



## Legislation Details (With Text)

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**File created:** 9/8/2009      **In control:** Budget and Fiscal Management Committee

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**Title:** AN ORDINANCE modifying the use of transit funding that is described and approved in Ordinance 15582 and Attachment A to make it available for other, more beneficial transportation purposes; and amending Ordinance 15582, Section 4, and K.C.C. 4.29.020.

**Sponsors:** Larry Gossett

**Indexes:** transit, Transit Now 2006, Transportation

**Code sections:** 4.29.020 -

**Attachments:** 1. 2009-0534 Metro Transmittal\_Letter\_-\_KT edits.doc, 2. 2009-0534 Staff Report - transit now (11-03-09).doc, 3. Staff Report 11-10-09, 4. thornbury 2009-0534 TransitNow Rev khm.doc

Date	Ver.	Action By	Action	Result
11/10/2009	1	Budget and Fiscal Management Committee	Passed Out of Committee Without a Recommendation	Fail
11/4/2009	1	Budget and Fiscal Management Committee	Deferred	
11/3/2009	1	Budget and Fiscal Management Committee	Deferred	
10/27/2009	1	Budget and Fiscal Management Committee	Deferred	
9/8/2009	1	Metropolitan King County Council	Introduced and Referred	

Clerk 09/03/2009

AN ORDINANCE modifying the use of transit funding that is described and approved in Ordinance 15582 and Attachment A to make it available for other, more beneficial transportation purposes; and amending Ordinance 15582, Section 4, and K.C.C. 4.29.020.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Findings: The council makes the following findings:

A. Ordinance 15582 was passed by the King County council and approved by the voters in 2006. By approving Ordinance 15582, the voters authorized King County to impose a one-tenth of one percent sales and

use tax ("Transit Now tax"). Ordinance 15582 limits the use of the proceeds of the Transit Now tax to a program of public transportation improvements, described in Attachment A to ordinance 15582, to be implemented by King County Metro over a ten-year period. In approving Ordinance 15582, the council assumed that the current transit system would remain intact, and that the Transit Now improvements increase the overall 2006 transit system size.

B. Ordinance 15963, passed by the King County council in 2007, adopted the Strategic Plan for Public Transportation, 2007-2016 to provide guidance about improvements to the public transportation system. The guidance is consistent with Attachment A to Ordinance 15582, which describes the Transit Now program and with Ordinance 15756, which establishes processes and criteria to implement the partnership programs included in the Transit Now program. In the Strategic Plan, a phasing plan was included to guide how the new service hours would be invested over the ten-year period.

C. During 2007-2009, the public transportation improvements described in Attachment A to Ordinance 15582 were implemented by King County Metro according to the approved phasing plan in the adopted Strategic Plan.

D. In 2008, revenue projections for King County Metro from the office of management and budget were revised as they had been severely overestimated due to an unforeseen downturn in the local and national economy. A dramatic decline in sales tax revenue, coupled with increased costs of living and rising operating prices, created a significant gap between the growth that was planned and the transit system that can be provided given the current economic conditions.

E. King County Metro is no longer able to implement the Transit Now program described in Attachment A to Ordinance 15582 and the Strategic Plan without sacrificing service levels in the existing transit system. King County Metro will implement a combination of non-service related cuts, new revenue sources, increased fares, use of existing reserves, cuts to the capital program, implementation of operating efficiencies, deferment of service expansion and service suspensions in order to balance the biennial budget for 2010-2011.

F. K.C.C. 4.29.020 allows the council to approve the use of the proceeds from the Transit Now tax for public transportation purposes other than those described in Attachment A to Ordinance 15582 if "a supermajority of at least six affirmative votes of the county council, finds that, due to either changed conditions, insufficient revenue or force majeure events, any of the services and facilities described in the plan are either impractical or would provide less public transportation benefit than other alternatives." With such a finding, "the county may in its discretion use the proceeds for any other public transportation purpose consistent with the King County Code and King County Metro transit policies and goals."

G. The economic conditions of the past year and those that are projected for the future, are changed circumstances from the time Ordinance 15582 was adopted by the council and approved by the voters. The changed conditions have also led to insufficient revenue to carry out Transit Now as originally planned.

H. The extent of the service suspensions King County Metro will need to undertake can be lessened if some of the proceeds from the Transit Now tax are used to fund base service instead of implementing the improvements described in Attachment A to Ordinance 15582 in the manner provided for in the current Strategic Plan. Using Transit Now tax proceeds to fund only the improvements described in Ordinance 15582, Appendix A would provide less public transportation benefit than using the funds to support those existing services that would need to be suspended if Transit Now proceeds could not be used for such purposes. Furthermore, using all of the Transit Now tax revenue to implement Transit Now improvements is impractical at a time of shrinking base service.

SECTION 2. Ordinance 15582, Section 4, and K.C.C. 4.29.020 are each hereby amended to read as follows:

The proceeds from the tax imposed under K.C.C. 4.29.011 shall, for the initial ten-year period following voter approval of the proposition in Ordinance 15582 Section 5, be used for the operation, maintenance and capital needs of King County Metro public transportation in the manner described in Attachment A to Ordinance 15582, titled "Improvements Funded by Transit Now." However, the proceeds from the tax may be

used to fund any other public transportation purpose consistent with the King County Code and King County Metro transit policies and goals, as may be amended, until the size of the system can be restored to its December 2009 level measured by service hours. After the initial ten-year period or in the event that the county, by an ordinance adopted by a supermajority of at least six affirmative votes of the county council, finds that, due to either changed conditions, insufficient revenue or force majeure events, any of the services and facilities described in the plan are either impractical or would provide less public transportation benefit than other alternatives, the county may in its discretion use the proceeds for any other public transportation purpose consistent with the King County Code and King County Metro transit policies and goals. For the purposes of this section,

"tax proceeds" means the principal amount of funds raised by the additional sales and use tax authorized by this chapter and any interest earnings on the funds.

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