



CITY OF MUKILTEO, WASHINGTON
WISE INVESTMENTS IN TRANSPORTATION TASKFORCE MEETING MINUTES
March 23, 2016
City Council Chambers—11930 Cyrus Way

Call to order

Chairperson Joe Marine called the meeting to order at 6:36 p.m.

Roll Call

Committee Members Present: Len Baron, Diane Cooper, Melanie Field, Councilmember Randy Lord, Joe Marine, Laura McCarty, Kevin Wilson

Staff Present: Marko Liias, Policy Analyst; Andrea Swisstack, Assistant City Engineer; Glen Pickus, Planning Manager

Agenda order

No changes

Meeting Items:

- Approve Meeting Minutes from February 24, 2016

Melanie Field moved to approve the meeting minutes as presented. Diane Cooper seconded the motion which was approved unanimously

- Transportation Funding Scenarios

Policy Analyst Liias distributed a summary of the Transportation Funding Tools which the Taskforce had reviewed and prioritized in February. On the basis of the prioritization, staff constructed 10 different potential funding scenarios which were distributed and discussed in-depth. The taskforce was concerned with the overall impacts of revenue increases, combining too many funding tools and complicating the issue for residents, specific impacts on various user types, balancing the impacts across various user groups, and the risks of voters rejecting a potential ballot measure. Policy Analyst also distributed a summary of all ten scenarios' impacts on various user groups.

- Public Outreach Strategies (tabled until April once more information is available)

- Discuss Next Steps

Based on the discussion, Taskforce members identified five scenarios for further review and discussion (Scenarios 1A, 2A, 5A, 5B, and 5C). In April, the Taskforce will further review these approaches and develop pro/con narratives for inclusion in a final report to the City Council.

Public Comments

None

Reports and Communications

None

Comments from Staff

None

Adjournment: 8:35 p.m.

Next meeting: April 27, 2016

Exhibits: Transportation Funding Tools summary, Scenarios, Impacts on User Groups summary

Transportation Funding Tools

Funding Tool	Vote Req'd	Form TBD	Restrict	Rate	Potential Revenue
Tier 1					
Banked Property Tax	No	No	No	\$0.09/\$1,000 AV	\$350,000
Business Licenses	No	No	No	FTE fee	\$50K-\$100K
Paid Parking	No	No	No	Varies	\$50K-\$100K
Sales Tax	Yes	Yes	Yes	0.1%-0.2%	\$325K-\$650K
Utility Taxes: Garbage	No	No	No	1%+	\$40,000+
Vehicle License Fee	No	Yes	Yes	\$20-\$40-\$50	\$260K-\$650K
Tier 2					
Levy Lid Lift	Yes	No	Yes	Up to \$1.80/\$1,000	Up to \$6.8M
Utility Taxes: Water/Sewer	No	No	No	1-5%	\$110K-\$550K
Utility Taxes: Gas/Power/ TV/Phone	Yes	No	Yes	1%+	\$400,000+
Do Not Consider					
Vehicle License Fee	Yes	Yes	Yes	\$50-\$100/vehicle	\$650K-\$1.3M

Scenario 1A: Vehicle Fee

Basic Maintenance

\$900,000

Street Preservation		\$900,000
Existing REET	\$450,000	
Banked Property Tax	\$350,000	
Business Licenses (\$0.0228 to \$0.027 FTE)	\$50,000	
Paid Parking (increase from \$2 to \$2.25 per hour)	\$50,000	

Summary

This scenario funds basic maintenance first. Basic maintenance is funded through redirecting existing real estate excise tax to maintenance and by increasing several existing revenue sources. New transportation enhancements would be funded by a newly-imposed vehicle license fee.

Transportation Enhancements

\$260,000

Reconstruct Failed Roadways		
Vehicle License Fee (\$20)	\$60,000	
Bike Path Construction		
Vehicle License Fee (\$20)	\$60,000	
Sidewalk Construction		
Vehicle License Fee (\$20)	\$60,000	
Traffic Calming		
Vehicle License Fee (\$20)	\$25,000	
ADA Improvements		
Vehicle License Fee (\$20)	\$55,000	

REET Uses

Current

Proposed

Street Maintenance	\$300,000	\$450,000
Bike Path Construction	\$50,000	\$0
Sidewalk Construction	\$50,000	\$0
Traffic Calming	\$25,000	\$0
ADA Improvements	\$25,000	\$0

Funding Summary

Street Preservation	\$960,000	78%
Bike Path Construction	\$60,000	5%
Sidewalk Construction	\$60,000	5%
Traffic Calming	\$25,000	2%
ADA Improvements	\$55,000	4%
Total Funding	\$1,160,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$75
Renters (2 ppl)	\$25
Local Businesses	
Large business	\$7,300
Small business	\$80
Visitors	Yes

Assumptions:

*\$420,600 home, 2 cars
1 car*

*\$32.7 million facility, 25 vehicles
\$220,000 office, 3 vehicles*

Scenario 1B: Vehicle Fee

Basic Maintenance

Street Preservation	
Existing REET	\$450,000
Banked Property Tax	\$350,000
Paid Parking (increase from \$2 to \$2.50 per hour)	\$100,000

\$900,000

\$900,000

Summary

This scenario funds basic maintenance first. Basic maintenance is funded through redirecting existing real estate excise tax to maintenance and by increasing several existing revenue sources (slightly different than Scenario 1A). New transportation enhancements would be funded by a newly-imposed vehicle license fee. The vehicle license fee would be \$20 for two years and then rise to \$40 per vehicle.

Transportation Enhancements

Reconstruct Failed Roadways	
Vehicle License Fee (\$40)	\$135,000
Bike Path Construction	
Vehicle License Fee (\$40)	\$130,000
Sidewalk Construction	
Vehicle License Fee (\$40)	\$130,000
Traffic Calming	
Vehicle License Fee (\$40)	\$25,000
ADA Improvements	
Vehicle License Fee (\$40)	\$100,000

\$520,000

REET Uses

	<u>Current</u>	<u>Proposed</u>
Street Maintenance	\$300,000	\$450,000
Bike Path Construction	\$50,000	\$0
Sidewalk Construction	\$50,000	\$0
Traffic Calming	\$25,000	\$0
ADA Improvements	\$25,000	\$0

Funding Summary

Street Preservation	\$1,035,000	67%
Bike Path Construction	\$130,000	8%
Sidewalk Construction	\$130,000	8%
Traffic Calming	\$25,000	2%
ADA Improvements	\$100,000	6%
Total Funding	\$1,420,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$115
Renters (2 ppl)	\$45
Local Businesses	
Large business	\$4,000
Small business	\$140
Visitors	Yes

Assumptions:

*\$420,600 home, 2 cars
1 car*

*\$32.7 million facility, 25 vehicles
\$220,000 office, 3 vehicles*

Scenario 2A: Sales Tax

Basic Maintenance

Street Preservation	
Existing REET	\$450,000
Banked Property Tax	\$350,000
Business Licenses (\$0.0228 to \$0.0245 FTE)	\$20,000
Utility Tax: Solid waste (2% increase)	\$80,000

\$900,000

\$900,000

Summary

This scenario funds basic maintenance first. Basic maintenance is funded through redirecting existing real estate excise tax to maintenance and by increasing several existing revenue sources (slightly different than Scenario 1A/1B). New transportation enhancements would be funded by a voter-approved sales tax increase.

Transportation Enhancements

\$325,000

Reconstruct Failed Roadways	
V New Sales Tax (0.1%)	\$80,000
Bike Path Construction	
V New Sales Tax (0.1%)	\$80,000
Sidewalk Construction	
V New Sales Tax (0.1%)	\$80,000
Traffic Calming	
V New Sales Tax (0.1%)	\$25,000
ADA Improvements	
V New Sales Tax (0.1%)	\$60,000

REET Uses

	Current	Proposed
Street Maintenance	\$300,000	\$450,000
Bike Path Construction	\$50,000	\$0
Sidewalk Construction	\$50,000	\$0
Traffic Calming	\$25,000	\$0
ADA Improvements	\$25,000	\$0

Funding Summary

Street Preservation	\$980,000	84%
Bike Path Construction	\$80,000	7%
Sidewalk Construction	\$80,000	7%
Traffic Calming	\$25,000	2%
ADA Improvements	\$60,000	5%
Total Funding	\$1,225,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$61
Renters (2 ppl)	\$20
Local Businesses	
Large business	\$7,000
Small business	\$55
Visitors	Yes

Assumptions:

*\$420,600 home, \$5/person sales tax
\$5/person sales tax*

*\$32.7 million facility, \$5/employee sales tax
\$220,000 office, \$5/employee sales tax*

Scenario 2B: Sales Tax

Basic Maintenance

Street Preservation	
Existing REET	\$450,000
Banked Property Tax	\$350,000
Business Licenses (\$0.0228 to \$0.028 FTE)	\$60,000
Utility Tax: Solid waste (1% increase)	\$40,000

\$900,000

\$900,000

Summary

This scenario funds basic maintenance first. Basic maintenance is funded through redirecting existing real estate excise tax to maintenance and by increasing several existing revenue sources (slightly different than Scenario 1A/1B/2A). New transportation enhancements would be funded by a voter-approved sales tax increase.

Transportation Enhancements

Reconstruct Failed Roadways	
V New Sales Tax (0.2%)	\$175,000
Bike Path Construction	
V New Sales Tax (0.2%)	\$175,000
Sidewalk Construction	
V New Sales Tax (0.2%)	\$175,000
Traffic Calming	
V New Sales Tax (0.2%)	\$25,000
ADA Improvements	
V New Sales Tax (0.2%)	\$100,000

\$650,000

REET Uses

	Current	Proposed
Street Maintenance	\$300,000	\$450,000
Bike Path Construction	\$50,000	\$0
Sidewalk Construction	\$50,000	\$0
Traffic Calming	\$25,000	\$0
ADA Improvements	\$25,000	\$0

Funding Summary

Street Preservation	\$1,075,000	76%
Bike Path Construction	\$175,000	12%
Sidewalk Construction	\$175,000	12%
Traffic Calming	\$25,000	2%
ADA Improvements	\$100,000	7%
Total Funding	\$1,550,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$78
Renters (2 ppl)	\$27
Local Businesses	
Large business	\$11,850
Small business	\$68
Visitors	Yes

Assumptions:

*\$420,600 home, \$10/person sales tax
\$10/person sales tax*

*\$32.7 million facility, \$10/employee sales tax
\$220,000 office, \$10/employee sales tax*

Scenario 3: No Property Tax

Basic Maintenance

\$900,000

Street Preservation		\$900,000
Existing REET	\$450,000	
Vehicle License Fee (\$20)	\$260,000	
Business Licenses (\$0.0228 to \$0.031 FTE)	\$90,000	
Paid Parking (increase from \$2 to \$2.50 per hour)	\$100,000	

Summary

This scenario does not include any increase in property taxes. This scenario funds basic maintenance first. Basic maintenance is funded by redirecting existing real estate excise tax to maintenance, by increasing several existing revenue sources (different than Scenario 1A/1B/2A/2B), and by a newly-imposed vehicle license fee. New transportation enhancements would be funded by a voter-approved sales tax increase.

Transportation Enhancements

\$325,000

Reconstruct Failed Roadways		
V New Sales Tax (0.1%)	\$80,000	
Bike Path Construction		
V New Sales Tax (0.1%)	\$80,000	
Sidewalk Construction		
V New Sales Tax (0.1%)	\$80,000	
Traffic Calming		
V New Sales Tax (0.1%)	\$25,000	
ADA Improvements		
V New Sales Tax (0.1%)	\$60,000	

REET Uses

Current

Proposed

Street Maintenance	\$300,000	\$450,000
Bike Path Construction	\$50,000	\$0
Sidewalk Construction	\$50,000	\$0
Traffic Calming	\$25,000	\$0
ADA Improvements	\$25,000	\$0

Funding Summary

Street Preservation	\$980,000	80%
Bike Path Construction	\$80,000	7%
Sidewalk Construction	\$80,000	7%
Traffic Calming	\$25,000	2%
ADA Improvements	\$60,000	5%
Total Funding	\$1,225,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$60
Renters (2 ppl)	\$30
Local Businesses	
Large business	\$9,900
Small business	\$75
Visitors	Yes

Assumptions:

*2 cars, \$5/person sales tax
1 car, \$5/person sales tax*

*25 vehicles, \$5/employee sales tax
3 vehicles, \$5/employee sales tax*

Scenario 4: Property Tax

Basic Maintenance

\$900,000

Street Preservation		\$900,000
Existing REET	\$450,000	
Banked Property Tax	\$350,000	
Utility Tax: Water/sewer (1% increase)	\$100,000	

Summary

This scenario funds basic maintenance first. Basic maintenance is funded by redirecting existing real estate excise tax to maintenance and by increasing several existing revenue sources (different than previous scenarios). New transportation enhancements would be funded by a voter-approved property tax increase.

Transportation Enhancements

\$360,000

Reconstruct Failed Roadways		
V Levy Lid Lift (\$0.09)	\$90,000	
Utility Tax: Water/Sewer	\$10,000	
Bike Path Construction		
V Levy Lid Lift (\$0.09)	\$80,000	
Sidewalk Construction		
V Levy Lid Lift (\$0.09)	\$80,000	
Traffic Calming		
V Levy Lid Lift (\$0.09)	\$25,000	
ADA Improvements		
V Levy Lid Lift (\$0.09)	\$75,000	

REET Uses

Current

Proposed

Street Maintenance	\$300,000	\$450,000
Bike Path Construction	\$50,000	\$0
Sidewalk Construction	\$50,000	\$0
Traffic Calming	\$25,000	\$0
ADA Improvements	\$25,000	\$0

Funding Summary

Street Preservation	\$1,000,000	79%
Bike Path Construction	\$80,000	6%
Sidewalk Construction	\$80,000	6%
Traffic Calming	\$25,000	2%
ADA Improvements	\$75,000	6%
Total Funding	\$1,260,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$77
Renters (2 ppl)	\$12
Local Businesses	
Large business	\$6,250
Small business	\$47
Visitors	No

Assumptions:
\$420,600 home

\$32.7 million facility
\$220,000 office

Scenario 5A: \$1.5m/Sales Tax

<u>Basic Maintenance</u>		<u>\$1,500,000</u>
Street Preservation		\$1,500,000
Existing REET	\$450,000	
Banked Property Tax	\$350,000	
V New Sales Tax (0.2%)	\$650,000	
Paid Parking (increase from \$2 to \$2.50 per hour)	\$50,000	

Summary

This scenario funds basic maintenance at a higher \$1.5 million per year level, using existing revenue sources plus a voter-approved sales tax increase. New transportation enhancements are funded by increasing existing revenue sources.

<u>Transportation Enhancements</u>		<u>\$200,000</u>
Bike Path Construction		
Utility Tax: W/S/G	\$62,500	
Sidewalk Construction		
Utility Tax: W/S/G	\$62,500	
Traffic Calming		
Utility Tax: W/S/G	\$25,000	
ADA Improvements		
Paid Parking	\$50,000	

REET Uses	Current	Proposed
Street Maintenance	\$300,000	\$450,000
Bike Path Construction	\$50,000	\$0
Sidewalk Construction	\$50,000	\$0
Traffic Calming	\$25,000	\$0
ADA Improvements	\$25,000	\$0

Funding Summary		
Street Preservation	\$1,500,000	88%
Bike Path Construction	\$62,500	4%
Sidewalk Construction	\$62,500	4%
Traffic Calming	\$25,000	1%
ADA Improvements	\$50,000	3%
Total Funding	\$1,700,000	

Impacts on User Groups	
City Residents	
Homeowners (4 ppl)	\$88
Renters (2 ppl)	\$29
Local Businesses	
Large business	\$9,250
Small business	\$63
Visitors	Yes

Assumptions:

*\$420,600 home, \$10/person sales tax
\$10/person sales tax*

*\$32.7 million facility, \$10/employee sales tax
\$220,000 office, \$10/employee sales tax*

Scenario 5B: \$1.5m/Property Tax

Basic Maintenance

Street Preservation		\$1,500,000
		\$1,500,000
Existing REET	\$200,000	
Banked Property Tax	\$350,000	
v Levy Lid Lift (\$0.24 per \$1,000 AV)	\$950,000	

Summary

This scenario funds basic maintenance at a higher \$1.5 million per year level, using existing revenue sources plus a voter-approved property tax increase. New transportation enhancements are funded by the existing real estate excise tax.

Transportation Enhancements

		\$250,000
Bike Path Construction		
Existing REET	\$75,000	
Sidewalk Construction		
Existing REET	\$75,000	
Traffic Calming		
Existing REET	\$25,000	
ADA Improvements		
Existing REET	\$75,000	

REET Uses

	Current	Proposed
Street Maintenance	\$300,000	\$200,000
Bike Path Construction	\$50,000	\$75,000
Sidewalk Construction	\$50,000	\$75,000
Traffic Calming	\$25,000	\$25,000
ADA Improvements	\$25,000	\$75,000

Funding Summary

Street Preservation	\$1,500,000	86%
Bike Path Construction	\$75,000	4%
Sidewalk Construction	\$75,000	4%
Traffic Calming	\$25,000	1%
ADA Improvements	\$75,000	4%
Total Funding	\$1,750,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$130
Renters (2 ppl)	\$19
Local Businesses	
Large business	\$11,140
Small business	\$74
Visitors	No

Assumptions:
\$420,600 home

\$32.7 million facility
\$220,000 office

Scenario 5C: \$1.5m/Council

<u>Basic Maintenance</u>		<u>\$1,500,000</u>
Street Preservation		\$1,500,000
Existing REET	\$280,000	
Banked Property Tax	\$350,000	
Paid Parking (increase from \$2 to \$2.50 per hour)	\$100,000	
Utility Tax: Solid waste (3% increase)	\$120,000	
V Vehicle License Fee (\$50)	\$650,000	

Summary

This scenario funds basic maintenance at a higher \$1.5 million per year level, using existing revenue sources plus a newly-imposed vehicle license fee. New transportation enhancements are funded by the existing real estate excise tax. The vehicle license fee would be \$20 for the first two years, \$40 for the next two years, and reach \$50 in the fifth year.

<u>Transportation Enhancements</u>		<u>\$170,000</u>
Bike Path Construction		
Existing REET	\$50,000	
Sidewalk Construction		
Existing REET	\$50,000	
Traffic Calming		
Existing REET	\$20,000	
ADA Improvements		
Existing REET	\$50,000	

REET Uses	Current	Proposed
Street Maintenance	\$300,000	\$280,000
Bike Path Construction	\$50,000	\$50,000
Sidewalk Construction	\$50,000	\$50,000
Traffic Calming	\$25,000	\$20,000
ADA Improvements	\$25,000	\$50,000

Funding Summary		
Street Preservation	\$1,500,000	90%
Bike Path Construction	\$50,000	3%
Sidewalk Construction	\$50,000	3%
Traffic Calming	\$20,000	1%
ADA Improvements	\$50,000	3%
Total Funding	\$1,670,000	

Impacts on User Groups	
City Residents	
Homeowners (4 ppl)	\$144
Renters (2 ppl)	\$60
Local Businesses	
Large business	\$4,500
Small business	\$179
Visitors	Yes

Assumptions:

*\$420,600 home, 2 cars
1 car*

*\$32.7 million facility, 25 vehicles
\$220,000 office, 3 vehicles*

Scenario 6: Unconstrained

Basic Maintenance

\$2,230,000

Street Preservation		\$2,230,000
Existing REET	\$125,000	
Banked Property Tax	\$350,000	
Levy Lid Lift (\$0.45 per \$1,000 AV)	\$1,755,000	

Summary

This scenario funds basic maintenance at at the unconstrained level of \$2.23 million per year level, using existing revenue sources plus a voter-approved property tax increase. New transportation enhancements are funded by the existing real estate excise tax.

Transportation Enhancements

\$325,000

Bike Path Construction		
Existing REET	\$100,000	
Sidewalk Construction		
Existing REET	\$100,000	
Traffic Calming		
Existing REET	\$25,000	
ADA Improvements		
Existing REET	\$100,000	

REET Uses

Current

Proposed

Street Maintenance	\$300,000	\$125,000
Bike Path Construction	\$50,000	\$100,000
Sidewalk Construction	\$50,000	\$100,000
Traffic Calming	\$25,000	\$25,000
ADA Improvements	\$25,000	\$100,000

Funding Summary

Street Preservation	\$2,230,000	87%
Bike Path Construction	\$100,000	4%
Sidewalk Construction	\$100,000	4%
Traffic Calming	\$25,000	1%
ADA Improvements	\$100,000	4%
Total Funding	\$2,555,000	

Impacts on User Groups

City Residents	
Homeowners (4 ppl)	\$210
Renters (2 ppl)	\$30
Local Businesses	
Large business	\$18,000
Small business	\$120
Visitors	No

Assumptions:
\$420,600 home

\$32.7 million facility
\$220,000 office

Impacts on User Groups

	Homeowners	Renters	Large Business	Small Business	Overall
Scenario 1A	\$75	\$25	\$7,300	\$80	100%
Scenario 1B	\$115	\$45	\$4,000	\$140	0%
Scenario 2A	\$61	\$20	\$7,000	\$55	100%
Scenario 2B	\$78	\$27	\$11,850	\$68	75%
Scenario 3	\$60	\$30	\$9,900	\$75	50%
Scenario 4	\$77	\$12	\$6,250	\$47	100%
Scenario 5A	\$88	\$29	\$9,250	\$63	75%
Scenario 5B	\$130	\$19	\$11,140	\$74	50%
Scenario 5C	\$0	\$0	\$25	\$0	25%
Scenario 6	\$210	\$30	\$18,000	\$120	0%
Average	\$89	\$24	\$8,472	\$72	
Median	\$78	\$26	\$8,275	\$71	