

Regional Transportation Plan Financial Strategy and Investments

Executive Board
June 26, 2025



Puget Sound Regional Council



We are leaders in the region to realize equity for all. Diversity, racial equity and inclusion are integrated into how we carry out all our work.

psrc.org/equity

Today's Discussion

2026–2050 Regional Transportation Plan (RTP):

- Work completed to date and upcoming milestones
- Overview of financial strategy requirements
- Introduction to the numbers: available revenues vs. proposed expenditures
 - *Overview of proposed investments and assumptions*
 - *Description of levers to address the gap*
 - *Transportation Policy Board discussions and next steps*



Work Completed to Date

February 2024 – April 2025:

- Key priorities for the next plan identified
- Scope of work adopted
- Parameters for new potential revenue sources discussed
- Report published on the current transportation system
 - *Report and findings on the [RTP Engagement Hub](#)*
- Planned investments and current law revenues estimated through 2050



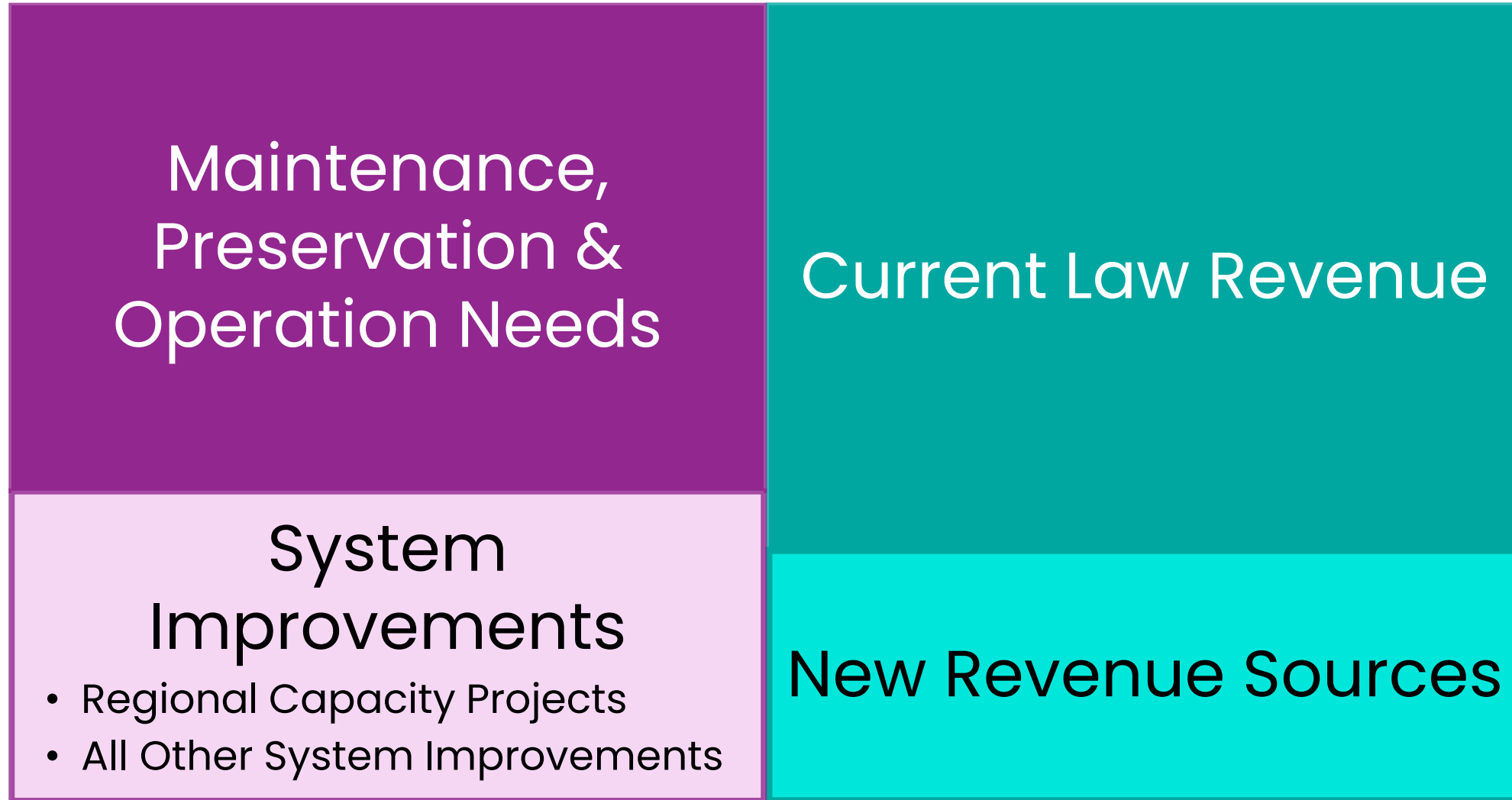
RTP Financial Strategy Requirements

*The plan must identify reasonably available sources and revenues to fund **all** investments in the plan – capital, operations and maintenance – for a financially constrained plan*

- The financial strategy is not an adopted budget – it is a general plan with reasonable assumptions
- Assumptions of new or increased revenues must include strategies for ensuring availability
 - This can include necessary local or state legislative actions



RTP Financial Strategy – Building Blocks



Updated Revenues vs. Proposed Expenditures

Gap between available revenues and proposed expenditures = 21%

Sponsor Type	NEEDS				REVENUES			Revenue Gap	Percent of Revenue Gap
	Maintenance, Preservation and Operations	System Improvements		Total	Current Law	New Revenue	Total		
		Regional Capacity Projects	Other Improvements						
Counties	\$17,900	\$5,200	\$2,800	\$25,900	\$16,600	\$0	\$16,600	\$9,300	12%
Cities	\$45,300	\$8,500	\$23,200	\$77,000	\$41,700	\$0	\$41,700	\$35,300	45%
Local Transit	\$52,700	\$2,800	\$19,200	\$74,800	\$52,400	\$0	\$52,400	\$22,500	29%
Sound Transit	\$49,500	\$41,600	\$34,500	\$125,700	\$125,700	\$0	\$125,700	\$0	0%
WSF	\$11,300	\$0	\$6,100	\$17,300	\$11,400	\$0	\$11,400	\$6,000	8%
WSDOT	\$23,400	\$14,500	\$6,700	\$44,600	\$39,400	\$0	\$39,400	\$5,200	7%
Subtotal		\$72,700	\$92,500						
TOTAL	\$200,100	\$165,200		\$365,300	\$287,100	\$0	\$287,100	\$78,200	21%

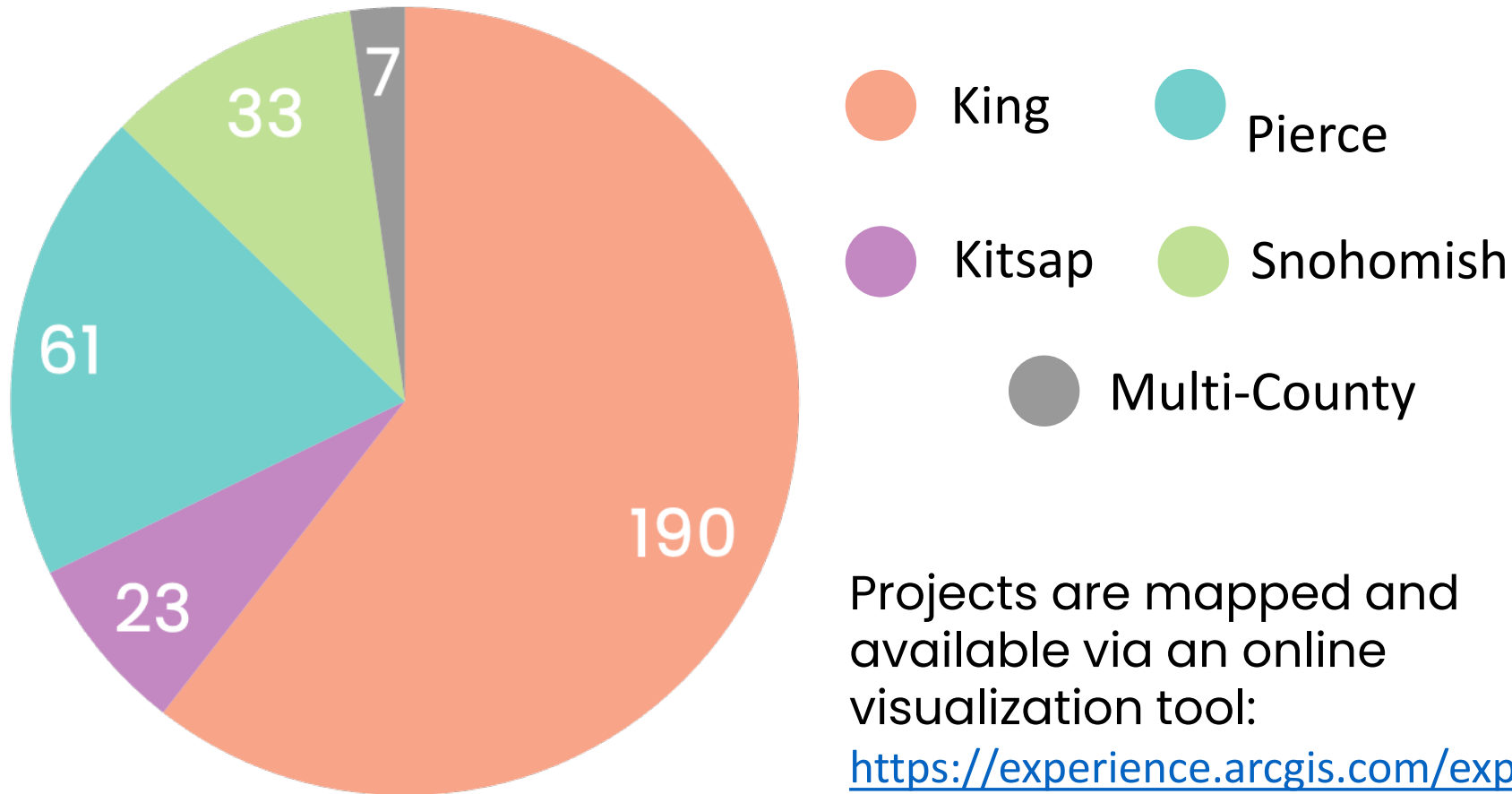
Regional Capacity Projects

- Projects *adding or changing capacity* on the regionally defined system (all modes)
- Projects must be derived from a planning process – comprehensive plan, corridor study, etc.
- Each sponsoring agency submits an application, addressing:
 - Description, cost and schedule
 - Funds committed to the project
 - Plan consistency framework



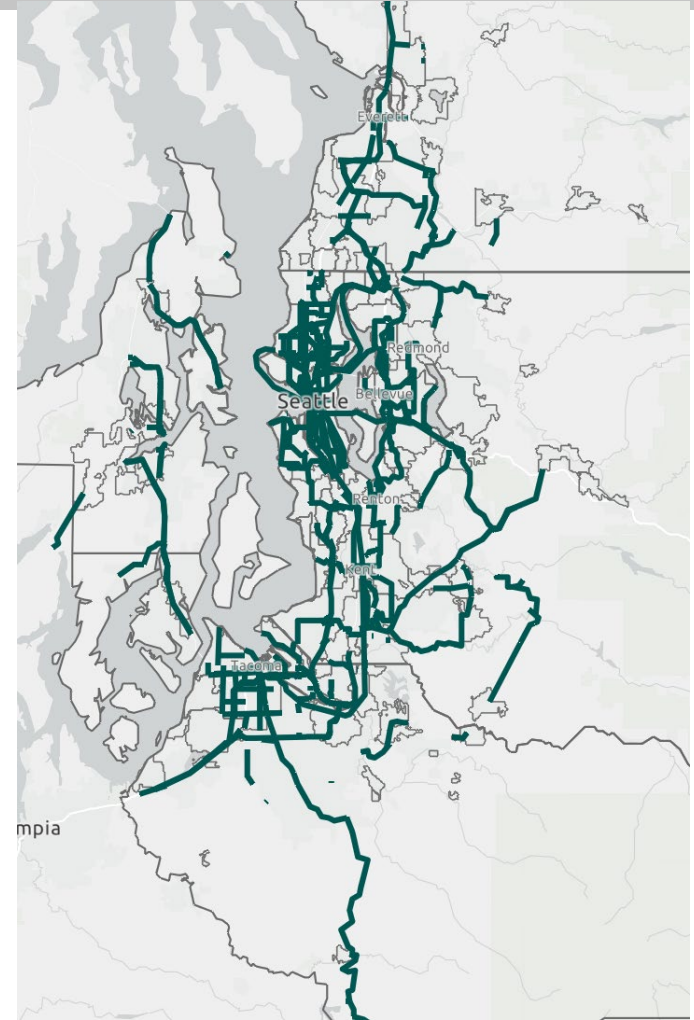
Regional Capacity Projects

314 projects submitted, totaling \$72.7 billion



Projects are mapped and available via an online visualization tool:

<https://experience.arcgis.com/experience/a6adb09dadfe4dc6b61394fac30ec3a6>



Regional Capacity Projects

Summary Statistics:

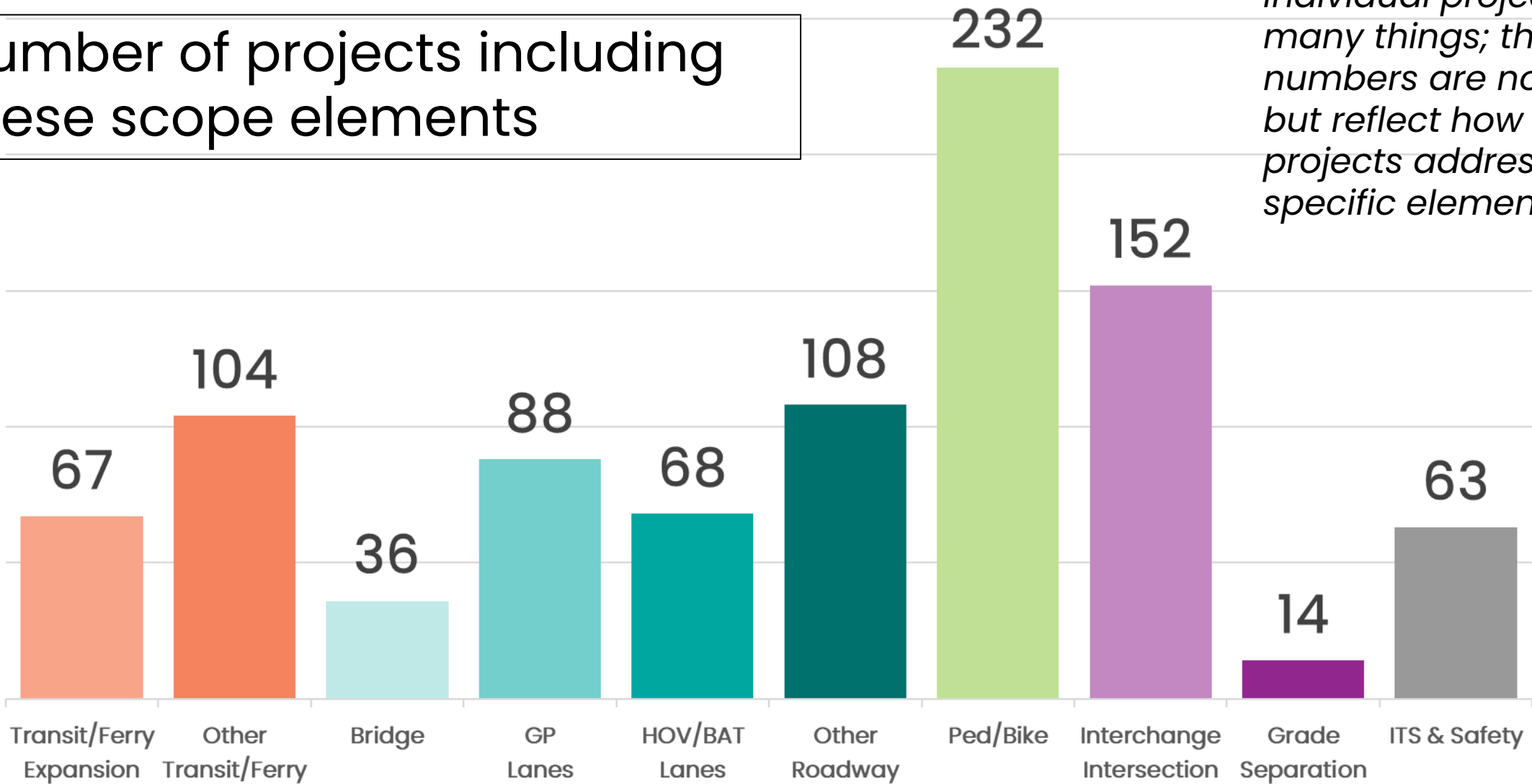
- Since 2022, 50 projects have been completed
- 87 projects in the current plan were not resubmitted – *canceled or deferred*
- 80 new projects were submitted – *primarily transit and bike/ped related*
- 120 projects have some level of funding committed
- Of all projects submitted, 6 agencies submitted 66% of the projects representing 91% of the total costs



Regional Capacity Projects

Number of projects including these scope elements

Individual projects do many things; these numbers are not additive but reflect how many projects address these specific elements



Regional Capacity Projects

Plan Consistency Framework

- Applicants respond to specific questions under 9 policy measures to evaluate the project's consistency with the regional plan
 - ✓ **Supporting Freight Movement**
 - ✓ **Supporting Employment**
 - ✓ **Emissions**
 - ✓ **Puget Sound Land and Water**
 - ✓ **Transportation Alternatives**
 - ✓ **Travel Reliability**
 - ✓ **Support for Centers**
 - ✓ **Safety & System Security**
 - ✓ **Community Benefits**



All Other System Improvements

- Includes all other **system improvements** not meeting the threshold of a regional project; for example –
 - Improvements to minor arterials and local roads
 - Sidewalks and bicycle lanes
 - Safety improvements, signals, etc.
- Costs represent *planned* and *needed* investments through 2050 across all sponsor categories – cities, counties, transit, state



Maintenance, Preservation and Operations

- Overall assumption = full system is maintained, preserved and operated in a state of good repair through 2050
 - Key categories of investment:
 - **Pavement** – *funds backlog and maintains full system moving forward*
 - **Bridges** – *includes maintenance, rehabilitation and replacement of all bridges at the end of their useful life*
 - **Culverts / Stormwater** – *includes fish passage corrections*
 - **Transit / Ferries** – *includes vehicle/vessel replacements and all operations*



Levers to Address the Gap

- The gap between current law revenues and planned expenditures is ~21%
- Available levers to address the gap =
 - Potential new revenue sources
 - Reduced levels of investment
 - *Or some combination of both*



Levers to Address the Gap – Potential New Revenues

- Preliminary board parameters from the Fall were to consider sources that:
 - Could be implemented consistently across the region; *and*
 - Would be more likely to generate higher levels of revenue
- Fewer, more impactful sources for consideration in the RTP financial strategy
 - *The plan will also provide information on other potential new revenue sources that could be utilized by agencies across the region*



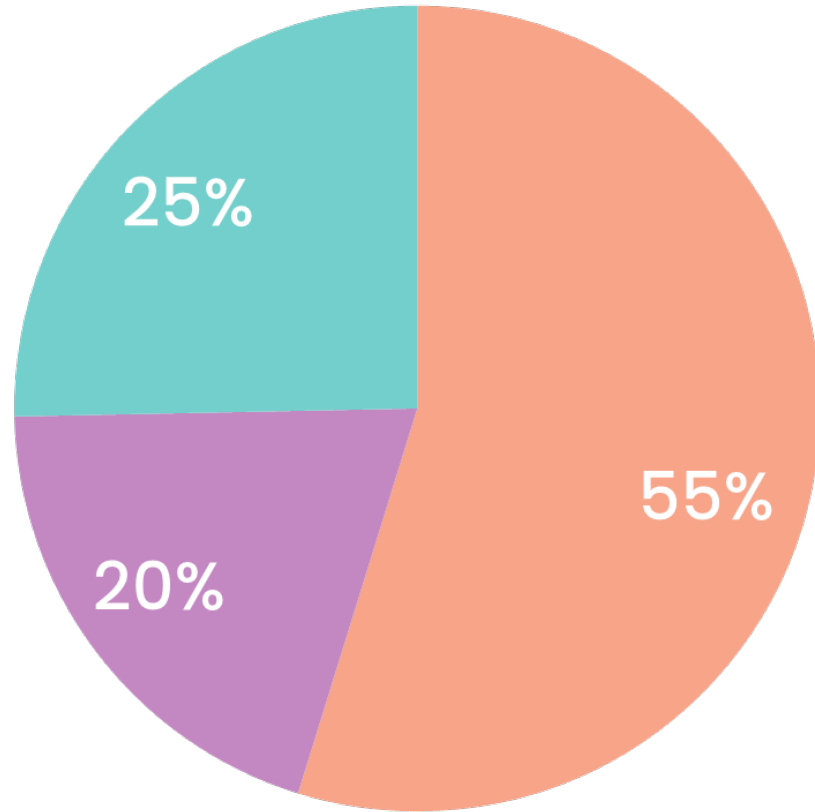
Levers to Address the Gap – Potential New Revenues

- Five specific sources were discussed for further consideration in the RTP financial strategy:
 - Road usage charge
 - Transit sales tax rates
 - Retail delivery fee
 - Increased vehicle fees
 - County road levy rate



Levers to Address the Gap – Levels of Investment

Plan Investment Categories



➤ *Options being developed for reducing proposed investments across all three categories – mix of scenarios being considered*



Next Steps

- In July, board direction will be requested on one or more scenarios to move into modeling and analysis
 - *Could include new revenues, reduced investments or some combination of both*
- Analysis results, across varied performance metrics, will be provided in September
- Discussions to continue into the fall on finalizing the draft plan
 - Policy direction
 - Financial strategy
 - Investments
 - Action items



An aerial photograph of Everett, Washington, showing the city, harbor, and surrounding mountains. The city is densely packed with residential and commercial buildings. The harbor is filled with boats and ships. The surrounding mountains are covered in forest and have some snow on their peaks. The sky is blue with some clouds.

Thank you!



Puget Sound Regional Council