

CHAPTER 4: THE FINANCING CHALLENGE

Most of the growth in revenues (and expenditures) over the past 15 years has occurred in transit. Figure 4-3 demonstrates the degree to which transit revenue growth has outpaced revenues and expenditures for roads. Much of the sharp rise on the chart after 1997 in transit investment is due to the initial construction costs of the Sound Transit system.

The Legislature has mandated that RTID and Sound Transit seek joint voter approval for improvement packages in the November 2007 general election. We do not yet know the amounts that will be proposed, but if approved they would add to the mandated revenue funding and reduce the shortfall described in the next section.

APPROXIMATELY HOW MUCH IS THE SHORTFALL?

Based on existing approved funding, the regional transportation funding shortfall is currently \$62.6 billion for transportation projects between 2007 and 2030. In Figure 4-4 on the next page, we excluded ferries from our analysis (approximately \$5.9 billion in investment and \$4.1 billion in revenues).

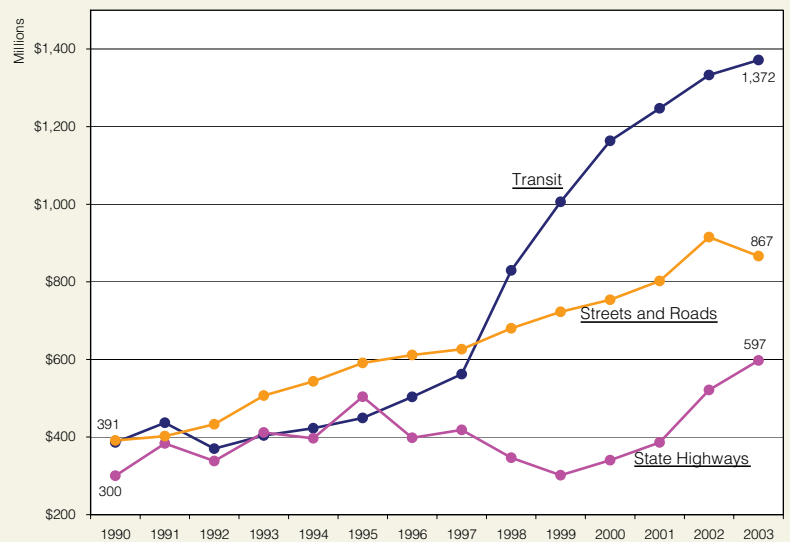
Of the \$62.6 billion shortfall, 43% of it is in state highways and 41% in transit. About half of this shortfall has been placed in a separate category by the PSRC

Figure 4-2:

Programmatic Areas	Historic Approved Funding	Nickel Package and TPA	2006 Ballot measures	Currently Mandated Revenue
2007-2030				
City Streets and County Roads	21,470	300	800	22,570
Percent of total	33.6%	5.0%	39.8%	31.4%
State Highway	4,950	5,730	-	10,680
Percent of total	7.7%	95.0%	0.0%	14.8%
<u>Public Transit</u>				-
Regional Transit	10,870	-	-	10,870
Local Transit	<u>26,630</u>	-	<u>1,210</u>	27,840
Total Transit	37,500	-	1,210	38,710
Percent of total	58.7%	0.0%	60.2%	53.8%
Total	63,920	6,030	2,010	71,960
(1) Source: PSRC draft estimates provided to RTC 10/26/06 updated for results of November 2006 election. Chart shows all projects and programs in the Destination 2030.				
(2) State Ferries - not included in total				
	3,790	330		4,120

Figure 4-3:

Total Annual Revenue for Transit, Highways, and Streets & Roads



Source: WSDOT