

Regional Transportation Plan Development

Executive Board
October 23 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

- Review of final preferred RTP scenario
- Public feedback to date
- Reminder of financial strategy requirements
- Preliminary approach for new revenue sources
- Previous sensitivity analyses
- Additional background
- Upcoming board discussions



Four Scenarios Advanced into Analysis

Scenario 1
Current Funding
Sources

No New
Revenues
required

Scenario 2A
More Than
Today

New
Revenues
required =
\$42.8 billion

Scenario 2B
Focus on
Maintenance
and Transit

New
Revenues
required =
\$48.9 billion

Scenario 3
Maximum
Investment

New
Revenues
required =
\$78.2 billion



Scenario 2B – Focus on Maintenance and Transit

October TPB ACTION – Scenario 2B moves forward into draft RTP development

Regional Capacity
Projects starting
before 2040

Programmatic
System
Improvements at 70%
of full unconstrained
needs

Updated
New Revenues
required = \$49.3
billion

Maintenance,
Preservation and
Operations at full,
optimal levels

Local Transit Service
Growth at 2.0% per
year



Summary of Scenario Analysis

- Modest differences between scenarios for many of the modeled performance metrics
- Greater distinctions between scenarios from the spatial and qualitative measures
 - *Scenario 2B = more investment than Scenarios 1 and 2A, with a focus on Maintenance and Transit*



Summary of Scenario Results – *Example*

Scenario 2B results in *lower gaps* in transit service in areas where those service levels could be supported, compared to today and under Scenarios 1 or 2A (*excepting High-Capacity Transit*)

Service Level	Today	Scenario 1	Scenario 2A	Scenario 2B	Scenario 3
Local Transit	33.2%	32.7%	30.7%	14.8%	14.8%
All Day Transit	36.4%	27.9%	25.6%	25.2%	25.2%
Frequent Transit	11.4%	16.9%	14.1%	6.0%	6.0%
High-Capacity Transit	32.4%	33.4%	33.4%	33.4%	33.4%



Public Feedback to Date – Regional Public Meetings

- ✓ *September 4: Seattle Central Public Library*
- ✓ *September 18: Everett Station*
- ✓ *October 2: Puyallup, Pioneer Park Pavilion*
- ✓ *October 16: Tacoma, Point Defiance Pagoda*
- **October 23: Tukwila Community Center**
- **October 30: Bremerton, Marvin Williams Recreation Center**



Public Feedback to Date

Four RTP public meetings held thus far

- ~200 attendees
- Overall scenario preferences =
 - 4% Scenario 1
 - 28% Scenario 2A
 - 40% Scenario 2B
 - 28% Scenario 3



EAC Feedback

Key priorities are accessibility and affordability

Preferences expressed for Scenario 1 (majority) and Scenario 2B

Key discussion themes =

- Need additional infrastructure but concerned about the additional costs to households
- Cost burdens are / will not be equally distributed across households and communities



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



Reminder: The Gas Tax is a Declining Revenue Source

PSRC Region's Gas Tax
Generation: **2020**

~\$500
million



PSRC Region's Gas Tax
Generation: **2035**

~\$270
million



% of Gas Tax for
Debt Service: **2035**

~75%

With debt service impacts along with fuel efficiency gains and electric vehicles, future revenue from the gas tax available for new transportation uses is estimated to be **less than \$70m** by 2035.



RTP Proposed Investments vs. Available Revenues

- There are stark differences in the revenue gap across sponsor categories

Sponsor Category	Percentage Gap
Counties	12%
Cities	45%
Local Transit	29%
Regional Transit	0%
Washington State Ferries	8%
Washington State DOT	7%



Preliminary Approach for Potential New Revenue Sources

- From prior discussions, focus on those sources that can be implemented consistently across the region and that are more likely to generate greater potential revenue
- Five sources identified:
 - Road usage charge
 - Increased vehicle fees
 - Increased sales tax rates for local transit
 - Increased county road levy
 - Retail delivery fee

❖ *All potential sources will be discussed in the draft plan*



Previous Sensitivity Tests – Low, Medium, High Ranges

Revenue Source	Low	Medium	High
Road Usage Charge	State RUC (\$0.027)	2 x State RUC	3 x State RUC
	\$15.15 billion	\$30.29 billion	\$45.44 billion
Vehicle Fees	\$50 additional	\$100 additional	\$150 additional
	\$4.80 billion	\$9.60 billion	\$14.40 billion
Sales Tax for Local Transit	All agencies at 1.2%	All agencies at 1.4%	All agencies at 1.6%
	\$11.08 billion	\$18.45 billion	\$25.82 billion
County Road Levy	2% per year	3% per year	6% per year
	\$1.78 billion	\$3.48 billion	\$10.52 billion
Retail Delivery Fee	\$40m per year Statewide	\$70m per year Statewide	\$100m per year Statewide
	\$0.60 billion	\$1.05 billion	\$1.50 billion
TOTALS	\$33.4 billion	\$62.9 billion	\$97.7 billion

Scenario 2B gap = \$49.3 billion



Additional Background

Applying current distribution methods may not meet the needs

New Revenue Source	Default Distribution Method / Current Rates	Eligible Recipient
Road Usage Charge	Gas tax distribution = State 80%, Counties/Cities 20%	State, Counties, Cities
Vehicle Fees	Vehicle Fee distribution = State 68%, Counties/Cities 28%, Local Transit 4%	State, Counties, Cities, Transit
Transit Sales Tax	Sound Transit – 1.4% <i>Local transit capped at 1.2%</i> King County Metro – 0.9% Community Transit – 1.2% Kitsap Transit – 1.1% Pierce Transit – 0.6% Everett Transit – 0.6%	Local and Regional Transit
County Road Levy	Capped at 1% annual growth	Counties
Retail Delivery Fees	n/a	tbd



Upcoming Board Discussions

- Should all five sources be included in the RTP financial strategy?
- What levels or rates should be assumed?
- What additional policy issues need to be flagged for implementation? E.g.,
 - *Equity and fairness considerations*
 - *Meeting the gaps by sponsor category*
 - *Changes to current distribution methods*
- Discussion of future PSRC action / work program



Upcoming Board Discussions

- Staff will bring back 1-2 revenue scenarios, including
 - gap analysis by sponsor category
 - policy considerations
 - interim year data
- Board discussion of policy issues and direction for draft plan financial strategy



Schedule

November–December: continued board discussions on draft plan development

❖ *December*: draft plan released for public comment

January–April 2026: review of public comments, finalize plan document, including any actions, key messaging, etc.

➤ *April 2026: ACTION* by Transportation Policy Board and Executive Board recommending adoption of the final Regional Transportation Plan

✓ *May 2026: ADOPTION* by the General Assembly

