

POLICY NOTE

Summary of Citizen's Guide to Sound Transit 3

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Key Findings

- Sound Transit 3 (ST3) is a \$54 billion-dollar ballot proposal that would increase the taxes residents pay to the Sound Transit Agency by more than \$300 per average household per year, or \$20,000 or more over 25 years.
- In addition to new taxes, the ST3 proposal includes the continuation of taxes enacted in 1996 (Sound Move/ST1) and 2008 (Sound Transit 2/ST2), totaling \$8.621 billion. This is roughly the size of King County's relative \$9 billion budget, and represents 16 percent of ST3 funding sources.
- According to the Puget Sound Regional Council, of the 19 million daily trips expected to be taken in the region by 2040, less than one percent would be taken on light rail. The bulk of ST3 funding (over 60 percent) would be spent to build additional light rail.
- Using Sound Transit's most optimistic ridership projection, the agency would serve barely four percent of daily trips expected to be taken in the region in 2040.
- A little over six percent of the projected one million people that planners expect to move to the region are forecast to become new regular transit riders if ST3 is passed. This is very low for the amount of tax revenue to be collected and spent. Other transit options would provide greater mobility benefits sooner and at lower costs.
- Over the last 20 years, Sound Transit officials have failed to provide transparency and timely project completion within budget. Now the public agency is pushing for one of the nation's most expensive, one-size-fits-all rail expansions, although they admit that it would not reduce congestion for taxpayers in the Puget Sound region.

This November, voters in the Sound Transit taxing district living in parts of King, Pierce and Snohomish counties will decide whether or not to pass Sound Transit's new \$54 billion-dollar tax proposal, called Sound Transit 3 (ST3).

The majority of the project funding is for light rail, which would attract only 64,800 new riders to public transit, or a little over six percent of the projected one million people that planners expect to move to the region by 2040.

If ST3 is approved, Sound Transit officials would collect the following taxes annually from each household:

Tax	ST1 & ST2	ST3	Total for ST1, ST2 & ST3
Sales & Use Tax	0.9%	0.5%	1.4%
Motor-Vehicle Excise Tax	0.3%	0.8%	1.1%
Property Tax	0.0%	\$25 per \$100,000 assessed value	\$100 for \$400,000 home

To put these numbers into perspective for an average household, a tax calculator was created at www.ST3Tax.com. Residents in the taxing district can input their household data to determine how much they would pay to Sound Transit if they approve ST3.

Below is a calculation from www.ST3Tax.com for a two-person household bringing in a combined yearly income of \$85,000 to \$105,000, with two cars and a \$360,000 home. Total costs for this family for ST1, ST2 and ST3 taxes over 25 years would be \$21,433.

Household Data	ST3 Tax	Total
\$85,000-\$105,000 Total Yearly Income	Sales & Use Tax (0.5%)	\$169
\$360,000 Home	Property Tax (\$25 per \$100,000)	\$90
2 cars / \$40 Vehicle RTA Tax each	Motor Vehicle Excise Tax (0.8%)	\$213.33
	Total ST3 Tax	\$472.33
	Total ST1/ST2 Tax	\$385.00
	Total Annual Sound Transit Taxes w/ ST3	\$857.33
	Total Sound Transit Tax Paid in 25 Years w/ ST3	\$21,433.25

Sound Transit officials project transit ridership to reach 1.1 to 1.332 million daily boardings by 2040 with ST3. Without ST3, that range would be 975,000 to 1.169 million.



Mariya Frost is the new Coles Center for Transportation Policy Analyst. She was born in Russia, but immigrated to the United States with her family in 1993 and was raised in Washington State. Mariya obtained her bachelor's degree in Political Science from the University of Washington and is currently working on her Masters in Business Administration at Saint Martin's University.

Mariya brings nearly a decade of experience working with private sector executives, as well as lawmakers at the Washington State Senate and the U.S. House of Representatives.

An avid reader and writer, Mariya is passionate about civic literacy, engaging with and promoting sound public policy, and creating bridges between constituents and lawmakers. She is excited to join WPC and make a difference in the quality of life of Washingtonians, so they can spend less time in traffic and more time at home with their families.

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A closer evaluation of this data shows that there would be only 144,000 new transit boardings generated with ST3.¹

This means that ST3 specifically would serve only 0.7 percent, including buses and light rail, of all 19 million regional daily trips. When the metric of 144,000 new boardings is converted to riders, the result is only 64,800 new riders on Sound Transit and other regional transit as a result of ST3.²

Allowing for Sound Transit's most optimistic ridership projection of 695,000 daily boardings by new *and existing riders* on all of Sound Transit's services (light rail, commuter rail, bus rapid transit, and express bus), the agency would serve barely four percent of all daily trips in the region by 2040.³

No matter how Sound Transit's reported numbers are analyzed, the resulting public benefit after \$54 billion in new spending is very low and therefore not in the public interest.

Recently, the Seattle Transit Blog said that "people unable to drive deserve a *good* way to get around, not just a lifeline."⁴ The question is whether or not Sound Transit officials are, in fact, providing the best possible solution to help people move around the region.

The costly system seems a throwback for a growing, innovative region that is moving beyond coal, beyond rail, and beyond cars and buses as we know them today. Sound Transit's expensive fixed rail ignores the progress being made in human mobility every day. To assume fixed rail is the solution for the next 100 years is profoundly risky and short-sighted, committing our region to continued gridlock and potential technological irrelevance.

So far, Sound Transit officials have presented ST3 as the only option.⁵ If ST3 fails, however, the public would have the opportunity to hear about more and better options from a public agency that certainly has the resources to provide them – and to provide them quickly.

Sound Transit officials also claim that if voters do not pass their ST3 tax plan, it would have dire consequences and would delay so-called "progress." However, any objective analysis shows that spending \$54 billion to move a small fraction of daily travelers decades from now is not progress.

A more progressive policy would be for Sound Transit officials to present affordable transit ideas that improve mobility for transit-dependent people today, and which help relieve traffic congestion in ways that serve the public interest of all Puget Sound residents.

This publication is a summary of a 17 page study on Sound Transit 3. To access the full study, go to www.washingtonpolicy.org

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- 1 "Sound Transit 3 Appendix C: Benefits, Costs, Revenues, Capacity, Reliability, and Performance Characteristics," Sound Transit, June 23, 2016, at https://st3.blob.core.windows.net/media/Default/Document%20Library%20Featured/June_23/Resolution_R2016-16_Appendix_C-Final.pdf.
 - 2 "Definitions," American Public Transportation Association, November 10, 2010, at <http://www.apta.com/resources/statistics/Documents/Ridership/misdef.pdf>.
 - 3 "ST3 Expert Review Panel: Ridership Forecasting," Sound Transit, June 6, 2016, at <http://www.wsdot.wa.gov/partners/erp/background/Ridership%20forecasting%2006-06-2016.pdf>.
 - 4 "Yes on Sound Transit 3," Seattle Transit Blog Editorial Board, August 30, 2016, at <https://seattletransitblog.com/2016/08/30/yes-on-sound-transit-3/#comments>.
 - 5 "Long Live the War on Cars: Regional Leaders Call for More Mass Transit as City Unveils Plans to Lower Speed Limits," by Heidi Groover, *The Stranger*, at <http://www.thestranger.com/slog/2016/09/14/24558729/long-live-the-war-on-cars-regional-leaders-call-for-more-mass-transit-as-city-unveils-plans-to-lower-speed-limits>.