

2021

# Tacoma Streets Initiative Progress Report

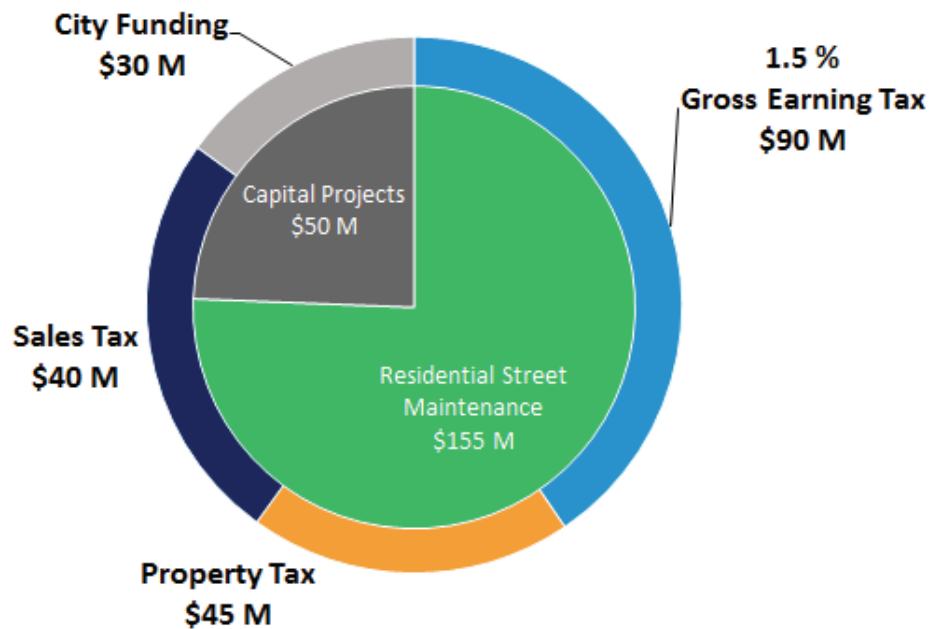


## **Background**

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 2021 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 Rising Construction Costs**

Cost increases on materials and labor impacted City construction and maintenance projects over the past year. Bid openings averaged 17% - 27% higher than the engineer's estimate and costs have increased to a point where some projects may exceed contingency funds included in contracts. 2021 revenues exceeded projections, which helped cover some of the rising costs, and Streets Initiative programs are currently on track to meet overall goals. Increased costs are included in the future work plans, but if inflation increases faster than current projections, planned projects may be impacted.

### **2021 Revenues and Expenditures**

In 2021, Streets Initiative revenues were \$626,000 above projections; revenue details are shown in the table below.

<b>2021 Streets Initiative Revenue</b>		
<b>Revenue Source</b>	<b>Actual Revenue</b>	<b>Initiative to Date (% towards 10-year goal)</b>
City Funding	\$ 3.0 M	\$ 18.2 M (61%)
TBD Sales Tax (0.1%)	\$ 5.3 M	\$ 30.1 M (67%)
Gross Earnings Tax (1.5%)	\$ 8.8 M	\$ 50.0 M (56%)
Property Tax (\$0.2/\$1,000 AV)	\$ 4.4 M	\$ 24.4 M (61%)
Interest and Other	\$ 0.2 M	\$ 1.4 M
<b>Total</b>	<b>\$ 21.7 M</b>	<b>\$ 124.1 M (60%)</b>

Streets Initiative expenditures are tracked by the funding categories; 2021 expenditures were as follows:

<b>2021 Streets Initiative Expenditures</b>		
<b>Streets Initiative Funding Category</b>	<b>Actual Expenditures</b>	<b>Initiative to Date Expenditures (% towards goal)</b>
Residential Maintenance	\$ 12.5 M*	\$ 78.6 M* (51%)
Capital – Arterial/ Freight	\$ 9.1 M**	\$ 25.3 M** (84%)
Capital - Active Transportation	\$ 5.4 M**	\$ 11.1 M** (56%)
<b>Total</b>	<b>\$ 27.0 M</b>	<b>\$ 115.0 M</b>

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

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

### **2021 Capital Commitments**

In 2021, Public Works secured 23 grants for transportation projects to help fund different projects. Nine of those 23 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
McKinley Avenue Crosswalk Improvements (Additional Funding)	Active Transportation	\$0	\$205,500	\$205,500
S 19th St Signal and Crosswalk Improvements (Additional Funding)	Active Transportation	\$0	\$168,400	\$168,400
Fawcett Avenue Pedestrian Improvements (Additional Funding)	Active Transportation	\$0	\$23,700	\$23,700
East Portland Avenue Safety Improvements (Additional Funding)	Active Transportation	\$0	\$736,600	\$736,600
Puyallup Ave Transit/Complete Street Improvements (Additional Funding)	Arterial/Freight	\$0	\$62,500	\$62,500
East 64th Phase II	Arterial/Freight	\$4,919,000	\$4,000,000	\$8,919,000
S Yakima Ave Sidewalks (67th - 70th)	Active Transportation	\$78,053	\$219,857	\$297,910
Complete Streets	Active Transportation	\$0	\$450,000	\$450,000
Schuster Parkway Trail	Active Transportation	\$0	\$4,000,000	\$4,000,000
E 38th St (E Portland Ave-SR 7)	Arterial/Freight	\$0	\$1,361,000	\$1,361,000
E Portland Ave (E 56th St – E 64th St)	Arterial/Freight	\$0	\$1,130,000	\$1,130,000
Education and Encouragement - Walking Route Maps	Active Transportation	\$0	\$60,000	\$60,000
Driver Speed Campaign	Active Transportation	\$3,500	\$90,000	\$93,500
S Cedar Street Active Transportation Enhancements	Active Transportation	\$350,000	\$1,166,630	\$1,516,630
Manitou Elementary Safe Routes to School Project	Active Transportation	\$55,000	\$543,091	\$598,091
Tac Spur Stadium SB Rmp (08 TaSpur A)	Arterial/Freight	\$50,355	\$2,707,700	\$2,758,055
Tac Spur Stadium NB Rmp (08 TaSpur D)	Arterial/Freight	\$50,024	\$2,688,400	\$2,738,424
I Street Overlay (Additional Funding)	Arterial/Freight	\$0	\$15,315	\$15,315
Links to Opportunity	Active Transportation	\$0	\$1,960,000	\$1,960,000
Portland Avenue Freight and Access Improvements (Additional Funding)	Arterial/Freight	\$0	\$6,537	\$6,537
Puyallup Ave Transit/Complete Street Improvements (Additional Funding)	Arterial/Freight	\$0	\$62,500	\$62,500
J Street Bicycle Boulevard	Active Transportation	\$1,283,943	\$2,500,000	\$3,783,943
Pedestrian Accessibility Improvements	Active Transportation	\$600,000	\$3,000,000	\$3,600,000
<b>Total</b>		<b>\$7,389,875</b>	<b>\$27,157,730</b>	<b>\$34,547,605</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 **\$101 M** in grant funds and partnership funds for transportation projects since 2016 - exceeding 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 2021, 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.

### **2021 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 broken out by category below:

Year	Overlay	Surface Treatment	Preventative Maintenance	Annual Total	10 Year Total	Percent Toward Goal (5614 Blocks)
2016 (Actual)	90	108	97	295	295	5%
2017 (Actual)	135	230	184	549	844	15%
2018 (Actual)	242	315	258	815	1,659	30%
2019 (Actual)	200	355	135	690	2,349	42%
2020 (Actual)	103	60	192	355	2,704	48%
2021 (Actual)	97	193	64	354	3,058	54%
2022 (Projected)	183	185	235	603	3,661	65%
2023 (Projected)	184	186	278	648	4,309	77%
2024 (Projected)	183	385	278	846	5,155	92%
2025 (Projected)	183	185	277	645	5,800	103%

Part of this body of work was completed through partnership with other City departments. In 2021, 28 blocks of overlay were completed through partnerships with Environmental Services and Tacoma Water, representing about \$1.3 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.

Transportation Feature	2021	Initiative to Date
Curb Ramps Installed	186	1,919
Miles of Bike Infrastructure Installed	1	7
School Crossing Safety Beacons Installed	2	45
Lineal Feet of Sidewalk Constructed	8,466	26,391

### **Projected 2022 Revenues and Budget Allocations**

2022 anticipated revenues for the Streets Initiative are as follows:

Revenue Source	Projected Revenue
City Funding	\$ 3.0 M
TBD Sales Tax (0.1%)	\$ 5.6 M
Gross Earnings Tax (+1.5%)	\$ 8.9 M
Property Tax (\$0.2/\$1,000 AV)	\$ 4.3 M
Other	\$ 0.1 M
<b>Total</b>	<b>\$ 21.9 M</b>

2022 Streets Initiative revenues are allocated to the following funding categories:

2022 Streets Initiative Funding	
Residential Maintenance	\$ 16.9 M
Capital – Arterial/ Freight	\$ 3.0 M
Capital - Active Transportation	\$ 2.0 M
<b>Total</b>	<b>\$ 21.9 M</b>

### **Projected 2022 Residential Maintenance Work Plan:**

Throughout 2021 staff from Public Works, Environmental Services, and Tacoma Water worked together to develop the 2022 work plan. Below are the 2022 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](https://TacomaStreetsInitiative.org).

2022 Service Level Targets		
Treatment	Estimated Blocks	Notes
Overlay	183	
Surface Treatment	185	
Preventative Maintenance	235	
<b>2022 Total</b>	<b>603</b>	




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Transportation Commission Co-Chair

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Appendix A

Streets Initiative Work Completed through 2021



2022 Streets Initiative Work Plan

