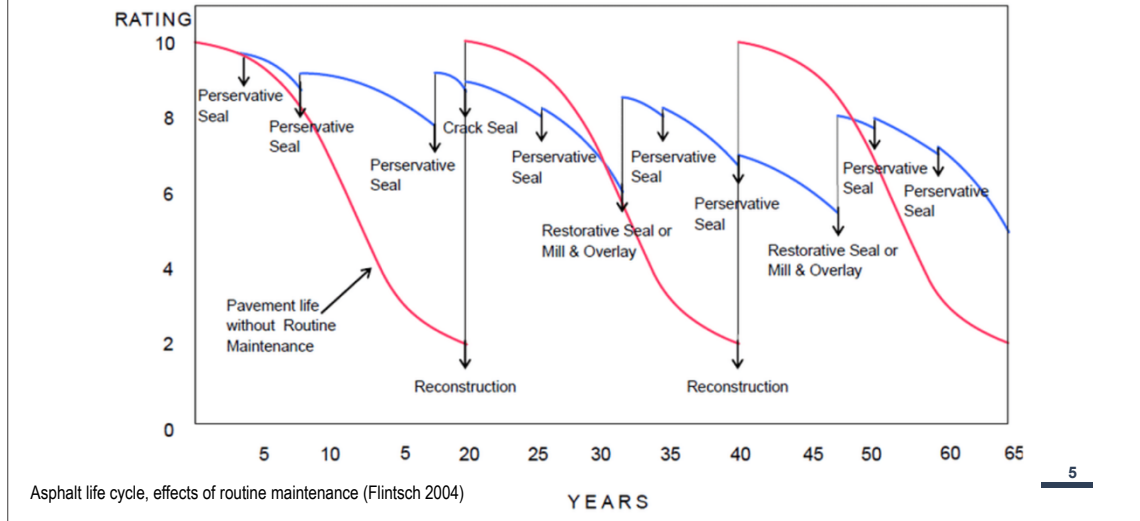
Street Type: Concrete Blocks
Blocks in the Residential System: 523

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Background:

Pavement Life Cycle Costs



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Background: Stakeholder Input



- **Mobility Stakeholder Funding Task Force (2011)**
- **Citizens Neighborhood Street Improvement & Safety Task Force (2012)**
 - Increase existing programs/funding and dedicate sustainable funding to address maintenance needs.
- **Fiscal Sustainability Taskforce (2013)**
 - Significant underinvestment in road and street system as compared to peer cities.
- **Community Survey (2014)**
 - 83% of participants would like the City to spend more on street repair.
- **Tacoma 2025 (2014)**
 - Improve and maintain Tacoma's streets. Tacoma's residents are concerned about the condition of their streets; maintenance is a top priority.

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Background: Dedicated Funding Efforts



- Residential Street Maintenance Levy-Prop 1 (**Failed 2006**)
- Established Transportation Benefit District and implemented \$20 car tabs (**Adopted by TBD 2012**)
- Dedicated funds from utilities at 8% Utility Gross Earnings Tax rate (**Adopted by Council 2013**)
 - 2% to Street Maintenance
 - 6% to General Fund
- Proposed Prop 1 – 2% Gross Earnings Tax Power, Gas, Phone (**Failed 2013**)

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Streets Initiative Overview:

2015 Props A and 3




Tacoma Prop. 3	101/101	100.00%
Under Votes:	1524	
Over Votes:	9	
Yes	17,781	50.03%
No	17,759	49.97%
Total ...	35,540	100.00%
Tacoma TBD Prop. A	101/101	100.00%
Under Votes:	1362	
Over Votes:	26	
Approved	20,669	57.92%
Rejected	15,016	42.08%
Total ...	35,685	100.00%

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Streets Initiative Overview: 2015 Props A and 3



Proposition 3: \$0.20 per \$1,000 property tax; 1.5% GET (gas/electric/phone)

- Street repair, maintenance and safety improvements for residential streets, arterials, and freight access, including resurfacing, pothole repair, pedestrian safety improvements, school crossing beacons, and sidewalk improvements.


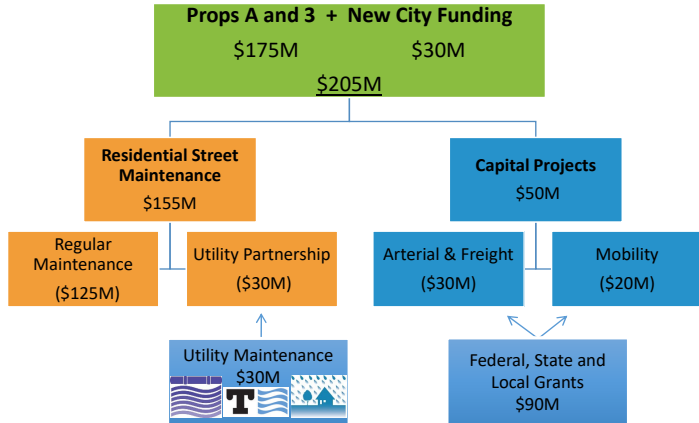
TBD Proposition A: 0.1% sales tax:

- Maintenance, preservation and improvement for residential streets, arterials, freight access, bike and pedestrian mobility projects as identified in the City's Comprehensive Transportation Improvement Program.

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Streets Initiative Overview: Spending Plan

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    graph TD
      A["Props A and 3 + New City Funding  
$175M + $30M = $205M"] --> B["Residential Street Maintenance  
$155M"]
      A --> C["Capital Projects  
$50M"]
      B --> D["Regular Maintenance ($125M)"]
      B --> E["Utility Partnership ($30M)"]
      E --> F["Utility Maintenance ($30M)"]
      C --> G["Arterial & Freight ($30M)"]
      C --> H["Mobility ($20M)"]
      I["Federal, State and Local Grants $90M"] --> G
      I --> H
  
```


Approximately \$325M in Total Investment

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Streets Initiative Overview:

● ● ● Transparency



New fund to separate initiative funding and spending from existing funds.


TBD Sales Tax – Prop A – \$45M

Gross Earnings Tax – Prop 3 – \$90M

Property Tax – Prop 3 – \$40M

City Funds – \$30M

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Streets Initiative Overview:

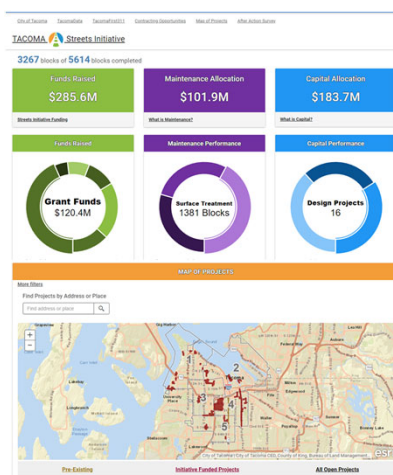
● ● ● Transparency



- tacomastreetinitiative.org
- cityoftacoma.org
- maps.cityoftacoma.org/cip
- Improvements to Mapping and Asset Management

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Streets Initiative Progress Update: Maintenance



Performance (through 2021):

- Total Blocks Maintained:
 - 3,058
 - 55% of 5,600 Goal
- Blocks Maintained by Maintenance Category:
 - Overlay – 867
 - Surface Treatment – 1,261
 - Preventative Maintenance – 930
- Blocks by Project Lead:
 - City Workforce – 2,132
 - Contracted Maintenance - 842
 - Partnership – 143




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Streets Initiative Progress Update: Capital



Grants (through 2021):


- Awarded 66 Grants
 - Goal: \$90M
 - Total to date: \$115.5M





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East 64th Street Project



Before




After



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Streets Initiative Progress Update: Grant Match



Line graph showing Grant Match progress from 2016 to 2026. The Y-axis represents dollar amounts from \$0 to \$140,000,000. The X-axis represents years from 2014 to 2028. The legend includes: Art / Freight (yoe), ATP (yoe), Total Capital (yoe), and Grants secured (year of Award).

Year	Art / Freight (yoe)	ATP (yoe)	Total Capital (yoe)	Grants secured (year of Award)
2016	~\$0	~\$0	~\$0	~\$25,000,000
2017	~\$0	~\$0	~\$0	~\$50,000,000
2018	~\$0	~\$0	~\$5,000,000	~\$65,000,000
2019	~\$0	~\$0	~\$10,000,000	~\$70,000,000
2020	~\$5,000,000	~\$5,000,000	~\$15,000,000	~\$75,000,000
2021	~\$10,000,000	~\$10,000,000	~\$15,000,000	~\$105,000,000
2022	~\$15,000,000	~\$15,000,000	~\$25,000,000	~\$120,000,000
2023	~\$20,000,000	~\$20,000,000	~\$40,000,000	-
2024	~\$22,000,000	~\$22,000,000	~\$45,000,000	-
2025	~\$28,000,000	~\$22,000,000	~\$50,000,000	-
2026	~\$30,000,000	~\$22,000,000	~\$50,000,000	-

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Streets Initiative Current Funding



Authority	Description	Revenue Forecast when adopted	Current Annual Revenue (2021)
TBD Proposition A, Sales Tax .1% TBD010		\$4,500,000	\$5,300,000
Proposition 3 Utility Tax	1.5% GET on natural gas, electric, phone	\$9,000,000	\$8,800,000
Proposition 3 Property Tax	\$0.20 per \$1,000 assessed value	\$4,000,000	\$4,400,000
General Fund		\$3,000,000	\$3,000,000

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Streets Initiative Funding Alternatives




Alternative	Authority	Description	Revenue Potential (2021 dollars)
Sales Tax	Voted	Up to 0.3%	\$15,900,000
Utility Tax	Voted	1.5% GET on natural gas, electric, phone.	\$8,800,000
Property Tax	Voted	\$0.20 per \$1,000 assessed value	\$4,400,000
Car Tabs	Councilmanic (TBD Board)	Increase car tabs from \$20 to \$40	\$3,200,000
Sales Tax	Councilmanic	Up to 0.1%	\$5,300,000
Impact Fees*	Councilmanic	Varies; 2021 framework reported 20-year range of \$156-520M, with midpoint of \$260M	\$13,000,000

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* Can only pay for the new capacity portion of projects in the Six-Year TIP

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Streets Initiative Potential Improvements

<p>Current Streets Initiative</p> <ul style="list-style-type: none"> • Residential Street Maintenance • Capital Project grant match (Arterial, Freight, and Active Transportation) 	<p>Alternative / Additive Priorities</p> <ul style="list-style-type: none"> • Minor arterial roads • Traffic calming • Safety and Vision Zero • Sidewalks and Active Transportation • Full residential standard rebuilds – curb, gutter, sidewalk, lighting
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Next Steps

- Continue reporting on progress of SI 1
- Gather Community Feedback
- Package alternatives development
- Evaluate Timing Considerations
- Funding alternatives development

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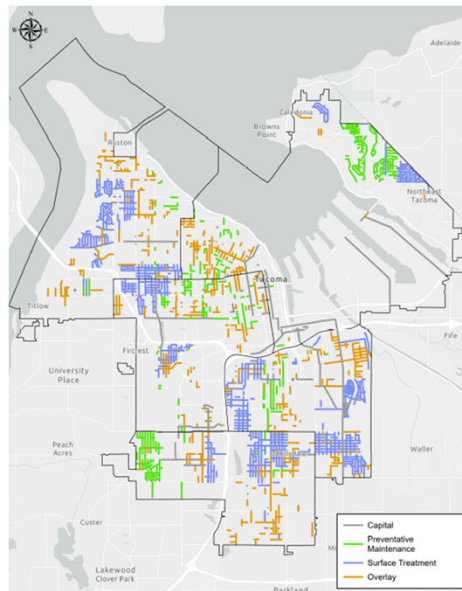


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Streets Initiative Progress Update:



Maintenance

Streets Initiative Performance by District (2016-September 2022)

Maintenance Category	District 1	District 2	District 3	District 4	District 5	Total by Category
Overlay	181	162	214	225	210	992
Surface Treatment	377	116	243	516	288	1540
Preventative Maintenance	35	243	134	458	335	1204
Totals	592	521	590	1200	832	3736

*based on GIS data; dashboard data varies 2-3% due to differences in GIS data.

** Capital Projects are not mapped - these are only the Maintenance programs.

Streets Initiative Package 17



Before



After





Overlay on South Lawrence Street

Before



After



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Surface Treatment on South Sheridan Avenue

Before




After



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Other Revenue Proposals

- **Other Agencies**
 - Metro Parks
 - Pierce Transit Sales Tax
 - Tacoma Public Schools
- **City**
 - Environmental Services System Development Charges
 - Fire Impact Fee
 - Planning and Development Services Fee In Lieu
 - Facilities Levy
 - Tacoma Creates
 - ES Solid Waste Tidy Up Levy
 - EMS Levy LID Lift
 - Excise Tax
 - Property Tax - Growth Limit Removal

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Revenue Options

	Authority	Revenue Generation	Notes
Gross Earnings Tax on Utilities	Voter Approval	Up to approximately \$3M	Currently at 8% Max for all major utilities excluding Power and Natural Gas (7.5%). Maximum can be increased through charter change
Business and Occupation Tax	Councilmanic	Upwards of \$10M	Increasing to the maximum is almost double for some categories (with voter approval can go higher than maximum)
Property Taxes - Levy Lid Lift <ul style="list-style-type: none"> • General • EMS • Affordable Housing 	Voter Approval	<ul style="list-style-type: none"> • Capacity above \$100M annually • EMS - \$7.9M Annually • Affordable Housing - \$18.6M Annually 	Can be permanent or temporary, can also be structured for bonding
Business Licenses Fees	Councilmanic	Upwards of \$3M annually	Adjusted regularly to reflect CPI changes. Hasn't been updated in 5 years. Can increase beyond this level.
Impact Fees	Councilmanic	Varies Significantly	The City does not have impact fees. Impact fees help offset costs related to new infrastructure and increased population and development pressures
Excise Taxes (for example Head Tax)	Councilmanic	Varies Significantly	Can be structured in a variety of ways
Transportation Benefit District Sales Tax	Councilmanic	\$6-7M	
Other Fines and Fees	Councilmanic	Varies Significantly	Adjusted regularly to reflect CPI changes and cost of service

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Revenue Strategy




	Update	Timeline/Next Steps
Property Tax	Continue to prioritize removing the 1% growth limit in legislative lobbying	Legislative Sessions
EMS Levy Lid Lift	Given cost and demand increases compared to limited revenue growth, TFD will bring forward an update on benefits of pursuing a levy lid lift	Provide update at Study Session in late summer/fall 2022
Impact Fees	City Council supported the recommendations of the Impact Fee Framework Plan completed in July 2021	Continue work on Framework Development in 2022 and 2023
Facilities Levy Lid Lift	Funded consultant services during 2021-2022 modification process Facility Condition assessment, Fire Facilities study, and Library Services study will inform this work	Tours of Facilities Summer 2022 Community Engagement Fall 2022- Spring 2023
Administrative Fee Adjustments <ul style="list-style-type: none"> • Fee Schedule • Business Licenses 	Regular process to reflect cost increase	Update Fees and Licenses in Fall 2022 with Budget Process
Excise Tax Options	Staff research in progress	Provide Update in Fall 2022 with Budget Process
Updates to Existing Voter Approved Measures	Staff will continue to work on benefits and needs related to renewing Tacoma Creates and Streets Initiative	Provide Updates in 2023

Bring revenue strategy update to City Council in the Fall of 2022 along with 2023-2024 Proposed Budget

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Grant Opportunities



- IJA (Infrastructure Investment and Jobs Act)
- BIL (Bipartisan Infrastructure Law)

	Local Funding totals	
	FAST (2016-2021)	IJA (2022-2026)
Bridge Replacement	-	\$9,165,790,410
Carbon Reduction	-	\$6,930,799,070
CMAQ	\$18,714,318,200	\$21,686,430,600
HSIP	\$13,471,219,720	\$15,811,238,520
MPO	\$3,788,833,600	\$4,410,426,800
NHFP	\$5,266,730,150	\$6,991,087,150
NHPP	\$25,645,406,527	\$29,769,375,961
STBGP	\$82,900,322,588	\$104,850,731,471
TAP	\$5,492,619,200	\$6,224,621,000
	\$155,279,449,985	\$205,840,500,982

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Project Grant Match (2023/2024)					
Project	Constructi on Start Yr	Grant	Grant	Project Grant Match	Total 1085 allocation for project
Manitou Elementary SRTS	2023	SRTS	\$543,091	\$55,000	\$55,000
J Street Bicycle Boulevard	2023	PSRC	\$2,500,000	\$1,283,943	\$1,411,044
S 21st & C Street Signal	2023	HSIP	\$1,116,600	\$15,100	\$30,200
S Yakima Ave Sidewalk -S 67th to S 70th	2023	TIB	\$219,857	\$78,053	\$78,053
Water Flume Line Trail Phase 3a	2023	PSRC	\$2,273,631	\$2,370,887	\$2,370,887
E 64th Phase 2	2023	TIB	\$4,000,000	\$4,919,000	\$5,164,999
Prairie Line Trail Ph II	late 2022/ early 2023	PSRC	\$5,622,500	\$877,500	\$2,475,000
Puyallup Ave Transit/Complete Streets (PE only)	NA	PSRC	\$2,100,000	\$400,000	\$500,000
Links to Opportunity	2023	ST	\$3,500,000	\$1,820,000	\$1,820,000
Total 2023				\$11,819,483	\$13,905,183
Tacoma Spur NB & SB Ramps	2024	Local Programs Bridge	\$5,396,100	\$100,379	\$100,379
6th Ave Pedestrian Crossing Improvements	2024	HSIP	\$2,613,200	\$401,500	\$1,601,501
Water Flume Line Trail Phase 3b construction	2024	PSRC	\$3,316,860	\$1,596,782	\$1,596,782
S Cedar Street Active Trans: S 15th - Center	2024	WSDOT Bike/Ped	\$1,166,630	\$350,000	\$350,000
Total 2024				\$2,448,661	\$3,648,662
Total 2023 & 2024 Projects				\$14,268,144	\$17,553,845

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