Puget Sound Gateway Program
SR 167 and SR 509 Completion Projects

Funding and Phasing Subcommittee
October 4, 2017
Agenda

• Welcome and Introductions
• Strategic Funding Approach
• Discussion: Local Priorities
• Economic Benefits Analysis
• Role of Funding and Phasing Subcommittee
• Next Steps
Funding and Phasing Subcommittee Objectives

- Achieve agreement on funding strategy and phasing
- Approve MOU for local partnerships in the Gateway Program
- Coordinate between and within local partnerships
- Position this project for success
Gateway Executive Committee Charter

• Provide WSDOT with strategic advice on key decisions to implement the SR 167 and SR 509 projects within the Puget Sound Gateway Program framework

• Review and provide feedback on prioritizing needs and refinements to SR 167 and SR 509 project design concepts

• Review and provide feedback on program construction phasing

• Review and provide feedback on program funding strategies

• Collaboratively engage among the joint Executive Committee members to build consensus with affected stakeholders on a coordinated Gateway program funding, construction and implementation plan

• Assist in building/maintaining local and regional consensus for the Gateway program
“The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status.

During the course of developing the memorandum of understanding, the department must evaluate the project schedules to determine if there are any benefits to be gained by moving the project schedule forward.”
Puget Sound Gateway Funding

as enacted by the 2017 Legislature

- **Connecting WA**
- **Local Funding**
- **Toll Funding**

<table>
<thead>
<tr>
<th>Period</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-2017</td>
<td>$2.5m</td>
</tr>
<tr>
<td>2017-2019</td>
<td>$93.5m</td>
</tr>
<tr>
<td>2019-2021</td>
<td>$305m</td>
</tr>
<tr>
<td>2021-2023</td>
<td>$395m</td>
</tr>
<tr>
<td>2023-2025</td>
<td>$206m</td>
</tr>
<tr>
<td>2025-2027</td>
<td>$283m</td>
</tr>
<tr>
<td>2027-2029</td>
<td>$260m</td>
</tr>
<tr>
<td>2029-2031</td>
<td>$20m</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$260m</strong></td>
</tr>
</tbody>
</table>

WSDOT
Gateway Funding Spheres

- $1,565 M Connecting Washington funds
- Evaluate benefits of advancing the schedule — Leg. Proviso
- WSDOT acceleration ad-hoc committee

- $130 M local contribution
- Legislative intent
- July 2018 MOU — Leg. Proviso
- Facilitation consultant
- Economic and transportation benefit

- $114 M INFRA Grant
- Regional and national economic benefits
- 3P pursuit to be competitive
- Congressional and local support (letters)
- Possible added local ask — Leg. Proviso

- $180 M toll revenue
- Legislative intent
- Traffic and Revenue consultant
- Coordination with WSTC and OST
Program Funding

Total Funding with INFRA Grant $1.989B
Independent Support Team

• Steve Gorcester, Independent Grant Strategist

• Rita Brogan, Independent Facilitator

• Andrew Bjorn, Economic Benefits Analysis

• Karl Westby, Traffic Benefits Analysis
Funding Challenges

• Obtain enough money to build the project

• Create successful local partnerships

• Make sure the right things happen at the right time
Grants Focused Strategy

A strategic alliance with partners to pursue grants as an offset to local share

- Create a positive business case for local partners by focusing on the parts of the program that are most relevant and important to you

- Leverage potential to access significant grant funding to support local funding assumptions

- Request partners to participate, co-fund match, and submit grants with support from Subcommittee staff

- Combine local contributions and project funds to ensure fully-funded applications

- Support the grant effort and avoid competition with the local projects in the year of application
## Potential Grant Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Fund Type</th>
<th>Project Type</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>INFRA, USDOT</td>
<td>Federal</td>
<td>Nationally significant freight and highway</td>
<td>Due Nov 2, 2017</td>
</tr>
<tr>
<td>TIGER</td>
<td>Federal</td>
<td>Significant impact on the nation, metropolitan areas or region</td>
<td>2021</td>
</tr>
<tr>
<td>PSRC TAP</td>
<td>Federal</td>
<td>Trails and other alternative infrastructure</td>
<td>Submitted Sept 20, 2017</td>
</tr>
<tr>
<td>PSRC Surface Transportation Program</td>
<td>Federal</td>
<td>Regional and countywide significance</td>
<td>Spring 2018</td>
</tr>
<tr>
<td>Freight Mobility Strategic Investment Board (FMSIB)</td>
<td>State board discretion</td>
<td>Freight nexus, Port access</td>
<td>Spring 2018</td>
</tr>
<tr>
<td>Transportation Improvement Board (TIB)</td>
<td>State board discretion</td>
<td>Local arterials and possibly ramps to local arterials</td>
<td>Due Aug 17, 2018</td>
</tr>
<tr>
<td>WA Recreation and Conservation Office (RCO)</td>
<td>State</td>
<td>Trails, salmon habitat</td>
<td>Spring 2018</td>
</tr>
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</table>
# Funding Targets

<table>
<thead>
<tr>
<th></th>
<th>SR 167</th>
<th>SR 509</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ports</td>
<td>$30 m</td>
<td>$30 m</td>
</tr>
<tr>
<td>INFRA Grant</td>
<td>$10 m</td>
<td>$10 m</td>
</tr>
<tr>
<td>Partner match</td>
<td>$5 m</td>
<td>$5 m</td>
</tr>
<tr>
<td>Other Grants (PSRC, FMSIB, TIB)</td>
<td>$20 m</td>
<td>$10 m</td>
</tr>
<tr>
<td>Potential total</td>
<td>$65 m</td>
<td>$55 m</td>
</tr>
<tr>
<td>Shortfall</td>
<td>($5 m)</td>
<td>($5 m)</td>
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</table>
Phasing

Grant Cycle 1 2017-2018
- PSRC TAP 09/20/2017
- INFRA 11/02/2017
- PSRC STP Spring 2018
- TIB 08/17/2018
- FMSIB Spring 2018
- Potential Value $35-40 million

Grant Cycle 2 2019-2020
- FMSIB Spring 2020
- TIB Aug 2019 Aug 2020
- PSRC STP Spring 2020
- Port of Tacoma Access
- Kent Veterans Dr. Extension
- SeaTac Access
- Potential Value $15-20 million

Grant Cycle 3 2021-2022
- TIGER 2021 (if necessary)
- TIB Aug 2021
- FMSIB Spring 2022
- SeaTac Access
- Retry if necessary
- Potential Value $10-20 million
Opportunity #1
Fife Interurban Trail

$1 Million

• Fife
• PSRC
Opportunity #2
Fife: 70th Ave Bridge Relocation

$8 to 14 Million

- Fife
- TIB
- PSRC
- FMSIB
Opportunity #3
Kent: SR 509 Veterans Extension

$7 to $10 Million

- Kent
- TIB
- PSRC
## Economic Benefits Analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>Potential Benefits</th>
</tr>
</thead>
</table>
| Transportation | • Local arterial and access improvements  
|               | • Traffic origin and diversion  
|               | • Safety  
|               | • Travel time                                       |
| Economic     | • Economic development: property development  
|               | • Job creation                                        |
| Fiscal       | • Sales tax from construction  
|               | • Property tax revenues                             |
Discussion

*Within the scope of the Gateway Program, what are the most meaningful priorities for your jurisdictions?*

*What other information do you need?*
Funding and Phasing Subcommittee Deliverables

• Up to six meetings between October 2017 and July 1, 2018
• Letters of support for grant requests
• Review draft MOU
• Review options for project phasing and tweak assumptions
• Approve final MOU
Subcommittee Operating Principles

- Demonstrate unified support and advocacy for local grant submittals
- Avoid competition in the year of grant submittals
- Commit to work together to ensure success of the project
- Commit the necessary resources to apply for grants
- Act as liaison regarding the project with your respective jurisdictions
- Commit to supportive messaging with external audiences
Funding and Phasing Subcommittee Work Plan

January 2018

Joint Executive Committee

October 4: Kick-Off
- Goals
- Approach
- Principles
- Work Program
- Data Needs

December 13: Meeting 2
- Review relevant data
- Review Draft MOU elements

January to June: Council endorsement of MOU
- Review and adopt MOU
- Council presentations

Draft MOU

May 2018

Final MOU
Next Steps

• Collect letters of support for the INFRA grant
• Identify specific grant projects for the MOU
• Pursue grants
• Produce data on project benefits
• Discuss “Plan B”
• Next meeting: Wednesday, December 13, 2017
More information:

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SR 509: Preliminary Preferred Scenario 3A
SR 167: Preliminary Preferred Scenario 2E
Legislative Direction – Local Contribution

- $130 million for Puget Sound Gateway Program
  - $60 million for SR 509 Project
  - $70 million for SR 167 Project
- 81 highway improvement and bridge replacement projects across the state have local contributions for a total of $523 million
- 60 additional paving, safety and fish passage projects across the state have local contributions of $51 million
Opportunity
Port of Tacoma Access

$20 Million

- Port
- FMSIB
- INFRA
Opportunity

SeaTac Access

$XX Million

- Port
- FMSIB
- INFRA
## 2016 FASTLANE Grants

<table>
<thead>
<tr>
<th>State</th>
<th>Project</th>
<th>Project Size</th>
<th>Grant Amount</th>
<th>Project Cost</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>VA</td>
<td>Atlantic Gateway</td>
<td>Large</td>
<td>$165M</td>
<td>$905M</td>
<td>18%</td>
</tr>
<tr>
<td>DC</td>
<td>Arlington Memorial Bridge</td>
<td>Large</td>
<td>$95M</td>
<td>$166M</td>
<td>54%</td>
</tr>
<tr>
<td>OK</td>
<td>US 69/75 Bryan County</td>
<td>Large</td>
<td>$62M</td>
<td>$120.6M</td>
<td>51%</td>
</tr>
<tr>
<td>LA</td>
<td>I-10 Freight CoRE</td>
<td>Large</td>
<td>$60M</td>
<td>$193.5M</td>
<td>31%</td>
</tr>
<tr>
<td>AZ</td>
<td>Interstate 10</td>
<td>Large</td>
<td>$54M</td>
<td>$157.5M</td>
<td>35%</td>
</tr>
<tr>
<td>CA</td>
<td>SR 11 Segment 2 &amp; SB Connectors</td>
<td>Large</td>
<td>$49M</td>
<td>$172.2M</td>
<td>29%</td>
</tr>
<tr>
<td>WA</td>
<td>South Lander St</td>
<td>Large</td>
<td>$45M</td>
<td>$140M</td>
<td>32%</td>
</tr>
<tr>
<td>GA</td>
<td>Port of Savannah</td>
<td>Large</td>
<td>$44M</td>
<td>$126.7M</td>
<td>35%</td>
</tr>
<tr>
<td>MA</td>
<td>Conley Terminal Intermodal Imp.</td>
<td>Large</td>
<td>$42M</td>
<td>$102.9M</td>
<td>41%</td>
</tr>
<tr>
<td>WI</td>
<td>I-39/90 Corridor</td>
<td>Large</td>
<td>$32M</td>
<td>$1,195.3M</td>
<td>3%</td>
</tr>
<tr>
<td>NY</td>
<td>I-390/I-490/Rt. 31 Interchange</td>
<td>Large</td>
<td>$32M</td>
<td>$162.9M</td>
<td>20%</td>
</tr>
<tr>
<td>WA</td>
<td>Strander Blvd Ext &amp; Grade Separation</td>
<td>Small</td>
<td>$5m</td>
<td>$38M</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Total for 18 FASTLANE Projects</strong></td>
<td></td>
<td></td>
<td><strong>$759.2M</strong></td>
<td><strong>$3,612.4M</strong></td>
<td><strong>21%</strong></td>
</tr>
</tbody>
</table>

*Note: Does not show 6 smaller projects that received grants*