

A low-angle photograph of a white and blue Sound Transit train. The train is moving from left to right, with its windows reflecting the sky. The bottom of the train is blue with the Sound Transit logo and name. A semi-transparent dark grey banner is overlaid across the middle of the image.

ST3 Finance Update

November 2015

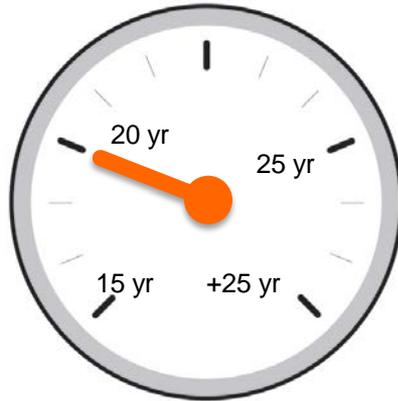
 **SOUNDTRANSIT**

- ❑ What's done?
 - ❑ Initial revenue forecast
 - ❑ ST3 model built; key initial assumptions
 - ❑ Initial high level planning scenarios
 - ❑ Inflation forecasts
 - ❑ Initial Grants forecast
- ❑ Last ERP
 - ❑ Review structure and key assumptions of ST3 Finance Plan
- ❑ Active Work
 - ❑ Specific ST3 scenarios
 - ❑ Update, refine costs, revenues
 - ❑ Present scenarios to board for guidance
 - ❑ Refining property tax base
 - ❑ Improving O&M cost estimates
 - ❑ Present scenarios to board for guidance

4 Key Plan Levers



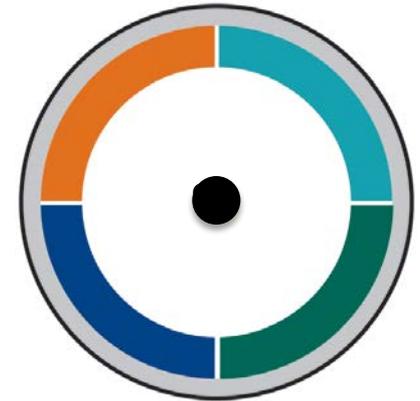
**Capital
Scope
(Cost)**



Time



Tax Level



Equity

ST3 Financial Planning Update

New Legislation – Financial Impacts

- *Transit Oriented Development:*

- *“The regional transit authority must contribute at least four million dollars each year for five consecutive years.....to a revolving loan fund to support the development of affordable housing opportunities...” – Total Impact \$20 million.*
- *“When the regional transit authority disposes or transfers any surplus property.... a minimum of 80% of the surplus property... including air rights, that is suitable for development as housing, must be offered for either transfer at no cost, sale, or long-term lease first to qualified entities that agree to develop affordable housing..” – Estimated impact from zero to \$100 million.*
- *Treatment in Financial Plan:*

- *Sales Tax Offset Fee:*

- *“A sales and use tax offset fee is 3.25% of the total payments made by the regional transit authority to construction contractors on construction contracts.....sales and use tax offset fee is due until the regional transit authority has paid five hundred eighteen million dollars.” – Total Impact \$518 million*
- *Treatment in Financial Plan.*