

Regional Transportation Plan – Preliminary Revenues and Expenditures

Transportation Policy Board
May 8, 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 Presentation

- Reminder of work completed to date and upcoming milestones
- Overview of Regional Transportation Plan (RTP) financial strategy requirements and background
- Introduction to the 2026–2050 numbers: Revenues vs. Expenditures
- Discussion 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
- Update of current transportation system inventory
- Briefings on “gaps” in the current system to where people and jobs are
- Planned investments and current law revenues estimated through 2050



Upcoming Work

May – July 2025:

- Review of revenues vs. expenditures
- Discuss new revenue sources and/or reducing investments to “fill the gap”
- Direct staff to analyze one or more draft plan scenarios over the summer

Results of analysis brought back to the board in the fall for further discussion, draft plan development



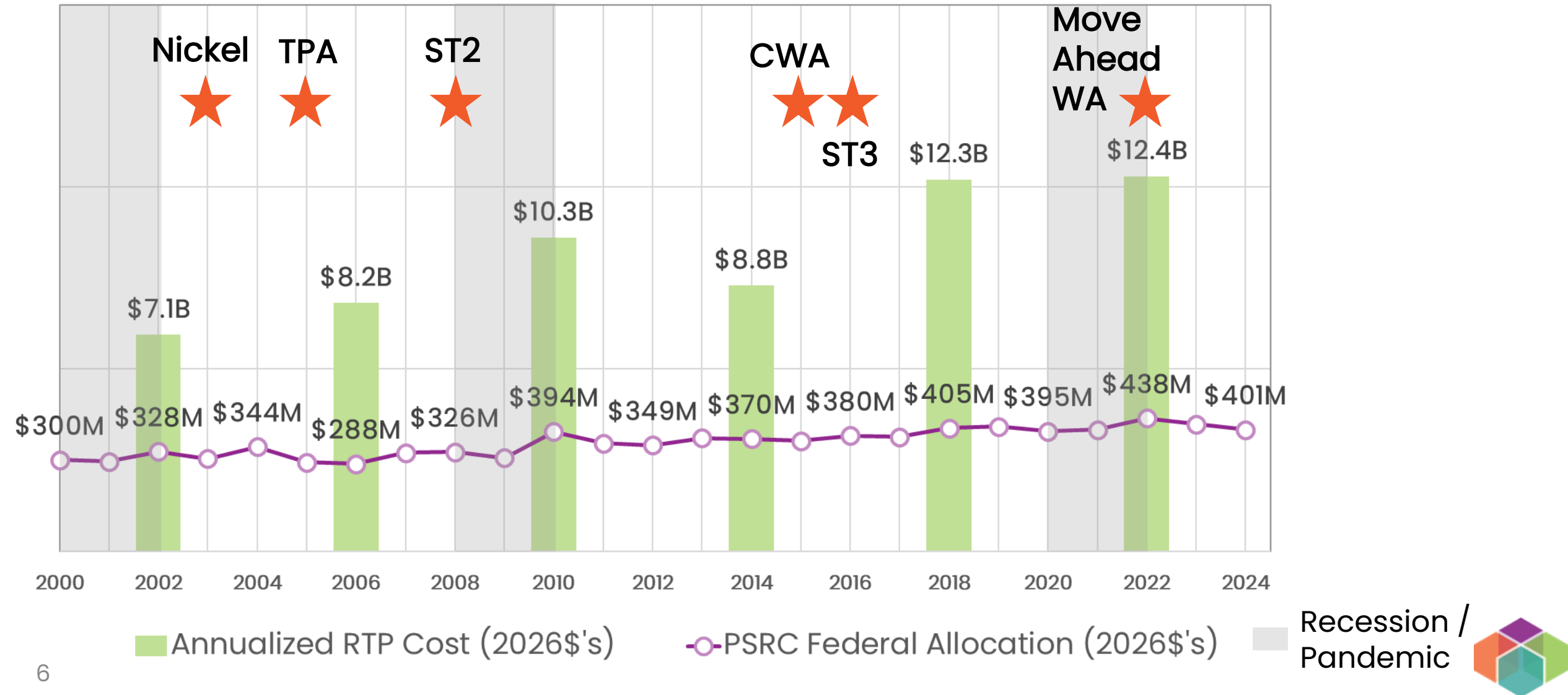
RTP Financial Strategy Requirements

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

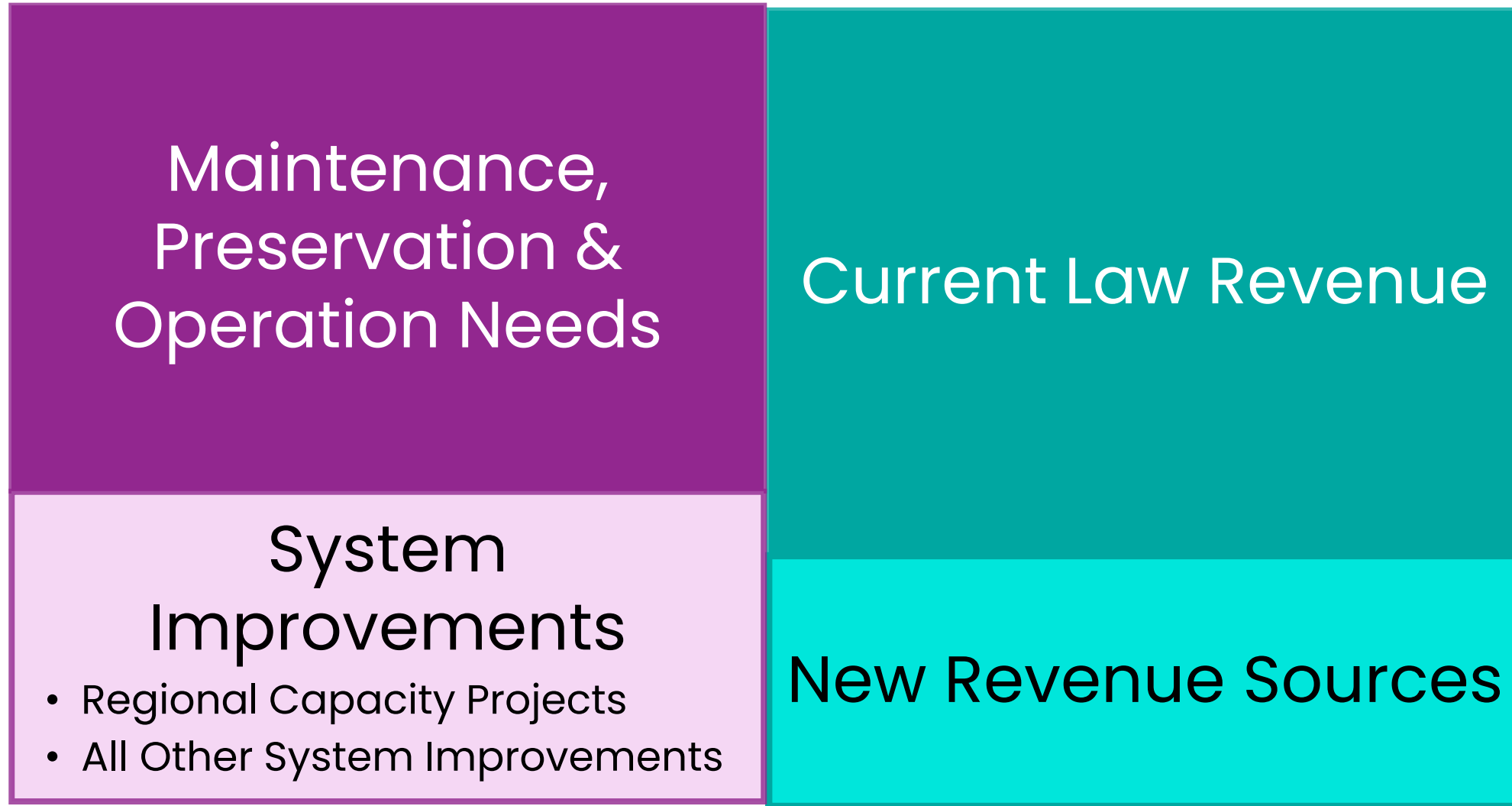
- The financial strategy is not an adopted budget – it is a general plan with reasonable assumptions
- Assumptions of new or increased revenues must include strategies for ensuring availability
 - This can include necessary local or state legislative actions



Transportation Revenue through time



RTP Financial Strategy – Building Blocks



2026–2050 DRAFT Revenues vs. Expenditures

DRAFT FINANCIAL SUMMARY 2026–2050

(millions of \$2026 dollars)

Sponsor Type	NEEDS				REVENUES			Revenue Gap
	Maintenance, Preservation and Operations	System Improvements		Total	Current Law	New Revenue	Total	
		Regional Capacity Projects	Other Improvements					
Counties	\$18,208	\$5,416	\$2,832	\$26,456	\$16,620		\$16,620	\$9,837
Cities	\$45,887	\$9,508	\$21,596	\$76,990	\$41,825		\$41,825	\$35,165
Local Transit	\$52,660	\$2,709	\$19,248	\$74,617	\$50,275		\$50,275	\$24,342
Sound Transit	\$49,544	\$41,640	\$34,504	\$125,689	\$125,689		\$125,689	\$0
WSF	\$11,267	\$0	\$6,069	\$17,336	\$10,716		\$10,716	\$6,619
WSDOT	\$23,432	\$14,783	\$6,670	\$44,885	\$36,701		\$36,701	\$8,184
Subtotal		\$74,057	\$90,918					
TOTAL	\$200,997	\$164,976		\$365,973	\$281,826		\$281,826	\$84,147

Draft Gap between revenues and expenditures = 23%



2026–2050 DRAFT Revenues vs. Expenditures

Items still under review:

- Full review of Regional Capacity Projects submissions and coordination with sponsors
- Some cost figures will be updated after modeling commences
- Refinement of certain cost categories – e.g., culvert replacement costs into the future
- FY25–27 State budget results pending



2026–2050 DRAFT Revenues vs. Expenditures

Key changes and updates for this financial strategy:

- Impact of zero emission / more fuel-efficient vehicles on gas tax revenues
- Inclusion of electric vehicle fee, updated sales tax forecast
- Increased costs – maintenance, preservation, operations and construction
- Estimates in 2026 dollars



Financial Strategy Building Blocks – Piece by Piece

Maintenance, Preservation & Operations:

- Summary provided in April
- Covers all aspects of the current transportation system
- Significant cost escalations



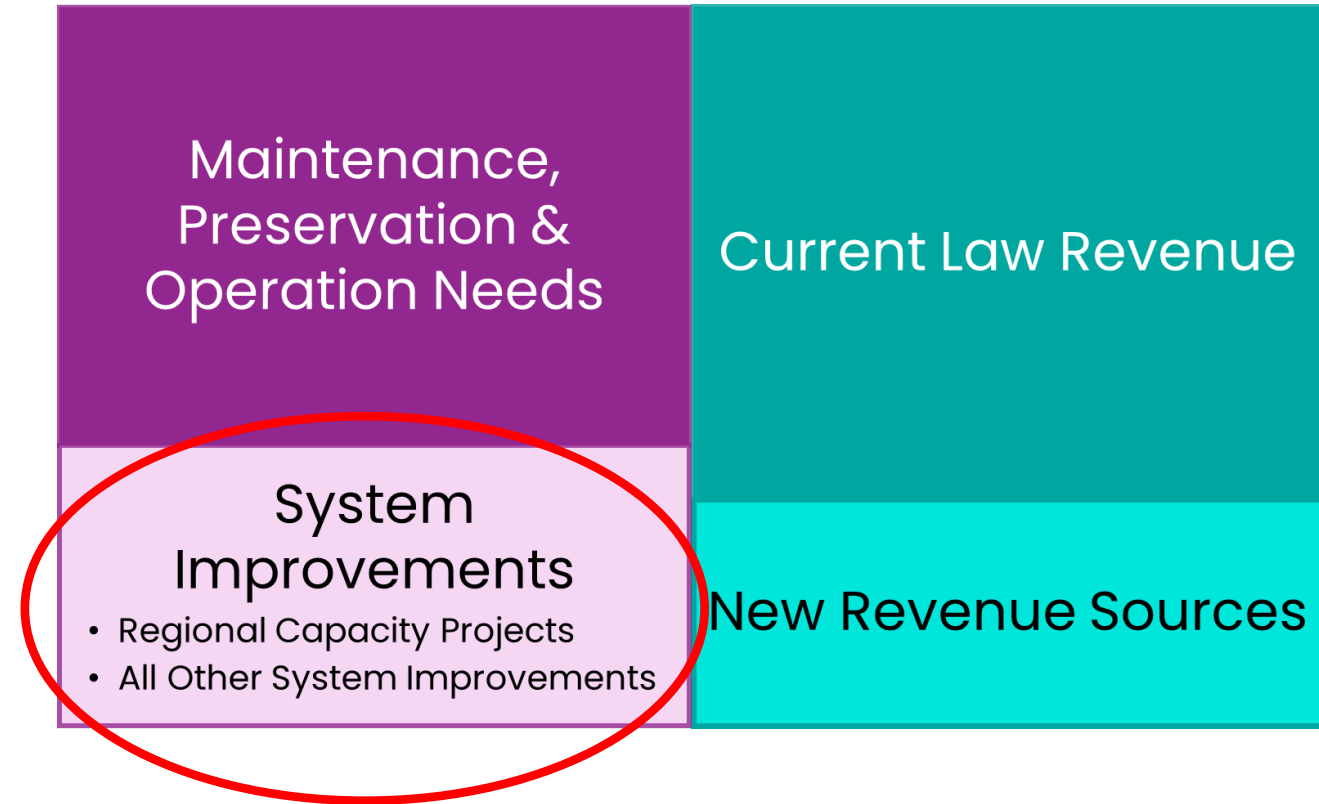
- *Assumes preservation backlog is filled and system is maintained in a state of good repair through 2050*



Financial Strategy Building Blocks – Piece by Piece

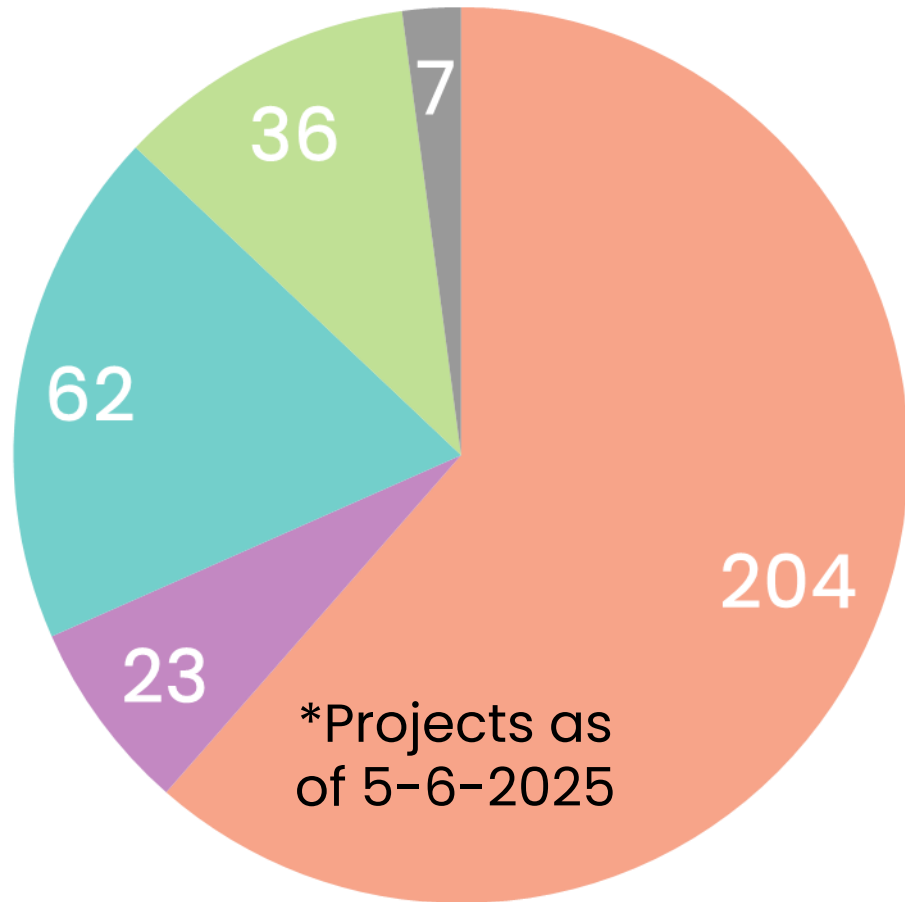
System Improvements:

- Regional Capacity Projects
- All other system improvements –
 - Local roadways
 - Sidewalks, bike lanes
 - Safety improvements
 - Efficiency improvements, etc.



Regional Capacity Projects – Initial Summary

- 332 projects submitted
- Total project cost of **\$79.2 billion**
- Full vetting underway – more details on scope and location of projects provided in June
- *Including plan consistency grade*



King Kitsap Pierce Snohomish Multi-County



Regional Capacity Projects – Plan Consistency

Each Regional Capacity Project evaluated for consistency with the regional plan

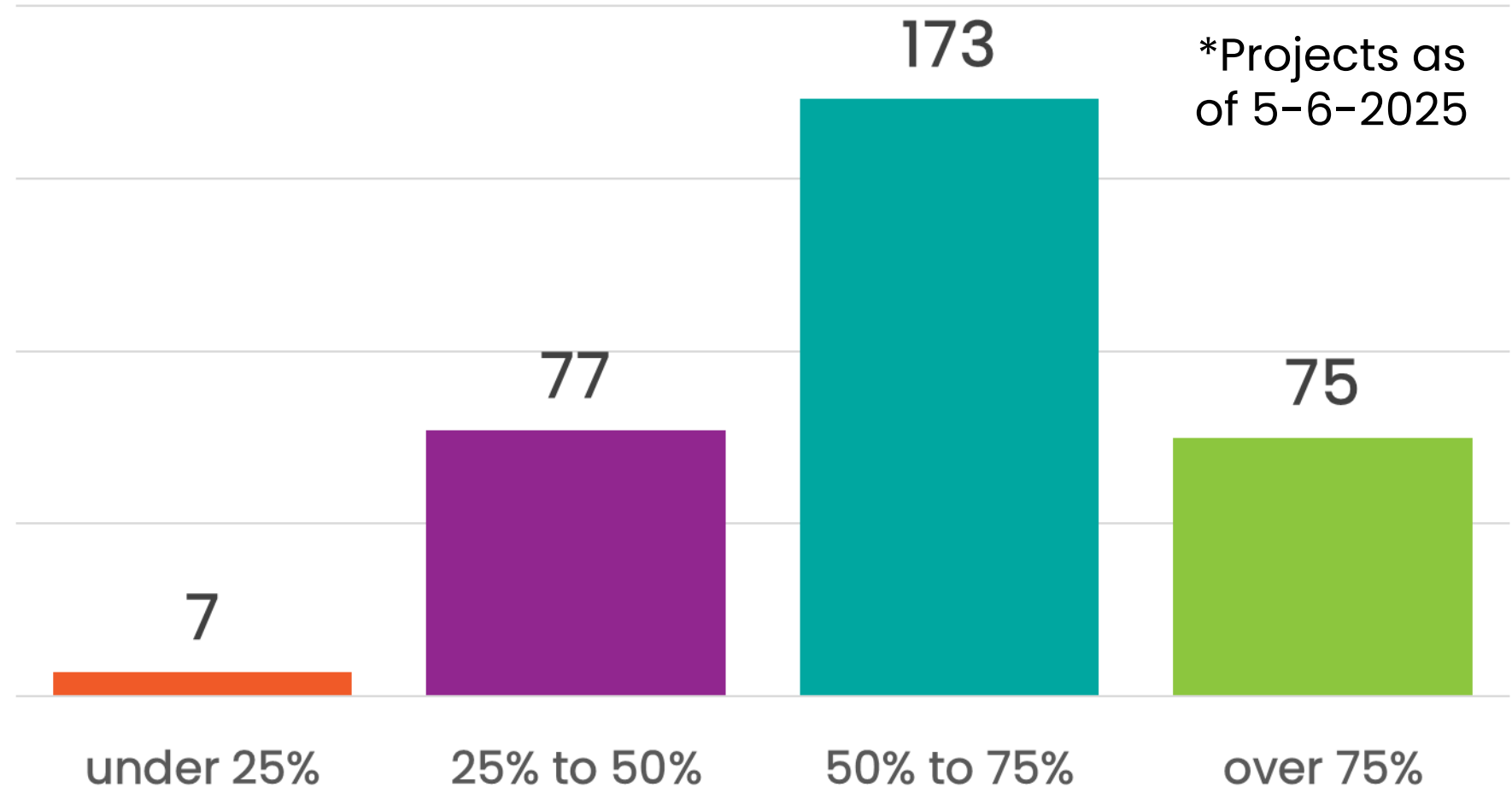
- Framework updated for streamlining and to reflect current references
- Same 9 measures included in previous versions
 - Supporting Freight Movement
 - Supporting Employment
 - Emissions
 - Puget Sound Land and Water
 - Transportation Alternatives
 - Travel Reliability
 - Support for Centers
 - Safety & System Security
 - Community Benefits



Regional Capacity Projects – Initial Summary

Plan consistency evaluation:

- Approximately **75%** of all project submittals graded higher than 50%



All Other System Improvements

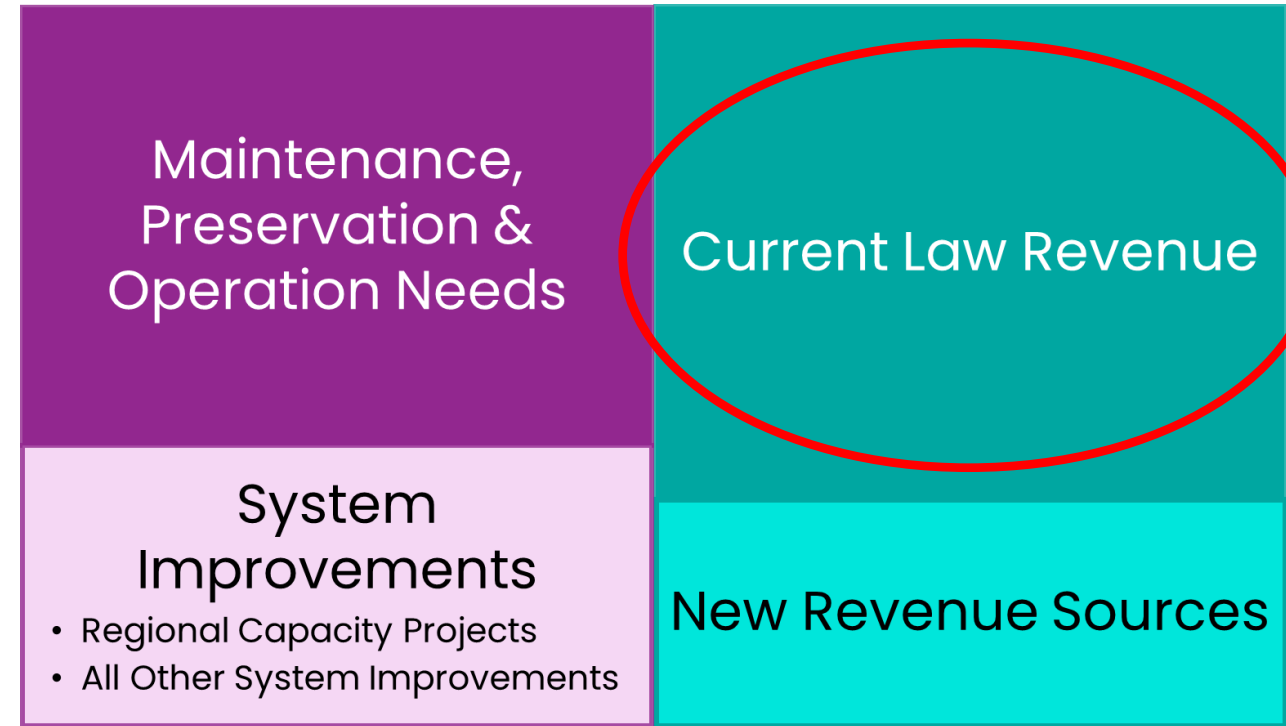
- Includes all other system improvements not meeting the threshold of a regional project
 - Incorporates information from new city / county comprehensive plans
 - Also includes up-to-date information from transit agencies and the state on planned and needed investments
- *Figures do not include any additional policy direction for further regional investments*



Financial Strategy Building Blocks – Piece by Piece

Current Law Revenue:

- Includes all authorized transportation revenues from cities, counties, transit, state and federal sources
 - Forecast to 2050 based on established growth rates where appropriate
- *Built in assumptions on zero emission / fuel-efficient vehicles through 2050 based on state law, current trends*



Summary

- Gap between current law revenue and planned expenditures is ~23%
- Available levers =
 - Potential new revenue sources
 - *2024 board discussion identified initial set of parameters*
 - Reduced levels of investment
 - *Maintenance and preservation assumptions (full system in state of good repair through 2050)*
 - *Regional capacity projects list*



Next Steps

- More details provided in June on:
 - Regional capacity projects
 - Updated figures
 - Details on scopes, locations, plan consistency grades
- Analysis of future system gaps to where people and jobs will be
 - Similar to current system analysis presented January – April
 - Board discussion on if / how to address in RTP
- Revisiting potential new revenue sources and levels of funding



Next Steps

- In July, board direction will be requested on one or more scenarios to move into modeling and analysis
- Analysis results, across varied performance metrics, will be provided in September
- Discussions to continue into the fall on finalizing the draft plan
 - Policy direction
 - Investments
 - Financial strategy
 - Action items



Discussion

- ❖ Questions and initial reactions to draft financial figures?
- ❖ Feedback on approach and work ahead?
- ❖ Is there additional information that will be helpful?



An aerial photograph of Everett, Washington, showing the city's harbor, industrial areas, and residential neighborhoods. The city is situated on a peninsula, with a large bridge crossing the water in the foreground. The background features rolling hills and mountains under a clear blue sky.

Thank you!



Puget Sound Regional Council