

2019-2020

Tacoma Streets Initiative  
Progress Report

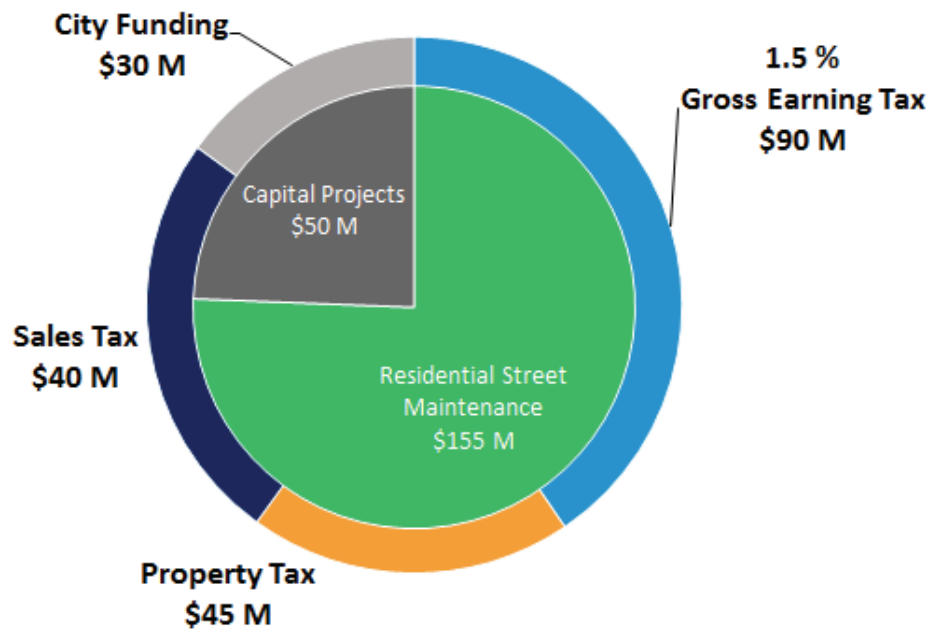


## **Background**

In 2015, Tacoma voters approved two ballot propositions to fund additional maintenance and improvements to City transportation infrastructure (City of Tacoma Proposition No. 3 and Transportation Benefit District Proposition A). Proposition No. 3 approved an increase in property tax of \$.20/ \$1000 of assessed value and a 1.5% increase in the gross earning tax for power, telephone, and natural gas utilities. Proposition A approved 1/10 of 1% increase in the City's sales tax. The taxes approved through Proposition No. 3 and Proposition A are expected to generate \$175 million (M) and will sunset after ten years.

In addition to the revenues approved by voters, the City has also made the commitment to allocate an additional \$30 M to the Streets Initiative Fund over the course of ten years. With these additional revenues the Streets Initiative is projected to collect \$205 M over the course of ten years.

Most of these funds (\$155 M) will support street maintenance on residential streets, while \$50 M will fund capital improvements to arterial streets, freight routes, and active transportation infrastructure. Streets Initiative revenue sources and expected funding categories are shown in the graph below.



To maximize the investment of the Streets Initiative, funding for capital improvements will be used to leverage grant opportunities and, when possible, residential street maintenance funding will be used to partner with utilities and other work in the right-of-way. By seeking out these grant and partnership opportunities, the City believes an additional \$120 M of investment

will be realized over the course of the Streets Initiative, bringing the total ten-year investment to \$325 M.

This report is intended to provide an update on 2019-2020 revenues collected, additional grant and partner funds leveraged, and street work performed. This report is provided in accordance with Amended Resolution No. 39236, which states:

. . . the City Manager is directed to work with the Public Works Department to deliver an annual progress report to the public through the Transportation Commission so that citizens may easily understand the improvements made and budget and leverage achieved, among other indicators, important for transparency and accountability of these public resources.

### **Impacts of COVID-19 and I-976**

2019 and 2020 progress has been combined into one report, but Public Works will once again provide annual reports for 2021 progress toward our goals.

When the pandemic began in 2020, Public Works was already anticipating decreased levels of service for the Streets Initiative due to the passage of Initiative 976. Though it was ultimately ruled unconstitutional, I-976 would have eliminated \$20 car tabs imposed by the Transportation Benefit District - which funds residential street maintenance activities that are captured in this report.

The COVID-19 pandemic and its associated challenges compounded the issues brought forth by I-976. Projections showed a \$2.8M shortfall in Streets Initiative revenues for 2020 – along with uncertainty about every other revenue source that supports Public Works staff and projects. As a result, several projects were postponed and over half of the field staff at Street Operations were furloughed for three months.

The situation is improving but getting Streets Initiative levels of service back to pre-pandemic performance levels will take some time.

## **2019-2020 Revenues and Expenditures**

In 2019-2020, Streets Initiative revenues were \$452,000 above projections; revenue details are shown in the table below.

<b>2019-2020 Streets Initiative Revenue</b>		
<b>Revenue Source</b>	<b>Actual Revenue</b>	<b>Initiative to Date (% towards 10-year goal)</b>
City Funding	\$ 6.0 M	\$ 15.2 M (51%)
TBD Sales Tax (0.1%)	\$ 11.9 M	\$ 24.7 M (55%)
Gross Earnings Tax (1.5%)	\$ 17.4 M	\$ 41.2 M (46%)
Property Tax (\$0.2/\$1,000 AV)	\$ 8.4 M	\$ 20.0 M (50%)
Interest and Other	\$ 0.7 M	\$ 1.2 M
<b>Total</b>	<b>\$ 44.4 M</b>	<b>\$ 102.3 M (50%)</b>

Streets Initiative expenditures are tracked by the funding categories; 2019-2020 expenditures were as follows:

<b>2019-2020 Streets Initiative Expenditures</b>		
<b>Streets Initiative Funding Category</b>	<b>Actual Expenditures</b>	<b>Initiative to Date Expenditures (% towards goal)</b>
Residential Maintenance	\$ 26.2 M*	\$ 66.1 M* (43%)
Capital – Arterial/ Freight	\$ 5.3 M**	\$ 16.2 M** (54%)
Capital - Active Transportation	\$ 2.8 M**	\$ 5.7 M** (29%)
<b>Total</b>	<b>\$ 34.3 M</b>	<b>\$ 88.0 M (43%)</b>

\* Additional street maintenance work is funded through the Streets Fund.

\*\* Capital expenditures do not capture future encumbrances for capital projects.

## 2019-2020 Capital Commitments

In 2019-2020, Public Works secured 10 grants for transportation projects to help fund different projects. Eight of those 10 projects are using Streets Initiative funding as grant match. The funding breakdown for those projects is shown below.

Project	Category	Streets Initiative Funding	Grant Amount	Total Secured
Links to Opportunity	Active Transportation	\$6,820,000	\$3,500,000	\$10,320,000
Taylor Way (Additional Funding)	Arterial/Freight	\$0	\$1,500,000	\$1,500,000
Water Flume Line Trail IIIa	Active Transportation	\$2,370,887	\$2,273,631	\$4,644,518
Water Flume Line Trail IIIb	Active Transportation	\$1,596,782	\$3,316,860	\$4,913,642
Portland Ave East (64th to East 72nd Street) Design	Arterial/Freight	\$105,239	\$57,642	\$162,881
Freight Modeling and Capital Planning	Arterial/Freight	\$155,000	\$765,000	\$920,000
Tahoma Trails to Transit Connector	Active Transportation	\$120,000	\$110,000	\$230,000
Education and Encouragement SRTS	Active Transportation	\$0	\$60,000	\$60,000
First Creek School Zone Beacon	Active Transportation	\$12,600	\$42,000	\$54,600
S 21st & C Street Signal	Arterial/Freight	\$15,100	\$1,116,600	\$1,131,700
<b>Total</b>		<b>\$11,195,608</b>	<b>\$12,741,733</b>	<b>\$23,937,341</b>

Prior to the Streets Initiative the City's dedicated transportation revenues were limited to Motor Vehicle Fuel Excise Tax (MVET), car tab revenue through the Transportation Benefit District, and some Gross Earnings Tax. This made it difficult to secure the City grant match funds, especially for expenses that were not eligible for Real Estate Excise Tax funding (REET). Since Streets Initiative funding is dedicated for transportation purposes, Public Works can now reliably identify a funding source for grant match, which has helped the City to leverage nearly **\$74 M** in grant funds and partnership funds for transportation projects since 2016. Public Works feels confident in reaching the goal of \$90 M over the life of the Streets Initiative.

When additional grant opportunities come available, staff will work with the Transportation Commission to identify appropriate projects and submit grant applications. Submitted projects will be those that are identified priority projects in the Transportation Master Plan and score well against grant selection criteria. Other projects may be allocated Streets Initiative funding to better prepare those projects for future grant opportunities or to address a need.

To help address active transportation challenges that are not generally grant eligible, the Transportation Commission worked with the Public Works Department to allocate funding towards the following program areas to help:

- ADA Accessibility/ Transition Plan
- Bicycle and Pedestrian
- Sidewalks
- Partnerships (transit, schools, parks, etc.)
- Small Projects (street eateries, wayfinding, signs, etc.)

In 2019-2020, the Streets Initiative expenditures included \$345,000 to help advance several smaller projects and programs, including construction of curb ramps, curb ramp inventory mapping, and small project lane striping.

**2019-2020 Residential Street Maintenance**

Residential street maintenance is a focal point for the City and the Streets Initiative. Using Streets Initiative funding and street maintenance funding sources that pre-existed the Initiative, Public Works has the goal of maintaining up to 70% of the residential street network by 2026 (approximately 5,614 blocks). To achieve that goal, pavement condition data is used to emphasize the maintenance and preservation of streets in fair to good condition through preventative maintenance activities and surface treatments. Secondly, Public Works is addressing many of the streets that rate as marginal or worse by performing overlays.

Projected and actual service levels are provided below.

Treatment	2019-2020 Service Level Targets (Blocks)	2019-2020 Actual Service Level (Blocks)	Initiative to Date (10-Year Goal)
Overlay	340	303	770 (1,500)
Surface Treatment	490	415	1,869 (4,200)
Preventative Maintenance	360	262	
<b>Total</b>	<b>1,190</b>	<b>980</b>	<b>2,639 (5,700)</b>

Part of this body of work was completed through partnership with other City departments. In 2019-2020, 77 blocks of overlay were completed through partnerships with Environmental Services and Tacoma Water, representing about \$3.7 M in leveraged partnership funds.

A map showing work completed to date can be found in Appendix A.

### **Additional Streets Initiative Funded Infrastructure**

Residential street maintenance and capital projects often include the construction of transportation features that the Public Works Department feels are important to the overall transportation network. The table below provides a summary of additional transportation features that were installed as a part of Streets Initiative maintenance or capital projects; additional categories may be added in subsequent years, as needed.

<b>Transportation Feature</b>	<b>2019-2020</b>	<b>Initiative to Date</b>
Curb Ramps Installed	413	1,733
Miles of Bike Infrastructure Installed	2	6
School Crossing Safety Beacons Installed	4	43
Lineal Feet of Sidewalk Constructed	5,814	17,925

### **Projected 2021 Revenues and Budget Allocations**

2021 anticipated revenues for the Streets Initiative are as follows:

<b>Revenue Source</b>	<b>Projected Revenue</b>
City Funding	\$ 3.0 M
TBD Sales Tax (0.1%)	\$ 5.5 M
Gross Earnings Tax (+1.5%)	\$ 8.0 M
Property Tax (\$0.2/\$1,000 AV)	\$ 4.4 M
Other	\$ 0.1 M
<b>Total</b>	<b>\$21.0 M</b>

2021 Streets Initiative revenues are allocated to the following funding categories:

<b>2021 Streets Initiative Funding</b>	
Residential Maintenance	\$ 16.0 M
Capital – Arterial/ Freight	\$ 3.0 M
Capital - Active Transportation	\$ 2.0 M
<b>Total</b>	<b>\$ 21.0 M</b>

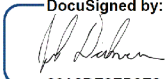
**Projected 2021 Residential Maintenance Work Plan:**

Throughout 2019-2020 staff from Public Works, Environmental Services, and Tacoma Water worked together to develop the 2021 work plan. Below are the 2021 service level targets.

A map showing project locations can be found in Appendix B. These projects can also be found on the Streets Initiative dashboard at [TacomaStreetsInitiative.org](http://TacomaStreetsInitiative.org).

2021 Service Level Targets		
Treatment	Estimated Blocks	Notes
Overlay	170	
Surface Treatment	245	
Preventative Maintenance	180	
<b>2021 Total</b>	<b>595</b>	

Report Submitted By:

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Transportation Commission Co-Chair

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Appendix A

Streets Initiative Work Completed through 2020



2021 Streets Initiative Work Plan

