



May 20, 2014

Don Anderson
Mayor

Jason Whalen
Deputy Mayor

Mary Moss
Councilmember

Michael D. Brandstetter
Councilmember

John Simpson
Councilmember

Marie Barth
Councilmember

Paul Bocchi
Councilmember

John J. Caulfield
City Manager

NOTICE

LAKEWOOD TRANSPORTATION BENEFIT DISTRICT BOARD MEETING

Notice is hereby given that the Lakewood Transportation Benefit District Board will be meeting on Tuesday, May 27, 2014, following the City Council's Study Session, which begins at 7:00 p.m., at Lakewood City Hall, Council Chambers, 6000 Main Street SW, Lakewood, Washington.

The purpose of the meeting is to discuss proposed transportation projects funding options and matters relative to the Transportation Benefit District.

A handwritten signature in cursive script, appearing to read "Alice M. Bush".

Alice M. Bush, MMC
City Clerk



LAKEWOOD TRANSPORTATION BENEFIT DISTRICT BOARD AGENDA

Tuesday, May 27, 2014

Following the City Council meeting

City of Lakewood

City Council Chambers

6000 Main Street SW

Lakewood, WA 98499

Page No.

Call to Order

Roll Call

(3) **Approval of the meeting minutes of February 18, 2014.**

(5) **Review of transportation projects funding options.**

Adjournment

The Council Chambers is accessible to persons with disabilities. Equipment is available for the hearing impaired. Persons requesting special accommodations or language interpreters should contact the City Clerk's Office, 589-2489, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.

<http://www.cityoflakewood.us>

City Hall will be closed 15 minutes after adjournment of the meeting.



LAKEWOOD CITY COUNCIL MINUTES TRANSPORTATION BENEFIT DISTRICT BOARD

February 18, 2014
City of Lakewood
City Council Chambers
6000 Main Street SW
Lakewood, WA 98499

CALL TO ORDER

Chair Anderson called the meeting to order at 9:07 p.m.

ROLL CALL

Board Members Present: 7 – Chair Don Anderson; Board Members Jason Whalen, Mary Moss, Mike Brandstetter, John Simpson, Marie Barth and Paul Bocchi.

Approval of the meeting minutes of September 30, 2013.

BOARDMEMBER MOSS MOVED TO APPROVE THE MEETING MINUTES OF SEPTEMBER 30, 2013. SECONDED BY BOARDMEMBER BARTH. VOICE VOTE WAS TAKEN AND CARRIED.

Review of the Transportation Benefit District Annual Report.

BOARDMEMBER SIMPSON MOVED TO APPROVE THE TRANSPORTATION BENEFIT DISTRICT ANNUAL REPORT. SECONDED BY BOARDMEMBER BARTH. VOICE VOTE WAS TAKEN AND CARRIED.

Review of transportation projects funding options.

Treasurer Tho Kraus provided an overview of the transportation projects and funding mechanisms including sales and use tax, vehicle license fees, property tax excess levy and property tax levy lid lift options to fund street preservation and transportation projects there were identified by the Board at its September 30, 2013 meeting.

Discussion ensued on the selection of transportation improvement projects and if traffic counts were done on these streets; and if the traffic counts were comparable among the projects identified; how close to the \$6,517,000 transportation improvement needs could be achieved with a \$20 vehicle license tab fee for the first two years and \$40 for the

other years; what is the target pavement rating based on the various type of streets (i.e. residential, arterials, collectors, etc.); are there streets that meet the 70 rating; does the Board want to continue to look at projects at the \$40 million level; should maintenance and preservation be addressed on a pay-as-you-go model; what is the pavement rating compared to other cities and what are their revenue sources for streets on a per capita basis; concerns about bonding for chip sealing and maintenance and perhaps such items could be funded with a \$20 vehicle tab and the general fund cover the operational costs; unfunded capital projects could be lowered to a bondable amount for no more than 20 years; there should be a plan for operational expenses annually and fund some of it out of the general fund; perhaps with a vehicle tab can some arterials rating can be kept at 70 and above if bonding can be done through savings and accelerating improvements; what are the sales and use tax of other communities; consider population densities that don't have transportation amenities and prioritize what neighborhoods might want; consider a \$20 car tab and find \$1 million in projects that focuses at the neighborhood level; the community visioning process may be an opportunity to gather neighborhood input on transportation projects in their neighborhoods; continue the transportation benefit district discussion in April; and look into what the County may be considering relative to imposing a vehicle license tab fee.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:20 p.m.

DON ANDERSON, CHAIR

ATTEST:

ALICE M. BUSH, MMC
CLERK OF THE BOARD



To: Transportation Benefit District Board of Directors

From: Tho Kraus, Assistant City Manager/Finance & Administrative Services
Don Wickstrom, Public Works Director

Through: John J. Caulfield, Transportation Benefit District Chief Executive Officer

Date: May 27, 2014

Subject: Transportation Projects Funding Options

BACKGROUND:

As a follow-up to the September 30, 2013 Transportation Benefit District meeting, a presentation on transportation projects funding options was presented at the February 18, 2014. The presentation included an updated list of projects, funding options, and pavement rating estimates.

6-Year Transportation Plan:

The projected 6-year (2015-2020) cost for all transportation projects total \$72.4 million, of which 61% or \$44.0 million is unfunded. The color coding in the charts that follow correspond to the map in Attachment A.

Description	Years 2015 - 2020	
	Total Cost	Unfunded
Pavement Preservation & Other:		
Current Projects	\$ 4,319,000	\$ 716,000
Other - LED Street Lights	\$ 975,000	\$ 975,000
Other - Signal Projects	\$ 690,000	\$ 390,000
Other - Minor Capital Projects	\$ 300,000	\$ 200,000
Other - Neighborhood Traffic Safety	\$ 150,000	\$ 85,000
Other - Personnel, Engineering, Professional Services	\$ 2,913,000	\$ 257,000
Pavement Preservation - Current & Other	\$ 9,347,000	\$ 2,623,000
Pavement Preservation - New Projects	\$ 6,722,000	\$ 6,517,000
Total Pavement Preservation & Other (Pay-As-You-Go)	\$ 16,069,000	\$ 9,140,000
Street & Sidewalk Improvements:		
Current Projects	\$ 6,185,000	\$ 65,000
New Projects	\$ 36,262,000	\$ 33,622,000
Grant Funded Opportunities	\$ 13,920,000	\$ 1,234,000
Total Street & Sidewalk Improvements (Capital Financing)	\$ 56,367,000	\$ 34,921,000
Total - All Projects	\$ 72,436,000	\$ 44,061,000

Current pavement preservation (10 projects) and other projects cost total \$9.3 million, of which 28% or \$2.6 million is unfunded.

Project # / Name	Years 2015 - 2020				Funded Source	Timeline
	Funded	Anticipated	Unfunded	Total Cost		
1 Bridgeport Way - Pacific Highway to 112th St	\$ 200,000	\$ 200,000	\$ -	\$ 400,000	\$200K MVET \$200K Grants Anticipated	\$15K Design in 2015 \$385K Construction in 2015
2 Steilacoom Boulevard - Lakewood Drive to West of South Tacoma Way	\$ 195,000	\$ 550,000	\$ 55,000	\$ 800,000	\$100K MVET \$95K REET \$550K Grants Anticipated	\$25K Design in 2015 \$775K Construction in 2015
3 Pacific Highway - 108th to SR 512	\$ 48,000	\$ 430,000	\$ 117,000	\$ 595,000	\$48K REET \$430K Grants Anticipated	\$28K Design in 2018 \$567K Construction in 2018
4 100th - Lakeview to South Tacoma Way	\$ 160,000	\$ 320,000	\$ 49,000	\$ 529,000	\$160K REET \$320K Grants Anticipated	\$28K Design in 2018 \$501K Construction in 2018
xx Chip Seal Program - Local Access Roads	\$ 1,500,000	\$ -	\$ 495,000	\$ 1,995,000	\$1,500K MVET	Annual Construction
Subtotal - Current Projects	\$ 2,103,000	\$ 1,500,000	\$ 716,000	\$ 4,319,000		
LED Street Lights	\$ -	\$ -	\$ 975,000	\$ 975,000	-	Annually 2015 - 2020
Signal Projects	\$ 300,000	\$ -	\$ 390,000	\$ 690,000	\$300K REET	Included in Projects in 2015 & 2016 Then in 2017 & 2019
Minor Capital Projects	\$ 100,000	\$ -	\$ 200,000	\$ 300,000	\$100K REET	Annually 2015 - 2020
Neighborhood Traffic Safety	\$ 65,000	\$ -	\$ 85,000	\$ 150,000	\$65K REET	Annually 2015 - 2020
Personnel, Engineering, Professional Services	\$ 2,656,000	\$ -	\$ 257,000	\$ 2,913,000	\$2,656 REET	Annually 2015 - 2020
Subtotal - Other	\$ 3,121,000	\$ -	\$ 1,907,000	\$ 5,028,000	\$ -	
Total	\$ 5,224,000	\$ 1,500,000	\$ 2,623,000	\$ 9,347,000	\$ -	

New pavement preservation (10 projects) costs total \$6.7 million, of which 97% or \$6.5 million is unfunded.

Project # / Name	Years 2015 - 2020			Funded Source	Timeline
	Funded	Unfunded	Total Cost		
5 Lakewood Dr - 100th to Steilacoom Blvd	\$ -	\$ 900,000	\$ 900,000	-	\$25K Design in 2015 \$875K Construction in 2015
6 Lakewood Dr - Fleet Creek to N. City Limits	\$ -	\$ 1,155,000	\$ 1,155,000	-	\$26K Design in 2016 \$1,129 Construction in 2016
7 Main Street - Gravelly Lake Drive to 108th St	\$ -	\$ 331,000	\$ 331,000	-	\$28K Design in 2017 \$303K Construction in 2017
8 59th - Main Street to 100th	\$ -	\$ 496,000	\$ 496,000	-	\$28K Design in 2017 \$468K Construction in 2017
9 59th - 100th to Bridgeport	\$ -	\$ 276,000	\$ 276,000	-	\$28K Design in 2017 \$248K Construction in 2017
10 108th - Bridgeport to Pacific Highway	\$ -	\$ 661,000	\$ 661,000	-	\$28K Design in 2018 \$633K Construction in 2018
11 108th - Main Street to Bridgeport	\$ -	\$ 743,000	\$ 743,000	-	\$28K Design in 2018 \$715K Construction in 2018
12 Custer - Steilacoom to John Dower	\$ -	\$ 540,000	\$ 540,000	-	\$30K Design in 2019 \$510K Construction in 2019
13 88th - Steilacoom to Custer	\$ -	\$ 300,000	\$ 300,000	-	\$30K Design in 2019 \$270K Construction in 2019
14 100th - 59th to Lakeview	\$ 205,000	\$ 1,115,000	\$ 1,320,000	\$205K REET	\$30K Design in 2020 \$1,290K Construction in 2020
Total	\$ 205,000	\$ 6,517,000	\$ 6,722,000	\$ -	

In summary, pavement projects (current, other and new) total cost is \$16.07 million, of which 57% or \$9.14 million is unfunded.

Pavement Preservation	Years 2015 - 2020			
	Funded	Anticipated	Unfunded	Total Cost
Current & Other Projects	\$5,224,000	\$1,500,000	\$2,623,000	\$9,347,000
New Projects	\$205,000	\$0	\$6,517,000	\$6,722,000
Total Pavement Preservation	\$ 5,429,000	\$ 1,500,000	\$ 9,140,000	\$ 16,069,000

Current street & sidewalk (4 projects) costs total \$6.2 million, of which all except 1% or \$65 thousand is funded.

Project # / Name	Years 2015 - 2020			Funded Source	Timeline
	Funded	Unfunded	Total Cost		
17 South Tacoma Way - SR 512 to 96th *	\$ 2,700,000	\$ -	\$ 2,700,000	\$120K SWM \$2,580K Grants Secured	\$2,700K Construction in 2015 \$385K Construction in 2015
18 Steilacoom Boulevard - 88th to Custer	\$ 1,300,000	\$ -	\$ 1,300,000	\$50K SWM \$1,250K Grants Secured	\$1,300K Construction in 2015
19 Madigan Access Phase 2 - Union Ave-W Thorne to Orchard	\$ 720,000	\$ -	\$ 720,000	\$720K Grants Secured	\$40K Design in 2015 \$150K ROW in 2015 \$530K Construction in 2015
20 South Tacoma Way - Steilacoom to 88th	\$ 1,400,000	\$ 65,000	\$ 1,465,000	\$180K REET \$100K SWM	\$100K ROW in 2015 \$1,365K Construction in 2016
Total	\$ 6,120,000	\$ 65,000	\$ 6,185,000		

* Does not include \$460K for design and right-of-way in 2013/2014.

New street & sidewalk (10 projects) cost total \$36.3 million, of which 93% or \$33.6 million is unfunded.

Project # / Name	Years 2015 - 2020			Funded Source	Timeline
	Funded	Unfunded	Total Cost		
21 Washington Blvd Sidewalks - Butte Drive to Gravelly Lake Drive	\$ 475,000	\$ 4,375,000	\$ 4,850,000	\$475K SWM	\$500K Design in 2015 \$150K ROW in 2015 \$4,200K Construction in 2016
22 Lake City Business District Sidewalks - American Lake Pk to Veterans Dr/Alameda	\$ 190,000	\$ 2,000,000	\$ 2,190,000	\$190K SWM	\$300K Design in 2015 \$1,890K Construction in 2016
23 Steilacoom Boulevard - 87th to 83rd	\$ 65,000	\$ 2,192,000	\$ 2,257,000	\$65K SWM	\$255K Design in 2015/2016 \$242K ROW in 2016 \$1,760 Construction in 2017
24 Oakbrook Sidwalks & Street Lighting - Onyx Dr W (97th to 87th); Onyx Dr E (Garnet to Phillips)	\$ 240,000	\$ 3,480,000	\$ 3,720,000	\$240K SWM	\$420K Design in 2016 \$3,300 Construction in 2017
25 Steilacoom Boulevard - 83rd to Weller	\$ 175,000	\$ 2,740,000	\$ 2,915,000	\$175K SWM	\$275K Design in 2017 \$550K ROW in 2017 \$2,090K Construction in 2018
26 Phillips Road Sidwalks - Steilacoom to Onyx	\$ 280,000	\$ 2,800,000	\$ 3,080,000	\$280K SWM	\$330K Design in 2017 \$2,750K Construction in 2018
27 Hipkins Road Sidwalks - 104th to Steilacoom Boulevard	\$ 285,000	\$ 3,070,000	\$ 3,355,000	\$285K SWM	\$385K Design in 2017 \$2,970K Construction in 2018
28 MT. Tahoma Drive Sidwalks - Interlaaken to Gravelly Lake Drive	\$ 200,000	\$ 3,305,000	\$ 3,505,000	\$200K SWM	\$385K Design \$3,120K Construction
29 Gravelly Lake Non-Motorized Trail - Nyanza & Gravelly Lake Dr - WA to Nyanza	\$ 560,000	\$ 6,110,000	\$ 6,670,000	\$560K SWM	\$550K Design \$6,120K Construction
30 South Tacoma Way - 88th to N City Limits	\$ 170,000	\$ 3,550,000	\$ 3,720,000	\$170K SWM	\$360K Design in 2019 \$120K ROW in 2019 \$3,240K Construction in 2020
Total	\$ 2,640,000	\$ 33,622,000	\$ 36,262,000	\$ -	

Grant funded opportunities, street & sidewalk improvements (5 projects) costs total \$13.9 million, of which all is except 9% or \$1.2 million is funded.

Project # / Name	Years 2015 - 2020				Funded Source	Timeline
	Funded	Anticipated	Unfunded	Total Cost		
31 112th / 11th - Bridgeport to Kendrick	\$ 460,000	\$ 1,440,000	\$ 180,000	\$ 2,080,000	\$110K REET \$255K SWM \$50K Grants Secured \$1,440K Grants Anticipated \$45K Private Utilities	\$100K ROW in 2015 \$1,980K Construction in 2017
32 Bridgeport Way - JBLM to I-5	\$ 514,000	\$ 3,640,000	\$ 338,000	\$ 4,492,000	\$44K REET \$470K SWM \$3,640K Grants Anticipated	\$4,492K Construction in 2015/2016
33 Gravelly Lake Drive - 100th to Bridgeport Way	\$ 850,000	\$ 1,700,000	\$ 120,000	\$ 2,670,000	\$25K REET \$600K SWM \$125K Grants Secured \$1,700K Grants Anticipated \$100K Private Utilities	\$50K Design in 2015 \$100K ROW in 2015 \$2,520K Construction in 2016
xx Safety Projects - Various	\$ 600,000	\$ 1,200,000	\$ 195,000	\$ 1,995,000	\$600K Grants Secured \$1,200K Grants Anticipated	\$460K Design in 2015 - 2020 \$230K ROW in 2015 - 2020 \$1,305K Construction in 2015 - 2020
xx Safe Routes to Schools, Pedestrian and Bicycle Safety	\$ 362,000	\$ 1,920,000	\$ 401,000	\$ 2,683,000	\$212K REET \$150K SWM \$1,920K Grants Anticipated	\$453K Design in 2015 - 2020 \$690K ROW in 2015 - 2020 \$1,540K Construction in 2015 - 2020
Total	\$ 2,786,000	\$ 9,900,000	\$ 1,234,000	\$ 13,920,000		

Funding Options:

The funding options available the City and/or the Lakewood TBD for the purpose of financing the construction of, and operate, improvements to roadways, high capacity transportation systems, public transit systems, and other transportation management programs are as follows:

Revenue options subject to voter approval:

1. *Property tax levy lid lift.* This option is available to the City for funding transportation projects, subject to statutory limits.
2. *Excess property taxes.* May be imposed for one year to fund operations, or for multiple years to repay long-term bonds issued to finance capital projects.
3. *Sales and Use Tax.* Voter approval is required at least every ten years for a sales and use tax of up to 0.2%. If the taxes are “dedicated for the repayment of indebtedness” and initially imposed after July 1, 2010, they may be imposed for a longer period.
4. *Vehicle License Fees (VLFs).* Upon voter approval, VLFs may be increased from a maximum of \$20 per vehicle to a maximum of \$100 per vehicle.

Revenue options not subject to voter approval (requires majority vote of the governing body):

1. *Vehicle License Fees.* Voter approval is not required for VLFs up to the maximum of \$20 per vehicle.

The following table provides a summary of the various funding mechanisms.

Tax	Jurisdiction	Rate	Provisions
Sales and Use Tax	TBD	Up to 0.20% Public vote, simple majority (50% +1)	No longer than 10 years unless reauthorized by vote, except if revenues are pledged for bonds.
Vehicle License Fee	TBD	Up to \$100 Public vote, simple majority (50% +1) Up to \$20, councilmanic	Combined fees in overlapping districts may not exceed the single statutorily authorized rate.
Property Tax Excess Levy	TBD/City	No fixed rate Public vote, supermajority (60% of votes from 40% of voters who voted at last preceding general state election)	One-Year levy, and multi-year levy to support GO bonds. Vote at any election date.
Property Tax Levy Lid Lift: a) Single-year or "original flavor" b) Multi-year levy lid lift	City	Subject to statutory limits Public vote, simple majority (50% + 1) Initial "lift" occurs in the first year, with annual increases in subsequent years limited to 1% or IPD. Allows for multiple increases over several years up to six. If final year is designated as the amount after 5 years, then increase limited to lesser of 1% or IPD. If not made permanent, at end of time specified on ballot title, future levies revert back to as if no lift had been done.	Can be for any period of time or permanent. Max term is 9 years if used for debt service. Vote at any election date. Can be for any period of time or permanent. Max term is 9 years if used for debt service. Purpose must be stated on ballot measure title. Cannot supplant existing funds. Vote at primary or general election.

Vehicle Licensing Fee		Sales Tax		PTax Levy Lid Lift		PTax Excess Levy	
Fee	Annual Revenue	Rate	Annual Revenue	Rate Per \$1,000 AV	Annual Revenue	Rate Per \$1,000 AV	Annual Revenue
\$20	\$680,000	0.05%	\$458,000	\$0.10	\$449,000	\$0.20	\$888,000
\$25	\$850,000	0.06%	\$549,000	\$0.11	\$494,000	\$0.25	\$1,109,000
\$30	\$1,020,000	0.07%	\$641,000	\$0.12	\$539,000	\$0.30	\$1,331,000
\$35	\$1,190,000	0.08%	\$732,000	\$0.13	\$584,000	\$0.35	\$1,553,000
\$40	\$1,360,000	0.09%	\$824,000	\$0.14	\$629,000	\$0.40	\$1,775,000
\$45	\$1,530,000	0.10%	\$915,000	\$0.15	\$674,000	\$0.45	\$1,997,000
\$50	\$1,700,000	0.11%	\$1,007,000	\$0.16	\$719,000	\$0.50	\$2,219,000
\$55	\$1,870,000	0.12%	\$1,098,000	\$0.17	\$764,000	\$0.55	\$2,441,000
\$60	\$2,040,000	0.13%	\$1,190,000				
\$65	\$2,210,000	0.14%	\$1,281,000				
\$70	\$2,380,000	0.15%	\$1,373,000				
\$75	\$2,550,000	0.16%	\$1,464,000				
\$80	\$2,721,000	0.17%	\$1,556,000				
\$85	\$2,891,000	0.18%	\$1,647,000				
\$90	\$3,061,000	0.19%	\$1,739,000				
\$95	\$3,231,000	0.20%	\$1,830,000				
\$100	\$3,401,000						

Board Direction to City Staff:

The Board directed staff to provide additional information as it relates to:

- Comparison of pavement ratings with other cities;
- Determine the appropriate pavement rating within the different areas such as arterials, collectors, and non-collectors and the pros and cons of each in terms of operations & maintenance and replacement at certain levels.
- Identify criteria and assign point system to prioritize projects;
- Funding, specifically pay-as-you-go options for pavement preservation;
- Other potential revenue sources;
- General fund contribution to capital investment;
- Comparisons with other cities in terms of sales tax and economic development competitiveness; and
- Status of Pierce County TBD and impacts to the City of Lakewood TBD.

Additionally, the report includes a comparison of per capita General Fund tax revenue and per capita General Fund total revenue and a listing of transportation benefit districts and funding options implemented.

COMPARISON OF PAVEMENT RATINGS

The table below provides a comparison of network and funding for selected cities (similar in size and data is available) and is based on 2012, the most recently available information. The next completed report will not be available until fall 2014.

City	Average PCI	Centerline Miles	Annual Budget	Dollars Per Centerline Mile
Des Moines	68	100	\$0	\$0
Federal Way*	79	233	\$2,100,000	\$9,000
Kirkland	64	243	\$3,860,000	\$15,900
Lakewood**	76	180	\$500,000	\$2,778
Newcastle	76	44	\$683,000	\$15,500
Olympia	71	210	\$1,825,000	\$8,700
Redmond	77	143	\$1,200,000	\$8,400
Woodinville***	69	48	\$500,000	\$10,400

* PCI (Pavement Condition Index) for 2011 rating year, approximate 2012 overlay budget.

** \$100,000 preventive maintenance; \$400,000 overlay with grant funded projects.

*** Budget is overlay exclusive.

PAVEMENT CONDITIONS – VARIATION OF STANDARDS BASED ON ROADWAY CLASSIFICATION

Policies may be considered in allowing a variation of standards for different classification of roadways. There are pros and cons associated with these policies as follows.

Pros:

- Less capital dollars spent by not spending funds on local access roads.
- Focusing limited dollars on the highest volume roads benefits the most users.
- Prevent arterials from needing to be reconstructed by conducting pavement overlays, saving dollars in the long run. (i.e. pavement overlay = \$25 / square yard; arterial pavement reconstruction = \$62 / square yard)

Cons:

- Increased costs for maintenance by having to repair more potholes on local access roads.
- Potential increase in claims from deteriorated roads.
- Roads in poor repair, even on low volume residential roads, have an effect on overall aesthetics of the neighborhood which effect livability.
- Costs to reconstruct a local access road if allowed to deteriorate are up to four times higher than preventive maintenance (i.e. chip seal = \$6.0 / square yard; reconstruction = \$26 / square yard).

The majority of the city's roadway network falls within the lowest volume roads. The lowest volume roads are also the least expensive roads to maintain. The existing makeup of the City of Lakewood's pavements is as follows:


















































































Type	Total Centerline Miles	Total Lane Miles	Percent of System	Pavement Condition Index (PCI)	Annual Cost to Maintain PCI
Principal Arterial	21.65	93.28	22%	76	\$1,700,000
Minor Arterial	23.60	66.50	16%	75	\$1,300,000
Collector	21.93	44.99	10%	71	\$450,000
Local Access	112.71	225.71	52%	72	\$500,000
Total	179.89	430.48		73 *	\$3,950,000

** The PCI of 73 on this table differs from the average PCI of 76 in the previous table's comparison with selected cities is that 73 is the current rating whereas 76 is the 2012 rating.*

CRITERIA AND POINT SYSTEM FOR PRIORITIZING NEW STREET & SIDEWALK PROJECTS

The proposed criteria and point system for prioritizing new street and sidewalk projects is on a scale between 1 (low) and 3 (high) and is based on: traffic volume (average daily trip); population served per 1,000 linear feet of project; amenities accessed; correctible safety concerns; gap closure or continuation; and grant funding opportunity. The highest score possible is 18.

The following table provides the prioritized projects based on the proposed criteria and point system.

TBD - Project Prioritization								
Street & Sidewalk Improvements (New Projects)								
Proj #	Project Name	Prioritization Score	Traffic Volume (ADT)	Population Served per 1,000 LF of Project*	Amenities Accessed*	Correctible Safety Concerns	Gap Closure or Continuation	Grant Opportunity
		 3  2  1	 > 15,000  <15,000 to 5,000  < 5,000	 over 2,500  1,000 to 2,500  less than 1,000	 4 or more  2 to 3  1 or fewer	 Top 20 accident location in last 3 years or ped/bike accident within last 10 years  Shoulder width 4 feet or less or top 50 accident location in last 3 years  Shoulder width greater than 4 feet. Few reported accidents.	 Gap Closure  Continuation  Start of New Corridor	 High  Medium  Low
30	South Tacoma Way Improvements (88th to N. City Limits)	17	 17,000-27,000	 1,494	 School, commercial, cultural, bus route	 Top 20 Accident Location	 Gap Closure	 High
23	Steilacoom Blvd Improvements (87th to 83rd)	16	 25,000	 3,500	 Park, school, commercial, bus route	 Top 20 Accident Location	 Continuation	 Medium
25	Steilacoom Blvd Improvements (83rd to Weller)	16	 26,000	 3,189	 Park, school, commercial, bus route	 Top 20 Accident Location	 Continuation	 Medium
21	Washington Blvd Sidewalks (Butte Dr to Gravelly Lake Dr)	13	 16,000-21,000	 1,006	 Park, school, bus route	 Top 20 Accident Location	 Continuation	 Low
27	Hipkins Road Sidewalks (104th to Steilacoom Blvd)	12	 8,000	 1,197	 Park, school, commercial, bus route	 Wide shoulders.	 Gap Closure	 Low
29	Gravelly Lake Drive Non-Motorized Trail (Nyanza; and Gravelly Lake Drive - Washington to Nyanza)	12	 10,000-14,500	 430	 School, bus route, commercial, civic	 Narrow shoulders.	 Continuation	 Medium
24	Oakbrook Sidewalks & Street Lighting (Onyx Dr West (97th to 87th); Onyx Dr East (Garnet to Phillips))	12	 2,000 - 6,000	 1,286	 Park, school, commercial, bus route	 Narrow shoulders.	 Continuation	 Low
26	Phillips Road Sidewalks (Steilacoom to Onyx)	11	 8,000	 1,259	 Park, school, commercial, bus route	 Wide shoulders.	 Continuation	 Low
28	Mt. Tacoma Sidewalks (Interlaaken to Gravelly Lake Dr)	11	 3,500 - 4,500	 1,390	 School, commercial, bus route, cultural, transit etc.	 Narrow shoulders.	 Continuation	 Low
22	Lake City Buisness District Sidewalks (American lake Park to Veterans Dr / Alameda)	10	 6,000	 1,980	 Park, commercial, bus	 Narrow shoulders.	 New Corridor	 Low

*within 1/2 mile

Amenities = schools, parks, commercial centers, library/civic, transit center, transit route, cultural

FUNDING OPTIONS

The options for funding projects on a pay-as-you-go and general government contribution are as follows:

Pay-as-you-go options include:

- Vehicle licensing fee;
- Sales & use tax increase; and
- Property tax levy lid lift.

Some options for providing general government contribution annually towards capital include:

- General & Street O&M Funds operating expenditure reductions (\$1.0 million equates to roughly 3.0%; and
- Use of one-time sources such as existing ending fund balance, expenditure savings and/or excess revenues

Alternative 1: General Government Contribution

Street and sidewalk improvements for current and grant funded opportunity projects total \$20.1 million, of which all except 6% or \$1.3 million is unfunded. The potential funding options (such as general government expenditure reduction, one-time excess revenue, and one-time expenditure savings) will be identified as part of the 2015/2016 Biennial Budget and 6-year financial forecast process.

Project # / Name	Years 2015 - 2020			
	Funded	Anticipated	Unfunded	Total Cost
17 South Tacoma Way - SR 512 to 96th	\$ 2,700,000	\$ -	\$ -	\$ 2,700,000
18 Steilacoom Boulevard - 88th to Custer	\$ 1,300,000	\$ -	\$ -	\$ 1,300,000
19 Madigan Access Phase 2 - Union Ave-W Thorne to Orchard	\$ 720,000	\$ -	\$ -	\$ 720,000
20 South Tacoma Way - Steilacoom to 88th	\$ 1,400,000	\$ -	\$ 65,000	\$ 1,465,000
Total Street & Sidewalk - Current Projects	\$ 6,120,000	\$ -	\$ 65,000	\$ 6,185,000
31 112th / 11th - Bridgeport to Kendrick	\$ 460,000	\$ 1,440,000	\$ 180,000	\$ 2,080,000
32 Bridgeport Way - JBLM to I-5	\$ 514,000	\$ 3,640,000	\$ 338,000	\$ 4,492,000
33 Gravelly Lake Drive - 100th to Bridgeport Way	\$ 850,000	\$ 1,700,000	\$ 120,000	\$ 2,670,000
xx Safety Projects - Various	\$ 600,000	\$ 1,200,000	\$ 195,000	\$ 1,995,000
xx Safe Routes to Schools, Pedestrian and Bicycle Safety	\$ 362,000	\$ 1,920,000	\$ 401,000	\$ 2,683,000
Total Street & Sidewalk - Grant Funded Opportunities	\$ 2,786,000	\$ 9,900,000	\$ 1,234,000	\$13,920,000
Grand Total	\$ 8,906,000	\$ 9,900,000	\$ 1,299,000	\$20,105,000

Alternative 2: Pay-As-You-Go + General Government Contribution

The pavement preservation project costs total \$16.07 million for years 2015 - 2020, of which 57% or \$9.14 million is unfunded. The annual funding needed for years 2015 – 2020 equates to roughly \$1.52 million.

The specific projects and their related cost and unfunded amounts are as follows:

Project # / Name	Years 2015 - 2020	
	Total Cost	Unfunded
Pavement Preservation - Current Projects:		
1 Bridgeport Way - Pacific Highway to 112th St	\$ 400,000	\$ -
2 Steilacoom Boulevard - Lakewood Drive to West of South Tacoma Way	\$ 800,000	\$ 55,000
3 Pacific Highway - 108th to SR 512	\$ 595,000	\$ 117,000
4 100th - Lakeview to South Tacoma Way	\$ 529,000	\$ 49,000
xx Chip Seal Program - Local Access Roads	\$ 1,995,000	\$ 495,000
Subtotal - Current Projects	\$ 4,319,000	\$ 716,000
LED Sreet Lights	\$ 975,000	\$ 975,000
Signal Projects	\$ 690,000	\$ 390,000
Minor Capital Projects	\$ 300,000	\$ 200,000
Neighborhood Traffic Safety	\$ 150,000	\$ 85,000
Personnel, Engineering, Professional Services	\$ 2,913,000	\$ 257,000
Subtotal - Other	\$ 5,028,000	\$ 1,907,000
Total Current Projects & Other	\$ 9,347,000	\$ 2,623,000
Pavement Preservation - New Projects:		
5 Lakewood Dr - 100th to Steilacoom Blvd	\$ 900,000	\$ 900,000
6 Lakewood Dr - Fleet Creek to N. City Limits	\$ 1,155,000	\$ 1,155,000
7 Main Street - Gravelly Lake Drive to 108th St	\$ 331,000	\$ 331,000
8 59th - Main Street to 100th	\$ 496,000	\$ 496,000
9 59th - 100th to Bridgeport	\$ 276,000	\$ 276,000
10 108th - Bridgeport to Pacific Highway	\$ 661,000	\$ 661,000
11 108th - Main Street to Bridgeport	\$ 743,000	\$ 743,000
12 Custer - Steilacoom to John Dower	\$ 540,000	\$ 540,000
13 88th - Steilacoom to Custer	\$ 300,000	\$ 300,000
14 100th - 59th to Lakeview	\$ 1,320,000	\$ 1,115,000
Total New Projects	\$ 6,722,000	\$ 6,517,000
Grand Total - Current, Other, and New Pavement Preservation Projects	\$ 16,069,000	\$ 9,140,000
		Unfunded

The recommended funding option is a \$20 vehicle licensing fee (option 1a below) that can be implemented without voter approval and the potential general government contribution options (such as general government expenditure reductions, increased revenues generated as economic conditions improve, and one-time expenditure savings) to cover the \$843 thousand balance will be evaluated and identified as part of the 2015/2016 Biennial Budget and 6-year financial forecast process. Another potential source of funding the \$843 thousand balance is the state's transportation package which would provide \$417 thousand annually or \$5.0 million over a twelve year period.

Alternatively, a 0.20% sales tax (option 2c below) can be implemented with a simple majority vote as that would fully fund the current, other and new pavement preservation projects.

Alternative 2: Pay-As-You-Go + General Government Contribution						
Pay-As-You-Go			General Government Contribution	Total Annual Funding	Total 2015 - 2020 Funding	Voter Approval Required
Option	Rate	Revenue				
1) Vehicle Licensing Fee						
a)	\$20	\$680,000	\$843,000	\$1,523,000	\$9,138,000	No
b)	\$25	\$850,000	\$673,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
c)	\$30	\$1,020,000	\$503,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
2) Sales & Use Tax						
a)	0.06%	\$549,000	\$974,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
b)	0.10%	\$915,000	\$608,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
c)	0.20%	\$1,830,000	\$0	\$1,830,000	\$10,980,000	Simple Majority (50% +1)
3) Property Tax Levy Lid Lift						
a)	\$0.12	\$539,000	\$984,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
b)	\$0.14	\$629,000	\$894,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
c)	\$0.17	\$764,000	\$759,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)

Alternative 3(a): One New Street & Sidewalk Project Annually

This alternative includes one new street and sidewalk improvement project over six years, for a total of six projects for the years 2015 – 2020. The six projects selected for this scenario is based on the proposed criteria and point system for prioritizing new street and sidewalk improvements.

The total cost for all six projects is \$23.77 million, of which \$22.04 million or 93% is unfunded. Not included in the total cost is additional public works staffing resources that may be necessary as the department is currently not staffed to take on more than one major street and sidewalk improvement project every two years.

Project # / Name	Score*	Years 2015 - 2020		
		Funded	Unfunded	Total Cost
30 South Tacoma Way - 88th to N City Limits	17	\$ 170,000	\$ 3,550,000	\$ 3,720,000
23 Steilacoom Boulevard - 87th to 83rd	16	\$ 65,000	\$ 2,192,000	\$ 2,257,000
25 Steilacoom Boulevard - 83rd to Weller	16	\$ 175,000	\$ 2,740,000	\$ 2,915,000
21 Washington Blvd Sidewalks - Butte Drive to Gravelly Lake Drive	13	\$ 475,000	\$ 4,375,000	\$ 4,850,000
27 Hipkins Road Sidewalks -104th to Steilacoom Boulevard	12	\$ 285,000	\$ 3,070,000	\$ 3,355,000
Gravelly Lake Non-Motorized Trail -				
29 Nyanza & Gravelly Lake Dr - WA to Nyanza	12	\$ 560,000	\$ 6,110,000	\$ 6,670,000
Total		\$1,730,000	\$ 22,037,000	\$ 23,767,000

* The following project also scored 12 but due to limiting to six projects over the six year period, this project was excluded; however, the Board could choose select any two of the three projects that scored 12.

24 Oakbrook Sidewalks & Street Lighting - Onyx Dr W (97th to 87th); Onyx Dr E (Garnet to Phillips)	12	\$ 240,000	\$ 3,480,000	\$ 3,720,000
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The following are examples of capital financing options via the excess property tax levy.

- Option 1 is based on issuing one bond levy in 2015 which increases the current property tax levy rate of \$1.43 by \$0.37, for a total of \$1.80 per \$1,000 AV. The annual impact to the average homeowner is \$72.01.
- Option 2, which is the recommended alternative, is based on issuing three bond levies in increments of \$7.35 million in the years 2015 – 2017, thus incrementally increasing the impact to homeowners. The annual impact to the average homeowner is \$0.12 per year and increase the property tax levy to \$1.55 in 2015, \$1.67 in 2016 and \$1.79 in 2017.

Alternative 3(a): One New Street & Sidewalk Project Annually							
Capital Financing					Property Tax Levy Rate w/Bond Levy *	Impact to Average Homeowner**	Voter Approval Required
Option	Rate	Annual Revenue	Bond Levy 4%, 20 Years	Annual Debt Service			
1) Excess Property Tax Levy							
	\$0.37	\$1,598,000	\$22,037,000	\$1,622,000	\$1.80	\$72.01	Supermajority (60% of votes from 40% of voters who voted at the last preceding state election). Vote may occur at any election date.
2) Excess Property Tax Levy (incremental approach)							
2015	\$0.12	\$533,000	\$7,350,000	\$541,000	\$1.55	\$23.35	
2016	\$0.12	\$533,000	\$7,350,000	\$541,000	\$1.67	\$46.71	
2017	\$0.12	\$533,000	\$7,350,000	\$541,000	\$1.79	\$70.06	
Total	\$0.36	\$1,599,000	\$22,050,000	\$1,623,000	\$1.79	\$70.06	

* Current 2014 property tax levy rate is \$1.43 per \$1,000 AV.

**Average home value in the City of Lakewood is \$194,610.

Alternative 3(b): All Ten New Street & Sidewalk Projects

This alternative includes all ten new street and sidewalk improvement project over six years for the years 2015 – 2020.

The total cost for all ten projects is \$36.26 million, of which \$33.62 million or 93% is unfunded. Not included in the total cost is additional public works staffing resources that may be necessary as the department is currently not staffed to take on more than one major street and sidewalk improvement project every two years.

Project # / Name	Score*	Years 2015 - 2020		
		Funded	Unfunded	Total Cost
30 South Tacoma Way - 88th to N City Limits	17	\$ 170,000	\$ 3,550,000	\$ 3,720,000
23 Steilacoom Boulevard - 87th to 83rd	16	\$ 65,000	\$ 2,192,000	\$ 2,257,000
25 Steilacoom Boulevard - 83rd to Weller	16	\$ 175,000	\$ 2,740,000	\$ 2,915,000
21 Washington Blvd Sidewalks - Butte Drive to Gravelly Lake Drive	13	\$ 475,000	\$ 4,375,000	\$ 4,850,000
27 Hipkins Road Sidewalks -104th to Steilacoom Boulevard	12	\$ 285,000	\$ 3,070,000	\$ 3,355,000
Gravelly Lake Non-Motorized Trail -				
29 Nyanza & Gravelly Lake Dr - WA to Nyanza	12	\$ 560,000	\$ 6,110,000	\$ 6,670,000
Oakbrook Sidewalks & Street Lighting (Onyx Dr W (97th to 87th);				
24 Onyx Dr E (Garnet to Phillips)	12	\$ 240,000	\$ 3,480,000	\$ 3,720,000
26 Phillips Road Sidewalks - Steilacoom to Onyx	11	\$ 280,000	\$ 2,800,000	\$ 3,080,000
28 Mt Tacoma Drive Sidewalks - Interlaaken to Gravelly Lake	11	\$ 200,000	\$ 3,305,000	\$ 3,505,000
Lake City Business District Sidewalk - American Lake Park to				
22 Veterans Dr/Alameda	10	\$ 190,000	\$ 2,000,000	\$ 2,190,000
Total		\$ 2,640,000	\$ 33,622,000	\$ 36,262,000

The following are examples of capital financing options via the excess property tax levy.

- Option 1 is based on issuing one bond levy in 2015 which increases the current property tax levy rate of \$1.43 by \$0.56, for a total of \$1.99 per \$1,000 AV. The annual impact to the average homeowner is \$108.98.
- Option 2 is based on issuing three bond levies in increments of \$10.0 million in the years 2015 and 2016 and \$13.6 million 2017, thus incrementally increasing the impact to homeowners. The annual impact to the average homeowner is \$0.17 per year in each year of 2015 and 2016 and \$0.21 in 2017 and increase the property tax levy to \$1.60 in 2015, \$1.77 in 2016 and \$1.98 per \$1,000 AV in 2017.

Alternative 3(b): All New Street & Sidewalk Project Annually						
Capital Financing					Property Tax	Impact to
Option	Rate	Annual Revenue	Bond Levy 4%, 20 Years	Annual Debt Service	Levy Rate w/Bond Levy *	Average Homeowner**
1) Excess Property Tax Levy						
	\$0.56	\$2,485,000	\$33,622,000	\$2,474,000	\$1.99	\$108.98
2) Excess Property Tax Levy (incremental approach)						
2015	\$0.17	\$754,000	\$10,000,000	\$736,000	\$1.60	\$33.08
2016	\$0.17	\$754,000	\$10,000,000	\$736,000	\$1.77	\$66.17
2017	\$0.21	\$932,000	\$13,622,000	\$1,002,000	\$1.98	\$107.04
Total	\$0.55	\$2,440,000	\$33,622,000	\$2,474,000	\$1.98	\$107.04

* Current 2014 property tax levy rate is \$1.43 per \$1,000 AV.

**Average home value in the City of Lakewood is \$194,610.

OTHER POTENTIAL REVENUE SOURCES

Utility Tax

Cities and towns in Washington State are authorized to levy a business and occupation tax on public utility businesses based on revenues they generate within the city or town, known as the utility tax. The rate of taxes for electric, phone, and natural gas are limited to 6% without voter approval. There are no limitations on tax rates on other public utilities.

The table below provides the City of Lakewood's current assessed rates, what 1% represents, and the maximum rate authorized.

Utility Tax	Current Rate	Each 1%	Maximum Rate Authorized
Electric	5.0%	\$ 308,000	Limited to 6% without voter approval.
Natural Gas	5.0%	\$ 152,000	Limited to 6% without voter approval.
Solid Waste	6.0%	\$ 114,000	No limit on rates.
Cable	6.0%	\$ 156,000	No limit on rates.
Cellular & Landline	6.0%	\$ 280,000	Limited to 6% without voter approval.
Surface Water	6.0%	\$ 17,000	No limit on rates.

Gambling Tax

The maximum rates authorized by statute are 5% for punch boards and pull tabs 5% for bingo and raffles, 2% for amusement games, and 20% for card rooms. Revenues from these activities are required to be used primarily for the purpose of gambling enforcement. Case law has clarified that "primarily" means "first be used" for gambling law enforcement purposes the extent necessary for that city. The remaining funds may be used for any general government purpose.

The table below provides the City of Lakewood's current assessed rates, what 1% represents, and the maximum rate authorized.

Gambling Tax	Current Rate	Each 1%	Maximum Rate Authorized
Punch Boards & Pull Tabs	3.0%	\$ 52,000	Maximum rate 5% .
Bingo and Raffles	5.0%	\$ -	Maximum rate 5% .
Amusement Games	2.0%	\$ 1,000	At maximum rate 2% .
Card Room	11.0%	\$ 207,000	Maximum rate 20%

GENERAL FUND CONTRIBUTION TO CAPITAL INVESTMENT

The General Fund currently provides roughly \$35 thousand annually to the Street Capital Fund. The table below provides historical information regarding General Fund contribution for years 2007 through 2014 and includes contributions to the Street Operations & Maintenance Fund for the purpose of showing that overall General Fund contributions to street capital and operations & maintenance.

During 2007 through 2010, a portion of the utility tax and the Tacoma Power franchise fee was accounted for in the street funds. Specifically, utility tax was allocated as follows:

- 23% of electric and phone utility and 31% of the franchise fee to Street O&M Fund; and
- 8% of cable and 18% of Tacoma Power franchise fee to Street Capital Fund.

Beginning in 2011, the allocation was changed to account for all utility tax and franchise fees in the General Fund, and in return the General Fund would provide an interfund transfer to the street funds, as shown in the tables below.

In comparing the current methodology (General Fund provides transfer to street funds) to the previous methodology (direct allocation of utility tax and franchise fee to street funds) and assuming the transfers to the General Fund for Admin Support in 2011 through 2013 remain the same as 2010:

- The current methodology provides higher funding to the Street O&M Fund by a total of \$129 thousand during the years 2011 through 2013;
- The current methodology provides less funding to the Street Capital Fund by a total of \$169 thousand during the years 2011 through 2013; and
- In total, the current methodology provides less funding to the combined street funds by a total of \$39 thousand during the years 2011 through 2013.

Fund 101 Street O&M	2007	2008	2009	2010	2011	2012	2013
Utility Tax	\$ 756,189	\$ 736,481	\$ 754,880	\$ 680,143	\$ -	\$ -	\$ -
Tacoma Power	264,939	235,000	246,337	252,545	-	-	-
Transfer to General Fund Admin Support	(27,000)	(28,080)	(28,080)	(28,360)	-	-	(28,360)
Transfer In From General Fund	-	-	-	-	1,041,221	1,032,826	1,029,780
Total	\$ 994,128	\$ 943,401	\$ 973,137	\$ 904,328	\$ 1,041,221	\$ 1,032,826	\$ 1,001,420
If Based on Previous Methodology:					\$ 984,719	\$ 968,271	\$ 993,054
Difference:					\$ (56,502)	\$ (64,555)	\$ (8,366)

Fund 102 Street Capital	2007	2008	2009	2010	2011	2012	2013
Utility Tax	\$ 63,961	\$ 59,000	\$ 61,950	\$ 62,570	\$ -	\$ -	\$ -
Tacoma Power	\$ 186,700	\$ 125,000	\$ 135,237	\$ 139,226	\$ -	\$ -	\$ -
Transfer to General Fund Admin Support	\$ (157,000)	\$ (163,280)	\$ (163,280)	\$ (122,460)	\$ -	\$ -	\$ -
Transfer In From General Fund	-	-	-	-	34,450	36,440	35,000
Total	\$ 93,661	\$ 20,720	\$ 33,907	\$ 79,336	\$ 34,450	\$ 36,440	\$ 35,000
If Based on Previous Methodology:					\$ 85,001	\$ 89,650	\$ 99,868
Difference:					\$ 50,551	\$ 53,210	\$ 64,868

Total Funds 101 & 102	2007	2008	2009	2010	2011	2012	2013
Utility Tax	\$ 820,150	\$ 795,481	\$ 816,830	\$ 742,713	\$ -	\$ -	\$ -
Tacoma Power	\$ 451,639	\$ 360,000	\$ 381,574	\$ 391,771	\$ -	\$ -	\$ -
Transfer to General Fund Admin Support	\$ (184,000)	\$ (191,360)	\$ (191,360)	\$ (150,820)	\$ -	\$ -	\$ (28,360)
Transfer In From General Fund	-	-	-	-	1,075,671	1,069,266	1,064,780
Total	\$ 1,087,789	\$ 964,121	\$ 1,007,044	\$ 983,664	\$ 1,075,671	\$ 1,069,266	\$ 1,036,420
If Based on Previous Methodology:					\$ 1,069,720	\$ 1,057,921	\$ 1,092,922
Difference:					\$ (5,951)	\$ (11,345)	\$ 56,502

COMPARISON OF SALES TAX RATES

The following chart and tables provides a comparison of sales and use tax rates amongst Pierce County jurisdictions. A summary of the various components of the tax rates is as follows:

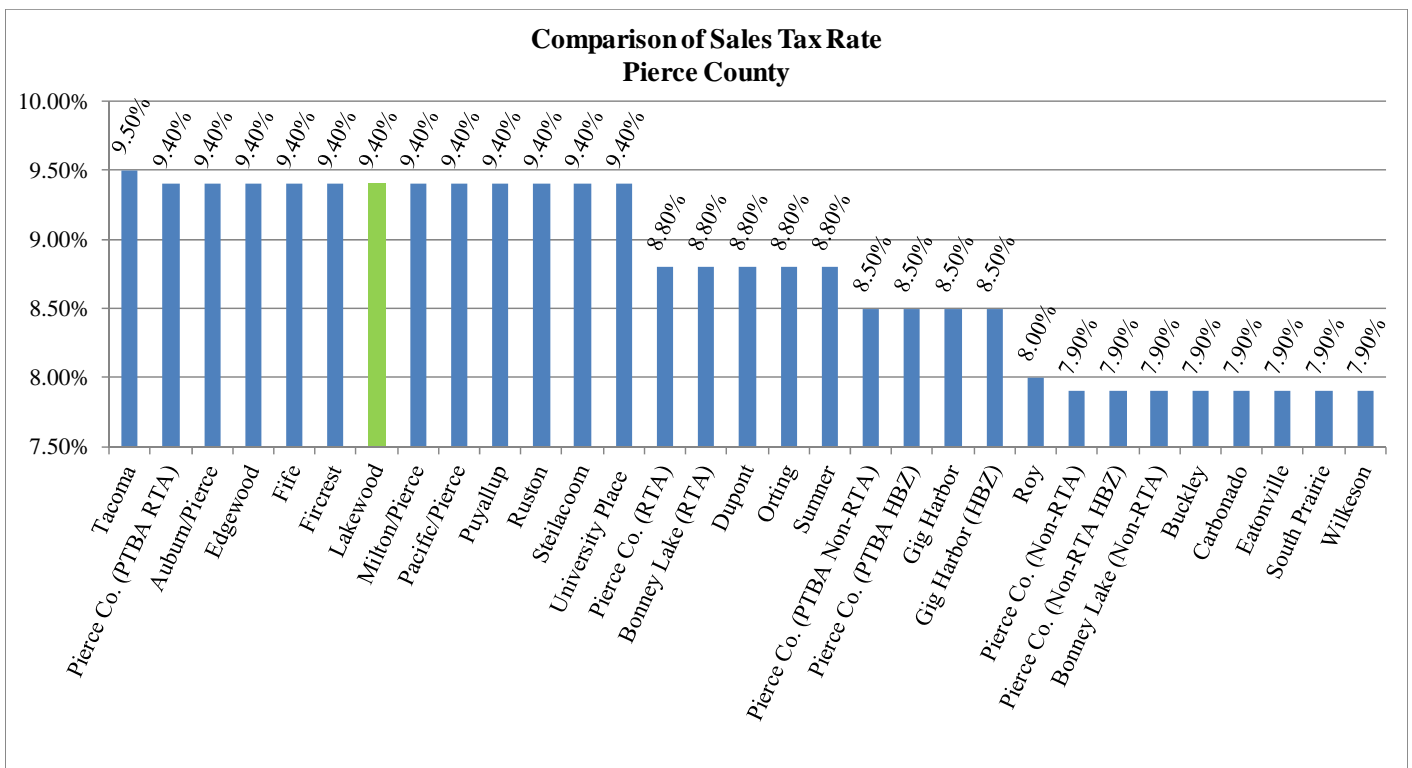
Sales & Use Tax Rate	Basic/ Optional*	Pierce Transit	Criminal Justice	Other **	Juvenile Detention	Zoo/ Parks	Sound Transit	South Sound 911	Subtotal Local Rate	State	Total Sales Tax Rate
9.50%	1.00%	0.60%	0.10%	0.10%	0.10%	0.10%	0.90%	0.10%	3.00%	6.50%	9.50%
9.40%	1.00%	0.60%	0.10%	-	0.10%	0.10%	0.90%	0.10%	2.90%	6.50%	9.40%
8.80%	1.00%	-	0.10%	-	0.10%	0.10%	0.90%	0.10%	2.30%	6.50%	8.80%
8.50%	1.00%	0.60%	0.10%	-	0.10%	0.10%	-	0.10%	2.00%	6.50%	8.50%
8.00%	1.00%	-	0.10%	0.10%	0.10%	0.10%	-	0.10%	1.50%	6.50%	8.00%
7.90%	1.00%	-	0.10%	-	0.10%	0.10%	-	0.10%	1.40%	6.50%	7.90%

* Of the 1% basic & optional tax levied, the city/town/county receives 0.84%.

Pierce County receives 15% of the 1% and the State receives 1%.

** Tacoma instituted a 0.10% increase for Chemical Dependency or Mental Treatment.

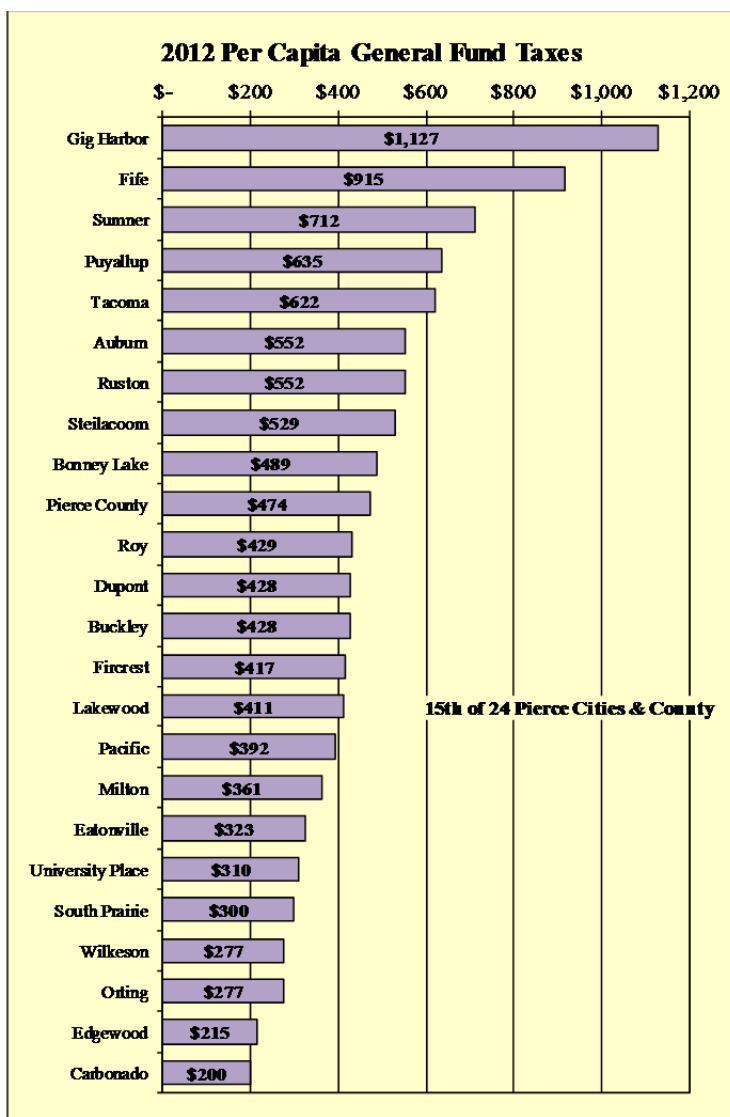
Roy instituted a 0.10% increase for Public Safety.



PER CAPITA GENERAL FUND TAX ⁽¹⁾ COMPARISON

The table and chart below provides a comparison of per capita tax revenues (all tax revenues excluding real estate excise tax) used for General Fund expenditures, excluding fire and library. City of Lakewood ranks 15 of 24 cities, towns, and county.

City/Town/County	Population	Per Capita	Rank
Gig Harbor	7,340	\$1,127	1
Fife	9,235	\$915	2
Sumner	9,470	\$712	3
Puyallup	37,620	\$635	4
Tacoma	199,600	\$622	5
Auburn	71,240	\$552	6
Ruston	755	\$552	7
Steilacoom	6,015	\$529	8
Bonney Lake	17,730	\$489	9
Pierce County	375,955	\$474	10
Roy	805	\$429	11
Dupont	8,640	\$428	12
Buckley	4,365	\$428	13
Fircrest	6,525	\$417	14
Lakewood	58,260	\$411	15
Pacific	6,605	\$392	16
Milton	6,985	\$361	17
Eatonville	2,785	\$323	18
University Place	31,270	\$310	19
South Prairie	435	\$300	20
Wilkeson	485	\$277	21
Orting	6,790	\$277	22
Edgewood	9,425	\$215	23
Carbonado	610	\$200	24
Average:	36,623	\$474	24



Source: Data from Local Government Financial Reporting System data from the State Auditor's Office.

⁽¹⁾ Taxes include Property Tax, Timber Harvest Tax, Retail Sales & Use Tax, Criminal Justice Sales Tax, B&O/Utility Tax, Gambling Tax, and Leasehold Tax reported in the General Fund, and excludes Fire/Library.

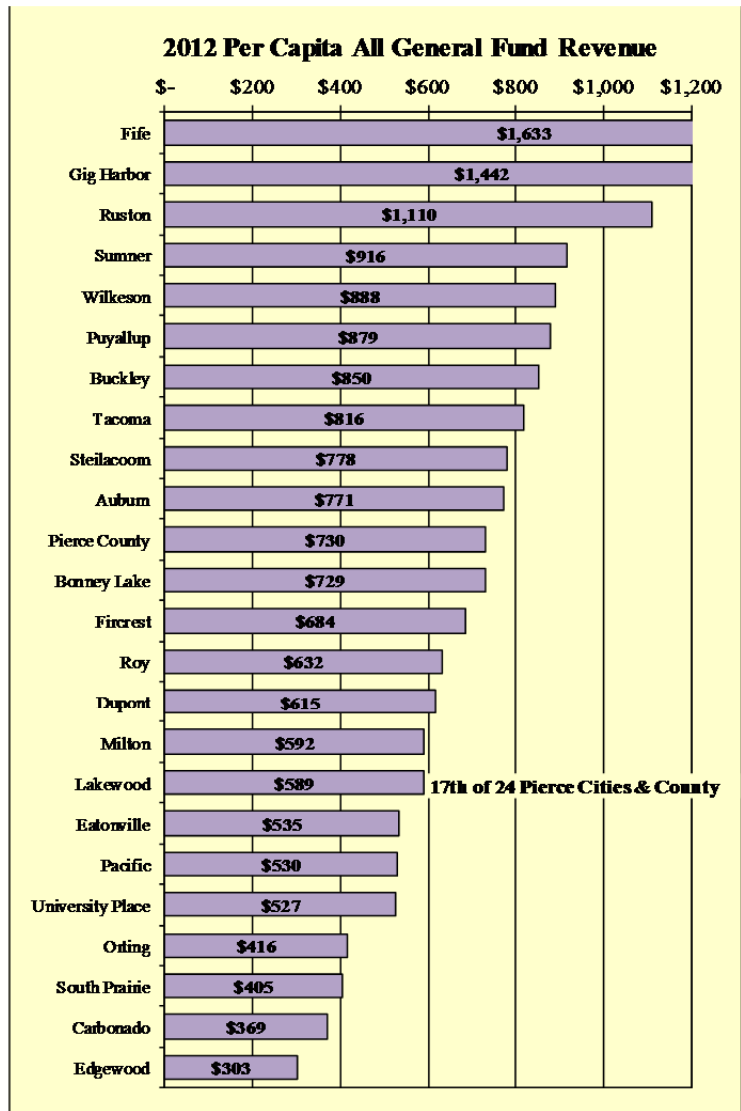
* Cities of Auburn, Milton and Pacific includes population for both Pierce and King County.

City of Pacific data is based on 2011 since data for 2012 was not available at the time this report was prepared.

PER CAPITA GENERAL FUND ⁽¹⁾ REVENUE

The table and chart below provides a comparison of per capita revenues (all revenues including restricted grants and transfers in) used for General Fund expenditures, excluding fire and library. City of Lakewood ranks 17 of 24 cities, towns, and county.

City/Town/County	Population	Per Capita	Rank
Fife	9,235	\$1,633	1
Gig Harbor	7,340	\$1,442	2
Ruston	755	\$1,110	3
Sumner	9,470	\$916	4
Wilkeson	485	\$888	5
Puyallup	37,620	\$879	6
Buckley	4,365	\$850	7
Tacoma	199,600	\$816	8
Steilacoom	6,015	\$778	9
Auburn	71,240	\$771	10
Pierce County	375,955	\$730	11
Bonney Lake	17,730	\$729	12
Fircrest	6,525	\$684	13
Roy	805	\$632	14
Dupont	8,640	\$615	15
Milton	6,985	\$592	16
Lakewood	58,260	\$589	17
Eatonville	2,785	\$535	18
Pacific	6,605	\$530	19
University Place	31,270	\$527	20
Orting	6,790	\$416	21
South Prairie	435	\$405	22
Carbonado	610	\$369	23
Edgewood	9,425	\$303	24
Average:	36,623	\$739	24



Source: Data from Local Government Financial Reporting System data from the State Auditor's Office.

⁽¹⁾ General Fund revenues include taxes, licenses & permits, intergovernmental & grants, charges for goods & services, fines & penalties, miscellaneous revenues (interest, rents, leases, concessions, interfund/interdepartmental, unclaimed money & property), and other and other financing sources (proceeds from sale of fixed assets, transfers in).

* Cities of Auburn, Milton and Pacific includes population for both Pierce and King County.

City of Pacific data is based on 2011 since data for 2012 was not available at the time this report was prepared.

STATUS OF PIERCE COUNTY TBD AND IMPACT TO CITY OF LAKEWOOD TBD

On April 15, 2014, the Pierce County Council moved to forward the ordinance establishing a Transportation Benefit District within unincorporated Pierce County and providing for transportation improvements within the district to be heard in the Economic and Infrastructure Development Committee on March 13, 2014. The final Council hearing date is to be determined. The establishment of a TBD within unincorporated Pierce County does not impact the City of Lakewood.

TRANSPORTATION REVENUE PROPOSAL

The Senate Majority Coalition Caucus (MCC) released their transportation revenue proposal to stakeholders and other legislators in November 2013. According to AWC, cities have been advocating for the following:

- Direct distribution of gas tax to cities at historical percentages.
- Enhanced local transportation revenue options.
- Increased funding for state grant programs, such as the Transportation Improvement Board (TIB), Freight Mobility Strategic Investment Board (FMSIB), Safe Routes to Schools, Bicycle and Pedestrian Grant Program, and Complete Streets Program.

The proposal is a \$12.3 billion package, over 12 years and includes an 11.5 cent gas tax increase. Under this MCC proposal, the City of Lakewood would receive an estimated \$5.0 million over a 12 year period (2015-2026), or an average of \$417 thousand per year.

The enhanced local transportation revenue option applicable to the City of Lakewood is the vehicle fee authorization for Transportation Benefit Districts (TBD). Under the MCC proposal, the councilmanic (non-voted) vehicle license fee is increased from \$20 to \$40 with the requirement that a vehicle fee of \$20 must be in place for two years prior to the governing body of the TBD raising it to \$40 without a vote of the people.

While the MCC proposal did not pass during this past legislative session, the discussion is included in this report to show cities interest in additional transportation funding options and the potential for inclusion in future legislative sessions.

TRANSPORTATION BENEFIT DISTRICTS:

The following is a list of jurisdictions with Transportation Benefit Districts by the year the TBD was created and the funding source implemented (source is MRSC).

Jurisdiction	Vehicle License Fee	Sales Tax
Transportation Benefit Districts Passed in 2014		
King County - County wide TBD passed 02/2014	\$60 on April 2014 ballot - Failed	
Kirkland (Ord. passed 02/10/2014) - Has not passed a funding provision		
Transportation Benefit Districts Passed in 2013		
Aberdeen		\$0.0013 sales tax (passed, election 02/12/2013) effective 07/01/2013
Arlington (Ord. passed 04/01/2013)		\$0.002 sales tax (passed, election 8/2013)
Covington (Ord. passed 04/09/2013) - Has not passed funding provision		
DuPont (Ord. passed 01/08/2013)	\$20 (effective 09/01/2013)	
Edgewood	\$20 (effective 07/01/2014)	
Enumclaw (Ord. passed 05/14/2013)	\$20 (effective 09.01/2014)	
Marysville (Ord. Passed 12/2013)		Sales tax on April 2014 ballot
Soap Lake	\$20 (Effective 11/01/2013)	
Transportation Benefit Districts Passed in 2012		
Bainbridge Island	\$20 (passed 01/09/2012) effective 08/01/2013	
Buckley	\$20 (effective 02/01/2014)	
Carbonado (Ord. passed 12/17/2012)	\$20 (effective 11/01/2013)	
Castle Rock		\$0.002 sales tax (passed, election 11/06/2012) effective 04/01/2013
East Wenatchee	\$20 (effective August 1, 2013)	
Eatonville	\$20 (effective 03/01/2013)	
Electric City	\$20 (effective 05/01/2013)	
Kelso	\$20 (passed 12/04/2012 effective 08/01/2013)	
Kalama	\$20 (effective 10/01/2013)	
Kenmore	\$20 (effective 06/01/2013)	
Kittitas	\$20 (effective 12/01/2012)	
Lakewood (Ord. passed on 08/6/2012) - Has not passed a funding provision		
Lynden		\$0.002 sales tax (passed, election 11/06/2012) effective 04/01/2013
Royal City	\$20 (effective 11/01/2012)	
Maple Valley	\$20 (effective 07/01/2013)	
Monroe - Created 04/24/2012 - Has not passed a funding provision		
Stanwood		\$0.002 sales tax (passed, election 02/12/2013) effective 07/01/2013
Tacoma	\$20 (effective 06/01/2013)	
Toppenish	\$20 (effective 12/01/2012)	
Waitsburg		\$0.002 sales tax (passed, election 04/17/2012)
Wapato	\$20 (effective 04/01/2013)	
Yakima - dissolved 03/18/2014		

TRANSPORTATION BENEFIT DISTRICTS (continued):

Jurisdiction	Vehicle License Fee	Sales Tax
Transportation Benefit Districts Passed in 2011		
Auburn - Has not passed funding provision		
Ferndale		\$0.002 sales tax (passed, election 02/14/2012)
Grandview	\$20 (02/01/2012)	
Mabton	\$20 (12/01/2011)	
Mountlake Terrace	\$20 (passed 12/05/2011, effective 08/01/2012)	
North Bend		\$0.002 sales tax (passed, election 11/08/2011)
Orting	\$20 (effective 02/01/2013 - 01/31/2015, fee applies to all renewals with these registration dates, including renewals paid after 02/31/2015)	
Snohomish County - Has not passed funding provision		
Spokane	\$20 (09/01/2011)	
Walla Walla		\$0.002 sales tax (passed, election 02/14/2012)
Wenatchee	\$20 (passed 01/26/2012, effective 08/01/2012)	
Zillah	\$20 (passed 12/19/2011, effective 7/12/2012)	
Transportation Benefit Districts Passed in 2010		
Bellingham		\$0.002 sales tax (04/01/2011)
King County - 2010 TBD dissolved and county wide TBD passed 02/2014		Dissolved
Leavenworth		\$0.002 sales tax (04/01/2011)
Lynnwood	\$20 (07/01/2011)	
Seattle	\$20 (05/01/2011)	
Snohomish		\$0.002 sales tax (passed 08/16/2011)
Snoqualmie	\$20 (03/01/2011)	
Transportation Benefit Districts Passed in 2009		
Bremerton	\$20 (12/07/2011 passed, effective 07/01/2012)	
Burien	\$10 (02/01/2010)	
Prosser	\$20 (11/01/2009)	
Shoreline	\$20 (02/01/2010)	
University Place - No funding designated		
Transportation Benefit Districts Passed in 2008		
Des Moines	\$20 (09/01/2009)	
Edmonds	\$20 (09/01/2009)	
Lake Forest Park	\$20 (09/01/2009)	
Olympia	\$20 (10/01/2009)	
Ridgefield		Sales tax repealed effective 10/01/2012 - \$0.002 sales tax (04/01/2009)
Sequim		\$0.002 sales tax (04/01/2010)
Transportation Benefit Districts Passed Prior to 2008		
Liberty Lake (2002)		
Point Roberts, Whatcom County (1992)		Special gas tax \$0.01/gallon (1992)

RECOMMENDED NEXT STEPS:

1. Provide direction to identify \$1.3 million needed (\$65 thousand for pavement preservation & other projects and \$1.2 million for new pavement preservation projects) as part of the 2015/2016 Biennial Budget and 6-year financial forecast process.
2. a) \$20 Vehicle Licensing Fee
Evaluate pay-as-you-go and general government contributions with recommendation to implement a \$20 vehicle licensing fee and fund the remaining \$843 thousand per year with existing general government resources, and to include the allocation of \$417 thousand per year from the state transportation package as part of the 2015/2016 Biennial Budget and 6-year financial forecast process.
b) 0.20% Sales Tax
Alternatively, evaluate a 0.20% sales tax, subject to voter approval (simple majority 50% + 1), as that would fully fund the current, other and new pavement preservation projects, without impacting existing general government programs and services.
3. Provide direction on alternative 3a which includes one new street and sidewalk improvement project over six years, for a total of six projects for the years 2015 – 2020 with a recommendation to implement an incremental property tax excess levy, and confirm the six projects listed under this alternative.

Pavement Preservation / Street and Sidewalk Improvements

City of Lakewood

#	Description	Construction Year
Pavement Preservation (Current Projects)		
1	Bridgeport Way (Pac Hwy to 112th Street)	2015
2	Steilacoom Blvd (Lakewood Dr. to 300 ft. west of So. Tacoma Wy)	2015
3	Pacific Hwy (108th to SR512)	2018
4	100th (Lakeview to So. Tac Way)	2018
xx	Chip Seal Program - Local Access Roads	various
Pavement Preservation (New Projects)		
5	Lakewood Drive (100th to Steilacoom Blvd)	2015
6	Lakewood Drive (Flett Creek to N. City Limits)	2016
7	Main Street (GLD to 108th Street)	2017
8	59th (Main Street to 100th)	2017
9	59th (100th to Bridgeport)	2017
10	108th (Bridgeport to Pac Hwy)	2018
11	108th (Main Street to Bridgeport)	2018
12	Custer (Steilacoom to John Dower)	2019
13	88th (Steilacoom to Custer)	2019
14	100th (59th to Lakeview)	2020
Street & Sidewalk Improvements (Current Projects)		
17	South Tacoma Way (SR512 to 96th)	2015
18	Steilacoom Blvd (88th to Custer)	2015
19	Madigan Access Project - City Street Phase 2 - (Union Avenue - W. Thorne to Orchard)	2015
20	So. Tac Way (Steilacoom to 88th)	2016
Street & Sidewalk Improvements (New Projects)		
21	Washington Blvd Sidewalks (Butte Drive to Gravelly Lake Drive)	2016
22	Lake City Business District Sidewalks (American Lake Park to Veterans Dr. /Alameda)	2016
23	Steilacoom Blvd Improvements - (87th to 83rd)	2017
24	Onyx Dr East (Garnet to Phillips))	2017
25	Steilacoom Blvd Improvements -(83rd to Weller)	2018
26	Phillips Road Sidewalks (Steilacoom to Onyx)	2018
27	Hipkins Road Sidewalks (104th to Steilacoom Blvd)	2018
28	Mt. Tacoma Drive Sidewalks (Interlaaken to Gravelly Lake Drive)	2019
29	Gravelly Lake Non-Motorized Trail (Nyanza; and Gravelly Lake Drive - Washington to Nyanza)	2019
30	South Tacoma Way Improvements (88th to N. City Limits)	2020
Street & Sidewalk Improvements (Grant Funded Opportunities)		
31	112th / 111th (Bridgeport to Kendrick)	2019
32	Bridgeport Way (JBLM to I-5)	2016
33	Gravelly Lake Drive (100th to Bridgeport)	2016
xx	Safety Projects - various	various
xx	Safe Routes to Schools, Pedestrian & Bicycle Safety (various)	various

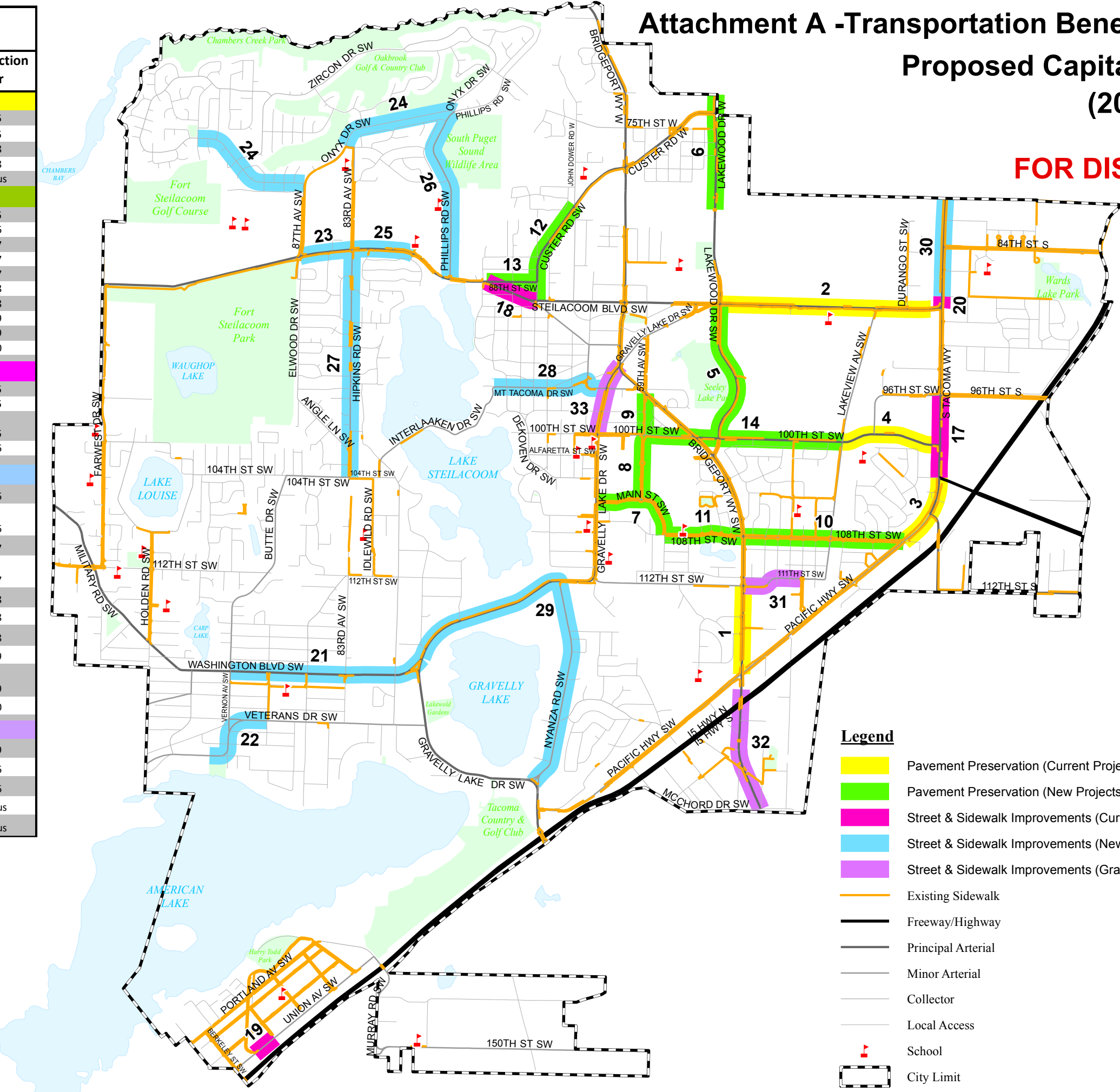
This product was prepared with care by City of Lakewood GIS. City of Lakewood expressly disclaims any liability for any inaccuracies which may yet be present. This is not a survey. Datasets were collected at different accuracy levels by various sources. Data on this map may be shown at scales larger than its original compilation. Call 253-589-2489 for further information.

Map Date: February 10, 2014

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Attachment A -Transportation Benefit District
Proposed Capital Projects
(2015 - 2020)

FOR DISCUSSION



Legend

- Pavement Preservation (Current Projects)
- Pavement Preservation (New Projects)
- Street & Sidewalk Improvements (Current Projects)
- Street & Sidewalk Improvements (New Projects)
- Street & Sidewalk Improvements (Grant Funded Opportunities)
- Existing Sidewalk
- Freeway/Highway
- Principal Arterial
- Minor Arterial
- Collector
- Local Access
- School
- City Limit

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Transportation Projects Funding Options

Lakewood Transportation Benefit District

May 27, 2014

Background

- Follow-up Items from February 18, 2014 TBD Meeting
 - Comparison of pavement ratings with other cities
 - Appropriate pavement ratings within different areas
 - Criteria and point system for prioritizing projects
 - Funding options
 - Other potential revenue sources
 - General Fund contribution to capital investment
 - Comparison with other cities in terms of economic competitiveness

Capital Investment: Years 2015 – 2020

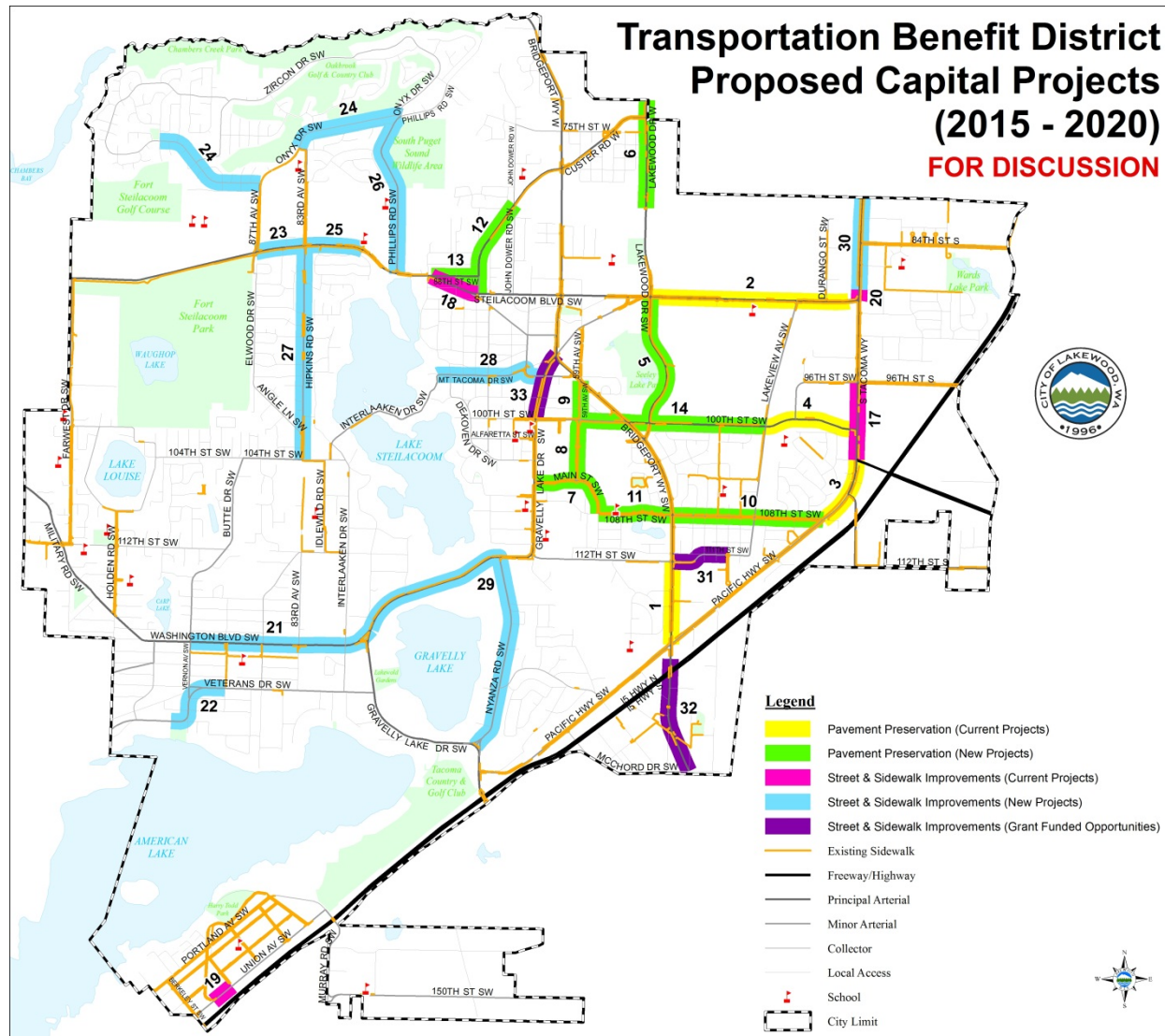
Description	Years 2015 - 2020		
	Total Cost	Unfunded	% Unfunded
Pavement Preservation & Other:			
Current Projects	\$ 4,319,000	\$ 716,000	17%
Other - LED Street Lights	\$ 975,000	\$ 975,000	100%
Other - Signal Projects	\$ 690,000	\$ 390,000	57%
Other - Minor Capital Projects	\$ 300,000	\$ 200,000	67%
Other - Neighborhood Traffic Safety	\$ 150,000	\$ 85,000	57%
Other - Personnel, Engineering, Professional Services	\$ 2,913,000	\$ 257,000	9%
Pavement Preservation - Current & Other	\$ 9,347,000	\$ 2,623,000	28%
Pavement Preservation - New Projects	\$ 6,722,000	\$ 6,517,000	97%
Total Pavement Preservation & Other (Pay-As-You-Go)	\$ 16,069,000	\$ 9,140,000	57%
Street & Sidewalk Improvements:			
Current Projects	\$ 6,185,000	\$ 65,000	1%
New Projects	\$ 36,262,000	\$ 33,622,000	93%
Grant Funded Opportunities	\$ 13,920,000	\$ 1,234,000	9%
Total Street & Sidewalk Improvements (Capital Financing)	\$ 56,367,000	\$ 34,921,000	62%
Total - All Projects	\$ 72,436,000	\$ 44,061,000	61%

Pavement Preservation – Current Projects & Other

Project # / Name	Years 2015 - 2020				Funded Source	Timeline
	Funded	Anticipated	Unfunded	Total Cost		
1 Bridgeport Way - Pacific Highway to 112th St	\$ 200,000	\$ 200,000	\$ -	\$ 400,000	\$200K MVET \$200K Grants Anticipated	\$15K Design in 2015 \$385K Construction in 2015
2 Steilacoom Boulevard - Lakewood Drive to West of South Tacoma Way	\$ 195,000	\$ 550,000	\$ 55,000	\$ 800,000	\$100K MVET \$95K REET \$550K Grants Anticipated	\$25K Design in 2015 \$775K Construction in 2015
3 Pacific Highway - 108th to SR 512	\$ 48,000	\$ 430,000	\$ 117,000	\$ 595,000	\$48K REET \$430K Grants Anticipated	\$28K Design in 2018 \$567K Construction in 2018
4 100th - Lakeview to South Tacoma Way	\$ 160,000	\$ 320,000	\$ 49,000	\$ 529,000	\$160K REET \$320K Grants Anticipated	\$28K Design in 2018 \$501K Construction in 2018
xx Chip Seal Program - Local Access Roads	\$ 1,500,000	\$ -	\$ 495,000	\$ 1,995,000	\$1,500K MVET	Annual Construction
Subtotal - Current Projects	\$ 2,103,000	\$ 1,500,000	\$ 716,000	\$ 4,319,000		
LED Street Lights	\$ -	\$ -	\$ 975,000	\$ 975,000	-	Annually 2015 - 2020
Signal Projects	\$ 300,000	\$ -	\$ 390,000	\$ 690,000	\$300K REET	Included in Projects in 2015 & 2016 Then in 2017 & 2019
Minor Capital Projects	\$ 100,000	\$ -	\$ 200,000	\$ 300,000	\$100K REET	Annually 2015 - 2020
Neighborhood Traffic Safety	\$ 65,000	\$ -	\$ 85,000	\$ 150,000	\$65K REET	Annually 2015 - 2020
Personnel, Engineering, Professional Services	\$ 2,656,000	\$ -	\$ 257,000	\$ 2,913,000	\$2,656 REET	Annually 2015 - 2020
Subtotal - Other	\$ 3,121,000	\$ -	\$ 1,907,000	\$ 5,028,000	\$ -	
Total	\$ 5,224,000	\$ 1,500,000	\$ 2,623,000	\$ 9,347,000	\$ -	

Includes cost escalators of 5% in 2016, 10% in 2017 & 2018, and 20% in 2019 & 2020.

Pavement Preservation – Current Projects

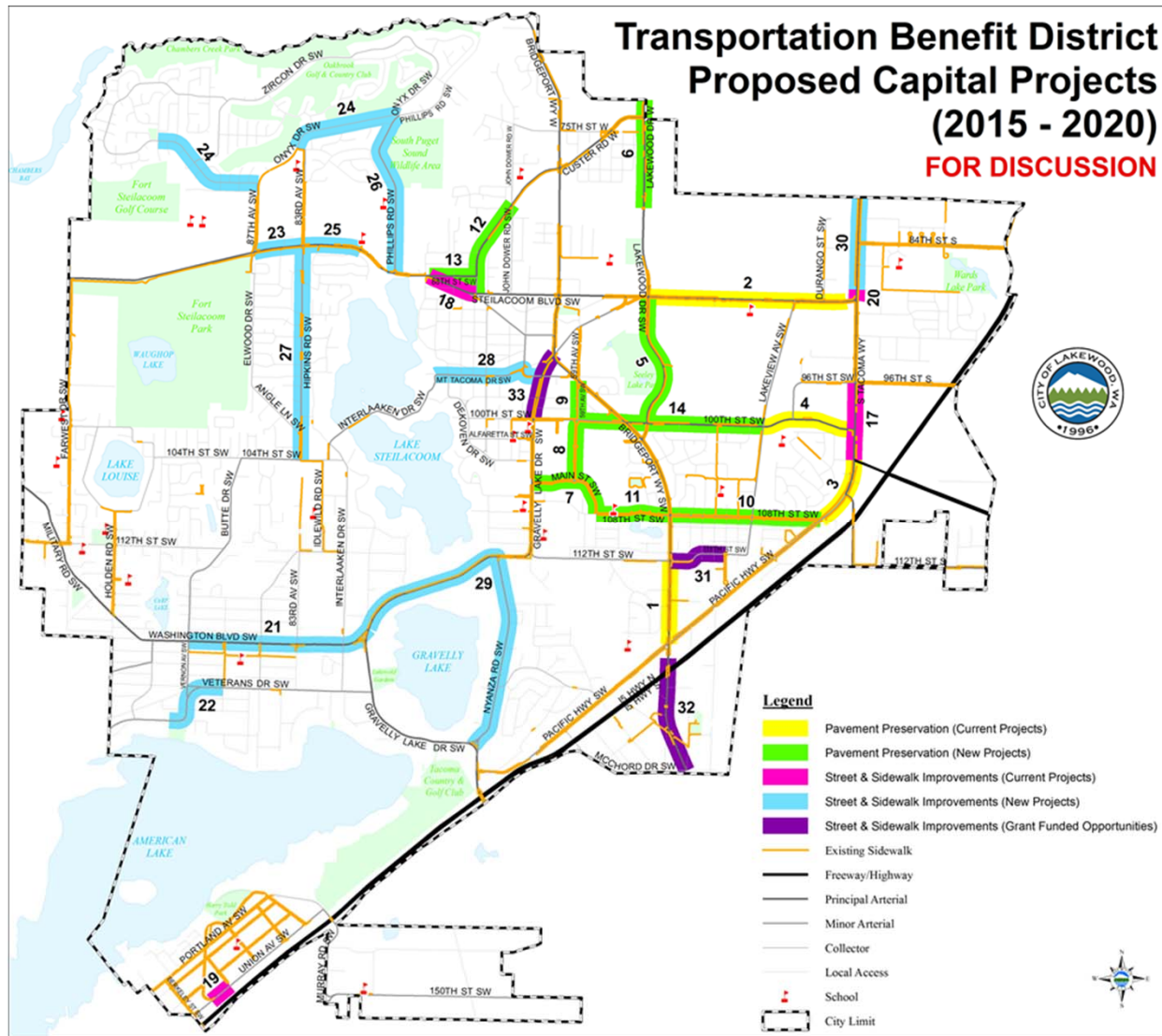


Pavement Preservation – New Projects

Project # / Name	Years 2015 - 2020			Funded Source	Timeline
	Funded	Unfunded	Total Cost		
5 Lakewood Dr - 100th to Steilacoom Blvd	\$ -	\$ 900,000	\$ 900,000	-	\$25K Design in 2015 \$875K Construction in 2015
6 Lakewood Dr - Fleet Creek to N. City Limits	\$ -	\$ 1,155,000	\$ 1,155,000	-	\$26K Design in 2016 \$1,129 Construction in 2016
7 Main Street - Gravelly Lake Drive to 108th St	\$ -	\$ 331,000	\$ 331,000	-	\$28K Design in 2017 \$303K Construction in 2017
8 59th - Main Street to 100th	\$ -	\$ 496,000	\$ 496,000	-	\$28K Design in 2017 \$468K Construction in 2017
9 59th - 100th to Bridgeport	\$ -	\$ 276,000	\$ 276,000	-	\$28K Design in 2017 \$248K Construction in 2017
10 108th - Bridgeport to Pacific Highway	\$ -	\$ 661,000	\$ 661,000	-	\$28K Design in 2018 \$633K Construction in 2018
11 108th - Main Street to Bridgeport	\$ -	\$ 743,000	\$ 743,000	-	\$28K Design in 2018 \$715K Construction in 2018
12 Custer - Steilacoom to John Dower	\$ -	\$ 540,000	\$ 540,000	-	\$30K Design in 2019 \$510K Construction in 2019
13 88th - Steilacoom to Custer	\$ -	\$ 300,000	\$ 300,000	-	\$30K Design in 2019 \$270K Construction in 2019
14 100th - 59th to Lakeview	\$ 205,000	\$ 1,115,000	\$ 1,320,000	\$205K REET	\$30K Design in 2020 \$1,290K Construction in 2020
Total	\$ 205,000	\$ 6,517,000	\$ 6,722,000	\$ -	

Includes cost escalators of 5% in 2016, 10% in 2017 & 2018, and 20% in 2019 & 2020.

Pavement Preservation – New Projects



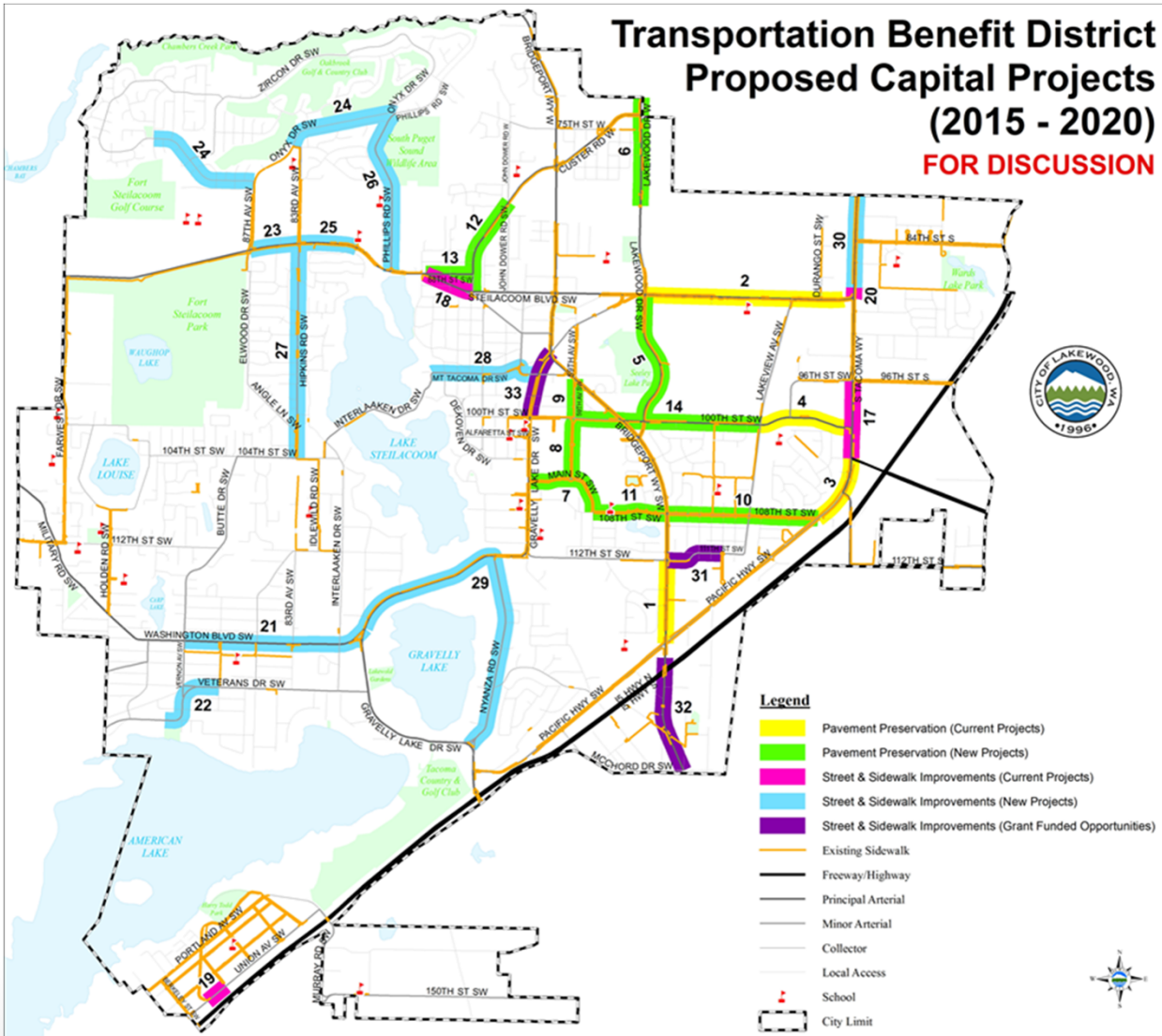
Street & Sidewalk – Current Projects

Project # / Name	Years 2015 - 2020			Funded Source	Timeline
	Funded	Unfunded	Total Cost		
17 South Tacoma Way - SR 512 to 96th *	\$ 2,700,000	\$ -	\$ 2,700,000	\$120K SWM \$2,580K Grants Secured	\$2,700K Construction in 2015 \$385K Construction in 2015
18 Steilacoom Boulevard - 88th to Custer	\$ 1,300,000	\$ -	\$ 1,300,000	\$50K SWM \$1,250K Grants Secured	\$1,300K Construction in 2015
19 Madigan Access Phase 2 - Union Ave-W Thorne to Orchard	\$ 720,000	\$ -	\$ 720,000	\$720K Grants Secured	\$40K Design in 2015 \$150K ROW in 2015 \$530K Construction in 2015
20 South Tacoma Way - Steilacoom to 88th	\$ 1,400,000	\$ 65,000	\$ 1,465,000	\$180K REET \$100K SWM \$1,120K Grants Secured	\$100K ROW in 2015 \$1,365K Construction in 2016
Total	\$ 6,120,000	\$ 65,000	\$ 6,185,000		

* Does not include \$460K for design and right-of-way in 2013/2014.

Includes cost escalators of 5% in 2016, 10% in 2017 & 2018, and 20% in 2019 & 2020.

Street & Sidewalk – Current Projects

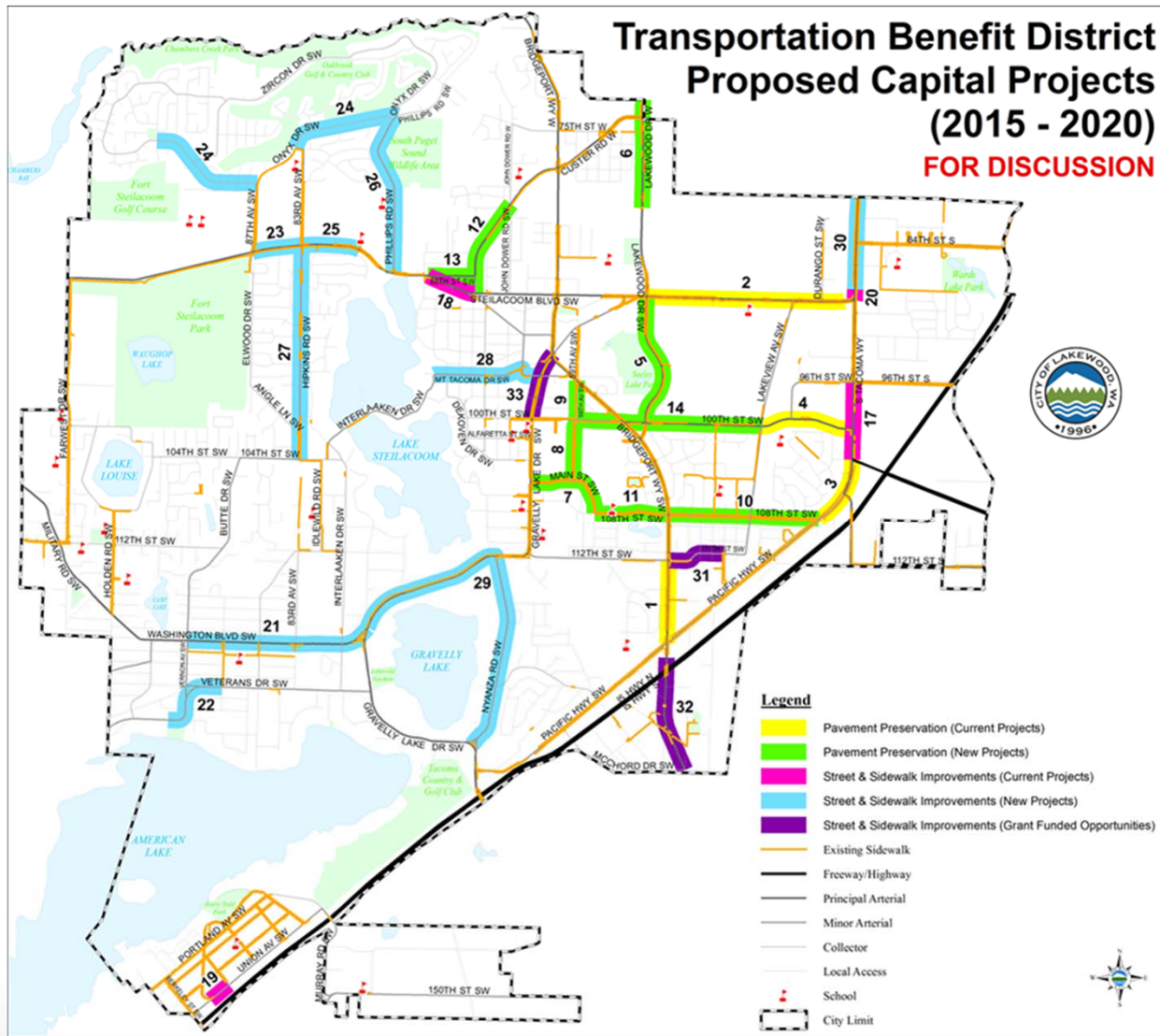


Street & Sidewalk – New Projects

Project # / Name	Years 2015 - 2020			Funded Source	Timeline
	Funded	Unfunded	Total Cost		
21 Washington Blvd Sidewalks - Butte Drive to Gravelly Lake Drive	\$ 475,000	\$ 4,375,000	\$ 4,850,000	\$475K SWM	\$500K Design in 2015 \$150K ROW in 2015 \$4,200K Construction in 2016
22 Lake City Business District Sidewalks - American Lake Pk to Veterans Dr/Alameda	\$ 190,000	\$ 2,000,000	\$ 2,190,000	\$190K SWM	\$300K Design in 2015 \$1,890K Construction in 2016
23 Steilacoom Boulevard - 87th to 83rd	\$ 65,000	\$ 2,192,000	\$ 2,257,000	\$65K SWM	\$255K Design in 2015/2016 \$242K ROW in 2016 \$1,760 Construction in 2017
24 Oakbrook Sidwalks & Street Lighting - Onyx Dr W (97th to 87th); Onyx Dr E (Garnet to Phillips)	\$ 240,000	\$ 3,480,000	\$ 3,720,000	\$240K SWM	\$420K Deisn in 2016 \$3,300 Construction in 2017
25 Steilacoom Boulevard - 83rd to Weller	\$ 175,000	\$ 2,740,000	\$ 2,915,000	\$175K SWM	\$275K Design in 2017 \$550K ROW in 2017 \$2,090K Construction in 2018
26 Phillips Road Sidwalks - Steilacoom to Onyx	\$ 280,000	\$ 2,800,000	\$ 3,080,000	\$280K SWM	\$330K Design in 2017 \$2,750K Construction in 2018
27 Hipkins Road Sidewalks - 104th to Steilacoom Boulevard	\$ 285,000	\$ 3,070,000	\$ 3,355,000	\$285K SWM	\$385K Design in 2017 \$2,970K Construction in 2018
28 MT. Tahoma Drive Sidewalks - Interlaaken to Gravelly Lake Drive	\$ 200,000	\$ 3,305,000	\$ 3,505,000	\$200K SWM	\$385K Design \$3,120K Construction
29 Gravelly Lake Non-Motorized Trail - Nyanza & Gravelly Lake Dr - WA to Nyanza	\$ 560,000	\$ 6,110,000	\$ 6,670,000	\$560K SWM	\$550K Design \$6,120K Construction
30 South Tacoma Way - 88th to N City Limits	\$ 170,000	\$ 3,550,000	\$ 3,720,000	\$170K SWM	\$360K Deisn in 2019 \$120K ROW in 2019 \$3,240K Construction in 2020
Total	\$ 2,640,000	\$ 33,622,000	\$ 36,262,000	\$ -	

Includes cost escalators of 5% in 2016, 10% in 2017 & 2018, and 20% in 2019 & 2020.

Street & Sidewalk – New Projects

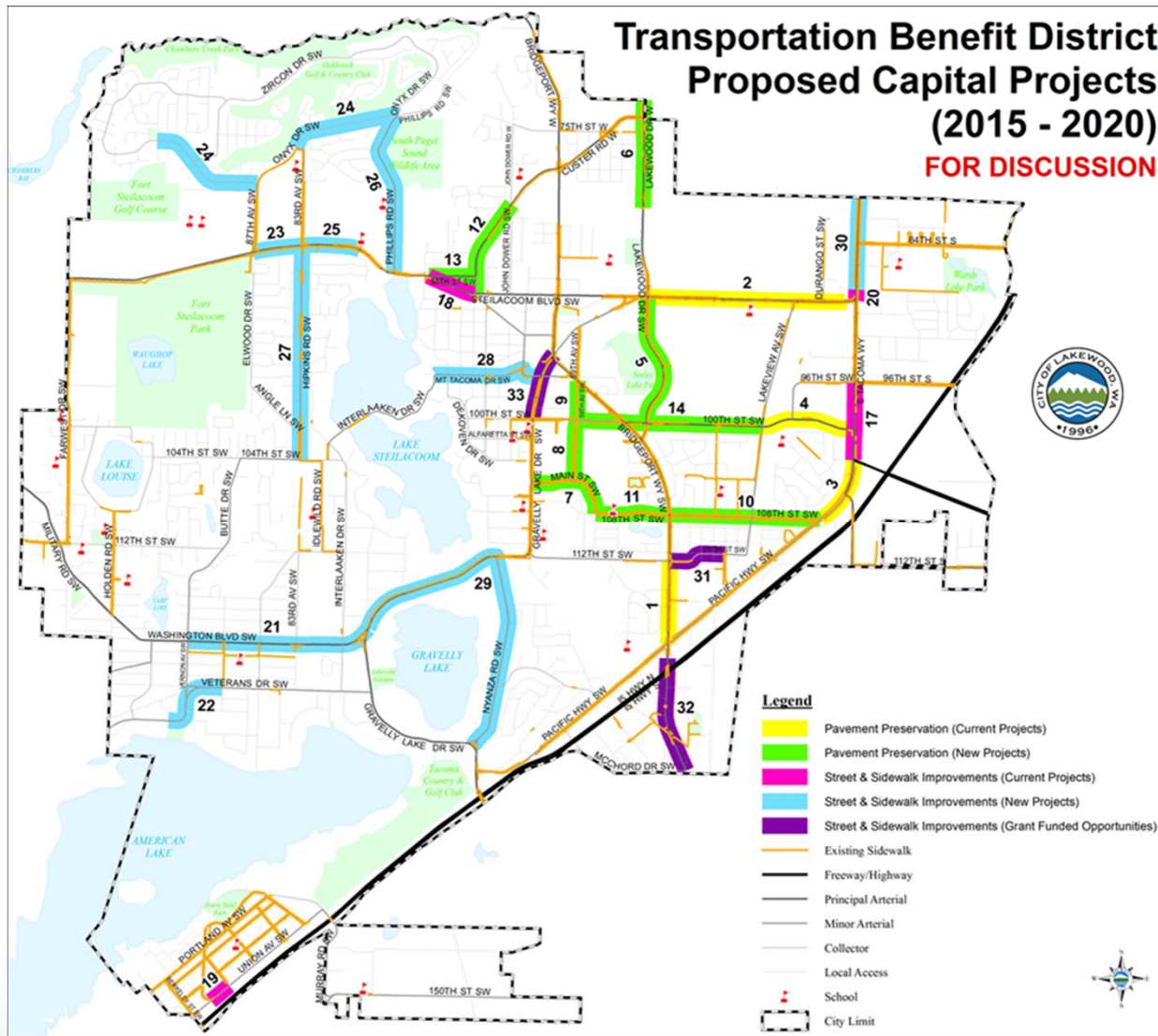


Street & Sidewalk – Grant Funded Opportunities

Project # / Name	Years 2015 - 2020				Funded Source	Timeline
	Funded	Anticipated	Unfunded	Total Cost		
31 112th / 11th - Bridgeport to Kendrick	\$ 460,000	\$ 1,440,000	\$ 180,000	\$ 2,080,000	\$110K REET \$255K SWM \$50K Grants Secured \$1,440K Grants Anticipated \$45K Private Utilities	\$100K ROW in 2015 \$1,980K Construction in 2017
32 Bridgeport Way - JBLM to I-5	\$ 514,000	\$ 3,640,000	\$ 338,000	\$ 4,492,000	\$44K REET \$470K SWM \$3,640K Grants Anticipated	\$4,492K Construction in 2015/2016
33 Gravelly Lake Drive - 100th to Bridgeport Way	\$ 850,000	\$ 1,700,000	\$ 120,000	\$ 2,670,000	\$25K REET \$600K SWM \$125K Grants Secured \$1,700K Grants Anticipated \$100K Private Utilities	\$50K Design in 2015 \$100K ROW in 2015 \$2,520K Construction in 2016
xx Safety Projects - Various	\$ 600,000	\$ 1,200,000	\$ 195,000	\$ 1,995,000	\$600K Grants Secured \$1,200K Grants Anticipated	\$460K Design in 2015 - 2020 \$230K ROW in 2015 - 2020 \$1,305K Construction in 2015 - 2020
xx Safe Routes to Schools, Pedestrian and Bicycle Safety	\$ 362,000	\$ 1,920,000	\$ 401,000	\$ 2,683,000	\$212K REET \$150K SWM \$1,920K Grants Anticipated	\$453K Design in 2015 - 2020 \$690K ROW in 2015 - 2020 \$1,540K Construction in 2015 - 2020
Total	\$ 2,786,000	\$ 9,900,000	\$ 1,234,000	\$ 13,920,000	\$ -	

Includes cost escalators of 5% in 2016, 10% in 2017 & 2018, and 20% in 2019 & 2020.

Street & Sidewalk – Grant Funded Opportunities



Comparison of Pavement Ratings

City	Average PCI	Centerline Miles	Annual Budget	Dollars Per Centerline Mile
Des Moines	68	100	\$0	\$0
Federal Way*	79	233	\$2,100,000	\$9,000
Kirkland	64	243	\$3,860,000	\$15,900
Lakewood**	76	180	\$500,000	\$2,778
Newcastle	76	44	\$683,000	\$15,500
Olympia	71	210	\$1,825,000	\$8,700
Redmond	77	143	\$1,200,000	\$8,400
Woodinville***	69	48	\$500,000	\$10,400

* PCI (Pavement Condition Index) for 2011 rating year, approximate 2012 overlay budget.

** \$100,000 preventive maintenance; \$400,000 overlay with grant funded projects.

*** Budget is overlay exclusive.

Pavement Conditions – Variation of Standards Based on Roadway Classification

- Policies may be considered in allowing a variation of standards for different classification of roadways.
- Pros and cons associated with these policies.

Pavement Conditions – Variation of Standards Based on Roadway Classification

Pros:

- Less capital dollars spent by not spending funds on local access roads.
- Focusing limited dollars on the highest volume roads benefits the most users.
- Prevent arterials from needing to be reconstructed by conducting pavement overlays, saving dollars in the long run. (i.e. pavement overlay = \$25 / square yard; arterial pavement reconstruction = \$62 / square yard)

Pavement Conditions – Variation of Standards Based on Roadway Classification

Cons:

- Increased costs for maintenance by having to repair more potholes on local access roads.
- Potential increase in claims from deteriorated roads.
- Roads in poor repair, even on low volume residential roads, have an effect on overall aesthetics of the neighborhood which effect livability.
- Costs to reconstruct a local access road if allowed to deteriorate are up to four times higher than preventive maintenance (i.e. chip seal = \$6.0 / square yard; reconstruction = \$26 / square yard).

Pavement Conditions – Variation of Standards Based on Roadway Classification

- The majority of the city's roadway network falls within the lowest volume roads (least expensive roads to maintain).
- Existing makeup of the City of Lakewood's pavements:

Type	Total Centerline Miles	Total Lane Miles	Percent of System	Pavement Condition Index (PCI)	Annual Cost to Maintain PCI
Principal Arterial	21.65	93.28	22%	76	\$1,700,000
Minor Arterial	23.60	66.50	16%	75	\$1,300,000
Collector	21.93	44.99	10%	71	\$450,000
Local Access	112.71	225.71	52%	72	\$500,000
Total	179.89	430.48		73 *	\$3,950,000

** The PCI of 73 on this table differs from the average PCI of 76 in the previous table's comparison with selected cities is that 73 is the current rating whereas 76 is the 2012 rating.*

Criteria & Point System for Prioritizing New Street & Sidewalk Projects

- Point system on a scale between 1 (low) and 3 (high)
- Criteria
 1. Traffic volume (average daily trip)
 2. Population served per 1,000 linear feet of project
 3. Amenities accessed
 4. Correctible safety concerns
 5. Gap closure or continuation
 6. Grant funding opportunity

Criteria & Point System for Prioritizing New Street & Sidewalk Projects

TBD - Project Prioritization								
Street & Sidewalk Improvements (New Projects)								
Proj #	Project Name	Prioritization Score	Traffic Volume (ADT)	Population Served per 1,000 LF of Project*	Amenities Accessed*	Correctable Safety Concerns	Gap Closure or Continuation	Grant Opportunity
		<div> <div>3</div> <div>2</div> <div>1</div> </div>	<div> <div>> 15,000</div> <div><15,000 to 5,000</div> <div>< 5,000</div> </div>	<div> <div>over 2,500</div> <div>1,000 to 2,500</div> <div>less than 1,000</div> </div>	<div> <div>4 or more</div> <div>2 to 3</div> <div>1 or fewer</div> </div>	<div> <div>Top 20 accident location in last 3 years or ped/bike accident within last 10 years</div> <div>Shoulder width 4 feet or less or top 50 accident location in last 3 years</div> <div>Shoulder width greater than 4 feet. Few reported accidents.</div> </div>	<div> <div>Gap Closure</div> <div>Continuation</div> <div>Start of New Corridor</div> </div>	<div> <div>High</div> <div>Medium</div> <div>Low</div> </div>
30	South Tacoma Way Improvements (88th to N. City Limits)	17	<div><div>> 15,000</div>17,000-27,000</div>	<div><div>over 2,500</div>1,494</div>	<div><div>4 or more</div>School, commercial, cultural, bus route</div>	<div><div>Top 20 accident location in last 3 years or ped/bike accident within last 10 years</div>Top 20 Accident Location</div>	<div><div>Gap Closure</div></div>	<div><div>High</div></div>
23	Steilacoom Blvd Improvements (87th to 83rd)	16	<div><div>> 15,000</div>25,000</div>	<div><div>over 2,500</div>3,500</div>	<div><div>4 or more</div>Park, school, commercial, bus route</div>	<div><div>Top 20 accident location in last 3 years or ped/bike accident within last 10 years</div>Top 20 Accident Location</div>	<div><div>Continuation</div></div>	<div><div>Medium</div></div>
25	Steilacoom Blvd Improvements (83rd to Weller)	16	<div><div>> 15,000</div>26,000</div>	<div><div>over 2,500</div>3,189</div>	<div><div>4 or more</div>Park, school, commercial, bus route</div>	<div><div>Top 20 accident location in last 3 years or ped/bike accident within last 10 years</div>Top 20 Accident Location</div>	<div><div>Continuation</div></div>	<div><div>Medium</div></div>
21	Washington Blvd Sidewalks (Butte Dr to Gravelly Lake Dr)	13	<div><div>> 15,000</div>16,000-21,000</div>	<div><div>over 2,500</div>1,006</div>	<div><div>2 to 3</div>Park, school, bus route</div>	<div><div>Top 20 accident location in last 3 years or ped/bike accident within last 10 years</div>Top 20 Accident Location</div>	<div><div>Continuation</div></div>	<div><div>Low</div></div>
27	Hipkins Road Sidewalks (104th to Steilacoom Blvd)	12	<div><div><15,000 to 5,000</div>8,000</div>	<div><div>1,000 to 2,500</div>1,197</div>	<div><div>1 or fewer</div>Park, school, commercial, bus route</div>	<div><div>Shoulder width 4 feet or less or top 50 accident location in last 3 years</div>Wide shoulders.</div>	<div><div>Gap Closure</div></div>	<div><div>Low</div></div>
29	Gravelly Lake Drive Non-Motorized Trail (Nyanza; and Gravelly Lake Drive - Washington to Nyanza)	12	<div><div>< 5,000</div>10,000-14,500</div>	<div><div>less than 1,000</div>430</div>	<div><div>1 or fewer</div>School, bus route, commercial, civic</div>	<div><div>Shoulder width greater than 4 feet. Few reported accidents.</div>Narrow shoulders.</div>	<div><div>Continuation</div></div>	<div><div>Medium</div></div>
24	Oakbrook Sidewalks & Street Lighting (Onyx Dr West (97th to 87th); Onyx Dr East (Garnet to Phillips))	12	<div><div>< 5,000</div>2,000 - 6,000</div>	<div><div>less than 1,000</div>1,286</div>	<div><div>1 or fewer</div>Park, school, commercial, bus route</div>	<div><div>Shoulder width greater than 4 feet. Few reported accidents.</div>Narrow shoulders.</div>	<div><div>Continuation</div></div>	<div><div>Low</div></div>
26	Phillips Road Sidewalks (Steilacoom to Onyx)	11	<div><div>< 5,000</div>8,000</div>	<div><div>less than 1,000</div>1,259</div>	<div><div>1 or fewer</div>Park, school, commercial, bus route</div>	<div><div>Shoulder width greater than 4 feet. Few reported accidents.</div>Wide shoulders.</div>	<div><div>Continuation</div></div>	<div><div>Low</div></div>
28	Mt. Tacoma Sidewalks (Interlaaken to Gravelly Lake Dr)	11	<div><div>< 5,000</div>3,500 - 4,500</div>	<div><div>less than 1,000</div>1,390</div>	<div><div>1 or fewer</div>School, commercial, bus route, cultural, transit ctr.</div>	<div><div>Shoulder width greater than 4 feet. Few reported accidents.</div>Narrow shoulders.</div>	<div><div>Continuation</div></div>	<div><div>Low</div></div>
22	Lake City Buisness District Sidewalks (American lake Park to Veterans Dr / Alameda)	10	<div><div>< 5,000</div>6,000</div>	<div><div>less than 1,000</div>1,980</div>	<div><div>1 or fewer</div>Park, commercial, bus</div>	<div><div>Shoulder width greater than 4 feet. Few reported accidents.</div>Narrow shoulders.</div>	<div><div>New Corridor</div></div>	<div><div>Low</div></div>

*within 1/2 mile

Amenities = schools, parks, commercial centers, library/civic, transit center, transit route, cultural

Funding Mechanisms

Tax	Jurisdiction	Rate	Provisions
Sales and Use Tax	TBD	Up to 0.20% Public vote, simple majority (50% +1)	No longer than 10 years unless reauthorized by vote, except if revenues are pledged for bonds.
Vehicle License Fee	TBD	Up to \$100 Public vote, simple majority (50% +1) Up to \$20, councilmanic	Combined fees in overlapping districts may not exceed the single statutorily authorized rate.
Property Tax Excess Levy	TBD/City	No fixed rate Public vote, supermajority (60% of votes from 40% of voters who voted at last preceding general state election)	One-Year levy, and multi-year levy to support GO bonds. Vote at any election date.
Property Tax Levy Lid Lift: a) Single-year or "original flavor" b) Multi-year levy lid lift	City	Subject to statutory limits Public vote, simple majority (50% + 1) Initial "lift" occurs in the first year, with annual increases in subsequent years limited to 1% or IPD. Allows for multiple increases over several years up to six. If final year is designated as the amount after 5 years, then increase limited to lesser of 1% or IPD. If not made permanent, at end of time specified on ballot title, future levies revert back to as if no lift had been done.	Can be for any period of time or permanent. Max term is 9 years if used for debt service. Vote at any election date. Can be for any period of time or permanent. Max term is 9 years if used for debt service. Purpose must be stated on ballot measure title. Cannot supplant existing funds. Vote at primary or general election.

Funding Mechanisms

Vehicle Licensing Fee		Sales Tax		PTax Levy Lid Lift		PTax Excess Levy	
Fee	Annual Revenue	Rate	Annual Revenue	Rate Per \$1,000 AV	Annual Revenue	Rate Per \$1,000 AV	Annual Revenue
\$20	\$680,000	0.05%	\$458,000	\$0.10	\$449,000	\$0.20	\$888,000
\$25	\$850,000	0.06%	\$549,000	\$0.11	\$494,000	\$0.25	\$1,109,000
\$30	\$1,020,000	0.07%	\$641,000	\$0.12	\$539,000	\$0.30	\$1,331,000
\$35	\$1,190,000	0.08%	\$732,000	\$0.13	\$584,000	\$0.35	\$1,553,000
\$40	\$1,360,000	0.09%	\$824,000	\$0.14	\$629,000	\$0.40	\$1,775,000
\$45	\$1,530,000	0.10%	\$915,000	\$0.15	\$674,000	\$0.45	\$1,997,000
\$50	\$1,700,000	0.11%	\$1,007,000	\$0.16	\$719,000	\$0.50	\$2,219,000
\$55	\$1,870,000	0.12%	\$1,098,000	\$0.17	\$764,000	\$0.55	\$2,441,000
\$60	\$2,040,000	0.13%	\$1,190,000				
\$65	\$2,210,000	0.14%	\$1,281,000				
\$70	\$2,380,000	0.15%	\$1,373,000				
\$75	\$2,550,000	0.16%	\$1,464,000				
\$80	\$2,721,000	0.17%	\$1,556,000				
\$85	\$2,891,000	0.18%	\$1,647,000				
\$90	\$3,061,000	0.19%	\$1,739,000				
\$95	\$3,231,000	0.20%	\$1,830,000				
\$100	\$3,401,000						

Funding Mechanisms

General Government Contributions:

- General & Street O&M Funds operating expenditure reductions (\$1.0M equates to roughly 3.0%)
- Use of one-time sources such as existing ending fund balance, expenditure savings and/or excess revenues

Alternative 1: General Government Contribution

Project # / Name	Years 2015 - 2020			
	Funded	Anticipated	Unfunded	Total Cost
17 South Tacoma Way - SR 512 to 96th	\$ 2,700,000	\$ -	\$ -	\$ 2,700,000
18 Steilacoom Boulevard - 88th to Custer	\$ 1,300,000	\$ -	\$ -	\$ 1,300,000
19 Madigan Access Phase 2 - Union Ave-W Thorne to Orchard	\$ 720,000	\$ -	\$ -	\$ 720,000
20 South Tacoma Way - Steilacoom to 88th	\$ 1,400,000	\$ -	\$ 65,000	\$ 1,465,000
Total Street & Sidewalk - Current Projects	\$ 6,120,000	\$ -	\$ 65,000	\$ 6,185,000
31 112th / 11th - Bridgeport to Kendrick	\$ 460,000	\$ 1,440,000	\$ 180,000	\$ 2,080,000
32 Bridgeport Way - JBLM to I-5	\$ 514,000	\$ 3,640,000	\$ 338,000	\$ 4,492,000
33 Gravelly Lake Drive - 100th to Bridgeport Way	\$ 850,000	\$ 1,700,000	\$ 120,000	\$ 2,670,000
xx Safety Projects - Various	\$ 600,000	\$ 1,200,000	\$ 195,000	\$ 1,995,000
xx Safe Routes to Schools, Pedestrian and Bicycle Safety	\$ 362,000	\$ 1,920,000	\$ 401,000	\$ 2,683,000
Total Street & Sidewalk - Grant Funded Opportunities	\$ 2,786,000	\$ 9,900,000	\$ 1,234,000	\$13,920,000
Grand Total	\$ 8,906,000	\$ 9,900,000	\$ 1,299,000	\$20,105,000

- Cost \$20.1 M, all funded except 6% or \$1.3 million
- Identify as part of the 2015/2016 Biennial Budget and 6-year financial forecast process.
 - General government expenditure reduction, one-time excess revenue, and one-time expenditure savings

Alternative 2: Pay-As-You-Go + General Government Contribution

Project # / Name	Years 2015 - 2020	
	Total Cost	Unfunded
Pavement Preservation - Current Projects:		
1 Bridgeport Way - Pacific Highway to 112th St	\$ 400,000	\$ -
2 Steilacoom Boulevard - Lakewood Drive to West of South Tacoma Way	\$ 800,000	\$ 55,000
3 Pacific Highway - 108th to SR 512	\$ 595,000	\$ 117,000
4 100th - Lakeview to South Tacoma Way	\$ 529,000	\$ 49,000
xx Chip Seal Program - Local Access Roads	\$ 1,995,000	\$ 495,000
Subtotal - Current Projects	\$ 4,319,000	\$ 716,000
LED Sreet Lights	\$ 975,000	\$ 975,000
Signal Projects	\$ 690,000	\$ 390,000
Minor Capital Projects	\$ 300,000	\$ 200,000
Neighborhood Traffic Safety	\$ 150,000	\$ 85,000
Personnel, Engineering, Professional Services	\$ 2,913,000	\$ 257,000
Subtotal - Other	\$ 5,028,000	\$ 1,907,000
Total Current Projects & Other	\$ 9,347,000	\$ 2,623,000
Pavement Preservation - New Projects:		
5 Lakewood Dr - 100th to Steilacoom Blvd	\$ 900,000	\$ 900,000
6 Lakewood Dr - Fleet Creek to N. City Limits	\$ 1,155,000	\$ 1,155,000
7 Main Street - Gravelly Lake Drive to 108th St	\$ 331,000	\$ 331,000
8 59th - Main Street to 100th	\$ 496,000	\$ 496,000
9 59th - 100th to Bridgeport	\$ 276,000	\$ 276,000
10 108th - Bridgeport to Pacific Highway	\$ 661,000	\$ 661,000
11 108th - Main Street to Bridgeport	\$ 743,000	\$ 743,000
12 Custer - Steilacoom to John Dower	\$ 540,000	\$ 540,000
13 88th - Steilacoom to Custer	\$ 300,000	\$ 300,000
14 100th - 59th to Lakeview	\$ 1,320,000	\$ 1,115,000
Total New Projects	\$ 6,722,000	\$ 6,517,000
Grand Total - Current, Other, and New Pavement Preservation Projects	\$ 16,069,000	\$ 9,140,000
		Unfunded

Alternative 2: Pay-As-You-Go + General Government Contribution

Alternative 2: Pay-As-You-Go + General Government Contribution						
Pay-As-You-Go			General Government Contribution	Total Annual Funding	Total 2015 - 2020 Funding	Voter Approval Required
Option	Rate	Revenue				
1) Vehicle Licensing Fee						
a)	\$20	\$680,000	\$843,000	\$1,523,000	\$9,138,000	No
b)	\$25	\$850,000	\$673,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
c)	\$30	\$1,020,000	\$503,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
2) Sales & Use Tax						
a)	0.06%	\$549,000	\$974,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
b)	0.10%	\$915,000	\$608,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
c)	0.20%	\$1,830,000	\$0	\$1,830,000	\$10,980,000	Simple Majority (50% +1)
3) Property Tax Levy Lid Lift						
a)	\$0.12	\$539,000	\$984,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
b)	\$0.14	\$629,000	\$894,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)
c)	\$0.17	\$764,000	\$759,000	\$1,523,000	\$9,138,000	Simple Majority (50% +1)

Alternative 2: Pay-As-You-Go + General Government Contribution

- Cost \$16.07M, 57% or \$9.14M is unfunded
 - Equates to roughly \$1.52M per year for years 2015 - 2020
- Recommended option (1a)
 - \$20 Vehicle Licensing Fee, can implement without vote approval
 - Remaining balance of \$843K/year funded by
 - General government contribution
 - state transportation package
- Alternative recommendation (2c)
 - 0.20% sales tax, can be implemented with simple majority vote
 - Provides full funding

Alternative 3a: One New Street & Sidewalk Project Annually

Project # / Name	Score*	Years 2015 - 2020		
		Funded	Unfunded	Total Cost
30 South Tacoma Way - 88th to N City Limits	17	\$ 170,000	\$ 3,550,000	\$ 3,720,000
23 Steilacoom Boulevard - 87th to 83rd	16	\$ 65,000	\$ 2,192,000	\$ 2,257,000
25 Steilacoom Boulevard - 83rd to Weller	16	\$ 175,000	\$ 2,740,000	\$ 2,915,000
21 Washington Blvd Sidewalks - Butte Drive to Gravelly Lake Drive	13	\$ 475,000	\$ 4,375,000	\$ 4,850,000
27 Hipkins Road Sidewalks - 104th to Steilacoom Boulevard	12	\$ 285,000	\$ 3,070,000	\$ 3,355,000
Gravelly Lake Non-Motorized Trail -				
29 Nyanza & Gravelly Lake Dr - WA to Nyanza	12	\$ 560,000	\$ 6,110,000	\$ 6,670,000
Total		\$1,730,000	\$22,037,000	\$23,767,000

* The following project also scored 12 but due to limiting to six projects over the six year period, this project was excluded; however, the Board could choose select any two of the three projects that scored 12.

24 Oakbrook Sidewalks & Street Lighting - Onyx Dr W (97th to 87th); Onyx Dr E (Garnet to Phillips)	12	\$ 240,000	\$ 3,480,000	\$ 3,720,000
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- Cost for all six projects is \$23.77M, 93% or \$22.04M is unfunded
- Not included in cost is additional public works staffing resources that may be necessary

Alternative 3a: One New Street & Sidewalk Project Annually

Alternative 3(a): One New Street & Sidewalk Project Annually							
Capital Financing					Property Tax Levy Rate w/Bond Levy *	Impact to Average Homeowner**	Voter Approval Required
Option	Rate	Annual Revenue	Bond Levy 4%, 20 Years	Annual Debt Service			
1) Excess Property Tax Levy							
	\$0.37	\$1,598,000	\$22,037,000	\$1,622,000	\$1.80	\$72.01	
2) Excess Property Tax Levy (incremental approach)							
2015	\$0.12	\$533,000	\$7,350,000	\$541,000	\$1.55	\$23.35	
2016	\$0.12	\$533,000	\$7,350,000	\$541,000	\$1.67	\$46.71	
2017	\$0.12	\$533,000	\$7,350,000	\$541,000	\$1.79	\$70.06	
Total	\$0.36	\$1,599,000	\$22,050,000	\$1,623,000	\$1.79	\$70.06	

* Current 2014 property tax levy rate is \$1.43 per \$1,000 AV.

**Average home value in the City of Lakewood is \$194,610.

- Option 1 – One Bond Issue
- Option 2 – Incremental Approach (recommended alternative)

Alternative 3b: All Ten New Street & Sidewalk Project Annually

Project # / Name	Score*	Years 2015 - 2020		
		Funded	Unfunded	Total Cost
30 South Tacoma Way - 88th to N City Limits	17	\$ 170,000	\$ 3,550,000	\$ 3,720,000
23 Steilacoom Boulevard - 87th to 83rd	16	\$ 65,000	\$ 2,192,000	\$ 2,257,000
25 Steilacoom Boulevard - 83rd to Weller	16	\$ 175,000	\$ 2,740,000	\$ 2,915,000
21 Washington Blvd Sidewalks - Butte Drive to Gravelly Lake Drive	13	\$ 475,000	\$ 4,375,000	\$ 4,850,000
27 Hipkins Road Sidewalks -104th to Steilacoom Boulevard	12	\$ 285,000	\$ 3,070,000	\$ 3,355,000
Gravelly Lake Non-Motorized Trail -				
29 Nyanza & Gravelly Lake Dr - WA to Nyanza	12	\$ 560,000	\$ 6,110,000	\$ 6,670,000
Oakbrook Sidewalks & Street Lighting (Onyx Dr W (97th to 87th);				
24 Onyx Dr E (Garnet to Phillips)	12	\$ 240,000	\$ 3,480,000	\$ 3,720,000
26 Phlips Road Sidewalks - Steilacoom to Onyx	11	\$ 280,000	\$ 2,800,000	\$ 3,080,000
28 Mt Tachoma Drive Sidewalks - Interlaaken to Gravelly Lake	11	\$ 200,000	\$ 3,305,000	\$ 3,505,000
Lake City Business District Sidewalk - American Lake Park to				
22 Veterans Dr/Alameda	10	\$ 190,000	\$ 2,000,000	\$ 2,190,000
Total		\$ 2,640,000	\$ 33,622,000	\$ 36,262,000

- Cost for all ten projects is \$36.26 M, 93% or \$33.62M is unfunded
- Not included in cost is additional public works staffing resources that may be necessary

Alternative 3b: All Ten New Street & Sidewalk Project Annually

Alternative 3(b): All New Street & Sidewalk Project Annually							
Capital Financing					Property Tax Levy Rate w/Bond Levy *	Impact to Average Homeowner**	Voter Approval Required
Option	Rate	Annual Revenue	Bond Levy 4%, 20 Years	Annual Debt Service			
1) Excess Property Tax Levy							
	\$0.56	\$2,485,000	\$33,622,000	\$2,474,000	\$1.99	\$108.98	
2) Excess Property Tax Levy (incremental approach)							
2015	\$0.17	\$754,000	\$10,000,000	\$736,000	\$1.60	\$33.08	
2016	\$0.17	\$754,000	\$10,000,000	\$736,000	\$1.77	\$66.17	
2017	\$0.21	\$932,000	\$13,622,000	\$1,002,000	\$1.98	\$107.04	
Total	\$0.55	\$2,440,000	\$33,622,000	\$2,474,000	\$1.98	\$107.04	

* Current 2014 property tax levy rate is \$1.43 per \$1,000 AV.

**Average home value in the City of Lakewood is \$194,610.

- Option 1 – One Bond Issue
- Option 2 – Incremental Approach

Other Potential Sources

Utility Tax	Current Rate	Each 1%	Maximum Rate Authorized
Electric	5.0%	\$ 308,000	Limited to 6% without voter approval.
Natural Gas	5.0%	\$ 152,000	Limited to 6% without voter approval.
Solid Waste	6.0%	\$ 114,000	No limit on rates.
Cable	6.0%	\$ 156,000	No limit on rates.
Cellular & Landline	6.0%	\$ 280,000	Limited to 6% without voter approval.
Surface Water	6.0%	\$ 17,000	No limit on rates.

Gambling Tax	Current Rate	Each 1%	Maximum Rate Authorized
Punch Boards & Pull Tabs	3.0%	\$ 52,000	Maximum rate 5% .
Bingo and Raffles	5.0%	\$ -	Maximum rate 5% .
Amusement Games	2.0%	\$ 1,000	At maximum rate 2% .
Card Room	11.0%	\$ 207,000	Maximum rate 20%

Comparison of Sales Tax Rates

Sales & Use Tax Rate	Basic/ Optional*	Pierce Transit	Criminal Justice	Other **	Juvenile Detention	Zoo/ Parks	Sound Transit	South Sound 911	Subtotal Local Rate	State	Total Sales Tax Rate
9.50%	1.00%	0.60%	0.10%	0.10%	0.10%	0.10%	0.90%	0.10%	3.00%	6.50%	9.50%
9.40%	1.00%	0.60%	0.10%	-	0.10%	0.10%	0.90%	0.10%	2.90%	6.50%	9.40%
8.80%	1.00%	-	0.10%	-	0.10%	0.10%	0.90%	0.10%	2.30%	6.50%	8.80%
8.50%	1.00%	0.60%	0.10%	-	0.10%	0.10%	-	0.10%	2.00%	6.50%	8.50%
8.00%	1.00%	-	0.10%	0.10%	0.10%	0.10%	-	0.10%	1.50%	6.50%	8.00%
7.90%	1.00%	-	0.10%	-	0.10%	0.10%	-	0.10%	1.40%	6.50%	7.90%

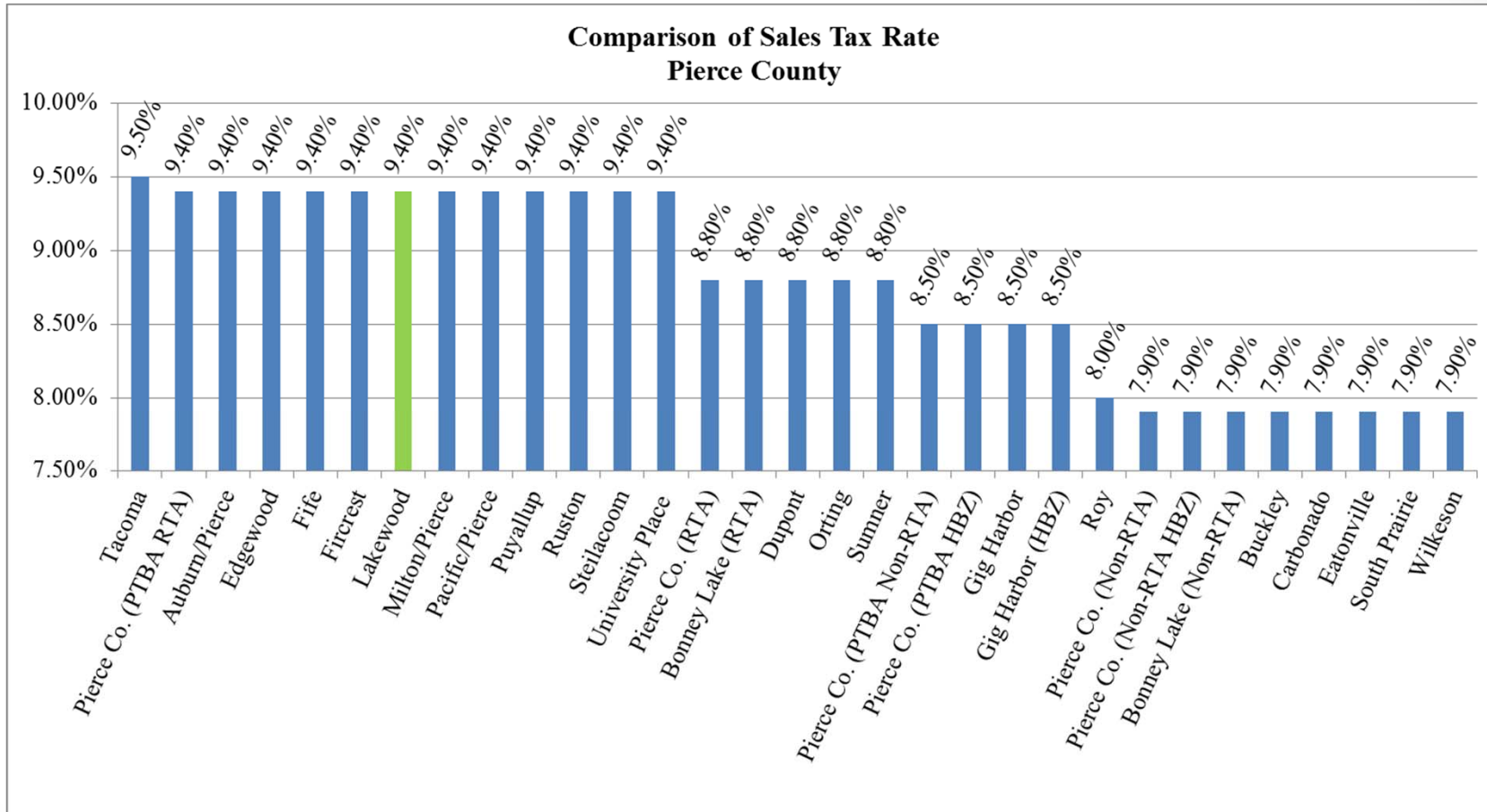
* Of the 1% basic & optional tax levied, the city/town/county receives 0.84%.

Pierce County receives 15% of the 1% and the State receives 1%.

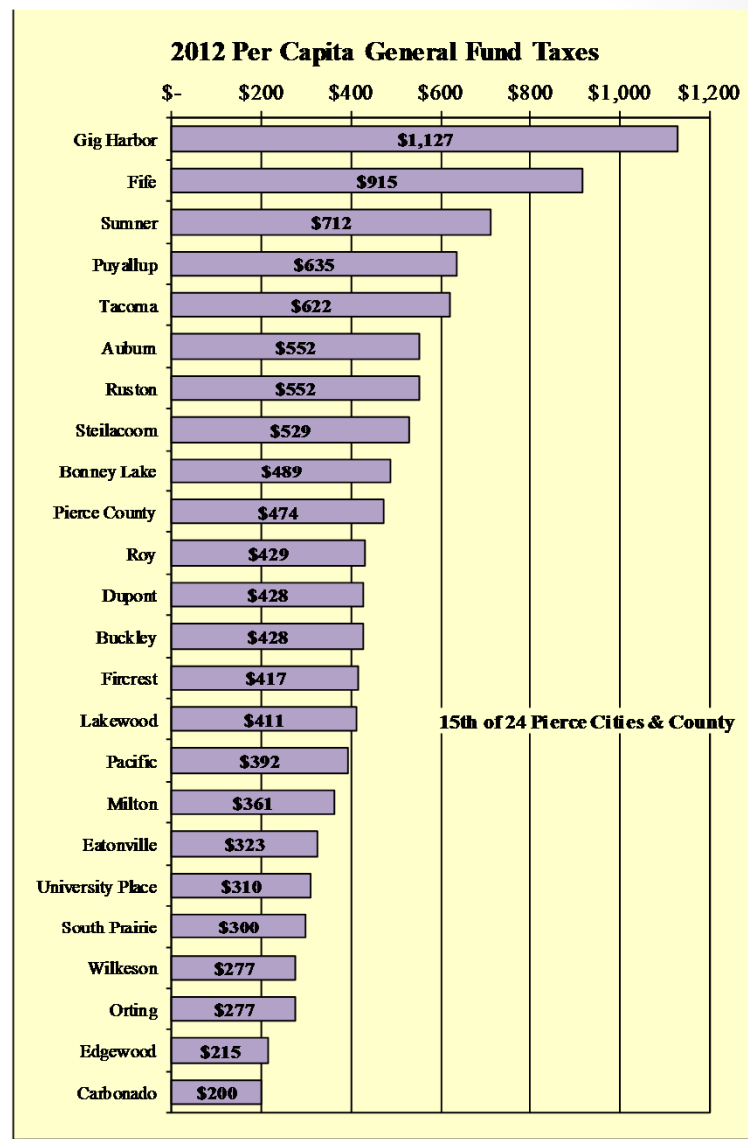
** Tacoma instituted a 0.10% increase for Chemical Dependency or Mental Treatment.

Roy instituted a 0.10% increase for Public Safety.

Comparison of Sales Tax Rates



City/Town/County	Population	Per Capita	Rank
Gig Harbor	7,340	\$1,127	1
Fife	9,235	\$915	2
Sumner	9,470	\$712	3
Puyallup	37,620	\$635	4
Tacoma	199,600	\$622	5
Auburn	71,240	\$552	6
Ruston	755	\$552	7
Steilacoom	6,015	\$529	8
Bonney Lake	17,730	\$489	9
Pierce County	375,955	\$474	10
Roy	805	\$429	11
Dupont	8,640	\$428	12
Buckley	4,365	\$428	13
Fircrest	6,525	\$417	14
Lakewood	58,260	\$411	15
Pacific	6,605	\$392	16
Milton	6,985	\$361	17
Eatonville	2,785	\$323	18
University Place	31,270	\$310	19
South Prairie	435	\$300	20
Wilkeson	485	\$277	21
Orting	6,790	\$277	22
Edgewood	9,425	\$215	23
Carbonado	610	\$200	24
Average:	36,623	\$474	24

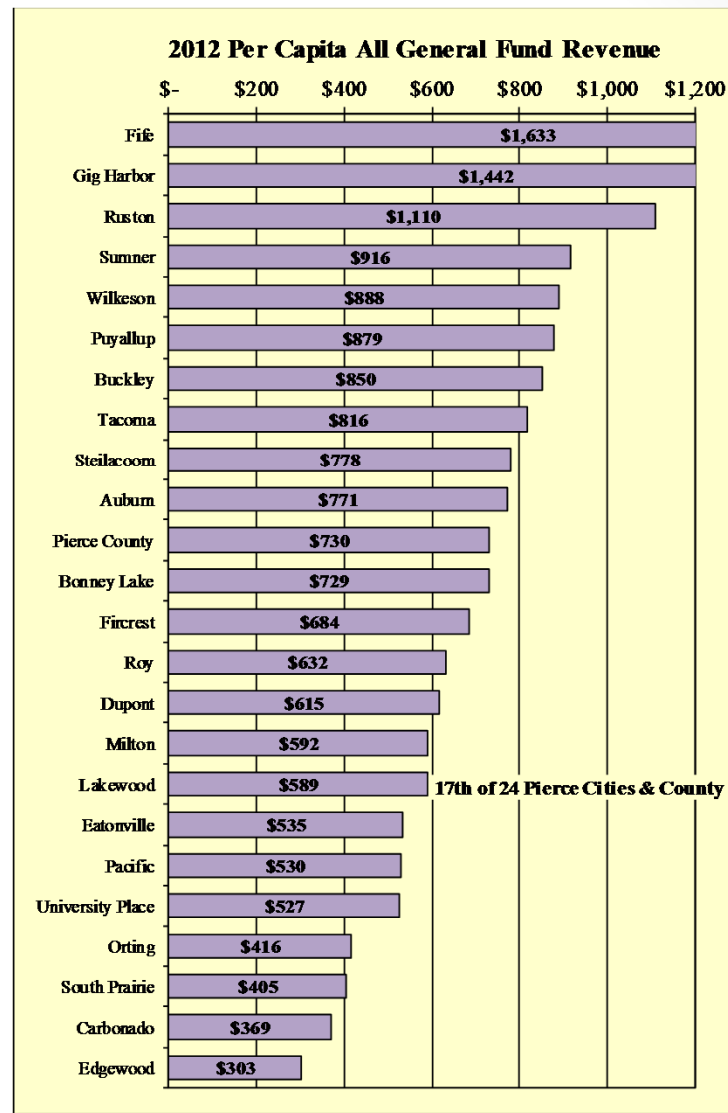


Source: Data from Local Government Financial Reporting System data from the State Auditor's Office.

⁽¹⁾ Taxes include Property Tax, Timber Harvest Tax, Retail Sales & Use Tax, Criminal Justice Sales Tax, B&O/Utility Tax, Gambling Tax, and Leasehold Tax reported in the General Fund, and excludes Fire/Library.

* Cities of Auburn, Milton and Pacific includes population for both Pierce and King County.
City of Pacific data is based on 2011 since data for 2012 was not available at the time this report was prepared.

City/Town/County	Population	Per Capita	Rank
Fife	9,235	\$1,633	1
Gig Harbor	7,340	\$1,442	2
Ruston	755	\$1,110	3
Sumner	9,470	\$916	4
Wilkeson	485	\$888	5
Puyallup	37,620	\$879	6
Buckley	4,365	\$850	7
Tacoma	199,600	\$816	8
Steilacoom	6,015	\$778	9
Auburn	71,240	\$771	10
Pierce County	375,955	\$730	11
Bonney Lake	17,730	\$729	12
Fircrest	6,525	\$684	13
Roy	805	\$632	14
Dupont	8,640	\$615	15
Milton	6,985	\$592	16
Lakewood	58,260	\$589	17
Eatonville	2,785	\$535	18
Pacific	6,605	\$530	19
University Place	31,270	\$527	20
Orting	6,790	\$416	21
South Prairie	435	\$405	22
Carbonado	610	\$369	23
Edgewood	9,425	\$303	24
Average:	36,623	\$739	24



Source: Data from Local Government Financial Reporting System data from the State Auditor's Office.

⁽¹⁾ General Fund revenues include taxes, licenses & permits, intergovernmental & grants, charges for goods & services, fines & penalties, miscellaneous revenues (interest, rents, leases, concessions, interfund/interdepartmental, unclaimed money & property), and other and other financing sources (proceeds from sale of fixed assets, transfers in).

* Cities of Auburn, Milton and Pacific includes population for both Pierce and King County.
City of Pacific data is based on 2011 since data for 2012 was not available at the time this report was prepared.

Transportation Benefit Districts

Vehicle Licensing Fee				Sales & Use Tax			Special Gas Tax
\$20 (37 TBDs)		\$10	\$60 - Failed	0.20% (12 TBDs)	0.13%	0.20% Repealed	\$0.01/gallon 1992)
Marysville	Wapato	Burien	King County	Arlington	Aberdeen	Ridgefield	Point Roberts,
Dupont	Grandview		(County-Wide)	Castle Rock			Whatcom County
Edgewood	Mabton			Lynden			
Enumclaw	Mountlake Terrace			Stanwood			Not Passed Funding Provision
Soap Lake	Orting			Waitsburg			
Bainbridge Island	Spokane			Ferndale			Kirkland
Buckley	Wenatchee			North Bend			Covington
Carbonado	Zillah			Walla Walla			Lakewood
East Wenatchee	Lynnwood			Bellingham			Monroe
Eatonville	Seattle			Leavenworth			Auburn
Electric City	Snoqualmie			Snohomish			Snohomish County
Kelso	Bremerton			Sequim			University Place
Kalama	Prosser						Liberty Lake
Kenmore	Shoreline						
Kittitas	Des Moines						TBD Dissolved
Royal City	Edmonds						
Maple Valley	Lake Forest Park						Yakima
Tacoma	Olympia						King County
Toppenish							

Recommended Next Steps

1. Provide direction to identify \$1.3 million needed (\$65 thousand for pavement preservation & other projects and \$1.2 million for new pavement preservation projects) as part of the 2015/2016 Biennial Budget and 6-year financial forecast process.

Recommended Next Steps

2. a) \$20 Vehicle Licensing Fee

Evaluate pay-as-you-go and general government contributions with recommendation to implement a \$20 vehicle licensing fee and fund the remaining \$843 thousand per year with existing general government resources, and to include the allocation of \$417 thousand per year from the state transportation package as part of the 2015/2016 Biennial Budget and 6-year financial forecast process.

2. b) 0.20% Sales Tax

Alternatively, evaluate a 0.20% sales tax, subject to voter approval (simple majority 50% + 1), as that would fully fund the current, other and new pavement preservation projects, without impacting existing general government programs and services.

Recommended Next Steps

3. Provide direction on alternative 3a which includes one new street and sidewalk improvement project over six years, for a total of six projects for the years 2015 – 2020 with a recommendation to implement an incremental property tax excess levy, and confirm the six projects listed under this alternative.

End of Presentation

- Questions?