



MEMORANDUM

TO: City Council Members

FROM: Sophie Stimson, Interim Transportation Director SS

DATE: October 7, 2022

SUBJECT: Public Comments on the 2023 Preliminary Capital Facilities Plan

The Olympia Planning Commission received several public comments on the Transportation Chapter of the 2023 Preliminary Capital Facilities Plan (CFP) this year. The Commission's letter to you about the CFP also primarily focused on the Transportation Chapter. To help with your review and approval of the CFP, staff has provided some background and some responses to those comments.

Transportation Master Plan Guides the CFP

The Transportation Master Plan (TMP) was accepted by Council in February 2021. We received strong public support for the plan overall, and specific support on the methodologies used to develop the project lists in the TMP. The TMP strives to increase the number of trips by walking, biking, and transit, and moves us towards our Comprehensive Plan vision of multimodal transportation system. The plan also helps us address our climate, equity, and housing goals.

The Preliminary 2023 CFP is consistent with the TMP, but funding is a barrier to making more significant progress implementing the TMP. In their recent comments, the Planning Commission and some members of the public are asking for more progress in building walk, bike, transit, and safety improvements. The lack of additional revenue means progress is slow building these improvements, and we are not meeting expectations as expressed by recent comments. Staff appreciates those concerns.

Transportation Revenues

The typical annual funding for transportation capital improvements is about \$6.5M. During the development of the TMP, the funding challenges in transportation were defined. There was acknowledgement that we need to address the larger issue of transportation revenues at a future time.

There is not enough revenue to fund the projects in the TMP, and some programs in the CFP lack a reliable funding source, such as the Access and Safety Improvements and the Bicycle Improvements Program. In all programs, we continue to maximize the use of grants and have had significant success with state and federal grants over the past several years.

The voted utility tax (VUT) is revenue that was approved by voters in 2004 as part of the Parks and Pathways funding measure. Approximately \$1M annually is dedicated for sidewalk construction in perpetuity because of that measure. The Council accepted the TMP with the understanding that VUT would be used for sidewalk projects identified in the TMP, beyond the sidewalk projects identified in 2004. This use of the VUT was confirmed by legal staff.

The Planning Commission suggests revising the 2023 Preliminary CFP. We believe that the solution is to take a comprehensive look at transportation funding, which we can begin to do with the Council next year. It is not realistic to do the complex task of revising this CFP in the short timeframe available. In this CFP, there are projects that are tied to grants, and revising the document this year could affect our ability to match those grants and, in the case of Fones Road, meet critical funding obligation timelines for Federal grants.

We understand the Commission's frustration about slow progress in building a more multimodal transportation system, but we believe staying focused on the TMP priorities and finding revenues to more fully fund the plan is the appropriate next step.

Recent Comments

Below are some of the common public comments received by the Planning Commission and some of those generated by the Commission in their letter to you about the CFP.

Comment: *There is a lack of spending on walking, biking, and transit infrastructure.*

Response: About \$9.5M in bike and pedestrian improvements are being pursued in the next three years. Several have been awarded grant funds and some are pending decisions on grant applications.

- 2023: State and East Bay, bike and pedestrian safety improvements, grant funded
- 2023: Boulevard Road Crossing, bike and pedestrian safety improvements, grant funded
- 2024: 4th and Plum, bike and pedestrian safety improvements, grant funded
- 2024: Downtown Bike Corridor, partially grant funded, pending additional grant funds
- 2025: Westside Bike Corridor, pending grant funds
- 2025: Elliott Avenue Sidewalk, pending grant funds

Staff are also actively working on the transit signal priority project with Intercity Transit. This project will provide buses extended green time at signals on our major corridors and minimize transit delay. This is not reflected in the CFP.

Comment: *Progress in building sidewalks is slow. More emphasis on sidewalks is needed.*

Response: Sidewalk projects take time to scope and design. Issues that we encounter in design can be stormwater conveyance and treatment, and acquisition of right-of-way. Some examples of the costs of past sidewalk projects are \$2.9M for West Bay Drive and \$1.4M for 22nd/Eastside Street. With \$1M for sidewalk construction annually, it can take multiple years to have enough revenue to construct a project. Staff time can also be a constraint in designing and constructing sidewalks.

Comment: *Sidewalks are needed in neighborhoods.*

Response: Sidewalks are needed on many streets in Olympia, both within neighborhoods and on major streets. Due to limited funding, sidewalk construction identified in the TMP focuses on major streets: Arterials, Major Collectors and Neighborhood Collectors. Based on this direction, we do not focus construction of sidewalks on smaller low-volume neighborhood streets.

Sidewalk construction is focused on major streets because this is where the safety needs for pedestrians are greatest. These streets have high vehicle volumes and speeds that pose a risk to pedestrians. Also, many common pedestrian destinations such as parks, schools, stores, and bus stops are along major streets. These major streets can be within a residential area or connect to residential streets, such as Boulevard, Elliott, Eastside/22nd Avenue, for example.

During the development of the TMP, the public was asked about focusing sidewalk construction on major streets and not smaller neighborhood streets. There was support for this approach as documented through public surveys.

Comment: *The voted utility tax (VUT) for Parks and Pathways should be in addition to prior general fund revenues for sidewalks.*

Response: Prior to the passage of the Parks and Pathways funding measure in 2004, about \$200K in general fund revenues were dedicated to sidewalks annually. There is relatively little general fund revenue for transportation. The Bicycle Improvements and Access and Safety Improvement Programs in the CFP need general fund revenues to make progress. With about \$1M annually dedicated to sidewalks from the VUT, it is reasonable to use general fund dollars for other improvements that supports walking and biking.

Comment: *The VUT should not be spent on the Fones Road project.*

Response: The Fones Road project will include sidewalks on both sides of the street. In 2022, \$3M in VUT was appropriated to the Fones Road project for the sidewalk element of the project.

The funding plan for the Fones Road project was developed over several years and involves over \$6M in grant funds. Should any change be made to this funding plan in this CFP, including related to the use of the VUT, we risk obligating the grant funds on time. Under federal grant rules, if we do not obligate funds for construction by April 30, 2023, we risk not only needing to return the federal grants, but also impacting the entire Thurston Region's ability to receive future grants.

Sidewalks are a critical part of this project. At the south end of Fones Road, there are many neighborhoods that have residents that are not able to safely walk to the nearby bus routes,

the Karen Fraser Woodland Trail, or grocery and other commercial services on Pacific Avenue. In fact, about 5,000 people live within a half mile of the Fones Road corridor. Those who live on the east side of the corridor are in a Census Tract that has been federally designated as a Historically Disadvantaged Community.

Because the sidewalks are immediately adjacent to a bike lane and swale, we cannot provide an exact itemization of the sidewalk costs of this project, but it is likely more than \$3M. Considering the costs of the sidewalk projects on West Bay Drive (\$2.9M) and 22nd/Eastside Street (\$1.4M), and that those projects only built sidewalks on one side of the street, we feel that \$3M is a reasonable amount of VUT to go towards the sidewalk element of the Fones Road project.

This project was not on the 2004 Parks and Pathways project list. At that time, we assumed grants and impact fees would pay for the Fones Road project. We are using grants and impact fees for this project, but it is not enough to cover all the construction costs. Because of the comprehensive scope of this project, all transportation revenue sources are being used to complete it. Legal staff have supported the use of VUT for any sidewalk construction, not just those identified in 2004 with the passage of the funding measure.

Comment: *Investments continue to go to automobile street repair and major projects that are primarily automobile focused. This leaves safety, bicycle, and sidewalk projects underfunded and dependent on grants.*

Response: Street Repair and Reconstruction is a program that strives to maintain our street at a specified level so that they do not deteriorate to the point where they need to be re-built. Streets are likely the City's single largest asset to maintain and therefore this program is the largest use of transportation revenues in the CFP. The majority of that funding comes from car tabs, as specified in the City's Transportation Benefit District.

The Major Street Reconstruction Program addresses projects that are typically comprehensive in scope, upgrading a street to be more functional for all modes, and often resurfacing it at the same time. In this program, only one project is solely focused on vehicle flow and distribution, the US 101 project. All others are multimodal in scope:

- The Fones Road project includes a roundabout, lane reconfiguration, bike lanes, sidewalks, new pedestrian crossings, and landscaping and lighting. Most of the costs for this project are likely attributable to improving the street for bicyclists and pedestrians.
- The Wiggins Road project replaces a ditch along the travel lane with a wide shoulder, or sidewalk and bike lane.
- The Mottman Road project addresses the crossing of Percival Creek for bicycle and pedestrians, completes gaps in the sidewalks and bike lanes, and resurfaces the street.

Comment: *Explore additional funding for sidewalks, including the expanded use of the Transportation Benefit District.*

Response: This can be done as part of a larger transportation funding discussion by the City Council.

Comment: *VUT funds should not be to be spent on major reconstruction projects.*

Response: When a major reconstruction project includes sidewalks, it is appropriate to use the VUT to help pay for those sidewalks. With the development of the TMP, legal staff were consulted on this issue and confirmed that all sidewalks are eligible for VUT funding.

Comment: *Address sidewalk repair.*

Response: A work program item is planned in 2023 to explore policy options related to sidewalk repair.

Comment: *Reconsider the high priority of street maintenance relative to transforming our streets for walking, biking, and transit.*

Response: Because street surfaces are a large asset, pavement maintenance is a large expenditure in the CFP. A discussion of pavement management is tentatively planned with the Finance Committee in 2023. This discussion can be in addition to a larger evaluation of transportation funding.