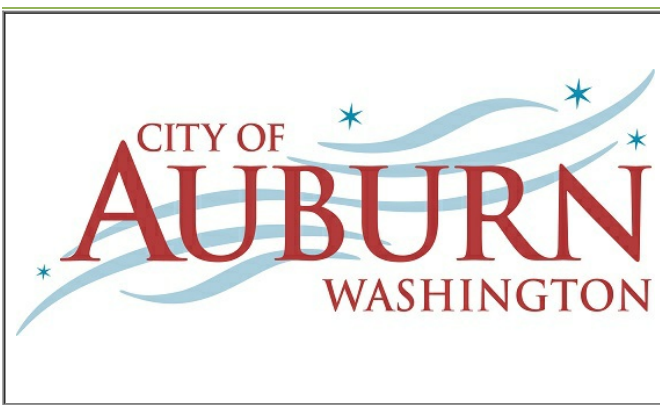


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|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><b>City Council Study Session Muni Services SFA</b><br/> <b>May 10, 2021 - 5:30 PM</b><br/> <b>Virtual</b><br/> <b>AGENDA</b><br/> <b>Watch the meeting LIVE!</b></p> <p><b>Watch the meeting video</b><br/> Meeting videos are not available until 72 hours after the meeting has concluded.</p> |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- I. CALL TO ORDER
- II. Virtual Participation Link

A. Virtual Participation Link

The Auburn City Council Study Session scheduled for Monday, May 10, 2021 at 5:30 p.m. will be held virtually and telephonically. To attend the meeting virtually please click one of the below links, enter the meeting ID into the Zoom app, or call into the meeting at the phone number listed below.

Per Governor Inslee's Emergency Proclamation 20-05 and 20-28 et. seq. and Stay Safe-Stay Healthy, the City of Auburn is prohibited from holding in-person meetings at this time.

City of Auburn Resolution No. 5581, designates City of Auburn meeting locations for all Regular, Special and Study Session Meetings of the City Council and of the Committees, Boards and Commissions of the City as Virtual Locations until Washington's Governor authorizes local governments to conduct in-person meetings.

The link to the Virtual Meeting or phone number to listen to the Council Meeting is:

Join from a PC, Mac, iPad, iPhone or Android device:

Please click one of the below URL to join.

ZOOM: <https://zoom.us/j/98535196577>

YouTube: <https://www.youtube.com/user/watchauburn/live/?nomobile=1>

Or join by phone:

253 215 8782  
877 853 5257 (Toll Free)

Webinar ID: 985 3519 6577

B. Roll Call

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. Ordinance No. 6818 (Council)

An Ordinance Protecting the Health, Safety, and Prosperity of Grocery Workers and the General Public during the existing State of Emergency

Presentations by:

NW Grocery Industry – 10 Minutes

Washington Food Industry Association – 10 Minutes

UFCW-21 – 15 Minutes

B. Resolution No. 5593 (Comeau)(20 Minutes)

A Resolution reviewing a Schedule of Prices for services provided by the Auburn Valley Humane Society to ensure competitive service prices

C. Ordinance No. 6814 (Thomas)(15 Minutes)

An Ordinance adding new Chapters to Title 3 of the Auburn City Code (Revenue and Finance) to be known as Business and Occupation Tax (Chapter 3.53) and Business and Occupation Tax Administrative Code (Chapter 3.54); providing for a referendum process; and providing a severability clause and an effective date

D. Ordinance No. 6820 (Gaub)(10 Minutes)

Relating to the Auburn Municipal Airport, repealing Chapter 2.18, Chapter 8.36, and various sections of Chapters 2.33 and 12.56, amending various sections of ACC 2.33, 12.02 and 12.56 of the Auburn City Code, and adding a new section to the Auburn City Code

E. 2022-2027 Transportation Improvement Program Annual Update and 2022 Transportation Impact Fee Update (Gaub)(20 Minutes)

F. South King Housing and Homelessness Partners (SKHHP) Update and 2022 Work Plan (Tate)(15 Minutes)

SKHHP Executive Manager to provide a progress update on 2020-2021 SKHHP work plan items and facilitate Council feedback on the 2022 SKHHP work plan

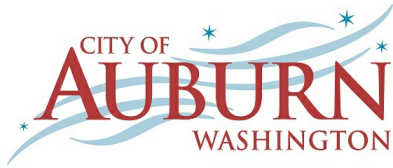
IV. MUNICIPAL SERVICES DISCUSSION ITEMS

V. OTHER DISCUSSION ITEMS

VI. NEW BUSINESS

VII. ADJOURNMENT

*Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.aubumwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.*



## AGENDA BILL APPROVAL FORM

**Agenda Subject:**

Ordinance No. 6818 (Council)

**Date:**

May 5, 2021

**Department:**

Council

**Attachments:**

[Ord 6818](#)

[NWGA Presentation](#)

[WFIA Presentation](#)

[Local 21 Presentation](#)

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

**Administrative Recommendation:**

For discussion only.

**Background for Motion:****Background Summary:**

- March 8, 2021, Council requested a Council-generated ordinance regarding hazard pay for grocery workers in Auburn;
- March 15, 2021, the Mayor and Deputy Mayor formed the Ad Hoc Committee for Hazard Pay for Grocery Workers;
- The Hazard Pay Ad Hoc Committee met two times and requested legal staff prepare Ordinance 6818 for Council's consideration;
- On May 3, 2021, Council moved to postpone the vote on Ordinance 6818 to May 17<sup>th</sup>;
- On May 3, 2021, Council requested a presentation by grocers and UFCW to be scheduled for May 10;
- On May 3, 2021, Council requested a City staff presentation on May 17, 2021.
- On May 5, 2021, the Ad Hoc Committee met to discuss the upcoming presentations.

**Reviewed by Council Committees:**

**Councilmember:** Brown

**Staff:**

**Meeting Date:** May 10, 2021

Item Number:

**ORDINANCE NO. 6818**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, PROTECTING THE HEALTH, SAFETY, AND PROSPERITY OF GROCERY WORKERS AND THE GENERAL PUBLIC DURING THE EXISTING STATE OF EMERGENCY

WHEREAS, this ordinance relates to employment in Auburn; establishing labor standards requirements for additional compensation for grocery employees working in Auburn; and

WHEREAS, the new coronavirus 19 (COVID-19) disease is caused by a virus that spreads easily from person to person and may result in serious illness or death, and is classified by the World Health Organization as a worldwide pandemic; and

WHEREAS, COVID-19 has broadly spread throughout Washington State and remains a significant health risk to the community, especially members of our most vulnerable populations; and

WHEREAS, on January 30, 2020, the World Health Organization (WHO) declared that COVID-19 constituted a public health emergency of international concern, WHO's highest level of alarm; and

WHEREAS, on February 29, 2020, Washington Governor Jay Inslee declared a state of emergency for all counties throughout the state of Washington in response to new cases of COVID-19; and

WHEREAS, on March 3, 2020, Mayor Nancy Backus issued a proclamation of emergency related to the COVID-19 pandemic; and

WHEREAS, on March 23, 2020, Washington Governor Jay Inslee issued Proclamation 20-25, a “Stay Home – Stay Healthy” order closing all non-essential workplaces, requiring people to stay home except to participate in essential activities or to provide essential business services, and banning all gatherings for social, spiritual, and recreational purposes. The “Stay Home – Stay Healthy” proclamation identified grocery employees as “Essential Critical Infrastructure Workers” performing work to protect communities and ensure continuity of functions critical to public health and safety, as well as economic and national security; and

WHEREAS, in October 2020, the British Medical Journal, *Occupational & Environmental Medicine*, reported that grocery employees face a serious risk of COVID-19 infection and associated psychological distress. A study of 104 grocery employees at a grocery store in Boston, Massachusetts found that 20 percent tested positive for COVID-19 despite 91 percent of employees reporting wearing a face mask at work and 77 percent of employees reporting wearing masks outside of work. The positive rate of infection among grocery employees was five times as likely for those who interacted with customers than for those who did not. Additionally, the study found that 76 percent of employees had no symptoms, suggesting that these employees could be an important reservoir of asymptomatic infection. Further, 24 of the 99 employees who filled out a related medical health questionnaire also reported experiencing anxiety, and eight employees were deemed depressed from their questionnaire answers; and

WHEREAS, in November 2020, the Brookings Metropolitan Policy Program reported that the profits of top retail companies, including grocery businesses, soared during the pandemic while their employees earned low wages and, with few exceptions,

failed to receive consistent or meaningful additional compensation for performing life threatening work. The report found that the top retail companies in their analysis earned on average an extra \$16.7 billion in profit compared to the previous year – a 40 percent increase; and

WHEREAS, on January 3, 2021, the Center for Disease Control (CDC) reported that multiple COVID-19 variants are circulating globally that appear to spread more easily and quickly than other variations; and

WHEREAS, on January 5, 2021, Governor Jay Inslee announced the “Healthy Washington – Roadmap to Recovery,” a COVID-19 phased recovery plan; and

WHEREAS, grocery employees have been supporting grocery businesses’ operations and facilitating community access to food during the pandemic, despite facing a clear and present danger of workplace exposure to COVID-19 and receiving limited or inconsistent additional pay in recognition of this hazard; and

WHEREAS, the dangers of working during the pandemic are especially significant for Black, Indigenous, and People of Color (BIPOC) employees who are overrepresented among the retail frontline workforce and who are disproportionately impacted by COVID-19; and

WHEREAS, establishing a requirement for grocery employees to receive hazard pay for work performed in Auburn during the COVID-19 emergency will promote job retention, compensate them for the risks of working on the frontlines of a global pandemic, improve their financial ability to access resources for protecting themselves and their families from catching or spreading the virus or coping with illness caused by the virus,

and support the welfare of the greater community that depends on grocery employees for safe and reliable access to food; and

WHEREAS, recognizing the ongoing threat to frontline grocery employees, several cities have passed or have announced legislative efforts to require hazard pay of \$4 to \$5 per hour for grocery employees during the COVID-19 emergency; and

WHEREAS, establishing a labor standard that requires hazard pay for grocery employees is a subject of vital and imminent concern to the community and requires appropriate action by the City Council; and

WHEREAS, on April 19, 2021, Public Health – Auburn & King County reported that the current status is 199.7 positive cases per 100,000 residents; and

WHEREAS, as of April 19, 2021, Public Health – Auburn & King County reported a total of 6,161 positive cases including 99 deaths in Auburn. The Washington DOH reported a total of 359,810 positive cases including 5,394 deaths statewide; and

WHEREAS, the Washington DOH reported a total of 198 COVID-19 related outbreaks in retail settings, including 9 during the week of April 4-10, 2021; and

WHEREAS, the Washington DOH reported a total of 181 COVID-19 related outbreaks in grocery settings, including 4 during the week of April 4-10, 2021; and

WHEREAS, throughout the entirety of the COVID-19 emergency, grocery businesses have been operating in Auburn and relying upon the work of grocery employees who are highly vulnerable to health and safety risks; and

WHEREAS, grocery employees are essential workers performing services that are fundamental to the economy and health of the community during the COVID-19 crisis.

They face clear and present dangers at their jobs and continue to risk their lives and the health of their families to keep the community's food supply chain operating; and

WHEREAS, grocery employees cannot choose to work from home and must come to work to perform their jobs, which can involve substantial interaction with customers and/or ventilation systems that could potentially spread the virus. They are wearing masks, trying as much as possible to social distance, performing safety protocols, and learning new skills to decrease transmission of the virus to protect themselves and the public; and

WHEREAS, the risks of working during the pandemic are especially significant for BIPOC employees because they are overrepresented among the retail frontline workforce and are disproportionately impacted by COVID-19. Data shows that people of color are disproportionately experiencing hospitalization and dying of COVID-19; and

WHEREAS, the CDC reports that Black and Indigenous people, followed by Pacific Islanders and Latinx people, are disproportionately affected by COVID-19 due to long-standing inequities in social determinants of health, including overrepresentation in jobs that require customer contact such as grocery stores; lower incomes and barriers to wealth accumulation; lack of access to quality healthcare and fair treatment in the healthcare system; difficulties in finding affordable and quality housing; and inequities in access to high-quality education. The CDC reports that these determinants may increase risk of COVID-19 exposure, illness, hospitalization, long-term health and social consequences, and death. To stop the spread of COVID-19, the CDC states that resources must be equitably available for everyone to maintain physical and mental health; and

WHEREAS, Science in the News (SITN), a graduate student group at the Harvard Graduate School of the Arts and Sciences, reports that it is more difficult for BIPOC communities to stay safe during the pandemic and notes the importance of keeping these vulnerable populations in mind as the country slowly reopens the economy. SITN states that social distancing is a privilege that many people of color cannot afford because they work and reside in situations with higher risk of exposure to the virus: people of color are more likely to live in densely populated areas; reside in multigenerational and multifamily households; and use public transportation. Furthermore, SITN reports that many inequalities that pre-dated the pandemic have worsened, including limited access for Black and Latinx communities to primary care physicians, medical facilities, and COVID testing; and

WHEREAS, grocery businesses are profiting during the pandemic from the labor of employees who are working under dangerous conditions; and

WHEREAS, hazard pay, paid in addition to regular wages, is an established type of additional compensation for employees performing hazardous duties or work involving physical hardship that can cause extreme physical discomfort and distress; and

WHEREAS, grocery employees working during the COVID-19 emergency merit hazard pay because they are performing hazardous duty or work involving physical hardship that can cause extreme physical discomfort and distress due to the significant risk of exposure to the COVID-19 virus; and

WHEREAS, grocery employees have been working under hazardous conditions month after month. They are working in these hazardous conditions now and will continue

to face safety risks as the virus presents an ongoing threat, including the threat of more contagious variants, for an uncertain period; and

WHEREAS, ensuring that grocery employees are compensated for the substantial risks of working during the COVID-19 emergency promotes retention of these vital workers. Retention of grocery employees is fundamental to protecting the health of the community as these employees directly support public purchase of groceries and facilitate community access to food; and

WHEREAS, this ordinance is necessary in response to the COVID-19 emergency because the health threats that grocery employees face are as significant now as when this crisis began and are growing exponentially as community transmission is already surging, COVID-19 variants may further increase transmission of the virus and reduce therapeutic treatments. This is a rapidly evolving situation, with disproportionate risks and adverse impacts for BIPOC communities, that must be addressed without delay; and

WHEREAS, grocery employees are necessary to protect the public health because their work sustains access to groceries; hazard pay is one step to recognize the dangers facing these employees as they support our community, encourage them to continue their vital work, and provide them with additional financial resources; and

WHEREAS, an immediate requirement to provide grocery employees with hazard pay promotes retention of essential workers, improves the financial ability of grocery employees to access resources they need to stay safe and healthy, and ultimately supports the greater community that depends on grocery employees for consistent, safe and reliable access to food; and

WHEREAS, the Washington State Constitution Article XI, Section 11, empowers a city to “make and enforce within its limits all such local police, sanitary and other regulations as are not in conflict with general laws”; and

WHEREAS, RCW 35A.11.020 and 050 provide that the general grant of municipal power conferred to a non-charter code city shall be construed liberally and that such a city may adopt and enforce ordinances of all kinds appropriate to the good government of the city; and

WHEREAS, the Auburn City Council finds that this ordinance is consistent with good government of the City and in the public interest because it seeks to improve grocery worker safety, compensation for risk by requiring compliance with the federal, state, and county health standards, and to pay employees a wage that reflects the risk to the employees, the employees’ families, acquaintances, and the increased costs to be safe, to obtain and manage personal protective equipment and other expenses; and

WHEREAS, as the substantive effects of this ordinance are not permanent, this ordinance is not intended to be codified. Section numbers are for ease of reference within this ordinance, and section and subsection references refer to numbers in this ordinance unless stated otherwise.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

**Section 1. Definitions.**

For purposes of this ordinance:

“City” means the City of Auburn.

“Compensation” means the payment owed to an employee by reason of employment, including but not limited to, salaries, wages, tips, service charge

distributions, overtime, commissions, piece rate, bonuses, rest breaks, promised or legislatively required pay or paid leave, and reimbursement for employer expenses.

“Employ” means to suffer or permit to work.

“Employer” means any individual, partnership, association, corporation, business trust, or any entity, person or group of persons, or a successor thereof, that employs another person and includes any such entity or person acting directly or indirectly in the interest of the employer in relation to the employee. More than one entity may be the “employer” if employment by one employer is not completely disassociated from employment by any other employer.

“Franchise” means an agreement by which:

1. A person is granted the right to engage in the business of offering, selling, or distributing goods or services under a marketing plan prescribed or suggested in substantial part by the grantor or its affiliate;
2. The operation of the business is substantially associated with a trademark, service mark, trade name, advertising, or other commercial symbol; designated, owned by, or licensed by the grantor or its affiliate; and
3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a franchise fee.

“Franchisee” means a person to whom a franchise is offered or granted.

“Franchisor” means a person who grants a franchise to another person.

“Front pay” means the compensation the employee would earn or would have earned if reinstated to the employee’s former position.

“Grocery business” means a retail store operating in Auburn that:

1. Has 250 or more employees worldwide, and is primarily engaged in retailing groceries for offsite consumption including but not limited to the sale of fresh produce, meats, poultry, fish, deli products, dairy products, canned and frozen foods, dry foods, beverages, baked foods, and/or prepared foods; and
2. “Grocery business” does not include convenience stores or food marts primarily engaged in retailing a limited line of goods that generally includes milk, bread, soda, and snacks. “Grocery business” also does not include farmers’ markets.

“Grocery Employee” means any hourly individual employed by an employer in a retail store, including but not limited to full-time employees, part-time employees,

and temporary workers in Auburn that work exclusively in a grocery store facility and is unable to work remotely due to employment requirements.

“Hazard pay” means additional compensation owed to an employee on top of the employee’s other compensation, including but not limited to salaries, wages, tips, service charge distributions, overtime, commissions, piece rate, bonuses, rest breaks, promised or legislatively required pay or paid leave, and reimbursement for employer expenses.

“Successor” means any person to whom an employer quitting, selling out, exchanging, or disposing of a business sells or otherwise conveys in bulk and not in the ordinary course of the employer’s business, a major part of the property, whether real or personal, tangible or intangible, of the employer’s business. For purposes of this definition, “person” means an individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, corporation, business trust, partnership, limited liability partnership, company, joint stock company, limited liability company, association, joint venture, or any other legal or commercial entity.

“Tips” means a verifiable sum to be presented by a customer as a gift or gratuity in recognition of some service performed for the customer by the employee receiving the tip.

## **Section 2. Employee coverage.**

For the purposes of this ordinance:

- A. Covered employees are limited to those grocery employees who perform work for a covered grocery business employer at a retail location in Auburn.
- B. Time spent by an employee in Auburn solely for the purpose of travelling through Auburn from a point of origin outside Auburn to a destination outside Auburn, with no employment-related or commercial stops in Auburn except for refueling or the employee's personal meals or errands, is not covered by this ordinance.

## **Section 3. Employer coverage.**

- A. For the purposes of this ordinance, covered employers are limited to grocery businesses that employ 250 or more employees worldwide regardless of where those employees are employed, including but not limited to chains, or integrated enterprises.
- B. To determine the number of employees for the current calendar year:

1. The calculation is based upon the average number per calendar week of employees who worked for compensation during the preceding calendar year for any and all weeks during which at least one employee worked for compensation. For employers that did not have any employees during the preceding calendar year, the number of employees(s) for the current calendar year is calculated based upon the average number per calendar week of employees who worked for compensation during the first 90 calendar days of the current year in which the employer engaged in business.
2. All employees who worked for compensation shall be counted, including but not limited to:
  - a. Employees who are not covered by this ordinance;
  - b. Employees who worked in Auburn;
  - c. Employees who worked outside Auburn; and
  - d. Employees who worked in full-time employment, part-time employment, joint employment, temporary employment, or through the services of a temporary services or staffing agency or similar entity.
- C. Separate entities that form an integrated enterprise shall be considered a single employer under this ordinance. Separate entities will be considered an integrated enterprise and a single employer under this ordinance where a separate entity controls the operation of another entity. The factors to consider in making this assessment may include, but are not limited to:
  1. Degree of interrelation between the operations of multiple entities;
  2. Degree to which the entities share common management;
  3. Centralized control of labor relations;
  4. Degree of common ownership or financial control over the entities; and
  5. Use of a common brand, trade, business, or operating name.
- D. For purposes of this ordinance, covered employers do not include franchisors, franchisees, or franchises.

**Section 4. Hazard pay requirements.** Employers shall provide each employee with hazard pay at a rate of four dollars per hour for each hour worked in Auburn. No employer shall, as a result of this ordinance going into effect, take steps to reduce employee compensation so as to prevent, in whole or in part, employees from receiving

hazard pay at a rate of four dollars per hour for each hour worked in Auburn in addition to those employees' other compensation. Employers shall maintain records to establish the reason(s) for any reduction in employee compensation. Employers bear the burden the proof to show that the additional compensation is hazard pay for the purposes of working during the COVID-19 emergency.

**Section 5. Enforcement power.** Grocery employees who find that they have suffered or been injured physically or financially by a Grocery business by its failure to comply with this ordinance shall resort to any remedies that apply according to their employment contract or a collectively bargained agreement. Before resorting to remedies, the Grocery employees shall give a supervisor notice of the violation and give the Grocery business a reasonable time to cure or correct the violation. Violations that do not relate to compensation shall be "grieved" consistent with the Grocery worker's employment contract or an applicable collectively bargained agreement. If no collective bargaining agreement exists, or if those remedies have been exhausted, consistent with Article XI, Section 11, in addition to any existing right to pursue equitable or legal remedies, this ordinance authorizes Grocery employees or a union acting on a Grocery employee's behalf to bring an equitable or legal action to enforce or recover unpaid hazard pay in the superior court of Washington that has jurisdiction or to seek redress as provided by law.

**Section 6. Penalties.** For any successful claim by a Grocery employee against a Grocery business for unpaid hazard pay, the Grocery employee shall be entitled to recover all unpaid compensation; all attorneys' fees, court costs, and expenses; and up to a 50% penalty of the unpaid compensation as a court of competent jurisdiction may find appropriate.

**Section 7. Termination or revocation.** This ordinance shall cease to be effective on December 31, 2021, or when the Governor declares that the Washington State of Emergency related to the COVID-19 pandemic is over, whichever is sooner. The City Council may revoke or terminate this ordinance as and when it finds appropriate.

**Section 8. Implementation.** The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

**Section 9. Severability.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

**Section 10. Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Shawn Campbell, MMC, City Clerk

\_\_\_\_\_  
Kendra Comeau, City Attorney

Published: \_\_\_\_\_

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# **Consumer and Community Impacts of Hazard Pay Mandates**

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**January 2021**

*Prepared for:*

**California Grocers Association**

*Prepared by:*

**Brad Williams, Chief Economist**

**Michael C. Genest, Founder and Chairman**

**Capitol Matrix Consulting**

## About the Authors

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The authors are partners with Capitol Matrix Consulting (CMC), a firm that provides consulting services on a wide range of economic, taxation, and state-and-local government budget issues. Together, they have over 80 years of combined experience in economic and public policy analysis.

**Mike Genest** founded Capitol Matrix Consulting (originally Genest Consulting) in 2010 after concluding a 32-year career in state government, which culminated as Director of the California Department of Finance (DOF) under Governor Arnold Schwarzenegger. Prior to his four-year stint as the Governor's chief fiscal policy advisor, Mr. Genest held top analytical and leadership positions in both the executive and legislative branches of government. These included Undersecretary of the Health and Human Services Agency, Staff Director of the Senate Republican Fiscal Office, Chief of Administration of the California Department of Corrections and Rehabilitation, and Director of the Social Services section of California's Legislative Analyst's Office.

**Brad Williams** joined Capitol Matrix Consulting in 2011, after having served in various positions in state government for 33 years. Mr. Williams served for over a decade as the chief economist for the Legislative Analyst's Office, where he was considered one of the state's top experts on the tax system, the California economy, and government revenues. He was recognized by the Wall Street Journal as the most accurate forecaster of the California economy in the 1990s, and has authored numerous studies related to taxation and the economic impacts of policy proposals. Immediately prior to joining CMC, Mr. Williams served as a consultant to the Assembly Appropriations Committee, where he advised leadership of the majority party on proposed legislation relating to taxation, local government, labor, and banking.

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### Executive Summary

Hazard-pay mandates passed in the City of Long Beach and under consideration in the City of Los Angeles and in other local jurisdictions would raise pay for grocery workers by as much as \$5.00 per hour. Since the average pay for grocery workers in California is currently about \$18.00 per hour, a \$5.00 increase would raise store labor costs by 28 percent, and have major negative impacts on grocery stores, their employees and their customers. Specifically:

- Average profit margins in the grocery industry were 1.4% in 2019, with a significant number of stores operating with net losses. While profits increased temporarily to 2.2% during early to mid 2020, quarterly data indicates that profit margins were subsiding to historical levels as 2020 drew to a close.
- Wage-related labor expenses account for about 16 percent of total sales in the grocery industry. As a result, a 28 percent increase in wages would boost overall costs 4.5 percent under the City of Los Angeles proposal of \$5.00 per hour. *This increase would be twice the size of the 2020 industry profit margin and three times historical grocery profit margins.*
- In order to survive such an increase, grocers would need to raise prices to consumers and/or find substantial offsetting cuts to their controllable operating expenses, which would mean workforce reductions. As an illustration of the potential magnitude of each of these impacts, we considered two extremes:

1) All of the higher wage costs (assuming the \$5.00/hour proposal) are passed through to consumers in the form of higher retail prices:

- This would result in a \$400 per year increase in grocery costs for a typical family of four, an increase of 4.5 percent.
- If implemented in the City of Los Angeles, its residents would pay \$450 million more for groceries over a year.
- The increase would hit low- and moderate-income families hard, particularly those struggling with job losses and income reductions due to COVID-19.
- If implemented statewide, additional grocery costs would be \$4.5 billion per year in California.

2) Retail prices to consumers are not raised and all the additional costs are offset through a reduction in store expenses:

- Given that labor costs are by far the largest controllable expense for stores, it is highly likely that the wage mandates will translate into fewer store hours, fewer employee hours, and fewer jobs.
  - For a store with 50 full-time equivalent employees, it would take a reduction of 11 employees to offset the increased wage costs, or a 22% decrease in staff.
  - If the mandate were imposed statewide at \$5.00 per hour, the job loss would be 66,000 workers.

## Consumer and Community Impacts of Hazard Pay Mandates

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- If imposed in the City of Los Angeles, the job loss would be 7,000 workers.
- And in the City of Long Beach, the job impact of its \$4.00 per hour mandate would be 775 jobs.
- Stores could alternatively avoid job reductions by cutting hours worked by 22 percent.
- For the significant share of stores already operating with net losses, a massive government-mandated wage increase would likely result in store closures, thereby expanding the number of “food deserts” (i.e. communities with no fresh-food options).

### Introduction

The Long Beach City Council has passed an ordinance that mandates grocers to provide a \$4.00 per hour pay increase – “hazard pay” – to grocery workers. The mandate expires in 120 days. Two members of the Los Angeles City have introduced a similar measure for a \$5.00 per hour increase for companies that employ more than 300 workers nationwide. Grocery workers in California currently earn about \$18.00 per hour.<sup>1</sup> Therefore, the Los Angeles proposal would increase average hourly pay to \$23.00 per hour, an increase of 28 percent. Several other cities in California have discussed \$5.00/hour proposals similar to Los Angeles.

This report focuses on the impact of hazard pay mandates on grocery store profitability and on the sustainability of an industry with traditionally low profit margins. It also assesses the potential impact of the proposed wage increases on consumers, especially lower-income consumers (a cohort already hit hard by the COVID lockdowns and business closures).

### Background — Grocery is a Low-Margin, High-Labor Cost Business

The grocery business is a high-volume, low-margin industry. According to an annual database of public companies maintained by Professor Damodaran of New York University (NYU),<sup>2</sup> net profit margins as a percent of sales in the grocery industry are among the lowest of any major sector of the economy. Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) averaged 4.6 percent of sales in 2019, and the net profit margin (which accounts for other unavoidable expenses such as rent and depreciation) was just 1.4 percent during the year. This compares to the non-financial, economy-wide average of 16.6 percent for EBITDA and 6.4 percent for the net profit margin. The NYU estimate for public companies in the grocery industry is similar to the 1.1 percent margin reported by the Independent Grocers Association for the same year.<sup>3</sup>

### COVID-19 temporarily boosted profits

In the beginning of the COVID-19 pandemic, sales and profit margins spiked as people stocked up on household items and shifted spending from eating establishments to food at home. According to data compiled by NYU, net profit margins in the grocery industry increased to 2.2 percent in early to mid 2020.<sup>4</sup> Although representing a substantial year-to-year increase in profits, the 2.2 percent margin remains quite small relative to most other industries. This implies that even with the historically high rates of profits in 2020, there is little financial room to absorb a major wage increase.

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<sup>1</sup> \$18.00 per hour is consistent with the responses we received to our informal survey. It is also consistent with published contract agreements we reviewed. See, for example, the “Retail Food, Meat, Bakery, Candy and General Merchandise Agreement, March 4, 2019 - March 6, 2022 between UFCW Union Locals 135, 324, 770, 1167, 1428, 1442 & 8 - GS and Ralphs Grocery Company.” In this contract, hourly pay rates starting March 2, 2021 for food clerks range from \$14.40 per hour (for first 1,000 hours) up to \$22.00 per hour (for workers with more than 9,800 hours). The department head is paid \$23.00 per hour. Meat cutter pay rates range from \$14.20 (for the first six months) to \$23.28 per hour (for those with more than 2 years on the job). The department manager is paid \$24.78 per hour. <https://ufcw770.org/wp-content/uploads/2020/08/Ralphs-Contract-2020.pdf>

<sup>2</sup> Source: Professor Aswath Damodaran, Stern School of Business, New York University. <http://pages.stern.nyu.edu/~adamodar/>

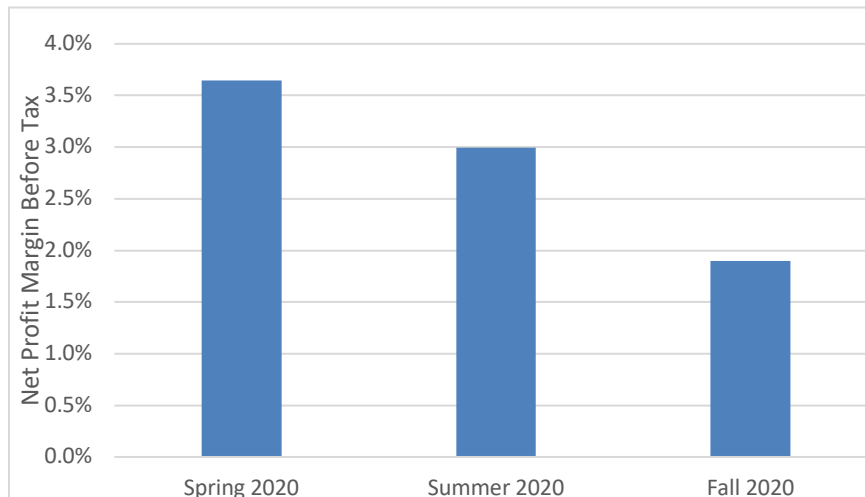
<sup>3</sup> Source: “2020 Independent Grocer Financial Survey.” Sponsored by the National Grocer’s Association and FMS Solutions Holding, LLC

<sup>4</sup> Supra 2.

## But the increases are subsiding

Moreover, quarterly data indicates that the sales and profit increases experienced in early 2020 were transitory and were settling back toward pre-COVID trends as 2020 drew to a close. This quarterly trend is evident in quarterly financial reports filed by California's two largest publicly traded companies in the grocery business: The Kroger Company (which includes Ralphs, Food for Less, and Fred Meyers, among others) and Albertsons (which includes Safeway, Albertsons, and Vons, among others). Figure 1 shows that the average profit margin for these two companies was 3.6 percent of sales in the Spring of 2020, declining to 1.9 percent by the fourth quarter of the year.<sup>5</sup> Monthly sales data contained in the 2020 Independent Grocer's Financial Survey showed a similar pattern, with year-over-year sales peaking at 68 percent in mid-March 2020, but then subsiding to 12 percent as of the first three weeks of June (the latest period covered by the survey).<sup>6</sup>

**Figure 1**  
**Combined Net Profit Margins During 2020**  
**Albertsons and The Kroger Companies**



While grocers continued to benefit from higher food and related sales during the second half of 2020, they also faced higher wholesale costs for food and housing supplies, as well as considerable new COVID-19 related expenses. These include expenses for paid leave and overtime needed to cover shifts of workers affected by COVID-19, both those that contracted the virus and (primarily) those that were exposed and needed to quarantine. Other COVID-19 costs include those for intense in-store cleaning, masks for employees, new plastic barriers at check-outs and service counters, and additional staffing and capital costs for scaling up of e-commerce, curbside and home delivery.

<sup>5</sup> In their SEC 10-Q quarterly report for the four-month period ending in June 2020, Albertsons reported that consolidated sales were up 21.4 percent from the same period of 2019 and before-tax profits were 3.5 percent of total sales. In the three-month period ending in mid-September, the company reported year-over-year sales growth of 11.2 percent and before-tax profits equal to 2.5 percent of sales. In their 10-Q report filed for the three-month period ending in early December, Albertsons showed year-over-year sales growth of 9.3 percent, and profits as a percent of sales of just 1.0 percent. Data for the Kroger Company indicates that year-over-year sales growth subsided from 11.5 percent for the three-month period ending in May 2020 to 8.2 percent for the three-month period ending in August, and further to 6.3 percent for the three-month period ending in November. Profits as a percent of sales fell from 3.8 percent to 3.5 percent, and further to 2.8 percent during the same three quarterly periods. (Source: EDGAR Company Filings, U.S. Securities and Exchange Commission. <https://www.sec.gov/edgar/searchedgar/companysearch.html>).

<sup>6</sup> Supra 3

### **Many stores incur losses in normal years**

The 1- to 2-percent net profit levels cited above reflect industry averages. There is considerable variation around these averages among individual stores, with some doing better and some doing worse. As one indication of this variation, the 2020 Independent Grocer Financial Survey found that, while the nationwide average profit before tax for all stores was 1.1 percent of sales in 2019, about 35 percent of the respondents reported negative net profits during the year.<sup>7</sup> This national result is consistent with feedback we received from California grocers, which reported that even in profitable years, anywhere from one-sixth to one-third of their stores show negative earnings. While chain operations can subsidize some store losses with earnings from other stores, a major mandated wage increase would eliminate earnings for even the most profitable stores, making cross-subsidies within supermarket chains much less feasible. As discussed below, the consequence would likely be a closure of some unprofitable stores.

### **Mandated wage increases would push most stores into deficits**

The grocery business is very labor intensive. Labor is the industry's second largest cost, trailing only the wholesale cost of the food and other items they sell. According to a benchmark study by Baker-Tilly, labor expenses account for 13.2 percent of gross sales of grocers nationally.<sup>8</sup> The Independent Grocer Survey, cited above, found that labor costs account for 15 percent of sales nationally and 18.4 percent for independent grocers in the Western region of the U.S.<sup>9</sup>

Respondents to our survey of California grocers reported that labor costs equate to 14 percent to 18 percent of sales revenues. For purposes of this analysis, we are assuming that the wage base potentially affected by the mandated hourly pay increase is about 16 percent of annual sales.<sup>10</sup>

A mandatory \$4-\$5 per hour increase, applied to an average \$18.00 per hour wage base, would increase labor costs by between 22 percent and 28 percent. This would, in turn, raise the share of sales devoted to labor costs from the current average of 16 percent up to between 19 percent and 20.5 percent of annual sales. The up-to-4.5 percent increase would be double the 2020 profit margin reported by the industry, and three times the historical margins in the grocery industry.

### **Potential Impacts on Consumers, Workers and Communities**

In order to survive such an increase, grocers would need to raise prices to consumers and/or find substantial offsetting cuts to their operating expenses. As an illustration of the potential magnitude of each of these impacts, we considered two extremes: (1) all of the higher wage costs are passed through to consumers in the form of higher retail prices; and (2) prices are not passed forward and all the additional costs are offset through a reduction of jobs or hours worked.

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<sup>7</sup> Supra 3

<sup>8</sup> White Paper, "Grocery Benchmarks Report", November 5, 2019, Baker Tilly Virchow Krause LLP.

<sup>9</sup> Supra 3

<sup>10</sup> This recognizes that not all labor costs would be affected by the hazard pay proposal. Grocers report that both in-store and warehouse staff would receive the increase, as would supervisors and managers, although some executive and administrative staff may not. In addition, costs for health coverage would probably not be affected, at least not immediately, but payroll taxes and some other benefit costs would be.

### Higher costs passed along to consumers

**Aggregate impacts.** If a \$5.00 per hour wage increase were imposed statewide and all of the increase were passed along to customers in the form of higher product prices, Californians would face a rise in food costs of \$4.5 billion annually. If imposed locally, the City of Los Angeles's \$5 per hour proposal would raise costs to its residents by \$450 million annually, and the \$4.00 per hour increase in Long Beach would raise grocery costs to its residents by about \$40 million annually.<sup>11</sup>

**Impact on household budgets.** The wage increase would add about \$400 to the annual cost of food and housing supplies for the typical family of four in California.<sup>12</sup> While such an increase may be absorbable in higher income households, it would hit low- and moderate-income households especially hard. The impact would be particularly harsh for those who have experienced losses of income and jobs due to the pandemic, or for those living on a fixed retirement income including many seniors. For these households, the additional grocery-related expenses will make it much more difficult to cover costs for other necessities such as rent, transportation, utilities, and healthcare.

According to the BLS Consumer Expenditure Survey, California households with annual incomes of up to \$45,000 already spend virtually all of their income on necessities, such as food, housing, healthcare, transportation and clothing.<sup>13</sup> For many of these households, a \$33 per month increase in food costs would push them into a deficit.

These increases would add to the severe economic losses that many Californians have experienced as a result of government-mandated shutdowns in response to COVID-19. According to a recent survey by the Public Policy Institute of California, 44 percent of households with incomes under \$20,000 per year and 40 percent with incomes between \$20,000 and \$40,000 have reduced meals or cut back on food to save money.<sup>14</sup> Clearly, imposing a \$4.5 billion increase in grocery prices would make matters worse, especially for these lower-income Californians.

### Higher costs are offset by job and hours-worked reductions

If grocers were not able to pass along the higher costs resulting from the additional \$5/hour wage requirement, they would be forced to cut other costs to avoid incurring financial losses.<sup>15</sup> Given

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<sup>11</sup> Our estimates start with national U.S. Census Bureau estimates from the Annual Retail Trade Survey for 2018 (the most current data available), which indicates that nationwide sales by grocers (excluding convenience stores) was \$634 billion in 2018. We then apportioned this national data to California as well as the cities of Los Angeles and Long Beach based on relative populations and per-household expenditure data from the Consumer Expenditure Survey. We then updated the 2018 estimate to 2021 based on actual increases in grocery-related spending between 2018 and 2020, as reported by the U.S. Department of Commerce, and a projection of modest growth in 2021. Our estimate is consistent with the industry estimate of \$82.9 billion for 2019 that was by IBISWorld, as adjusted for industry growth in 2020 and 2021. (See IBISWORLD Industry Report, Supermarkets & Grocery Stores in California, Tanvi Kumar, February 2019.)

<sup>12</sup> Capitol Matrix Consulting estimate based on U.S. Bureau of Labor Statistics, Consumer Expenditure Report, 2019. <https://www.bls.gov/opub/reports/consumer-expenditures/2019/home.htm>

<sup>13</sup> U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, State-Level Expenditure Tables by Income. <https://www.bls.gov/cex/csxresearchtables.htm#stateincome>.

<sup>14</sup> "Californians and Their Well-Being", a survey by the Public Policy Institute of California. December 2020. <https://www.ppic.org/publication/ppic-statewide-survey-californians-and-their-economic-well-being-december-2020/>

<sup>15</sup> Circumstances where stores would not be able to pass forward high costs include communities where customers are financially squeezed by pandemic-related losses in jobs or wages, or where the increased is imposed locally and customers are able to avoid higher prices by shifting purchases to cross-border stores.

that labor costs are by far the largest controllable expense for stores, it is highly likely that the wage mandates will translate into fewer store hours, fewer employee hours, and fewer jobs. For a store with 50 full-time equivalent employees, it would take a reduction of 11 employees to offset the increased wages, which is about a 22 percent decrease in staff/hours.

**Aggregate impacts.** As an illustration, if the full California grocery industry were to respond to a statewide \$5.00 wage mandate by reducing its workforce, we estimate that up to 66,000 industry jobs would be eliminated. This is about 22 percent of the 306,000 workers in the grocery industry in the second quarter of 2020 (the most recent quarter for which we have detailed job totals).<sup>16</sup> If the mandate were imposed locally in the City of Los Angeles, the impact would be about 7,000 workers, and in the City of Long Beach (at \$4.00 per hour), the impact would be about 775 jobs. Stores could alternatively avoid job reductions by cutting hours worked by 22 percent across-the-board.

Under these circumstances, some workers receiving the wage increases would be better off, but many others would be worse off because of reduced hours or layoffs. Customers would also be worse off because of reduced store hours, and fewer food choices and services.

Without any external constraints imposed by the local ordinances, it is likely some combination of higher prices and job and hour reductions would occur. Stores within some jurisdictions imposing the mandatory wage increase might be able to raise retail prices sufficiently to cover a significant portion of the mandated wage increase, thereby shifting the burden onto customers. However, the degree to which this would occur would vary from jurisdiction to jurisdiction, depending on the price-sensitivity of their customers and (if the mandate is imposed locally) the availability of shopping alternatives in neighboring communities that have not imposed the wage mandate.

Of course, if the local ordinances contain provisions prohibiting stores from cutting hours, then stores would be forced to pass costs on to consumers in the form of higher prices, or to close stores in those jurisdictions.

### **Some communities would become food deserts**

Many of the up-to one third of stores already incurring losses may find it impossible to raise prices or achieve savings that are sufficient to offset the higher wage costs. For these stores, the only option would be store closure. Indeed, a consistent theme of feedback we received from California grocer representatives is that it would be extremely difficult, if not impossible, to justify continued operation of a significant portion of their stores following a government-mandated 28-percent increase in wages. This would leave some communities with fewer fresh food options.

According to the Propel LA: “The United States Department of Agriculture (USDA) defines a food desert as ‘a low-income census tract where either a substantial number or share of residents has low access to a supermarket or large grocery store.’ There are a large number of census tracts in Los Angeles County, including Antelope Valley and San Fernando Valley, that are considered to be food deserts. The population of food deserts is predominantly Hispanic or Latino, followed by Black and White, respectively.”<sup>17</sup> The map also shows several food deserts in and around the City of Long Beach. The hazard pay proposal would exacerbate this problem.

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<sup>16</sup> Employment Development Department. Labor Market Information Division. Quarterly Census of Employment and Wages. <https://www.labormarketinfo.edd.ca.gov/qcew/qcew-select.asp>

<sup>17</sup> “Food deserts in LA, an Interactive Map.” Propel LA, <https://www.propel.la/portfolio-item/food-deserts-in-los-angeles-county/>

Closing even one supermarket in many neighborhoods would result in residents having to commute significantly farther to find fresh and healthy food at reasonable prices. Tulane University studied the impact of food deserts and concluded that while the majority of items at smaller stores are priced higher than at supermarkets, price is a consideration in deciding where to purchase staple foods, and transportation from a food desert to a supermarket ranges from \$5 to \$7 per trip.<sup>18</sup>

Thus, mandating hazard pay would likely impose significant hardships on some communities, especially in lower-income areas. The loss of a grocery store means both fewer jobs for members of the community and higher costs for all residents in the community, who must pay higher local prices or incur additional time and expense to shop.

### Conclusion

Hazard pay initiatives like those passed in the City of Long Beach, and proposed in the City of Los Angeles and in other local jurisdictions, would have far-reaching and negative consequences for businesses, employees and customers of grocery stores in the jurisdictions where levied. They would impose an up-to-28 percent increase in labor costs on an industry that is labor-intensive and operates on very thin profit margins. The increases would be more than double the average profit margins for the grocery industry in 2020, and triple the margins occurring in normal years, and thus would inevitably result in either retail price increases or major employment cutbacks by grocery stores, or a combination of both. If the increased costs were passed forward to consumers, a typical family of four in California would face increased food costs of \$400 per year. This would intensify financial pressures already being felt by millions of low- and moderate-income families, many of whom are already cutting back on basic necessities like food due to COVID-19-related losses in jobs and income. Establishments not able to recoup the costs by raising prices would be forced to reduce store hours and associated jobs and hours worked by employees. For a significant number of stores that are already struggling, the only option may be to shutter the store. This would be a “lose-lose” for the community. It would mean fewer jobs with benefits, less local access to reasonably-priced food, and more time and expense spent by customers that would have to travel greater distance to find grocery shopping alternatives.

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<sup>18</sup> “Food Deserts in America (Infographic),” Tulane University, School of Social Work, May 10, 2018. <https://socialwork.tulane.edu/blog/food-deserts-in-america>



# COVID-19 OUTBREAKS IN GROCERY SETTINGS

Office of Communicable Disease Epidemiology

# Non-Healthcare Congregate Setting Outbreak Program

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- New program within Office of Communicable Disease Epidemiology
  - Focus on COVID-19 outbreaks in correctional facilities, agriculture facilities, schools, service-providing industries
- Provide subject matter expertise and epidemiological technical support for Local Health Jurisdictions (LHJ) in outbreak response
  - Develop setting-specific guidance
  - Provide surge capacity for outbreak investigation
  - Lead outbreak investigation for multi-jurisdictional outbreaks
  - Report on statewide COVID-19 outbreaks

# COVID-19 Workplace Outbreaks

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## OVERVIEW

# COVID-19 GUIDANCE FOR NON-HEALTHCARE WORKPLACES

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## **Workplace cluster:**

- Two or more laboratory-positive (PCR or antigen) cases, **AND**
- At least two cases have onsets within 14 days of each other, **AND**
- Plausible epi-link in the workplace (e.g., case-patients work on the same shift or in the same building, or benefit from employee sponsored transportation or housing), **AND**
- No other known epidemiological link outside of the workplace (e.g., case-patients do not share a household, and there is no epi-link suggesting transmission is more likely to have occurred during private carpooling or social interactions outside of the workplace).

<https://www.doh.wa.gov/Portals/1/Documents/5100/420-284-Guidance-NonHC-Workplace.pdf>

# Grocery Setting Outbreaks in Washington State

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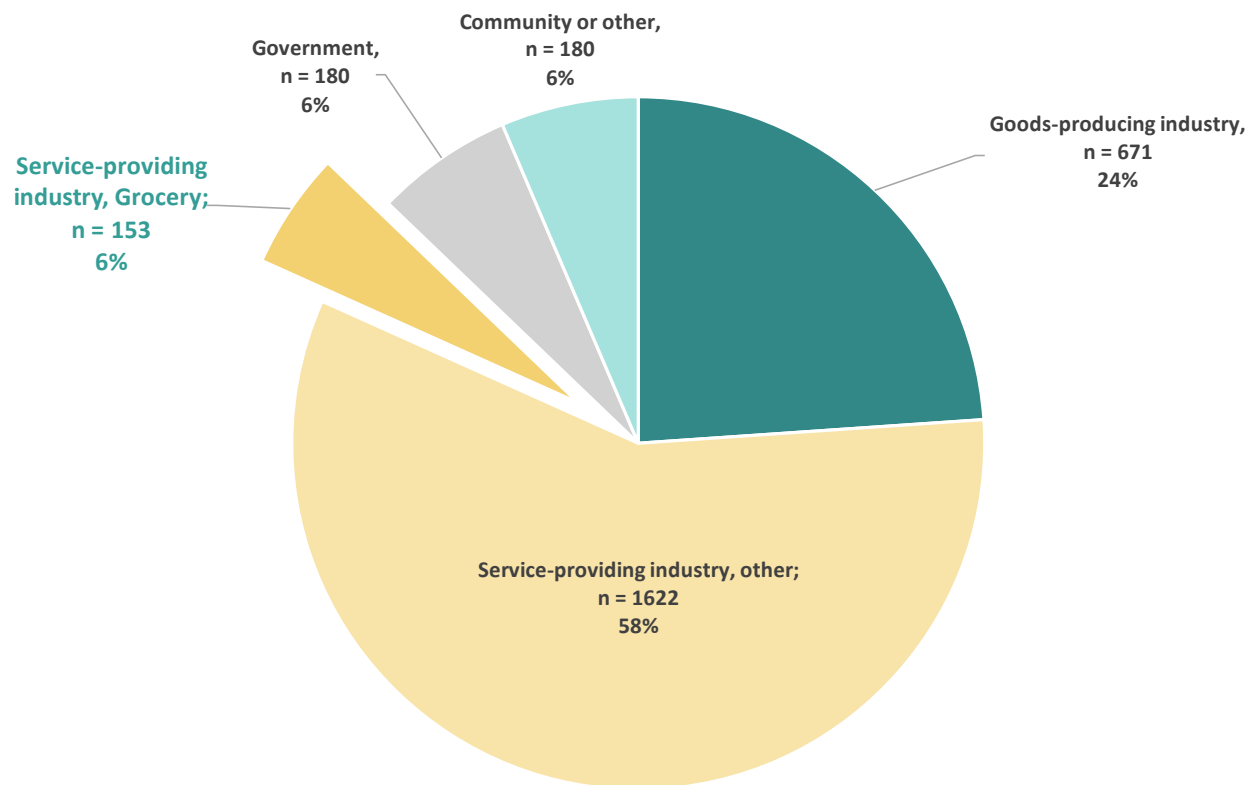
## SUMMARY STATISTICS

## Reported COVID-19 Outbreaks in Washington State

Total Non-healthcare  
setting outbreaks  
reported to DOH:

- **2806\***

Service-providing goods  
producing industries are  
defined by the North  
American Industry  
Classification System  
(NAICS)



Washington State Department of Health | 6

\*As of Saturday, February 6

## Grocery COVID-19 Outbreaks

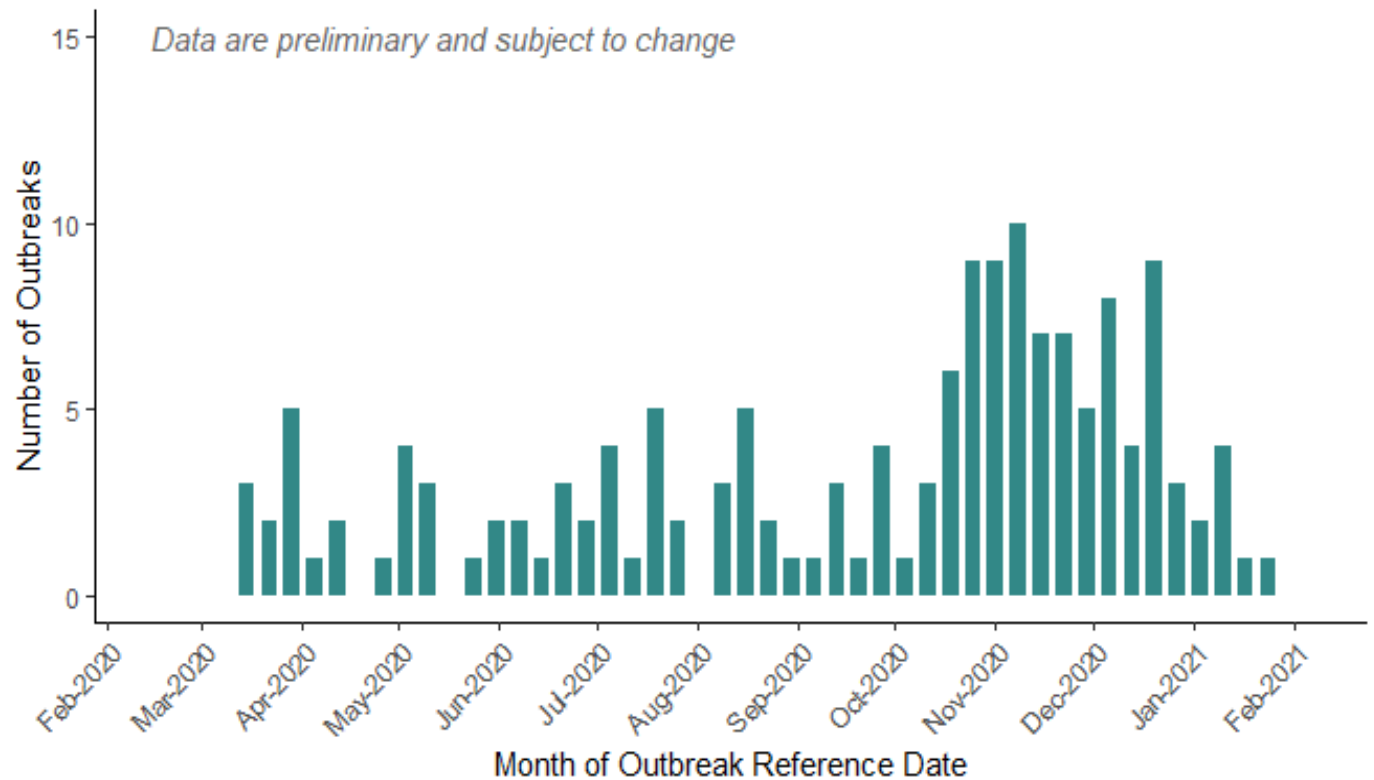
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- **There have been 153 grocery settings outbreaks reported to DOH**
- Grocery category is defined as
  - Establishments with NAICS codes for grocery stores, supermarkets, department stores, and warehouse super stores **AND**
  - Stayed open during the shut down on the premise of their ability to provide food & groceries to customers.
- Make up 6 % of the reported non-healthcare setting outbreak events and 3.2% of all reported outbreak events

<https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/StatewideCOVID-19OutbreakReport.pdf>

## COVID-19 Outbreaks in Grocery Settings

- Data reflects outbreaks reported to DOH since the beginning of the pandemic.
- Each bar represents the number of grocery outbreaks reported in a week.



## Limitations

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- **Incomplete outbreak reporting**
  - Outbreaks may go unreported due to asymptomatic cases, lack of testing, etc.
- **Incomplete outbreak investigations**
  - Investigations may provide limited detail differentiating between types of staff
- **Customers are not typically considered in these outbreak investigations;**
  - Investigations typically limited to staff
- **Inconsistent case linkage with WDRS outbreak events**
- **Limited public health bandwidth to support data entry and case follow up**



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The NW Grocery Association represents grocery stores throughout Washington State. Our members – QFC, Fred Meyer, Haggen, Safeway, Albertsons, and Costco – have worked for the last 14 months to support our communities and our employees during COVID.

The majority of our grocers have a union-represented work force. Wages and benefits are negotiated with our employees among the four grocery stores and UFCW 21 or other locals. For Costco, while not entirely union, it pays a comparable wage to what is paid by union grocers, including benefits.

The table below reflects the recorded wage rates for some of our grocery store members in Auburn. This is not complete data from all of our members in Auburn, but it is representative of the contracted wages we negotiate with our union-represented workforce. The average wage number provided below does NOT include corporate staff wages.

| Store                                | Current Average Wage – Does not include COVID-19 additional wage paid | <b>Additional</b> wages paid during 2020 |
|--------------------------------------|-----------------------------------------------------------------------|------------------------------------------|
| Safeway 4483 (A St)                  | \$19.27 per employee                                                  | \$159,185 above normal                   |
| Safeway 0531 (101 Auburn Wy)         | \$19.39 per employee                                                  | \$184,258 above normal                   |
| Fred Meyer’s averaging across Auburn | \$19.69 per employee                                                  | Not yet available                        |

In addition our employers pay an additional average of \$4.65 in health and welfare and \$1.52 for pension per hour for grocery clerks in Auburn to the above average base wage rates according to our employer union representative. This is the most common rate; the pension rate may vary a bit by position within the store depending on job classification.

Since the beginning of the COVID-19 pandemic, our members in Auburn have provided the following benefits to employees:

- An average of \$2.00 per hour additional wage paid for several months. Some employers continue to pay this benefit today.
- Lump sum cash benefits were paid by some employers in addition to the additional per hour wage increase.
- All available hours were offered first to our employees before hiring outside help
- To accommodate for the loss of childcare and school closures, we offered short-notice scheduling changes, temporary transfers to stores closure to home, and worked to find available reduced cost child care for our staff
- Offered 80 hours incremental paid leave with first day coverage for any employee with a positive COVID-19 test or household positive test, or who answered in the affirmative to any COVID

symptoms in the pre-shift screening, or who had been traced to anyone who was COVID positive; after 80 hours, an employee was able to use other available leave to cover additional time off

- Protection of health insurance and position/seniority while the employee was out, especially if it were for an extended time period
- Additional leave is provided for employees who may have a contraindication or reaction to the COVID-19 vaccine.
- Additional one-time cash payments, gift cards and other incentives continue to be offered to workers to get vaccinated.
- Offered equal opportunity for incentive for those who had medical/religious constraints by completing an educational health and safety course to receive payment

The hazard pay ordinances have created wage inequities within our region. Employees on one side of a street may have government-mandated increase in wages; another worker on another block doesn't. It creates wage inequities within a union-negotiated regional contract. Regional contracts provide wage standardization agreed to between workers and employers; council action disrupts that.

Grocers have also invested:

- Millions of dollars in PPE for our stores – masks for employees, barriers at the check stands and in departments, cleaning supplies, distancing measures, occupancy checks, masks for customers
- Negotiations with law enforcement agencies to assist in mask enforcement when customers refuse to wear one in the store or assault one of our employees
- Free vaccines in our stores including walk-in vaccination at Safeway and Albertsons stores. We argued with the Governor's office to move grocery workers up in the list of employee groups allowed to get vaccinated

This investment in safety measures has protected consumers and grocery workers, as grocery stores have not been identified by any Washington health department as major vectors of virus transmission. In fact, the Washington Department of Health reports that grocery stores make up only 6% of the reported non-health care setting COVID-19 outbreak events and only 3.2% of all outbreak events in the state (see attached report.)

The hazard pay ordinances in Washington have created wage inequities within our region. Employees on one side of a street may have government mandated increase in wages while another worker on another block does not. It also creates wage inequities within a union-negotiated regional contract. Regional contracts provide wage standardization agreed to between workers and employers and Council action disrupts that.

Our best tool in ending this pandemic – and ensuring the safety of our employees – is to vaccinate our workers and the people in our community. An additional \$4 an hour in wages without requiring this additional pay be tied to vaccination as an incentive, will do nothing to make grocery stores "safer." Council should partner with grocery employers and employees in a vaccine education and outreach effort, not pass new arbitrary wage mandates. Encouraging our workforce to get vaccinated WILL make the difference. Unfortunately, our best efforts to get our employees vaccinated have resulted in lower rates than we would have anticipated, and our employees are not getting vaccinated. Additional wages without new incentives will do nothing to close this gap.

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## Hazard Pay Impact on Grocers

Independent grocery stores are small, family-owned or independently operated businesses. Mandates like hazard pay unfairly target one industry in the community — the grocery industry — and have a disproportionate impact on WFIA members, as we are not national companies sold on the stock market. WFIA members are your neighbors who live in and support your communities.

### **Faulty, Out-of-State Data Used to Justify Hazard Pay**

Advocates for hazard pay rely on two studies: *The Brookings Report* and the British Medical Journal's *Occupational and Environmental Medicine*, which were released in November 2020 and October 2020, respectively. *The Brookings Report* included information about the revenue of U.S. national brands, while *Occupational and Environmental Medicine* was conducted in May 2020 in a single grocery retail store in Massachusetts during the height of the pandemic. All information used in the intent sections of all ordinances — proposed and enacted — throughout local governments in Washington and other states have come from both of these studies.

The data used in *The Brookings Report* does not include any independent grocery stores, only grocery stores sold on the stock market. Additionally, 10 out of the 12 companies highlighted as problematic are not included in hazard pay discussions. The data used in *Occupational and Environmental Medicine* is not statistically significant due to the small number of individuals interviewed, during the beginning of the pandemic. Using data from May 2020 is an unfair comparison to May 2021 given the proactive and innovative safety precautions used in grocery stores, and the availability of vaccines.

The data used in the above reports are also not Washington-specific, and no Washington state data is used. According to the most recent Washington State Department of Health Data, *total* grocery outbreaks in Washington state are 5.8%. Other industries considered more dangerous: food service/restaurant; childcare/pre-k, manufacturing (non-food), general retail, construction, K-12 schools, and “other.” Through proactive safety measures taken by management and the fact that it is very uncommon for any customer to spend 10-15 minutes within 6 feet of an employee in a grocery store, grocery workers’ exposure to COVID-19 has been very low in Washington state. This trend continues today, especially in our independent stores: most have had limited or no outbreaks.

### **Proactive Approaches Helped Grocery Workers During the Height of the Pandemic**

WFIA employers value their employees, often treating them like extended family. Grocery employees are the backbone of their stores, and throughout the pandemic, they have faced significant regulatory hurdles and have been asked to do more than ever before. Grocery stores

have provided safe working and shopping environments since the beginning of the pandemic. Grocers have also led the charge in developing safety measures and implementing protocols before state and local agencies had anything in place. This includes, but is not limited to:

- Providing free face masks and other PPE for employees
- Installing plexiglass partitions at check stands and in specialty parts of stores, such as delis or meat markets
- Implementing and encouraging social distancing
- Implementing stronger cleaning protocols
- Providing special shopping hours for older and medically fragile populations
- Upgrading ventilation systems
- Increasing sick leave and health care benefits, including for high-risk employees who are not currently working at the stores, but their benefits continue to be paid
- Providing employee pay incentives, gift cards and other rewards

The grocery industry was one of the first industries to take COVID-19 precautionary measures for the protection of employees and customers. State and national grocery trade associations released “best practices” for COVID-19 protections before any government mandated guidelines for industries. WFIA helped create the statewide guidelines for grocery stores in Washington state, working with the Department of Health, the Department of Labor & Industries, FEMA, and the governor’s office.

In addition to store safety protocols, employers are focused on helping employees get vaccinated. The more individuals that are vaccinated, the sooner that we can enter the “post-COVID” world and end the state of emergencies. This should be our priority over hazard pay, as it has been over a year since the pandemic started. Vaccines have been available to grocery workers since March, while vaccines have been available to everyone 16 and older since April 15. This changes the dynamic dramatically as we adjust to a post-COVID environment. Employers are compensating employees for completing their vaccinations, and are providing sick leave for adverse reactions if they occur. Paying workers — and only grocery workers — a higher hourly wage will not make them “safer.” Vaccinations will make all of us safer.

### **Independent Grocers Profits are Not the Same as National Companies**

WFIA’s independent grocery stores are Washington-based, locally owned, and community-focused. Our stores are not sold on the stock market, and they tend to be owned by families or individuals who live in your community.

Many of the local hazard pay ordinances include intent language that focus on independent grocers. Some of the language includes the following:

*“According to the USDA report, [U.S. Department of Agriculture November 2017 Report], independent grocery stores play an important role for local communities,*

*including improving food access, as areas with a high share of low-income households, as well as rural areas, tend to have more independent grocery stores. Also according to the report, stores with a higher share of total sales from USDA's Supplemental Nutrition Assistance Program redemptions are more likely to be independently owned. The USDA report further notes that small-format grocery stores, known as supermarkets, which account for a large share of independent grocery stores, also mitigate food insecurity by improving physical access to grocery stores, particularly for individuals with limited options for transportation."*

The grocery industry has one of the lowest profit margins of any industry. In typical years, the independent grocery stores have a profit margin of 1%. But profit is not the same as revenue. A store may bring in \$6 million per year in revenue, but actual profit is only \$60,000 after payroll, taxes, utilities, cost of product, and more.

Profits during COVID-19 increased during the beginning of the pandemic but have since evened out or decreased. Increased costs due to COVID-19 operation costs and the increased cost of products have drastically blunted profits, especially for the independent grocery store industry.

Independent grocers already face stiff competition from national brick-and-mortar and online retailers. During the height of COVID-19, independent grocers were unable to receive product solely because of their "market share," which is nonexistent compared to the national chains. Even now, independent grocers are only receiving 70% of their contracted amount of products, while the bigger chains are receiving 98% or higher of their contracted amount. Independent grocery stores are considered big enough to be impacted by the government-mandated wage increase, but not big enough to receive their full allotment from manufacturers and other suppliers. Yet, independent grocery stores often serve low-income and rural communities where it is considered not profitable for other companies to operate.

### **What Hazard Pay Would Mean for a Local Store: Saars Super Saver Foods**

Saars Super Saver Foods is an independent grocery store located in Auburn and a Washington Food Industry Association member. Of the six stores impacted in Auburn, they are the only independently owned and operated store. The store is part of a small chain, owned by a family that lives in Pierce County.

During the pandemic, Saars has invested more than \$100,000 in PPE and other COVID safety measures. **To date, the store has reported just 13 COVID cases: only 2 were contact traced back to interactions at the grocery store.**

According to Greg Saars, owner of Saars Super Saver Foods, the hazard pay would increase payroll expense by \$7,500 to \$8,000 a week, resulting in \$30,000 to \$32,000 per month in extra wages for the Auburn store. This is not sustainable based on current profit margins and the

increased cost of food and supplies from manufacturers continue to challenge the store's competitiveness among larger chains.

Saars also pays above minimum wage and provides benefits for their employees. They invest in their team and value their contribution to the community.

### **Conclusion**

Grocery stores continue to safely operate during COVID-19. Hazard pay, imposed on just one industry during the pandemic, will result in increased costs to both stores and consumers. This will place small, independent grocery stores at a competitive disadvantage as they do everything they can to compete and provide fair prices. Additional wage increases will have a significant impact on their ability to compete not only with the national chains, but with other businesses that are exempted because they sell items in addition to grocery items. The cost of food may go up for all customers, which will have a significant impact on low-income families and communities. Small grocers are facing challenging financial times and hazard pay mandates force retailers to make difficult decisions.

This is no longer being presented as hazard pay, but compensation for working in an industry asked to stay open during a pandemic. The message has changed from these jobs being "hazardous" to workers needing hazard pay to be compensated for difficult working conditions and trauma. Grocery stores were not the only industry that stayed open during the pandemic, nor are grocery stores "unsafe." We should not take away from industries that dealt with COVID-19 firsthand such as nurses, doctors, and other medical professionals.

We ask that you please to oppose the mandate, as it creates an unfair business climate for your locally owned and operated grocery stores. These mandates suggest to the public that grocery stores are unsafe, which is unsupported by the state and local county data. Grocers have proactively worked to protect their employees and customers from COVID-19 since the early days of the pandemic. This proposal does not recognize those efforts, and places additional operational stress on your locally owned, community grocer.

## **Hazard Pay Impact on Consumers**

While sales have been up amid the pandemic, food retailers have historically operated on low profit margins. Specifically, independent grocery and convenience stores are at 1% profit margin during “normal times”, some of the lowest of any industry. COVID has made WFIA member profits closer to 0.5%. Small grocers that have struggled to break out of a decade of inconsistent growth are now faced with a challenge for survival in the COVID consumer landscape, when consumers prioritize e-commerce and convenience. This negatively burdens small, family-run grocers that do not have an online presence or the ability to provide delivery or pick up through their company or a third party.

This also affects the communities they serve:

- Increased costs mean fewer choices and less convenience for consumers. The costs may be passed along to consumers in the form of higher prices, reduced store services and even store closures.
- At least one economic study stated that a \$5/hour wage mandate would increase grocery costs for a family of four by \$400 a year due to higher food costs.
- Grocery stores are the largest retail employer of 16- to 19-year-olds, providing many young people with their first jobs and a work ethic that will follow them for the rest of their lives. These wage mandates could jeopardize jobs for these and other individuals, resulting in limited jobs available in the stores.
- Additional costs may limit grocers’ donations within the communities they serve – including monetary and in-kind donations to nonprofits where they provide food and other essential products to help vulnerable populations.

Cost increases associated with a new grocery wage mandate will disproportionately impact low-income families and communities at a time when many are still struggling to put food on the table and make ends meet. Grocers will continue to provide employees with PPE and other safety measures to keep the workplaces safe for employees and consumers. This will not change, but the unintended consequences will impact consumers negatively – not only workers or the business.

# PROFIT vs REVENUE

## GROCERY INDUSTRY



### #1. Meaning

#### Profit

Net profit is the revenue remaining after all costs are paid.

#### Revenue

Revenue is the total amount of income generated by the sale of goods or services related to the company's primary operations.

### #2. Equation

#### Profit

$\text{Net profit} = \text{Revenue} - \text{Expenses}$

#### Revenue

$\text{Revenue} = \text{No. of units sold} \times \text{selling price per unit}$

### #3. Details

#### Profit

Typical expenses for a grocery store may include cost of goods, taxes, payroll, employee benefits, utilities, theft/shrinkage, transportation, philanthropy, extra COVID-19 costs, etc. These expenses are deducted from revenue to determine net profit.

#### Revenue

Grocery is a high volume, low-margin business. Revenue may vary depending on what products the store offers for sale, where it is located, clientele, and more.

### #4. Example

#### Profit

A standard grocery store with 65 employees may only have 0.5% profit because of taxes, normal operating costs, shrinkage, extra COVID-19 costs and general upkeep of the store.

#### Revenue

A standard grocery store with 65 employees may have \$6 million in revenue per year due to the number and cost of products sold at the store.

**\$6 million in revenue x 0.5% equals \$30,000 in profit.**

**REVENUE  $\neq$  PROFIT**



# COVID-19 OUTBREAKS IN GROCERY SETTINGS

Office of Communicable Disease Epidemiology

# AGENDA

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- 1 **Non-Healthcare  
Congregate Setting  
Team**
- 2 **Workplace Outbreak  
Definition**
- 3 **Grocery Setting  
Outbreaks Statistics**

# Non-Healthcare Congregate Setting Outbreak Program

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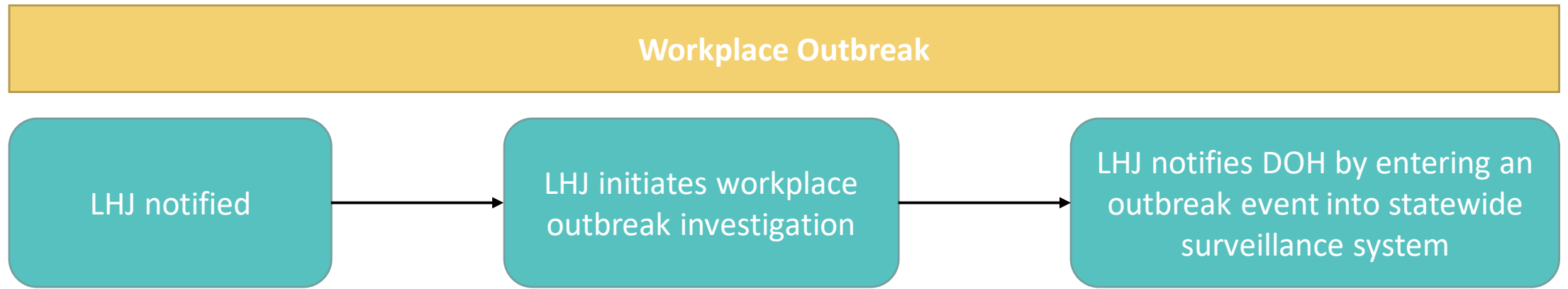
- New program within Office of Communicable Disease Epidemiology
  - Focus on COVID-19 outbreaks in correctional facilities, agriculture facilities, schools, service-providing industries
- Provide subject matter expertise and epidemiological technical support for Local Health Jurisdictions (LHJ) in outbreak response
  - Develop setting-specific guidance
  - Provide surge capacity for outbreak investigation
  - Lead outbreak investigation for multi-jurisdictional outbreaks
  - Report on statewide COVID-19 outbreaks

# COVID-19 Workplace Outbreaks

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## OVERVIEW

# COVID-19 Outbreak Investigations



# COVID-19 GUIDANCE FOR NON-HEALTHCARE WORKPLACES

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## **Workplace cluster:**

- Two or more laboratory-positive (PCR or antigen) cases, **AND**
- At least two cases have onsets within 14 days of each other, **AND**
- Plausible epi-link in the workplace (e.g., case-patients work on the same shift or in the same building, or benefit from employee sponsored transportation or housing), **AND**
- No other known epidemiological link outside of the workplace (e.g., case-patients do not share a household, and there is no epi-link suggesting transmission is more likely to have occurred during private carpooling or social interactions outside of the workplace).

<https://www.doh.wa.gov/Portals/1/Documents/5100/420-284-Guidance-NonHC-Workplace.pdf>

# Grocery Setting Outbreaks in Washington State

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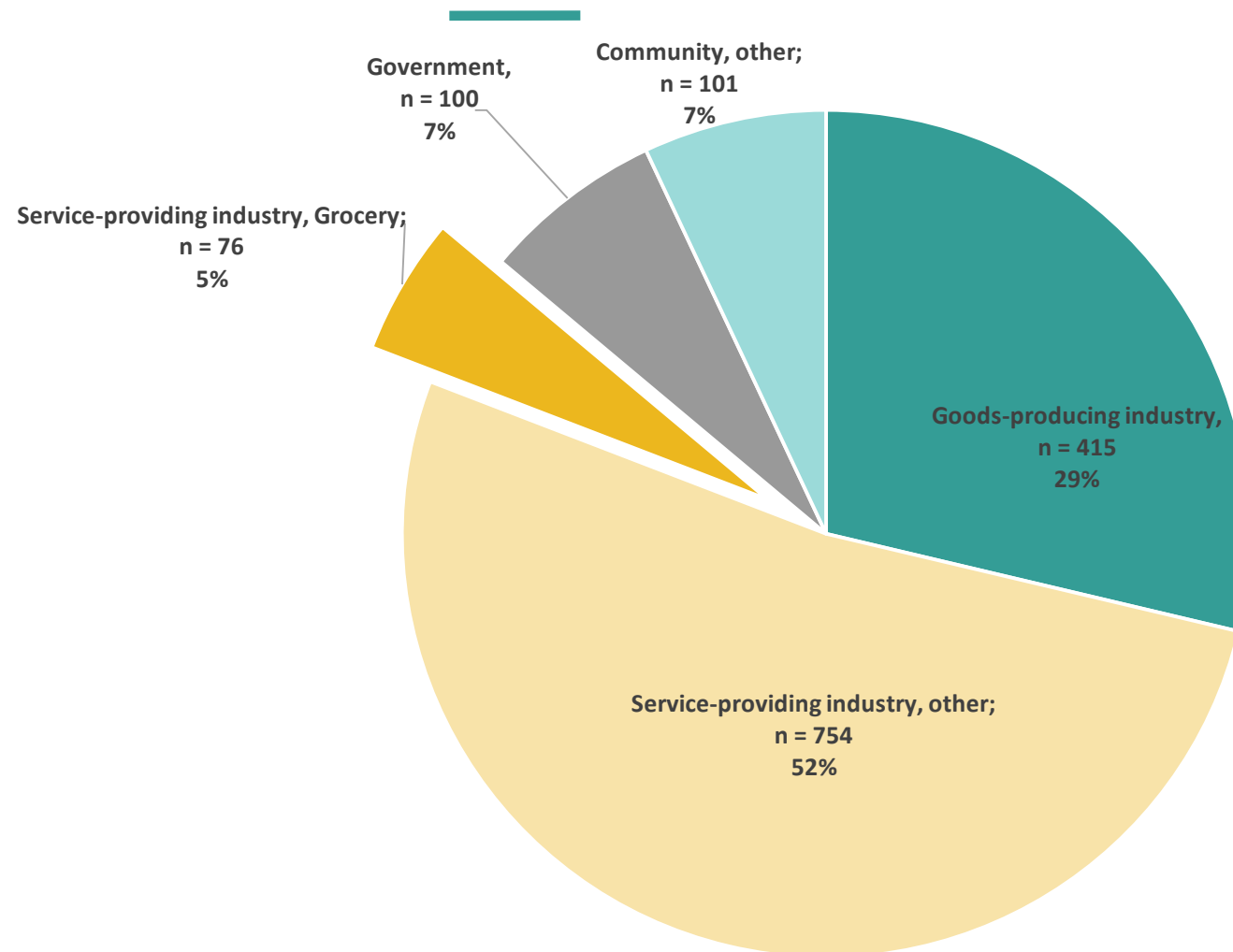
## SUMMARY STATISTICS

# Reported COVID-19 Outbreaks in Washington State

Total Non-healthcare  
setting outbreaks  
reported to DOH:

- **1446\***

Service-providing goods  
producing industries are  
defined by the North  
American Industry  
Classification System  
(NAICS)



\*As of Saturday, Nov. 07

# Grocery COVID-19 Outbreaks

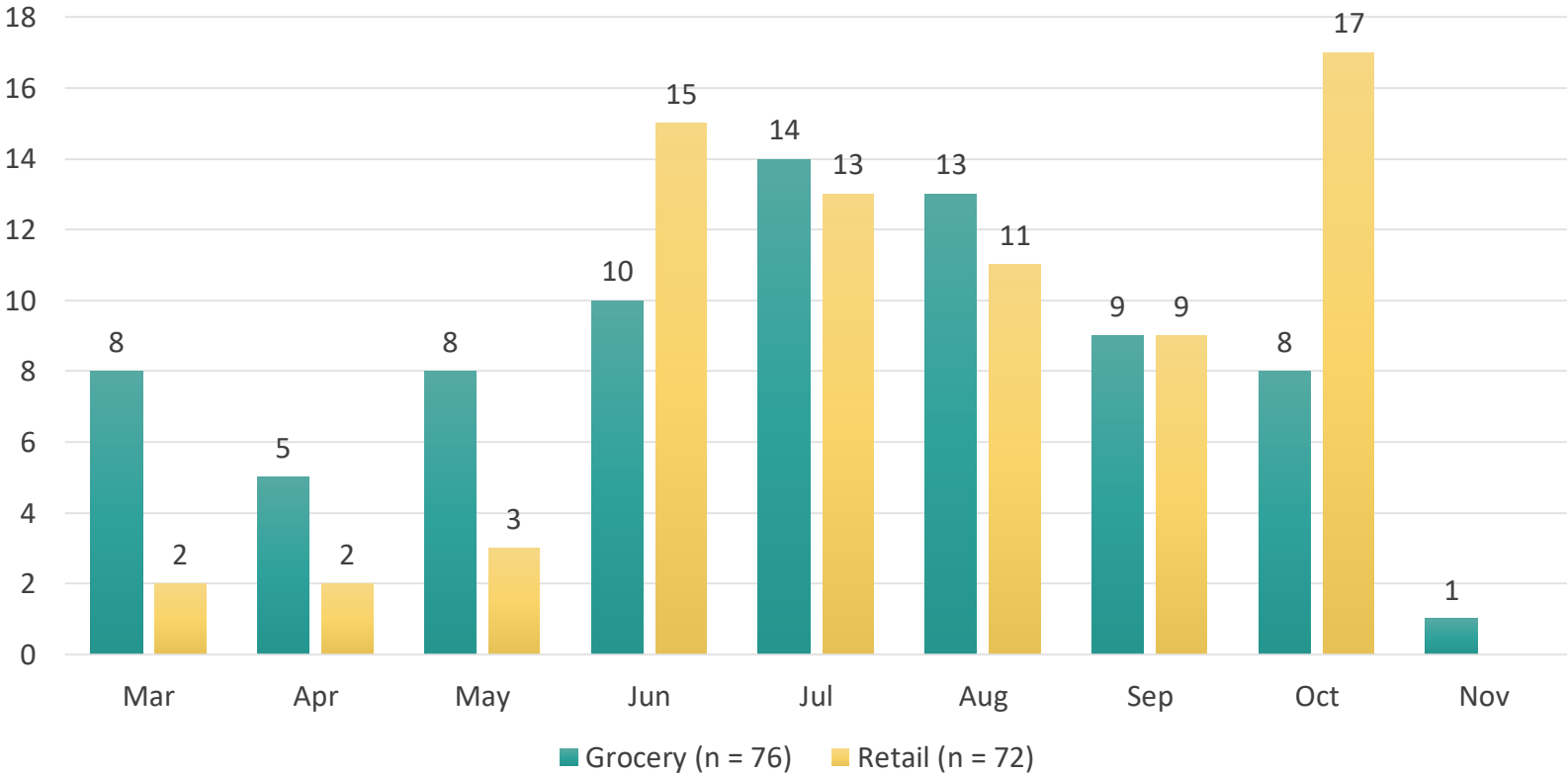
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- **There have been 76 grocery settings outbreaks reported to DOH**
- Grocery category is defined as
  - Establishments with NAICS codes for grocery stores, supermarkets, department stores, and warehouse super stores **AND**
  - Stayed open during the shut down on the premise of their ability to provide food & groceries to customers.
- Make up 5.2 % of the reported non-healthcare setting outbreak events and 2.8% of all reported outbreak events

<https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/StatewideCOVID-19OutbreakReport.pdf>

# COVID-19 Outbreaks in Grocery & Retail Settings\*

- 305 linked cases to grocery outbreak events
  - Median = 3
  - Range: 2 - 29



\*Data reflect outbreaks reported to DOH since the beginning of the pandemic.  
Data may be incomplete

# Limitations

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- Limited outbreak reporting
  - Outbreaks may go unreported due to asymptomatic cases, lack of testing, etc.
- Customers are not typically considered in these outbreak investigations;
  - Investigations typically limited to staff
- Limited public health bandwidth to support data entry and case follow up

# Recent Research

## Workplace

### ORIGINAL RESEARCH

#### Association between SARS-CoV-2 infection, exposure risk and mental health among a cohort of essential retail workers in the USA

Fan-Yun Lan,<sup>1,2</sup> Christian Suharlim,<sup>3</sup> Stefanos N Kales,<sup>1,4</sup> Justin Yang <sup>1,5</sup>

<https://oem.bmj.com/content/early/2020/10/11/oemed-2020-106774>

### Key Findings

- Employees with direct customer exposure were more likely to test positive for SARS-CoV-2.
- The inability to practice social distancing consistently at work was a significant risk factor for anxiety and depression.
- Commuting to work by public transportation/shared rides was significantly associated with depressive state.

## Additional Resources

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### **DOH COVID-19 Workplace Safety Guidance**

<https://www.doh.wa.gov/Portals/1/Documents/5100/420-284-Guidance-NonHC-Workplace.pdf>

### **DOH COVID-19 Guidance for Food Workers & Food Establishments**

<https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/FoodWorkerEstablishment.pdf>

### **DOH COVID-19 Guidelines for Grocery Stores**

<https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/GroceryStores.pdf>

### **DOH Statewide COVID-19 Outbreak Report**

<https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/StatewideCOVID-19OutbreakReport.pdf>

### **Safe Start Washington Reopening Guide**

<https://www.governor.wa.gov/sites/default/files/SafeStartPhasedReopening.pdf>

# Questions?

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To request this document in another format, call 1-800-525-0127. Deaf or hard of hearing customers, please call 711 (Washington Relay) or email [civil.rights@doh.wa.gov](mailto:civil.rights@doh.wa.gov).

# COVID-19 PROFITS & HAZARD PAY IN THE GROCERY INDUSTRY

SARAH CHERIN, EXECUTIVE VICE-PRESIDENT

UFCW LOCAL 21

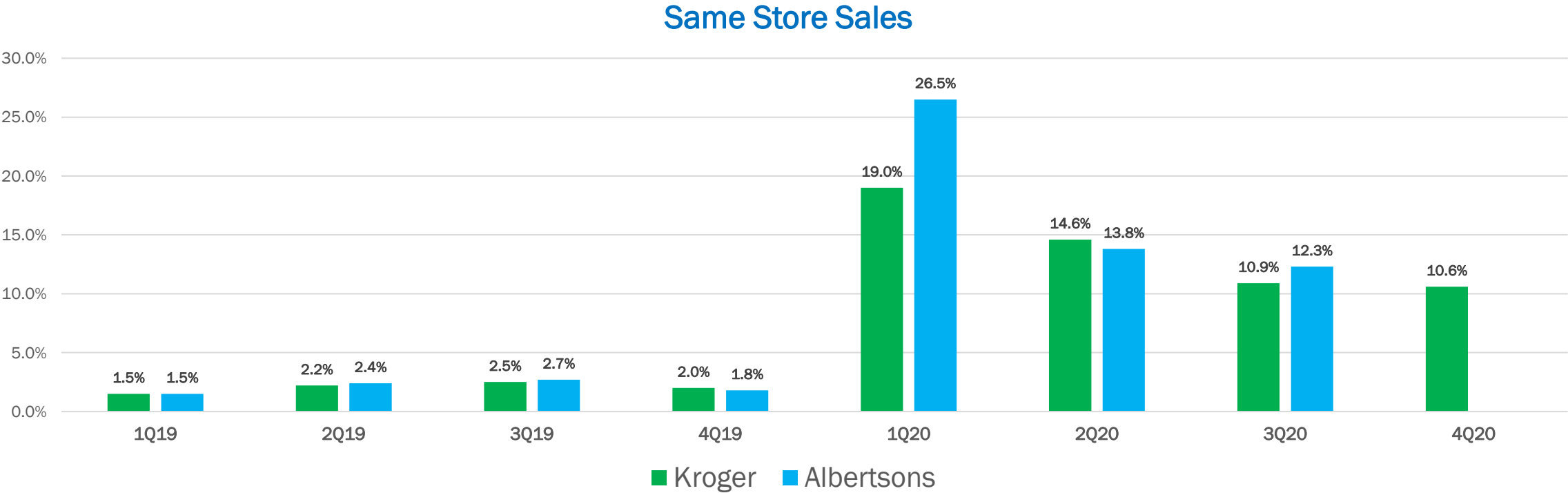
# STAY-AT-HOME ORDERS LEAD TO UNPRECEDENTED SPIKE IN SUPERMARKET SALES

*\$ BILLIONS; SOURCE: USDA*



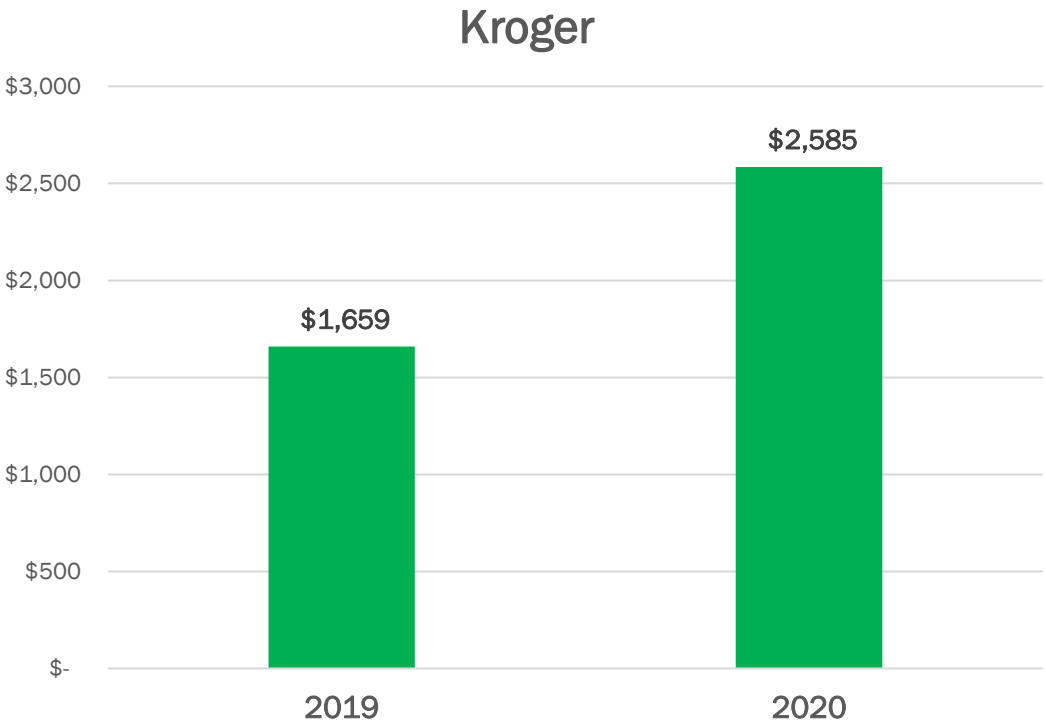
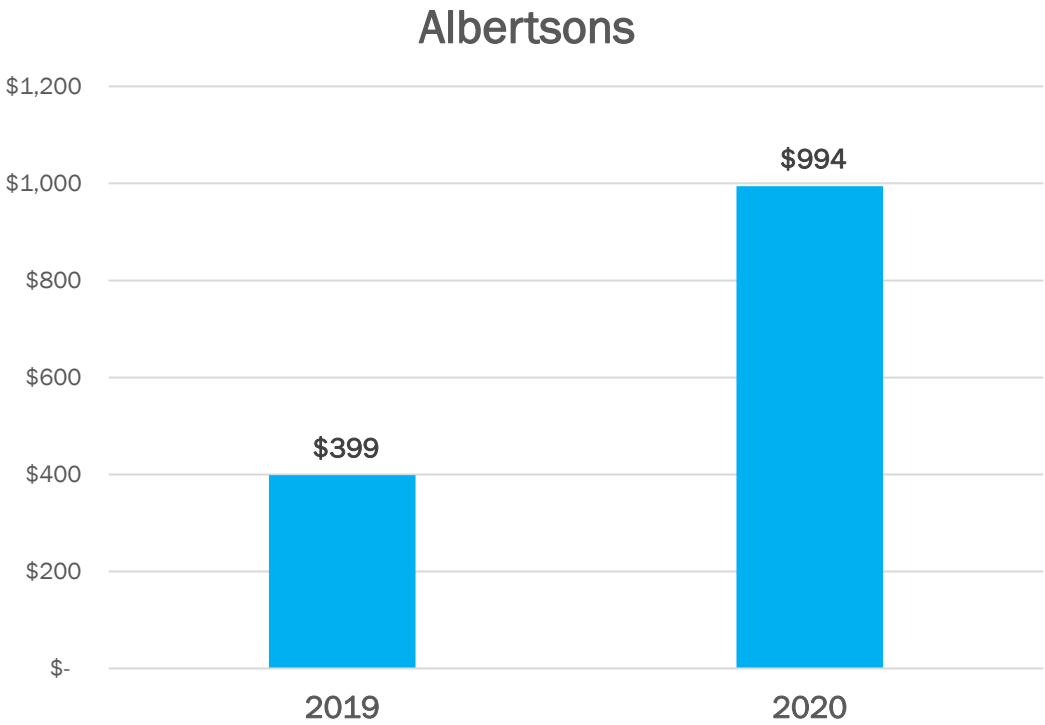
# COVID-19 BOOSTS SALES AT KROGER AND ALBERTSONS

SOURCE: COMPANY FILINGS (4Q20 RESULTS NOT YET AVAILABLE FOR ALBERTSONS)



# COVID-19 SALES INCREASES LEAD TO WINDFALL PROFITS

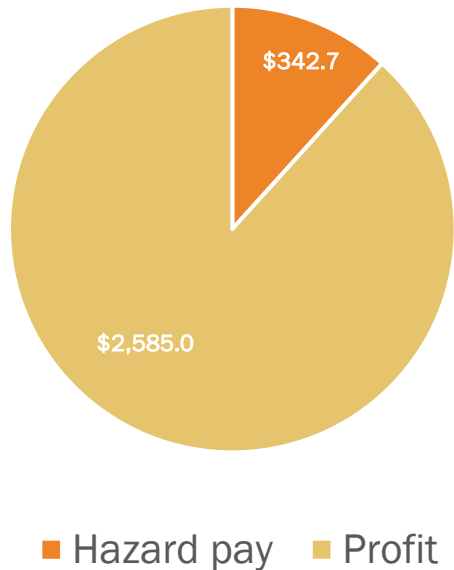
NET INCOME, IN \$ MILLIONS; SOURCE: COMPANY FILINGS (ALBERTSONS DATA THROUGH 3<sup>RD</sup> QUARTER)



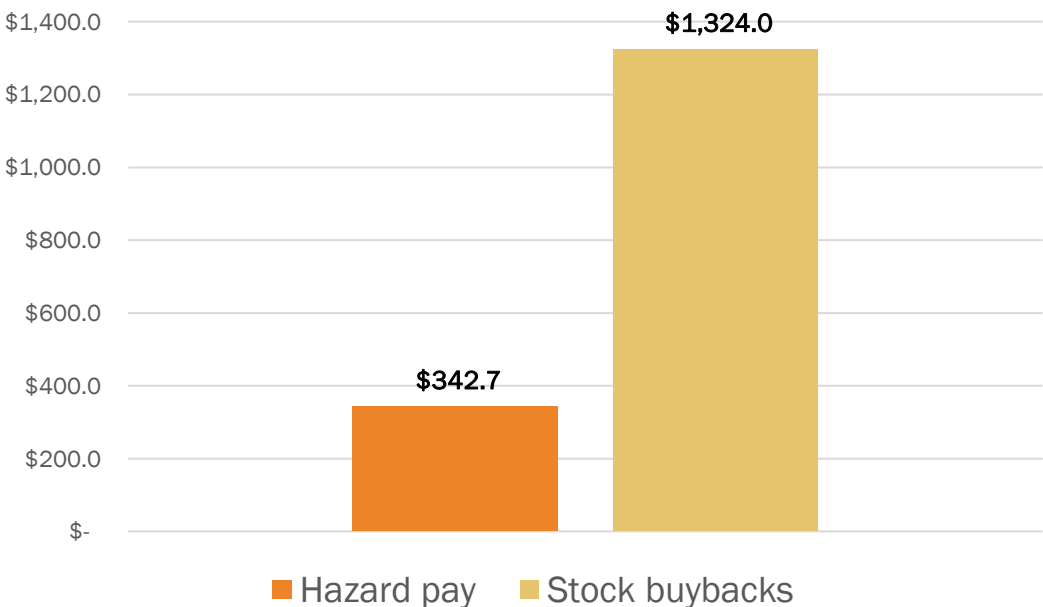
# FRONTLINE WORKERS VS SHAREHOLDERS: WHO'S ESSENTIAL?

**KROGER**

Kroger 2020 after-tax hazard pay & profit  
(\$ in millions)



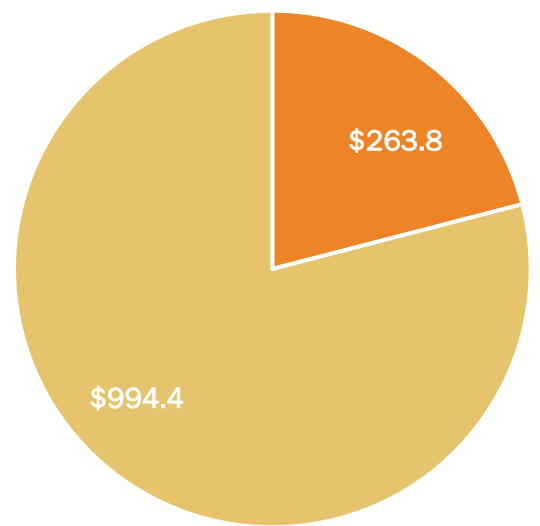
Kroger 2020 after-tax hazard pay & share repurchases (\$ in millions)



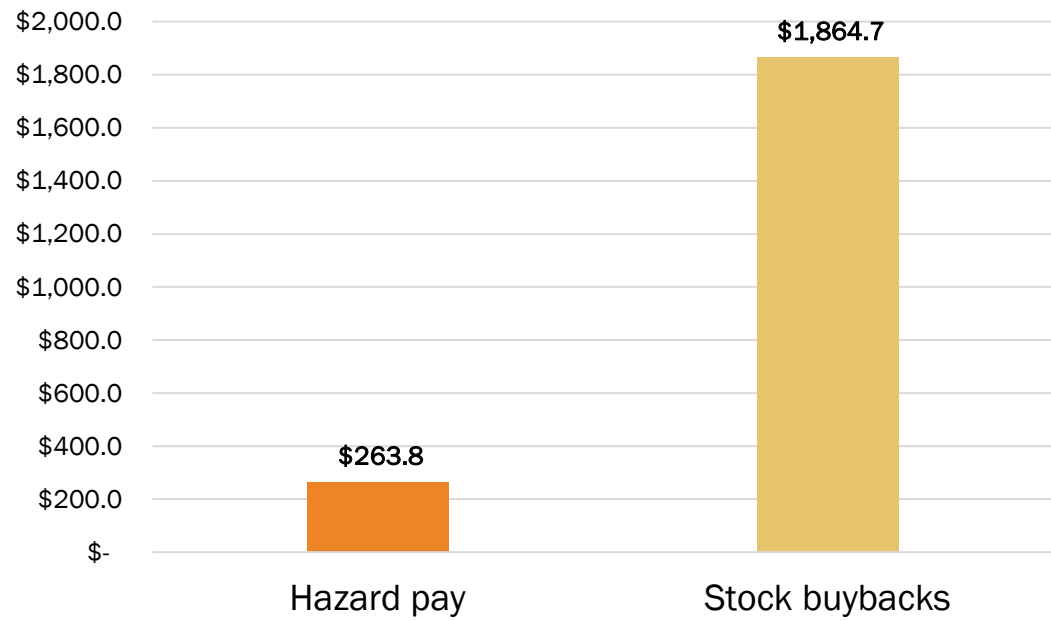
# FRONTLINE WORKERS VS SHAREHOLDERS: WHO'S ESSENTIAL?

**ALBERTSONS**

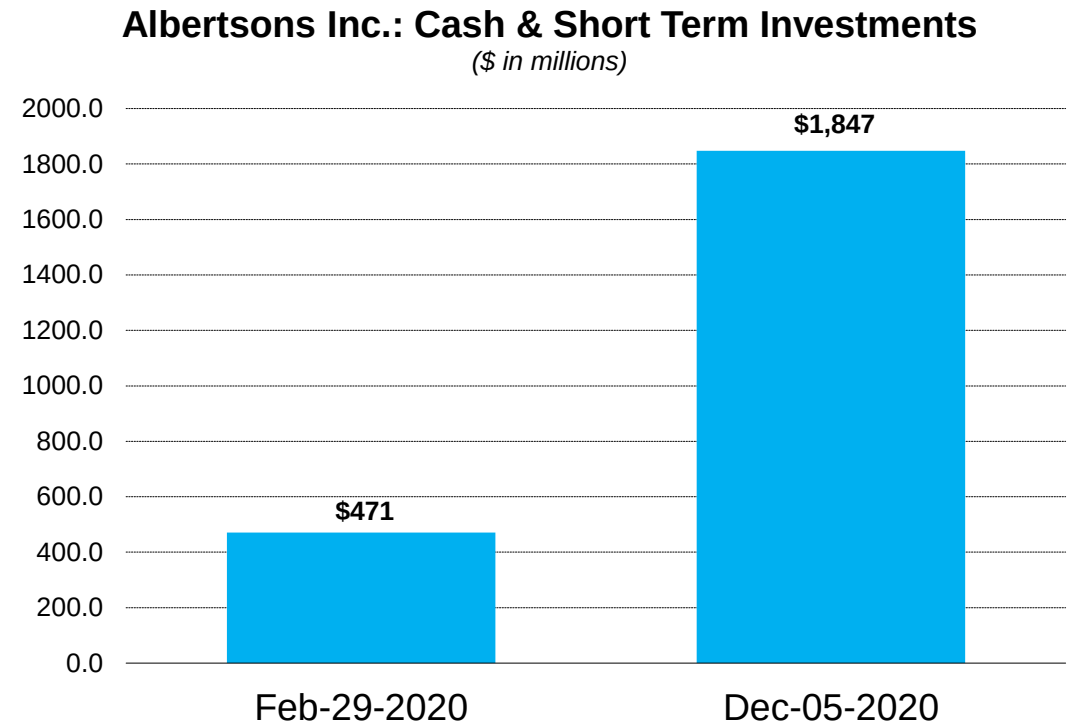
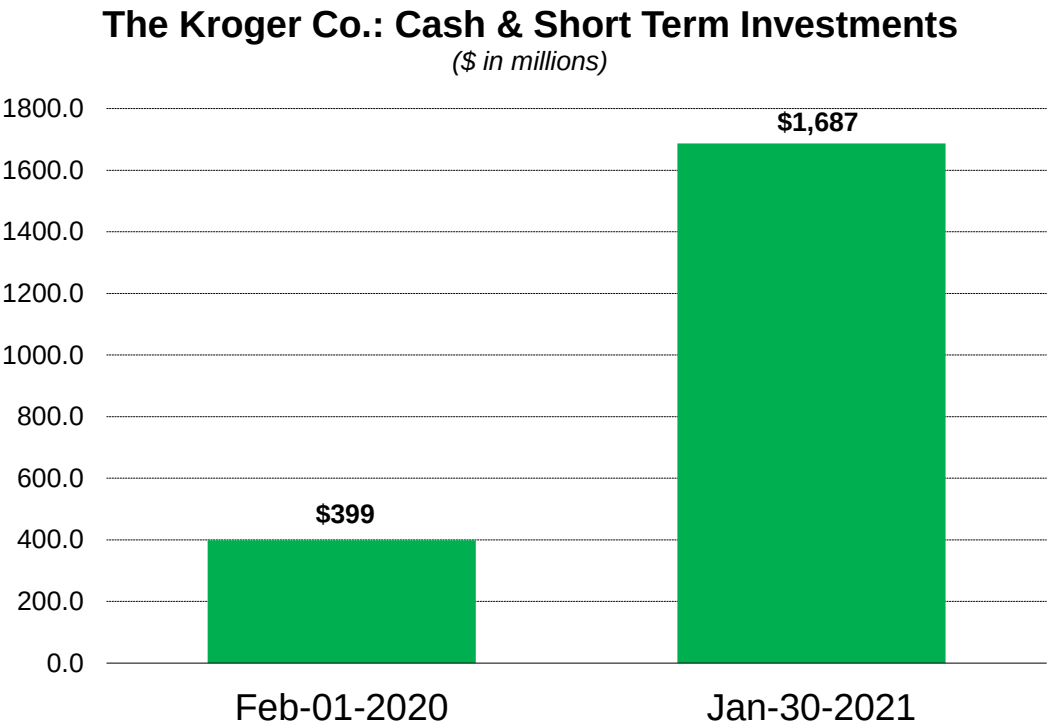
Albertsons 2020 after-tax hazard pay & profit  
(\$ in millions; through 3Q20)



Albertsons 2020 after-tax hazard pay & share buybacks (\$ in millions; through 3rd quarter)

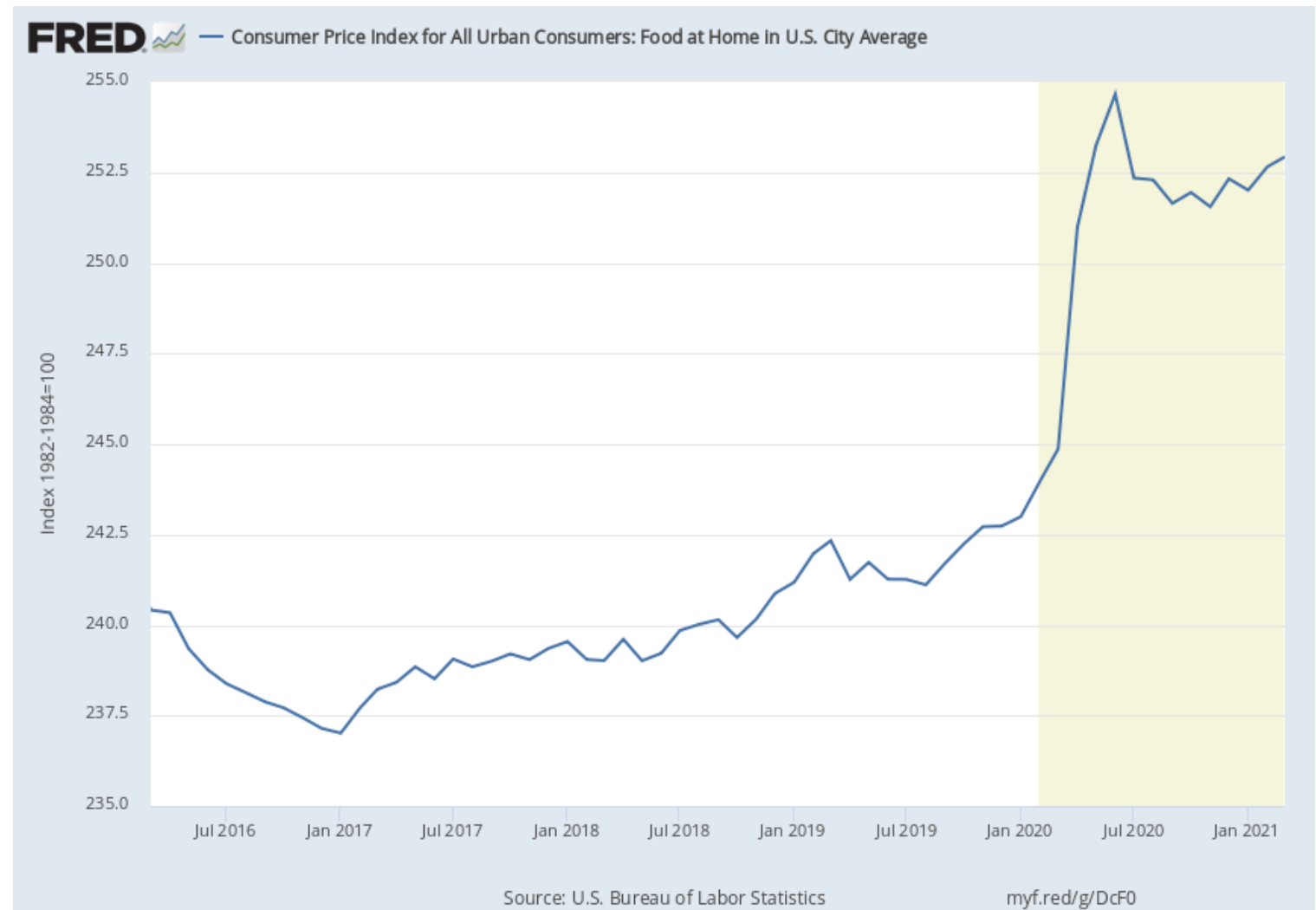


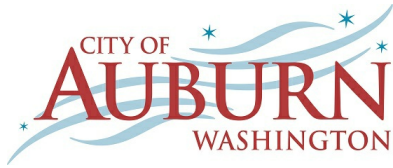
# DESPITE COVID-19 COSTS & BILLIONS IN STOCK BUYBACKS SUPERMARKET CHAINS ARE FLUSH WITH CASH



# SUPERMARKETS ALREADY RAISED PRICES

- Supermarket chains claim they would be forced to raise prices on consumers if they provide hazard pay
- This is untrue—the large chains operating here are flush with cash and can easily afford it
- Fact: one reason for the windfall profits over the past 12 months is that these firms already raised consumer prices significantly





## AGENDA BILL APPROVAL FORM

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**Agenda Subject:**

Resolution No. 5593 (Comeau)(20 Minutes)

**Date:**

May 5, 2021

**Department:**

Finance

**Attachments:**

[Resolution No. 5593](#)

[Exhibit A](#)

**Budget Impact:****Administrative Recommendation:**

For discussion only.

**Background for Motion:****Background Summary:**

The City provides animal control related services to residents through a contract with the Auburn Valley Humane Society (AVHS). That contract provides that AVHS shall determine the prices for its services, and allows for periodic City review of AVHS prices to ensure they are competitive.

Pursuant to this contract, the City has reviewed the AVHS current price schedule and proposed revised price schedule to take effect on 7/1/21 (both are included in Exhibit A, attached to Resolution 5593). Upon review, the City believes that AVHS prices are competitive, with the exception of its current 6th and subsequent animal impound charges. Currently, those impound prices are substantially higher than those charged by other localities for similar services. In its proposed revised fee schedule, AVHS proposes to substantially reduce those fees by 7/1/21, bringing them to within a competitive price range. The City supports AVHS adoption of its proposed revised fee schedule, and further supports its adoption prior to 7/1/21, to the extent practicable.

The City supports the adoption of Resolution 5593

**Reviewed by Council Committees:**

**Councilmember:** Baggett

**Staff:**

Comeau

**Meeting Date:** May 10, 2021

Item Number:

## **RESOLUTION NO. 5593**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, REVIEWING A SCHEDULE OF PRICES FOR SERVICES PROVIDED BY THE AUBURN VALLEY HUMANE SOCIETY TO ENSURE COMPETITIVE SERVICE PRICES

WHEREAS, the City provides its animal shelter services to the public through a contract with the Auburn Valley Humane Society (AVHS). The City's current AVHS contract was adopted by Resolution No. 4747 on September 19, 2011, and by its terms expires on December 31, 2026;

WHEREAS, paragraph IV(B) of the AVHS contract provides that AVHS shall establish the prices for its animal shelter services, subject to the City's right to periodically review them to ensure they are competitive with those of other animal shelters;

WHEREAS, AVHS provided its price and fee schedule for its services to the City for review on April 30, 2021. It is attached as Exhibit A to this resolution. Exhibit A includes both current AVHS fees, and proposed fee changes AVHS intends to make effective on July 1, 2021;

WHEREAS, pursuant to the City's contract with AVHS, the City Council has reviewed the current and proposed AVHS prices reflected in Exhibit A to compare them with the prices charged by other local animal shelters for similar services;

WHEREAS, the prices AVHS currently charges for its services in Exhibit A are relatively competitive and comparable with those charged by other area shelters, with the exception of its animal impound charges (\$1,120 or \$2,080 for a 6<sup>th</sup> or subsequent impound, depending on whether or not the impounded animal is altered). This current impound fee is markedly higher than those imposed by other compared localities, such as the City of Seattle or Metro Animal Services (which serves the Puyallup area). However, in its revised fee schedule to take effect July 1, AVHS lowers its impound fees to range from \$180 to \$580 (depending on the number of impounds, and whether the animal is licensed or altered), making AVHS impound fees comparable with those charged by other local animal shelters.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, HEREBY RESOLVES as follows:

**Section 1.** After reviewing Exhibit A to ensure that the prices AVHS charges for its services are competitive, the City finds that AVHS currently charges competitive prices for its services in comparison to other local animal shelters, with the exception of its current charges for 6<sup>th</sup> or subsequent animal impounds, which AVHS intends to revise effective July 1, 2021 as set forth in Exhibit A. The City believes that the revised AVHS fee schedule in Exhibit A, to take effect on July 1, 2021, is competitive with those of other local animal shelters.

The City Council supports AVHS in its adoption of this revised fee schedule, and would support its adoption before July 1 to the extent practicable.

**Section 2.** The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

**Section 3.** That this Resolution shall take effect and be in full force upon passage and signatures hereon.

Dated and Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF AUBURN

\_\_\_\_\_  
NANCY BACKUS  
MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Shawn Campbell, MMC, City Clerk

\_\_\_\_\_  
Kendra Comeau, City Attorney

## **RESOLUTION 5593 – EXHIBIT A**

### **Auburn Valley Humane Society / City of Auburn Animal Services Fee Chart**

#### **2019/2020/2021 Altered Animal Reclaim Fees (current)**

| IMPOUNDS<br>(within 24mo period) | ALTERED<br>ANIMAL | ADDITIONAL FEES                                                           |
|----------------------------------|-------------------|---------------------------------------------------------------------------|
| 1 <sup>st</sup> Impound          | \$35              | \$30 lic+\$15 rab+\$16 vac/deworming+\$10 flea treatment+\$16 daily board |
| 2nd Impound                      | \$70 + Microchip  | + \$10 Flea treatment + \$16 daily board                                  |
| 3rd Impound                      | \$140             | + \$10 Flea treatment + \$16 daily board                                  |
| 4 <sup>th</sup> Impound          | \$280             | + \$10 Flea treatment + \$16 daily board                                  |
| 5th Impound                      | \$560             | + \$10 Flea treatment + \$16 daily board                                  |
| 6th & more Impounds              | \$1,120           | + \$10 Flea treatment + \$16 daily board                                  |

#### **2019/2020/2021 Unaltered Animal Reclaim Fees (current)**

| IMPOUNDS<br>(within 24mo period) | UNALTERED<br>ANIMAL   | ADDITIONAL FEES                                                        |
|----------------------------------|-----------------------|------------------------------------------------------------------------|
| 1 <sup>st</sup> Impound          | \$65                  | \$60 +\$15 rab+\$16 vac/deworming+\$10 flea treatment+\$16 daily board |
| 2nd Impound                      | \$130 + Microchip     | + \$10 Flea treatment + \$16 daily board                               |
| 3rd Impound                      | \$260 + S/N Surgery   | + \$10 Flea treatment + \$16 daily board                               |
| 4 <sup>th</sup> Impound          | \$520 + S/N Surgery   | + \$10 Flea treatment + \$16 daily board                               |
| 5th Impound                      | \$1,040 + S/N Surgery | + \$10 Flea treatment + \$16 daily board                               |
| 6th & Subsequent Impounds        | \$2,080 + S/N Surgery | + \$10 Flea treatment + \$16 daily board                               |

#### **2021/2022 Altered Animal with current COA Pet License Reclaim Fees (proposed 7/1/2021)**

| IMPOUNDS<br>(within 24mo period) | ALTERED<br>ANIMAL       | ADDITIONAL FEES                                                          |
|----------------------------------|-------------------------|--------------------------------------------------------------------------|
| 1 <sup>st</sup> Impound          | <b>\$25</b>             | \$15 rab+\$16 vac/deworming+\$10 flea treatment+ <b>\$20 daily board</b> |
| 2nd Impound                      | <b>\$50</b> + Microchip | + \$10 Flea treatment + <b>\$20 daily board</b>                          |
| 3rd Impound                      | <b>\$100</b>            | + \$10 Flea treatment + <b>\$20 daily board</b>                          |
| 4 <sup>th</sup> Impound          | <b>\$200</b>            | + \$10 Flea treatment + <b>\$20 daily board</b>                          |
| 5th + Impound                    | <b>\$350</b>            | + \$10 Flea treatment + <b>\$20 daily board</b>                          |

#### **2021/2022 Altered Animal without current COA Pet License Reclaim Fees (proposed 7/1/2021)**

| IMPOUNDS<br>(within 24mo period) | ALTERED<br>ANIMAL       | ADDITIONAL FEES                                                                   |
|----------------------------------|-------------------------|-----------------------------------------------------------------------------------|
| 1 <sup>st</sup> Impound          | <b>\$40</b>             | \$30 lic+\$15 rab+\$16 vac/deworming+\$10 flea treatment+ <b>\$20 daily board</b> |
| 2nd Impound                      | <b>\$80</b> + Microchip | + \$10 Flea treatment + <b>\$20 daily board</b>                                   |
| 3rd Impound                      | <b>\$160</b>            | + \$10 Flea treatment + <b>\$20 daily board</b>                                   |
| 4 <sup>th</sup> Impound          | <b>\$320</b>            | + \$10 Flea treatment + <b>\$20 daily board</b>                                   |
| 5th + Impound                    | <b>\$580</b>            | + \$10 Flea treatment + <b>\$20 daily board</b>                                   |

## RESOLUTION 5593 – EXHIBIT A

### **2021/2022 Unaltered Animal with current COA Pet License Reclaim Fees (proposed 7/1/2021)**

| IMPOUNDS<br>(within 24mo period) | UNALTERED<br>ANIMAL | ADDITIONAL FEES                                                  |
|----------------------------------|---------------------|------------------------------------------------------------------|
| 1 <sup>st</sup> Impound          | \$45                | \$15 rab+\$16 vac/deworming+\$10 flea treatment+\$20 daily board |
| 2nd Impound                      | \$90 + Microchip    | + \$10 Flea treatment + \$20 daily board                         |
| 3rd Impound                      | \$180 + S/N Surgery | + \$10 Flea treatment + \$20 daily board                         |

### **2021/2022 Unaltered Animal without current COA Pet License Reclaim Fees (proposed 7/1/2021)**

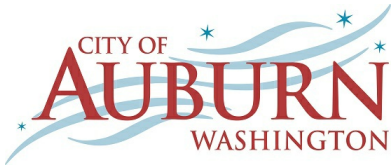
| IMPOUNDS<br>(within 24mo period) | UNALTERED<br>ANIMAL | ADDITIONAL FEES                                                        |
|----------------------------------|---------------------|------------------------------------------------------------------------|
| 1 <sup>st</sup> Impound          | \$65                | \$60 +\$15 rab+\$16 vac/deworming+\$10 flea treatment+\$20 daily board |
| 2nd Impound                      | \$130 + Microchip   | + \$10 Flea treatment + \$20 daily board                               |
| 3rd Impound                      | \$260 + S/N Surgery | + \$10 Flea treatment + \$20 daily board                               |

### **2021/2022 AVHS Fees for COA Mandated Services**

| COA MANDATED SERVICE       | Current AVHS Fees for<br>COA Mandated Services<br>as of 1/1/2019 | Proposed AVHS Fees for<br>COA Mandated Services<br>as of 7/1/2021 |
|----------------------------|------------------------------------------------------------------|-------------------------------------------------------------------|
| Microchip                  | \$45                                                             | \$45                                                              |
| Cat Neuter                 | \$75                                                             | \$75                                                              |
| Cat Spay                   | \$95                                                             | \$105                                                             |
| Dog Neuter <50lbs          | \$115                                                            | \$140                                                             |
| Dog Neuter 51-75lbs        | \$125                                                            | \$165                                                             |
| Dog Neuter 76-100lbs       | \$125                                                            | \$185                                                             |
| Dog Neuter >100lbs         | \$125                                                            | \$205                                                             |
| Dog Spay <25lbs            | Did not offer                                                    | \$155                                                             |
| Dog Spay 26-50lbs          | \$125                                                            | \$180                                                             |
| Dog Spay 51-75lbs          | \$135                                                            | \$200                                                             |
| Dog Spay 76-100lbs         | \$145                                                            | \$225                                                             |
| Dog Spay >100lbs           | \$145                                                            | \$245                                                             |
| Feline Pregnant/Obese      | \$30                                                             | \$30                                                              |
| Canine Pregnant/Obese      | \$40                                                             | \$40                                                              |
| Cryptorchid Neuter         | \$40                                                             | \$40                                                              |
| Injectable Pain Medication | \$20                                                             | \$20                                                              |
| Take-Home Pain Medication  | \$20                                                             | \$20                                                              |
| Elizabeth Collar           | \$15                                                             | \$15                                                              |

### **City of Auburn Pet Licensing**

|                                  |      |
|----------------------------------|------|
| Unaltered Dog/Cat                | \$60 |
| Altered Dog/Cat                  | \$30 |
| Senior Citizen Dog/Cat Altered   | \$15 |
| Disabled Citizen Dog/Cat Altered | \$15 |
| Juvenile Dog/Cat Unaltered <6mo  | \$15 |
| Replacement Tag                  | \$5  |



## AGENDA BILL APPROVAL FORM

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**Agenda Subject:**

Ordinance No. 6814 (Thomas)(15 Minutes)

**Date:**

May 5, 2021

**Department:**

Finance

**Attachments:**

[Ordinance No. 6814](#)

[Exhibit A](#)

[Exhibit B](#)

**Budget Impact:****Administrative Recommendation:**

For discussion only.

**Background for Motion:****Background Summary:**

In February 2020, BERK Consulting gave the City Council a presentation on the City's General Fund 8 year forecast, and identified some of the fiscal sustainability issues. In March 2020 the Council participated in a Council retreat where they explored the reasons for the sustainability issues BERK presented. They studied, in depth, several different strategies to remain financially proactive. Based on the Council's analysis, several strategies were identified and were built into the City's 2021-2022 Biennial Budget, which was adopted on November 16, 2020.

Since this time Council has reviewed several different B&O models for consideration, and has reviewed the impact analysis of several different strategies on the February 22, 2021, March 22, 2021, and April 12, 2021 study sessions. The final version of the Business and Occupation Tax Code for Council consideration is expected to generate approximately \$5.3 million per year to support general fund operations and services. The code includes the following main tenets:

1. A gross receipts tax applied to businesses that generate gross revenue in excess of \$500,000 per calendar year;
2. A tiered gross receipts tax rate as follows: .05% for retail, .15% for services, .18% for wholesale, and .1% for manufacturing and other businesses;
3. A square foot tax for warehouse space exceeding 4,000 square feet, of \$0.10 per square foot per quarter; and
4. Tax credits available for new businesses and businesses within the Auburn Business Improvement Area

**Reviewed by Council Committees:**

**Councilmember:** Baggett

**Meeting Date:** May 10, 2021

**Staff:** Thomas

Item Number:

CITY OF AUBURN, WASHINGTON

ORDINANCE NO. 6814

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, ADDING NEW CHAPTERS TO TITLE 3 OF THE AUBURN CITY CODE (REVENUE AND FINANCE) TO BE KNOWN AS BUSINESS AND OCCUPATION TAX (CHAPTER 3.53) AND BUSINESS AND OCCUPATION TAX ADMINISTRATIVE CODE (CHAPTER 3.54); PROVIDING FOR A REFERENDUM PROCESS; AND PROVIDING A SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

WHEREAS, the City of Auburn, Washington (the “City”) is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the state of Washington; and

WHEREAS, in 2018, during the creation of the City’s 2019/2020 biannual budget, the City’s long rang forecast identified a structural deficit on the General Fund financial condition resulting from several factors, including the 1% limitation on regular property tax, the sunset of streamlined sales tax mitigation revenue and pressure for increased services that outpace the increase in property and sales tax; and

WHEREAS, the City subsequently engaged with BERK consultants to help the City identify a strategy to overcome the structural deficit; and

WHEREAS, several options were identified as a result of that study, including reviewing service delivery adjustments, updating the City’s cost recovery model, increasing City utility taxes, and imposing a business and occupation tax, in order to preserve the City’s financial sustainability; and

WHEREAS, the need for additional revenue sources and the options identified by the study have been considered by City staff and City Council; and

WHEREAS, Washington Constitution Article XI, Section 12 and RCW 35A.82.020 and RCW 35A.11.020 grant the City the authority to license for revenue and to define taxation categories in order to respond to the unique concerns and responsibilities of the City; and

WHEREAS, these provisions of the law grant the City authority to impose a business and occupation tax on businesses operating within the City; and

WHEREAS, RCW 35.102.040 requires the City utilize the mandatory provisions of the model ordinances developed by Washington cities when imposing a business and occupation tax and adopting administrative provisions related to the imposition and collection of such a tax, but also allows for flexibility to customize the ordinances based on local goals and policies; and

WHEREAS, the model ordinance provides mandatory and standard exemptions for potential inclusion but also gives the City the ability to create certain exemptions from business and occupation tax including an annual gross receipts exemption threshold for small businesses to meet the City's own objectives, exemptions to set economic policy, and exemptions to maintain local control; and

WHEREAS, the model ordinance also provides mandatory and standard deductions for potential inclusion that ensures businesses are not taxed on the same revenue by multiple jurisdictions; and

WHEREAS, the City Council has determined that imposition of a business and occupation tax as provided herein and providing for uniform administration of the City's tax codes will be in the best interest of the public health, safety, and welfare;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DOES ORDAIN as follows:

Section 1. Amendment to Title 3 Revenue and Finance. A new chapter, Chapter 3.53 Business and Occupation Tax, is added to Title 3 as set forth in Exhibit A to this ordinance.

Section 2. Amendment to Title 3 Revenue and Finance. A new chapter, Chapter 3.54 Business and Occupation Tax Administrative Code, is added to Title 3 as set forth in Exhibit B to this ordinance.

Section 3. Referendum. This ordinance is subject to referendum as set forth in RCW 35.21.706. A referendum petition to repeal this ordinance may be filed with the City Clerk within seven (7) days of adoption of this ordinance. Within ten (10) days of such filing, the City Clerk shall confer with the petitioner concerning form and style of the petition, issue the petition and identifications number, and secure an accurate, concise, and positive ballot title from the City Attorney. The petitioner shall then have thirty (30) days in which to secure the signatures of not less than fifteen (15) percent of the City's registered voters as of the last municipal general election upon petition forms which contain the ballot title and the full text of the measures to be referred. The City Clerk shall verify the sufficiency of the signatures on the petition and, if sufficient valid signatures are properly submitted, shall certify the referendum measure to the next election ballot within the City or at a special election ballot as provided pursuant to RCW 35.17.260(2).

Section 4. Severability; Ratification. Should any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to any person or situation. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 5. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this ordinance and the Exhibits attached hereto, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 6. Publication and Effective Date. A summary of this ordinance consisting of the title shall be published in the official newspaper of the City. In the event that no referendum petition is filed, this ordinance shall take effect at 12:01 am on \_\_\_\_\_, 2021.

PASSED by the City Council of the City of Auburn, Washington, at a regular meeting of the City Council held on \_\_\_\_\_, 2021.

INTRODUCED: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

CITY OF AUBURN, WASHINGTON

\_\_\_\_\_  
Nancy Backus, Mayor

ATTEST:

\_\_\_\_\_  
Shawn Campbell, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

## EXHIBIT A

### CHAPTER 3.53

#### BUSINESS AND OCCUPATION TAX

##### Sections:

- 3.53.010 Exercise of revenue license power.
- 3.53.020 Definitions.
- 3.53.030 Agency – sales and services by agent, consignee, bailee, factor or auctioneer.
- 3.53.040 Imposition of the tax – tax or fee levied; business license fee exemption.
- 3.53.050 Multiple activities credit when activities take place in one or more cities with eligible gross receipt taxes.
- 3.53.060 Deductions to prevent multiple taxation of manufacturing activities and prior to January 1, 2008, transactions involving more than one city with an eligible gross receipts tax.
- 3.53.070 Assignment of gross income derived from intangibles.
- 3.53.080 Allocation and apportionment of income when activities take place in more than one jurisdiction.
- 3.53.090 Allocation and apportionment of printing and publishing income when activities take place in more than one jurisdiction.
- 3.53.100 Exemptions.
- 3.53.110 Deductions.
- 3.53.120 Tax credits.
- 3.53.130 Tax part of overhead.
- 3.53.140 Administrative provisions.
- 3.53.150 Severability clause.

##### **3.53.010 Exercise of revenue license power.**

The provisions of this chapter shall be deemed an exercise of the power of the City to license for revenue. The provisions of this chapter are subject to periodic statutory or administrative rule changes or judicial interpretations of the ordinances or rules. The responsibility rests with the licensee or taxpayer to reconfirm tax computation procedures and remain in compliance with the City code.

##### **3.53.020 Definitions.**

In construing the provisions of this chapter, the following definitions shall be applied. Words in the singular number shall include the plural, and the plural shall include the singular.

##### A. “Agricultural product,” “farmer”

1. “Agricultural product” means any product of plant cultivation or animal husbandry including, but not limited to: A product of horticulture, grain cultivation, vermiculture, viticulture, or aquaculture as

defined in RCW 15.85.020; plantation Christmas trees; turf; or any animal including but not limited to an animal that is a private sector cultured aquatic product as defined in RCW 15.85.020, or a bird, or insect, or the substances obtained from such animal. "Agricultural product" does not include animals intended to be pets, marijuana, or marijuana infused products as defined by RCW 69.50.101(y) and (ff).

2. "Farmer" means any person engaged in the business of growing or producing, upon the person's own lands or upon lands in which the person has a present right of possession, any agricultural product whatsoever for sale. "Farmer" does not include a person using such products as ingredients in a manufacturing process, or a person growing or producing such products for the person's own consumption. "Farmer" does not include a person selling any animal or substance obtained therefrom in connection with the person's business of operating a stockyard or a slaughter or packing house. "Farmer" does not include any person in respect to the business of taking, cultivating, or raising timber. "Farmer" does not include any person engaged in the business of growing, producing, processing, selling or distributing marijuana.

B. "Artistic or cultural organization"

1. The term "artistic or cultural organization" means an organization which is organized and operated exclusively for the purpose of providing artistic or cultural exhibitions, presentations, or performances or cultural or art education programs, as defined in subsection 10 of this definition, for viewing or attendance by the general public.

2. The organization must be a not-for-profit corporation under Chapter 24.03 RCW.

3. The organization must be managed by a governing board of not less than eight (8) individuals none of whom is a paid employee of the organization or by a corporation sole under Chapter 24.12 RCW.

4. No part of its income may be paid directly or indirectly to its members, stockholders, officers, directors, or trustees except in the form of services rendered by the corporation in accordance with its purposes and bylaws.

5. Salary or compensation paid to its officers and executives must be only for actual services rendered, and at levels comparable to the salary or compensation of like positions within the state.

6. Assets of the corporation must be irrevocably dedicated to the activities for which the exemption is granted and, on the liquidation, dissolution, or abandonment by the corporation, may not inure directly or indirectly to the benefit of any member or individual except a non-profit organization, association, or corporation which also would be entitled to the exemption.

7. The corporation must be duly licensed or certified when licensing or certification is required by law or regulation.

8. The amounts received that qualify for exemption must be used for the activities for which the exemption is granted.

9. Services must be available regardless of race, color, national origin, ancestry, religion, age, sex, marital status, Vietnam or disabled veteran status, sexual orientation, or the presence of any mental or physical disability.

10. The term “artistic or cultural exhibitions, presentations, or performances or cultural or art education programs” is limited to:

a. An exhibition or presentation of works of art or objects of cultural or historical significance, such as those commonly displayed in art or history museums;

b. A musical or dramatic performance or series of performances; or

c. An educational seminar or program, or series of such programs, offered by the organization to the general public on an artistic, cultural, or historical subject.

C. “Business” includes all activities engaged in with the object of gain, benefit, or advantage to the taxpayer or to another person or class, directly or indirectly.

D. “Business and occupation tax” or “gross receipts tax” means a tax imposed on or measured by the value of products, the gross income of the business, or the gross proceeds of sales, as the case may be, and that is the legal liability of the business.

E. “Commercial or industrial use” means the following uses of products, including by-products, by the extractor or manufacturer thereof:

1. Any use as a consumer; and

2. The manufacturing of articles, substances or commodities.

F. “Delivery” means the transfer of possession of tangible personal property between the seller and the buyer or the buyer’s representative. Delivery to an employee of a buyer is considered delivery to the buyer. Transfer of possession of tangible personal property occurs when the buyer or the buyer’s representative first takes physical control of the property or exercises dominion and control over the property. Dominion and control means the buyer has the ability to put the property to the buyer’s own purposes. It means the buyer or the buyer’s representative has made the final decision to accept or reject the property, and the seller has no further right to possession of the property and the

buyer has no right to return the property to the seller, other than under a warranty contract. A buyer does not exercise dominion and control over tangible personal property merely by arranging for shipment of the property from the seller to itself. A buyer's representative is a person, other than an employee of the buyer, who is authorized in writing by the buyer to receive tangible personal property and take dominion and control by making the final decision to accept or reject the property. Neither a shipping company nor a seller can serve as a buyer's representative. It is immaterial where the contract of sale is negotiated or where the buyer obtains title to the property. Delivery terms and other provisions of the Uniform Commercial Code (Title 62A RCW) do not determine when or where delivery of tangible personal property occurs for purposes of taxation.

G. "Director" means the Finance Director of the City or any officer, agent or employee of the City designated to act on the Director's behalf.

H. "Digital automated service," "digital code" and "digital goods" have the same meaning as in RCW 82.04.192.

I. "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050(2)(g) and (6)(b).

J. "Eligible gross receipts tax":

The term "eligible gross receipts tax" means a tax which:

1. Is imposed on the act or privilege of engaging in business activities within section ACC 3.53.040; and
2. Is measured by the gross volume of business, in terms of gross receipts and is not an income tax or value added tax; and
3. Is not, pursuant to law or custom, separately stated from the sales price; and
4. Is not a sales or use tax, business license fee, franchise fee, royalty or severance tax measured by volume or weight, or concession charge, or payment for the use and enjoyment of property, property right or a privilege; and
5. Is a tax imposed by a local jurisdiction, whether within or without the State of Washington, and not by a country, state, province, or any other non-local jurisdiction above the county level.

K. "Engaging in business":

1. The term “engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.
2. This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimis business activities in the City without having to register and obtain a business license or pay City business and occupation taxes. The activities listed in this section are illustrative only and are not intended to narrow the definition of “engaging in business” in subsection 1. If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.
3. Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license:
  - a. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.
  - b. Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.
  - c. Soliciting sales.
  - d. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.
  - e. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.
  - f. Installing, constructing, or supervising installation or construction of, real or tangible personal property.
  - g. Soliciting, negotiating, or approving franchise, license, or other similar agreements.
  - h. Collecting current or delinquent accounts.
  - i. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

- j. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.
  - k. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.
  - l. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.
  - m. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.
  - n. Investigating, resolving, or otherwise assisting in resolving customer complaints.
  - o. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.
  - p. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another person acting on its behalf.
4. If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license and pay tax:
- a. Meeting with suppliers of goods and services as a customer.
  - b. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.
  - c. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

d. Renting tangible or intangible property as a customer when the property is not used in the City.

e. Attending, but not participating in a “trade show” or “multiple vendor events”. Persons participating at a trade show shall review ACC Chapter 2.23 Special Event Permits.

f. Conducting advertising through the mail.

g. Soliciting sales by phone from a location outside the City.

5. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection 4.

6. The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the tax under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

L. “Extracting” is the activity engaged in by an extractor and is reportable under the extracting classification.

M. “Extractor” means every person who from the person’s own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, for sale or for commercial or industrial use, mines, quarries, takes or produces coal, oil, natural gas, ore, stone, sand, gravel, clay, mineral or other natural resource product; or fells, cuts or takes timber, Christmas trees, other than plantation Christmas trees, or other natural products; or takes fish, shellfish, or other sea or inland water foods or products. “Extractor” does not include persons performing under contract the necessary labor or mechanical services for others; or persons meeting the definition of farmer.

N. “Extractor for hire” means a person who performs under contract necessary labor or mechanical services for an extractor.

O. “Gross income of the business” means the value proceeding or accruing by reason of the transaction of the business engaged in and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds, or other evidences of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends, and other emoluments however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

P. "Gross proceeds of sales" means the value proceeding or accruing from the sale of tangible personal property, digital goods, digital codes, digital automated services or for other services rendered, without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount paid, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

Q. "Manufacturing" means the activity conducted by a manufacturer and is reported under the manufacturing classification.

R. "Manufacturer," "to manufacture":

1. "Manufacturer" means every person who, either directly or by contracting with others for the necessary labor or mechanical services, manufactures for sale or for commercial or industrial use from the person's own materials or ingredients any products. When the owner of equipment or facilities furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to less than twenty percent (20%) of the total value of all materials or ingredients that become a part of the finished product, the owner of the equipment or facilities will be deemed to be a processor for hire, and not a manufacturer. A business not located in this City that is the owner of materials or ingredients processed for it in this City by a processor for hire shall be deemed to be engaged in business as a manufacturer in this City.

2. "To manufacture" means all activities of a commercial or industrial nature wherein labor or skill is applied, by hand or machinery, to materials or ingredients so that as a result thereof a new, different or useful product is produced for sale or commercial or industrial use, and shall include:

- a. The production of special made or custom made articles;
- b. The production of dental appliances, devices, restorations, substitutes, or other dental laboratory products by a dental laboratory or dental technician;
- c. Crushing and/or blending of rock, sand, stone, gravel, or ore; and
- d. The producing of articles for sale, or for commercial or industrial use from raw materials or prepared materials by giving such materials, articles, and substances of trade or commerce new forms, qualities, properties or combinations including, but not limited to, such activities as making, fabricating, processing, refining, mixing, slaughtering, packing, aging, curing, mild curing, preserving, canning, and the preparing and freezing of fresh fruits and vegetables.

"To manufacture" shall not include the production of digital goods or the production of computer software if the computer software is delivered from the seller to the purchaser by means other

than tangible storage media, including the delivery by use of a tangible storage media where the tangible storage media is not physically transferred to the purchaser.

S. "Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, co- partnership, joint venture, club, company, joint stock company, business trust, municipal corporation, political subdivision of the State of Washington, corporation, limited liability company, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, non-profit, or otherwise and the United States or any instrumentality thereof.

T. "Processing for hire" means the performance of labor and mechanical services upon materials or ingredients belonging to others so that as a result a new, different or useful product is produced for sale, or commercial or industrial use. A processor for hire is any person who would be a manufacturer if that person were performing the labor and mechanical services upon that person's own materials or ingredients. If a person furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to twenty percent (20%) or more of the total value of all materials or ingredients that become a part of the finished product the person will be deemed to be a manufacturer and not a processor for hire.

U. "Product" means tangible personal property, including articles, substances, or commodities created, brought forth, extracted, or manufactured by human or mechanical effort. "Byproduct" means any additional product, other than the principal or intended product, which results from extracting or manufacturing activities and which has a market value, without regard to whether or not such additional product was an expected or intended result of the extracting or manufacturing activities.

V. "Retailing" means the activity of engaging in making sales at retail and is reported under the retailing classification.

W. "Retail service" shall include the sale of or charge made for personal, business, or professional services including amounts designated as interest, rents, fees, admission, and other service emoluments however designated, received by persons engaging in the following business activities:

1. Amusement and recreation services including but not limited to golf, pool, billiards, skating, bowling, swimming, bungee jumping, ski lifts and tows, basketball, racquet ball, handball, squash, tennis, batting cages, day trips for sightseeing purposes, and others, when provided to consumers. "Amusement and recreation services" also include the provision of related facilities such as basketball courts, tennis courts, handball courts, swimming pools, and charges made for providing the opportunity to dance. The term "amusement and recreation services" does not include instructional lessons to learn a particular activity such as tennis lessons, swimming lessons, or archery lessons.

2. Abstract, title insurance, and escrow services;

3. Credit bureau services;
4. Automobile parking and storage garage services;
5. Landscape maintenance and horticultural services but excluding (a) horticultural services provided to farmers and (b) pruning, trimming, repairing, removing, and clearing of trees and brush near electric transmission or distribution lines or equipment, if performed by or at the direction of an electric utility;
6. Service charges associated with tickets to professional sporting events; and
7. The following personal services: Physical fitness services, tanning salon services, tattoo parlor services, steam bath services, Turkish bath services, escort services, and dating services.
8. The term shall also include the renting or leasing of tangible personal property to consumers and the rental of equipment with an operator.

X. "Sale," "casual or isolated sale":

1. "Sale" means any transfer of the ownership of, title to, or possession of, property for a valuable consideration and includes any activity classified as a "sale at retail," "retail sale," or "retail service." It includes renting or leasing, conditional sale contracts, leases with option to purchase, and any contract under which possession of the property is given to the purchaser but title is retained by the vendor as security for the payment of the purchase price. It also includes the furnishing of food, drink, or meals for compensation whether consumed upon the premises or not.
2. "Casual or isolated sale" means a sale made by a person who is not engaged in the business of selling the type of property involved on a routine or continuous basis.

Y. "Sale at retail", "retail sale":

1. "Sale at retail" or "retail sale" means every sale of tangible personal property (including articles produced, fabricated, or imprinted) to all persons irrespective of the nature of their business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers, other than a sale to a person who presents a resale certificate under RCW 82.04.470, and who:
  - a. Purchases for the purpose of resale as tangible personal property in the regular course of business without intervening use by such person; or

b. Installs, repairs, cleans, alters, imprints, improves, constructs, or decorates real or personal property of or for consumers, if such tangible personal property becomes an ingredient or component of such real or personal property without intervening use by such person; or

c. Purchases for the purpose of consuming the property purchased in producing for sale a new article of tangible personal property or substance, of which such property becomes an ingredient or component or is a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale; or

d. Purchases for the purpose of consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

e. Purchases for the purpose of providing the property to consumers as part of competitive telephone service, as defined in RCW 82.04.065. The term shall include every sale of tangible personal property which is used or consumed or to be used or consumed in the performance of any activity classified as a "sale at retail" or "retail sale" even though such property is resold or utilized as provided in a through e of this subsection following such use.

f. Purchases for the purpose of satisfying the person's obligations under an extended warranty as defined in subsection 7 of this section, if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person.

2. "Sale at retail" or "retail sale" also means every sale of tangible personal property to persons engaged in any business activity which is taxable under ACC 3.53.040.A.7.

3. "Sale at retail" or "retail sale" shall include the sale of or charge made for tangible personal property consumed and/or for labor and services rendered in respect to the following:

a. The installing, repairing, cleaning, altering, imprinting, or improving of tangible personal property of or for consumers, including charges made for the mere use of facilities in respect thereto, but excluding charges made for the use of coin-operated laundry facilities when such facilities are situated in an apartment house, rooming house, or mobile home park for the exclusive use of tenants thereof, and also excluding sales of laundry service to non-profit health care facilities, and excluding services rendered in respect to live animals, birds and insects;

- b. The constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for consumers, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, and shall also include the sale of services or charges made for the clearing of land and the moving of earth excepting the mere leveling of land used in commercial farming or agriculture;
- c. The charge for labor and services rendered in respect to constructing, repairing, or improving any structure upon, above, or under any real property owned by an owner who conveys the property by title, possession, or any other means to the person performing such construction, repair, or improvement for the purpose of performing such construction, repair, or improvement and the property is then reconveyed by title, possession, or any other means to the original owner;
- d. The sale of or charge made for labor and services rendered in respect to the cleaning, fumigating, razing or moving of existing buildings or structures, but shall not include the charge made for janitorial services; and for purposes of this section the term "janitorial services" shall mean those cleaning and caretaking services ordinarily performed by commercial janitor service businesses including, but not limited to, wall and window washing, floor cleaning and waxing, and the cleaning in place of rugs, drapes and upholstery. The term "janitorial services" does not include painting, papering, repairing, furnace or septic tank cleaning, snow removal or sandblasting;
- e. The sale of or charge made for labor and services rendered in respect to automobile towing and similar automotive transportation services, but not in respect to those required to report and pay taxes under Chapter 82.16 RCW;
- f. The sale of and charge made for the furnishing of lodging and all other services, except telephone business and cable service, by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property, and it shall be presumed that the occupancy of real property for a continuous period of one (1) month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same. For the purposes of this subsection, it shall be presumed that the sale of and charge made for the furnishing of lodging for a continuous period of one (1) month or more to a person is a rental or lease of real property and not a mere license to enjoy the same;
- g. The installing, repairing, altering, or improving of digital goods for consumers;
- h. The sale of or charge made for tangible personal property, labor and services to persons taxable under a through g of this subsection when such sales or charges are for property, labor and services which are used or consumed in whole or in part by such persons in the

performance of any activity defined as a “sale at retail” or “retail sale” even though such property, labor and services may be resold after such use or consumption. Nothing contained in this subsection shall be construed to modify subsection 1 of this section and nothing contained in subsection 1 of this section shall be construed to modify this subsection.

4. “Sale at retail” or “retail sale” shall also include the providing of competitive telephone service to consumers.

5. “Sale at retail” or “retail sale”:

a. “Sale at retail” or “retail sale” shall also include the sale of prewritten software other than a sale to a person who presents a resale certificate under RCW 82.04.470, regardless of the method of delivery to the end user. For purposes of this subsection 5.a the sale of prewritten computer software includes the sale of or charge made for a key or an enabling or activation code, where the key or code is required to activate prewritten computer software and put the software into use. There is no separate sale of the key or code from the prewritten computer software, regardless of how the sale may be characterized by the vendor or by the purchaser. The term “sale at retail” or “retail sale” does not include the sale of or charge made for:

i. Custom software; or

ii. The customization of prewritten software.

b. The term also includes the charge made to consumers for the right to access and use prewritten computer software, where possession of the software is maintained by the seller or a third party, regardless of whether the charge for the service is on a per use, per user, per license, subscription, or some other basis.

i. The service described in this subsection 5.b includes the right to access and use prewritten software to perform data processing.

ii. For purposes of subsection 5.b.i “data processing” means the systematic performance of operations on data to extract the required information in an appropriate form or to convert the data to usable information. Data processing includes check processing, image processing, form processing, survey processing, payroll processing, claim processing, and similar activities.

6. “Sale at retail” or “retail sale” shall also include the sale of or charge made for labor and services rendered in respect to the building, repairing, or improving of any street, place, road, highway, easement, right of way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state,

the State of Washington, or by the United States and which is used or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind (Public road construction).

7. "Sale at retail" or "retail sale" shall also include the sale of or charge made for an extended warranty to a consumer. For purposes of this subsection, "extended warranty" means an agreement for a specified duration to perform the replacement or repair of tangible personal property at no additional charge or a reduced charge for tangible personal property, labor, or both, or to provide indemnification for the replacement or repair of tangible personal property, based on the occurrence of specified events. The term "extended warranty" does not include an agreement, otherwise meeting the definition of extended warranty in this subsection, if no separate charge is made for the agreement and the value of the agreement is included in the sales price of the tangible personal property covered by the agreement.

8. "Sale at retail" or "retail sale" shall also include the sale of or charge made for labor and services rendered in respect to the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to Chapter 35.82 RCW, including the installing, or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation (government contracting).

9. "Sale at retail" or "retail sale" shall not include the sale of services or charges made for the clearing of land and the moving of earth of or for the United States, any instrumentality thereof, or a county or city housing authority. Nor shall the term include the sale of services or charges made for cleaning up for the United States, or its instrumentalities, radioactive waste and other byproducts of weapons production and nuclear research and development. (This should be reported under the service and other classification as defined under ACC 3.53.040.A.7.)

10. "Sale at retail" or "retail sale" shall not include the sale of or charge made for labor and services rendered for environmental remedial action. (This should be reported under the service and other classification as defined under ACC 3.53.040.A.7.)

11. "Sale at retail" or "retail sale" shall also include the following sales to consumers of digital goods, digital codes, and digital automated services:

- a. Sales in which the seller has granted the purchaser the right of permanent use;
- b. Sales in which the seller has granted the purchaser a right of use that is less than permanent;

c. Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and

d. Sales in which the purchaser is obligated to make continued payment as a condition of the sale.

A retail sale of digital goods, digital codes, or digital automated services under this subsection Y.11 includes any services provided by the seller exclusively in connection with the digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.

For purposes of this subsection, “permanent” means perpetual or for an indefinite or unspecified length of time. A right of permanent use is presumed to have been granted unless the agreement between the seller and the purchaser specifies or the circumstances surrounding the transaction suggest or indicate that the right to use terminates on the occurrence of a condition subsequent.

12. “Sale at retail” or “retail sale” shall also include the installing, repairing, altering, or improving of digital goods for consumers.

Z. “Sale at wholesale” or “wholesale sale” means any sale of tangible personal property, digital goods, digital codes, digital automated services, prewritten computer software, or services described in subsection Y.5.b, which is not a retail sale, and any charge made for labor and services rendered for persons who are not consumers, in respect to real or personal property and retail services, if such charge is expressly defined as a retail sale or retail service when rendered to or for consumers. Sale at wholesale also includes the sale of telephone business to another telecommunications company as defined in RCW 80.04.010 for the purpose of resale, as contemplated by RCW 35.21.715.

AA. “Service” means any sale or charge made for personal, business or professional service, including amounts designated as rents, fees, or admissions, not otherwise included within any other tax classification defined herein; provided that, the term “service” excludes retail or wholesale services.

BB. “Software”, “prewritten software”, “custom software”, “customization of canned software”, “master copies”, “retained rights”:

1. “Prewritten software” or “canned software” means computer software, including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof does not cause the combination to be other than prewritten computer software. Prewritten computer software includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than such

purchaser. Where a person modifies or enhances computer software of which such person is not the author or creator, the person shall be deemed to be the author or creator only of the person's modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software; however, where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for the modification or enhancement, the modification or enhancement shall not constitute prewritten computer software.

2. "Custom software" means software created for a single person.

3. "Customization of canned software" means any alteration, modification, or development of applications using or incorporating canned software to specific individualized requirements of a single person. Customization of canned software includes individualized configuration of software to work with other software and computer hardware but does not include routine installation. Customization of canned software does not change the underlying character or taxability of the original canned software.

4. "Master copies" of software means copies of software from which a software developer, author, inventor, publisher, licensor, sublicensor, or distributor makes copies for sale or license. The software encoded on a master copy and the media upon which the software resides are both ingredients of the master copy.

5. "Retained rights" means any and all rights, including intellectual property rights such as those rights arising from copyrights, patents, and trade secret laws, that are owned or are held under contract or license by a software developer, author, inventor, publisher, licensor, sublicensor, or distributor.

6. "Software" means any information, program, or routine, or any set of one or more programs, routines, or collections of information, used, or intended for use, to convey information that causes one or more computers or pieces of computer-related peripheral equipment, or any combination thereof, to perform a task or set of tasks. "Software" includes the associated documentation, materials, or ingredients, regardless of the media upon which that documentation is provided, that describe the code and its use, operation, and maintenance and that typically are delivered with the code to the consumer. All software is classified as either canned or custom.

CC. "Taxpayer" means any "person", as herein defined, required to have a business license under this chapter or liable for the collection of any tax or fee under this chapter, or who engages in any business or who performs any act for which a tax or fee is imposed by this chapter.

DD. "Tuition fee" includes library, laboratory, health service, and other special fees, and amounts charged for room and board by an educational institution when the property or service for which such charges are

made is furnished exclusively to the students or faculty of such institution. "Educational institution," as used in this section, means only those institutions created or generally accredited as such by the state and includes educational programs that such educational institution cosponsors with a non-profit organization, as defined by the Internal Revenue Code Section 501(c)(3), as hereafter amended, if such educational institution grants college credit for coursework successfully completed through the educational program, or an approved branch campus of a foreign degree-granting institution in compliance with Chapter 28B.90 RCW, and in accordance with RCW 82.04.4332 or defined as a degree-granting institution under RCW 28B.85.010(3) and accredited by an accrediting association recognized by the United States Secretary of Education, and offering to students an educational program of a general academic nature or those institutions which are not operated for profit and which are privately endowed under a deed of trust to offer instruction in trade, industry, and agriculture, but not including specialty schools, business colleges, other trade schools, or similar institutions.

EE. "Value proceeding or accruing" means the consideration, whether money, credits, rights, or other property expressed in terms of money, a person is entitled to receive or which is actually received or accrued. The term shall be applied, in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer.

FF. "Value of products":

1. The value of products, including by-products, extracted or manufactured, shall be determined by the gross proceeds derived from the sale thereof whether such sale is at wholesale or at retail, to which shall be added all subsidies and bonuses received from the purchaser or from any other person with respect to the extraction, manufacture, or sale of such products or by-products by the seller.
2. Where such products, including by-products, are extracted or manufactured for commercial or industrial use; and where such products, including by-products, are shipped, transported or transferred out of the City, or to another person, without prior sale or are sold under circumstances such that the gross proceeds from the sale are not indicative of the true value of the subject matter of the sale; the value shall correspond as nearly as possible to the gross proceeds from sales in this state of similar products of like quality and character, and in similar quantities by other taxpayers, plus the amount of subsidies or bonuses ordinarily payable by the purchaser or by any third person with respect to the extraction, manufacture, or sale of such products. In the absence of sales of similar products as a guide to value, such value may be determined upon a cost basis. In such cases, there shall be included every item of cost attributable to the particular article or article extracted or manufactured, including direct and indirect overhead costs. The Director may prescribe rules for the purpose of ascertaining such values.
3. Notwithstanding subsection 2 above, the value of a product manufactured or produced for purposes of serving as a prototype for the development of a new or improved product shall

correspond to (a) the retail selling price of such new or improved product when first offered for sale; or (b) the value of materials incorporated into the prototype in cases in which the new or improved product is not offered for sale.

GG. “Wholesaling” means engaging in the activity of making sales at wholesale, and is reported under the wholesaling classification.

**3.53.030 Agency – sales and services by agent, consignee, bailee, factor or auctioneer.**

A. *Sales in Own Name – Sales or Purchases as Agent.* Every person, including agents, consignees, bailees, factors or auctioneers having either actual or constructive possession of tangible personal property or having possession of the documents of title thereto, with power to sell such tangible personal property in the person’s own name and actually so selling, shall be deemed the seller of such tangible personal property within the meaning of this chapter.

The burden shall be upon the taxpayer in every case to establish the fact that such taxpayer is not engaged in the business of selling tangible personal property but is acting merely as broker or agent in promoting sales or making purchases for a principal. Such claim will be recognized only when the contract or agreement between such persons clearly establishes the relationship of principal and agent and when the following conditions are complied with:

1. The books and records of the broker or agent show the transactions were made in the name and for the account of the principal, and show the name of the actual owner of the property for whom the sale was made, or the actual buyer for whom the purchase was made.
2. The books and records show the amount of the principal’s gross sales, the amount of commissions and any other incidental income derived by the broker or agent from such sales. The principal’s gross sales must not be reflected as the agent’s income on any of the agent’s books and records. Commissions must be computed according to a set percentage or amount, which is agreed upon in the agency agreement.
3. No ownership rights may be conferred to the agent unless the principal refuses to pay, or refuses to abide by the agency agreement. Sales or purchases of any goods by a person who has any ownership rights in such goods shall be taxed as retail or wholesale sales.
4. Bulk goods sold or purchased on behalf of a principal must not be commingled with goods belonging to another principal or lose their identity as belonging to the particular principal. Sales or purchases of any goods which have been commingled or lost their identity as belonging to the principal shall be taxed as retail or wholesale sales.

B. If the above requirements are not met the consignor, bailor, principal or other shall be deemed a seller of such property to the agent, consignee, bailee, factor or auctioneer.

C. *Services in Own Name – Procuring Services as Agent.* For purposes of this subsection, an agent is a person who acts under the direction and control of the principal in procuring services on behalf of the principal that the person could not itself render or supply. Amounts received by an agent for the account of its principal as advances or reimbursements are exempted from the measure of the tax only when the agent is not primarily or secondarily liable to pay for the services procured.

Any person who claims to be acting merely as agent in obtaining services for a principal will have such claim recognized only when the contract or agreement between such persons clearly establishes the relationship of principal and agent and when the following conditions are complied with:

1. The books and records of the agent show that the services were obtained in the name and for the account of the principal, and show the actual principal for whom the purchase was made.
2. The books and records show the amount of the service that was obtained for the principal, the amount of commissions and any other income derived by the agent for acting as such. Amounts received from the principal as advances and reimbursements must not be reflected as the agent's income on any of the agent's books and records. Commissions must be computed according to a set percentage or amount, which is agreed upon in the agency agreement.

#### **3.53.040            Imposition of the tax – tax or fee levied.**

Except as provided in subsection C of this section, effective January 1, 2022 at 12:01 a.m. there is hereby levied upon and shall be collected from every person a tax for the act or privilege of engaging in business activities within the City of Auburn, whether the person's office or place of business be within or without the City. The tax shall be in amounts to be determined by application of rates against gross proceeds of sale, gross income of business, or value of products, including by-products, as the case may be, as follows:

##### **A. Gross receipts tax**

1. Upon every person engaging within the City in business as an extractor; as to such persons, the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, extracted within the City for sale or for commercial or industrial use, multiplied by the rate of .100 of one percent (.001). The measure of the tax is the value of the products, including by-products, so extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the City.
2. Upon every person engaging within the City in business as a manufacturer; as to such persons, the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, manufactured within the City, multiplied by the rate of .100 of

one percent (.001). The measure of the tax is the value of the products, including by-products, so manufactured, regardless of the place of sale or the fact that deliveries may be made to points outside the City.

3. Upon every person engaging within the City in the business of making sales at wholesale; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business without regard to the place of delivery of articles, commodities or merchandise sold, multiplied by the rate of .180 of one percent (.0018).

4. Upon every person engaging within the City in the business of making sales at retail; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business, without regard to the place of delivery of articles, commodities or merchandise sold, multiplied by the rate of .050 of one percent (.00050).

5. Upon every person engaging within the City in the business of (a) printing, (b) both printing and publishing newspapers, magazines, periodicals, books, music, and other printed items, (c) publishing newspapers, magazines and periodicals, (d) extracting for hire, and (e) processing for hire; as to such persons, the amount of tax on such business shall be equal to the gross income of the business multiplied by the rate of .100 of one percent (.001).

6. Upon every person engaging within the City in the business of making sales of retail services; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of sales multiplied by the rate of .150 of one percent (.0015).

7. Upon every other person engaging within the City in any business activity other than or in addition to those enumerated in the above subsections; as to such persons, the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of .100 of one percent (.001). This subsection includes, among others, and without limiting the scope hereof (whether or not title to material used in the performance of such business passes to another by accession, merger or other than by outright sale), persons engaged in the business of developing, or producing custom software or of customizing canned software, producing royalties or commissions, and persons engaged in the business of rendering any type of service which does not constitute a sale at retail, a sale at wholesale, or a retail service.

#### B. Square footage tax

1. Upon every person who leases, owns, occupies, or otherwise maintains a warehouse or outdoor warehouse within the city for purposes of engaging in business activities in the city there shall be a tax measured by the number of square feet of business warehouse floor space or outdoor warehouse space. The amount of the tax shall be equal to \$0.10 for each quarterly period of a calendar year for each square foot of warehouse or outdoor warehouse floor space that is leased, owned, occupied, or otherwise maintained within the city during the reporting period, calculated to the nearest square foot.

2. For purposes of this section, “warehouse” means a building or structure, or any part thereof, in which goods, wares, merchandise, or commodities are received or stored, whether or not for compensation, in furtherance of engaging in business.

3. For purposes of this section, “outdoor warehouse” means an area that is outdoors and is primarily used for the transloading of goods, wares, merchandise, or commodities on property for purposes of switching modes or vehicles of conveyance for the primary purpose of wholesaling, distributing, or reorganizing goods, wares, merchandise, or commodities en route to final destinations of sale or other transaction. Transloading generally involves the transfer of goods from one mode of transportation to another en route to an ultimate destination and, for purposes of the square footage tax, includes areas used for crossdocking, waylaying, temporary embarkment, and other similar activities.

4. For purposes of this section, the square footage of a business warehouse shall be computed by measuring to the inside finish of permanent outer building walls and shall include space used by columns and projections necessary to the building. Square footage shall not include stairs, elevator shafts, flues, pipe shafts, vertical ducts, heating or ventilation shafts, janitor closets, and electrical or utility closets.

5. For purposes of this section, the square footage of an outdoor warehouse shall only include those areas used for the receipt or storage of goods, wares, merchandise, or commodities that are being received and temporarily stored for transloading, whether or not for compensation, in furtherance of engaging in business. Such areas will typically include those areas where goods, wares, merchandise, and commodities, in transit to their ultimate destination, are parked, packaged, or stored after transloading, waylaying, or crossdocking. Square footage shall not include areas used only for employee, customer, or visitor parking, dock high loading areas used primarily for a business warehouse, buildings, areas used only for direct sales or rentals to consumers, landscaped areas, stormwater facilities, maneuvering areas and drive aisles, areas used only for garbage or recycling pickup, rights-of-way, or other areas clearly not used for the temporary storage of goods, wares, merchandise, and commodities in transit. Outdoor areas used for storage of agricultural products or for ancillary storage of materials utilized in, or products resulting from, onsite manufacturing operations are not considered outdoor warehouses.

6. Persons with more than one business warehouse or outdoor warehouse within the city must include all business warehouse floor space and outdoor warehouse space for all locations within the city. When a person rents space to another person, the person occupying the rental space is responsible for the square footage business tax on that rental space only if the renter has exclusive right of possession in the space as against the landlord. Space rented for the storage of goods in a warehouse or outdoor warehouse where no walls or other barriers separate the goods, and where the exclusive right of possession in the space is not held by the person to whom the space is rented, shall

be included in the business warehouse floor space of the person that operates the business warehouse, and not by the person renting the warehouse space.

7. If the square footage tax imposed in this subsection (B) is less than or equal to the gross receipts tax imposed in subsection (A) of this section, no square footage tax will be due; if the square footage tax imposed in this subsection (B) exceeds the gross receipts tax imposed in subsection (A) of this section, the taxpayer shall also remit the excess over the gross receipts tax payable under subsection (A) of this section.

C. Gross receipt and square footage tax thresholds

1. *Gross Receipts Threshold.* The gross receipts tax imposed in this section shall not apply to any person whose gross proceeds of sales, gross income of the business, and value of products, including by-products, as the case may be, from all activities conducted within the City during any calendar year is equal to or less than \$500,000 or is equal to or less than \$125,000 during any quarter if on a quarterly reporting basis.

2. *Square Footage Threshold.* The square footage tax imposed in subsection (B) of this section shall not apply to any person unless that person's total area of business space within the city exceeds one of the following thresholds:

- a. Four thousand taxable square feet of business warehouse space; or
- b. Two hundred sixty-one thousand three hundred sixty taxable square feet (six acres) of outdoor warehouse space;

If the square footage tax applies, it applies to all business space leased, owned, occupied, or otherwise maintained by the taxpayer during the applicable reporting period.

**3.53.050 Multiple activities credit when activities take place in one or more cities with eligible gross receipt taxes.**

A. Persons who engage in business activities that are within the purview of two (2) or more subsections of ACC 3.53.040.A shall be taxable under each applicable subsection.

B. Notwithstanding anything to the contrary herein, if imposition of the City's tax would place an undue burden upon interstate commerce or violate constitutional requirements, a taxpayer shall be allowed a credit to the extent necessary to preserve the validity of the City's tax, and still apply the City tax to as much of the taxpayer's activities as may be subject to the City's taxing authority.

C. To take the credit authorized by this section, a taxpayer must be able to document that the amount of tax sought to be credited was paid upon the same gross receipts used in computing the tax against which the credit is applied.

D. *Credit for Persons That Sell in the City Products That They Extract or Manufacture.* Persons taxable under the retailing or wholesaling classification with respect to selling products in this City shall be allowed a credit against those taxes for any eligible gross receipts taxes paid (1) with respect to the manufacturing of the products sold in the City, and (2) with respect to the extracting of the products, or the ingredients used in the products, sold in the City. The amount of the credit shall not exceed the tax liability arising under this chapter with respect to the sale of those products.

E. *Credit for Persons That Manufacture Products in the City Using Ingredients They Extract.* Persons taxable under the manufacturing classification with respect to manufacturing products in this City shall be allowed a credit against those taxes for any eligible gross receipts tax paid with respect to extracting the ingredients of the products manufactured in the City. The amount of the credit shall not exceed the tax liability arising under this chapter with respect to the manufacturing of those products.

F. *Credit for Persons That Sell Within the City Products That They Print, or Publish and Print.* Persons taxable under the retailing or wholesaling classification with respect to selling products in this City shall be allowed a credit against those taxes for any eligible gross receipts taxes paid with respect to the printing, or the printing and publishing, of the products sold within the City. The amount of the credit shall not exceed the tax liability arising under this chapter with respect to the sale of those products.

**3.53.060          Deductions to prevent multiple taxation of manufacturing activities and prior to January 1, 2008, transactions involving more than one city with an eligible gross receipts tax.**

A. *Amounts Subject to an Eligible Gross Receipts Tax in Another City That Also Maintains Nexus Over the Same Activity.* For taxes due prior to January 1, 2008, a taxpayer that is subject to an eligible gross receipts tax on the same activity in more than one (1) jurisdiction may be entitled to a deduction as follows:

1. A taxpayer that has paid an eligible gross receipts tax, with respect to a sale of goods or services, to a jurisdiction in which the goods are delivered or the services are provided may deduct an amount equal to the gross receipts used to measure that tax from the measure of the tax owed to the City.
2. Notwithstanding the above, a person that is subject to an eligible gross receipts tax in more than one (1) jurisdiction on the gross income derived from intangibles such as royalties,

trademarks, patents, or goodwill shall assign those gross receipts to the jurisdiction where the person is domiciled (its headquarters is located).

3. A taxpayer that has paid an eligible gross receipts tax on the privilege of accepting or executing a contract with another city may deduct an amount equal to the contract price used to measure the tax due to the other city from the measure of the tax owed to the City.

B. *Person Manufacturing Products Within and Without.* A person manufacturing products within the City using products manufactured by the same person outside the City may deduct from the measure of the manufacturing tax the value of products manufactured outside the City and included in the measure of an eligible gross receipts tax paid to the other jurisdiction with respect to manufacturing such products.

**3.53.070 Assignment of gross income derived from intangibles.**

Gross income derived from the sale of intangibles such as royalties, trademarks, patents, or goodwill shall be assigned to the jurisdiction where the person is domiciled (its headquarters is located).

**3.53.080 Allocation and apportionment of income when activities take place in more than one jurisdiction.**

Gross income, other than persons subject to the provisions of Chapter 82.14A RCW, shall be allocated and apportioned as follows:

A. Gross income derived from all activities other than those taxed as service or royalties under ACC 3.53.040.A.7 shall be allocated to the location where the activity takes place.

B. In the case of sales of tangible personal property, the activity takes place where delivery to the buyer occurs.

C. In the case of sales of digital products, the activity takes place where delivery to the buyer occurs. The delivery of digital products will be deemed to occur at:

1. The seller's place of business if the purchaser receives the digital product at the seller's place of business;

2. If not received at the seller's place of business, the location where the purchaser or the purchaser's donee, designated as such by the purchaser, receives the digital product, including the location indicated by instructions for delivery to the purchaser or donee, known to the seller;

3. If the location where the purchaser or the purchaser's donee receives the digital product is not known, the purchaser's address maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith;

4. If no address for the purchaser is maintained in the ordinary course of the seller's business, the purchaser's address obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith; and

5. If no address for the purchaser is obtained during the consummation of the sale, the address where the digital good or digital code is first made available for transmission by the seller or the address from which the digital automated service or service described in RCW 82.04.050(2)(g) or (6)(b) was provided, disregarding for these purposes any location that merely provided the digital transfer of the product sold.

D. If none of the methods in ACC 3.53.080.C for determining where the delivery of digital products occurs are available after a good faith effort by the taxpayer to apply the methods provided in subsections ACC 3.53.080.C.1 through 5, then the City and the taxpayer may mutually agree to employ any other method to effectuate an equitable allocation of income from the sale of digital products. The taxpayer will be responsible for petitioning the City to use an alternative method under this subsection ACC 3.53.080.D. The City may employ an alternative method for allocating the income from the sale of digital products if the methods provided in subsections ACC 3.53.080.C.1 through 5 are not available and the taxpayer and the City are unable to mutually agree on an alternative method to effectuate an equitable allocation of income from the sale of digital products.

E. For purposes of subsections ACC 3.53.080.C.1 through 5, the following definitions apply:

1. "Digital automated services," "digital codes," and "digital goods" have the same meaning as in RCW 82.04.192;

2. "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050(2)(g) and (6)(c); and

3. "Receive" has the same meaning as in RCW 82.32.730.

F. Effective January 1, 2020, gross income derived from activities taxed as services and other activities taxed under ACC 3.53.040.A.7 shall be apportioned to the City by multiplying apportionable income by a fraction, the numerator of which is the payroll factor plus the service income factor and the denominator of which is two (2).

1. The payroll factor is a fraction, the numerator of which is the total amount paid in the City during the tax period by the taxpayer for compensation and the denominator of which is the total compensation paid everywhere during the tax period. Compensation is paid in the City if:

- a. The individual is primarily assigned within the City;
- b. The individual is not primarily assigned to any place of business for the tax period and the employee performs fifty percent (50%) or more of his or her service for the tax period in the City; or
- c. The individual is not primarily assigned to any place of business for the tax period, the individual does not perform fifty percent (50%) or more of his or her service in any city and the employee resides in the City.

2. The service income factor is a fraction, the numerator of which is the total service income of the taxpayer in the City during the tax period, and the denominator of which is the total service income of the taxpayer everywhere during the tax period. Service income is in the City if the customer location is in the City.

3. Gross income of the business from engaging in an apportionable activity must be excluded from the denominator of the service income factor if, in respect to such activity, at least some of the activity is performed in the City, and the gross income is attributable under subsection 2 of this subsection F to a city or unincorporated area of a county within the United States or to a foreign country in which the taxpayer is not taxable. For purposes of this subsection F.3, "not taxable" means that the taxpayer is not subject to a business activities tax by that city or county within the United States or by that foreign country, except that a taxpayer is taxable in a city or county within the United States or in a foreign country in which it would be deemed to have a substantial nexus with the city or county within the United States or with the foreign country under the standards in RCW 35.102.050 regardless of whether that city or county within the United States or that foreign country imposes such a tax.

4. If the allocation and apportionment provisions of this subsection F do not fairly represent the extent of the taxpayer's business activity in the City, the taxpayer may petition for or the tax administrator may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

- a. Separate accounting;
- b. The exclusion of any one (1) or more of the factors;
- c. The inclusion of one (1) or more additional factors that will fairly represent the taxpayer's business activity in the City; or

d. The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

5. The party petitioning for, or the tax administrator requiring, the use of any method to effectuate an equitable allocation and apportionment of the taxpayer's income pursuant to subsection 4 of this subsection F must prove by a preponderance of the evidence:

a. That the allocation and apportionment provisions of this subsection F do not fairly represent the extent of the taxpayer's business activity in the City; and

b. That the alternative to such provisions is reasonable.

The same burden of proof shall apply whether the taxpayer is petitioning for, or the tax administrator is requiring, the use of an alternative, reasonable method to effectuate an equitable allocation and apportionment of the taxpayer's income.

6. If the tax administrator requires any method to effectuate an equitable allocation and apportionment of the taxpayer's income, the tax administrator cannot impose any civil or criminal penalty with reference to the tax due that is attributable to the taxpayer's reasonable reliance solely on the allocation and apportionment provisions of this subsection F.

7. A taxpayer that has received written permission from the tax administrator to use a reasonable method to effectuate an equitable allocation and apportionment of the taxpayer's income shall not have that permission revoked with respect to transactions and activities that have already occurred unless there has been a material change in, or a material misrepresentation of, the facts provided by the taxpayer upon which the tax administrator reasonably relied in approving a reasonable alternative method.

G. The definitions in this subsection apply throughout this section:

1. "Apportionable income" means the gross income of the business taxable under the service classifications of a city's gross receipts tax, including income received from activities outside the City if the income would be taxable under the service classification if received from activities within the City, less any exemptions or deductions available.

2. "Business activities tax" means a tax measured by the amount of, or economic results of, business activity conducted in a city or county within the United States or within a foreign country. The term includes taxes measured in whole or in part on net income or gross income or receipts. "Business activities tax" does not include a sales tax, use tax, or a similar transaction tax, imposed on the sale or acquisition of goods or services, whether or not denominated a gross receipts tax or a tax imposed on the privilege of doing business.

3. "Compensation" means wages, salaries, commissions, and any other form of remuneration paid to individuals for personal services that are or would be included in the individual's gross income under the federal Internal Revenue Code.
4. "Customer" means a person or entity to whom the taxpayer makes a sale or renders services or from whom the taxpayer otherwise receives gross income of the business.
5. "Customer location" means the following:
  - a. For a customer not engaged in business, if the service requires the customer to be physically present, where the service is performed.
  - b. For a customer not engaged in business, if the service does not require the customer to be physically present:
    - i. The customer's residence; or
    - ii. If the customer's residence is not known, the customer's billing/mailling address.
  - c. For a customer engaged in business:
    - i. Where the services are ordered from;
    - ii. At the customer's billing/mailling address if the location from which the services are ordered is not known; or
    - iii. At the customer's commercial domicile if none of the above are known.
6. "Individual" means any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee of that taxpayer.
7. "Primarily assigned" means the business location of the taxpayer where the individual performs his or her duties.
8. "Service-taxable income" or "service income" means gross income of the business subject to tax under either the service or royalty classification.
9. "Tax period" means the calendar year during which tax liability is accrued. If taxes are reported by a taxpayer on a basis more frequent than once per year, taxpayers shall calculate the factors for the previous calendar year for reporting in the current calendar year and correct

the reporting for the previous year when the factors are calculated for that year, but not later than the end of the first quarter of the following year.

H. Assignment or apportionment of revenue under this section shall be made in accordance with and in full compliance with the provisions of the interstate commerce clause of the United States Constitution where applicable.

**3.53.090 Allocation and apportionment of printing and publishing income when activities take place in more than one jurisdiction.**

Notwithstanding RCW 35.102.130, effective January 1, 2008, gross income from the activities of printing, and of publishing newspapers, periodicals, or magazines, shall be allocated to the principal place in this state from which the taxpayer's business is directed or managed. As used in this section, the activities of printing, and of publishing newspapers, periodicals, or magazines, have the same meanings as attributed to those terms in RCW 82.04.280(1) by the Department of Revenue.

**3.53.100 Exemptions.**

A. *Adult Family Homes*. This chapter does not apply to adult family homes which are licensed as such, or which are specifically exempt from licensing, under rules of the Washington State Department of Social and Health Services.

B. *Day Care Provided By Churches*. This chapter shall not apply to amounts derived by a church that is exempt from property tax under RCW 84.36.020 from the provision of care for children for periods of less than twenty-four (24) hours.

C. *Child Care Resource and Referral Services by Non-profit Organizations*. This chapter does not apply to non-profit organizations in respect to amounts derived from the provision of child-care resource and referral services.

D. *Non-Profit Organizations That are Guarantee Agencies, Issue Debt, or Provide Guarantees for Student Loans*. This chapter does not apply to gross income received by non-profit organizations exempt from federal income tax under Internal Revenue Code Section 501(c)(3), as hereafter amended, that:

1. Are guarantee agencies under the federal guaranteed student loan program or that issue debt to provide or acquire student loans; or
2. Provide guarantees for student loans made through programs other than the federal guaranteed student loan program.

E. *Non-profit Organizations—Credit and Debt Services.* This chapter does not apply to non-profit organizations in respect to amounts derived from provision of the following services:

1. Presenting individual and community credit education programs including credit and debt counseling;
2. Obtaining creditor cooperation allowing a debtor to repay debt in an orderly manner;
3. Establishing and administering negotiated repayment programs for debtors; or
4. Providing advice or assistance to a debtor with regard to subsections 1, 2, or 3, above, of this subsection E.

F. *Certain fraternal and beneficiary organizations.* This chapter shall not apply to fraternal benefit societies or fraternal fire insurance associations, as described in Title 48 RCW; nor to beneficiary corporations or societies organized under and existing by virtue of Title 24 RCW, if such beneficiary corporations or societies provide in their bylaws for the payment of death benefits. This exemption is limited, however, to gross income from premiums, fees, assessments, dues or other charges directly attributable to the insurance or death benefits provided by such societies, associations, or corporations.

G. *Certain Corporations Furnishing Aid and Relief.* This chapter shall not apply to the gross sales or the gross income received by corporations which have been incorporated under any act of the Congress of the United States and whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same.

H. *Operation of Sheltered Workshops.* This chapter shall not apply to income received from the Department of Social and Health Services for the cost of care, maintenance, support and training of persons with developmental disabilities at non-profit group training homes as defined by Chapter 71A.22 RCW or to the business activities of non-profit organizations from the operation of sheltered workshops. For the purposes of this subsection, “the operation of sheltered workshops” means performance of business activities of any kind on or off the premises of such non-profit organizations which are performed for the primary purpose of:

1. Providing gainful employment or rehabilitation services to the handicapped as an interim step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market or during such time as employment opportunities for them in the competitive labor market do not exist; or
2. Providing evaluation and work adjustment services for handicapped individuals.

I. *Investments – Dividends From Subsidiary Corporations.* This chapter shall not apply to amounts derived by persons, other than those engaging in banking, loan, security or other financial businesses, from investments or the use of money as such, and also amounts derived as dividends by a parent from its subsidiary corporations.

J. The City of Auburn is exempt from the tax levied by this chapter.

K. *Gross Receipts Taxed Under Other Auburn City Code (ACC) Section.* This chapter shall not apply to:

1. Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of ACC Chapter 3-88 (Utility Tax); or
2. Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of ACC Chapter 3-80 (Gambling Tax).

L. *Credit Unions.* This chapter shall not apply to the gross income of credit unions organized under the laws of this state, any other state, or the United States.

M. *International Banking Facilities.* This chapter shall not apply to the gross receipts of an international banking facility. As used in this subsection, an “international banking facility” means a facility represented by a set of asset and liability accounts segregated on the books and records of a commercial bank the principal office of which is located in this state, and which is incorporated and doing business under the laws of the United States or of this state, a United States branch or agency of a foreign bank, an Edge corporation organized under Section 25(A) of the Federal Reserve Act, 12 United States Code 611-631, or an Agreement corporation having an agreement or undertaking with the Board of Governors of the Federal Reserve System under Section 25 of the Federal Reserve Act, 12 United States Code 601-604a, that includes only international banking facility time deposits (as defined in subsection (a)(2) of Section 204.8 of Regulation D (12 CFR Part 204), as promulgated by the Board of Governors of the Federal Reserve System), and international banking facility extensions of credit (as defined in subsection (a)(3) of Section 204.8 of Regulation D).

N. *Insurance Business.* This chapter shall not apply to amounts received by any person who is an insurer or their appointed insurance producer upon which a tax based on gross premiums is paid to the state pursuant to RCW 48.14.020, and provided further, that the provisions of this subsection shall not exempt any bonding company from tax with respect to gross income derived from the completion of any contract as to which it is a surety, or as to any liability as successor to the liability of the defaulting contractor.

O. *Farmers – agriculture*. This chapter shall not apply to any farmer in respect to amounts received from selling fruits, vegetables, berries, butter, eggs, fish, milk, poultry, meats or any other agricultural product that is raised, caught, produced or manufactured by such persons.

P. *Athletic Exhibitions*. This chapter shall not apply to any person in respect to the business of conducting boxing contests and sparring or wrestling matches and exhibitions for the conduct of which a license must be secured from the State Boxing Commission.

Q. *Racing*. This chapter shall not apply to any person in respect to the business of conducting race meets for the conduct of which a license must be secured from the Washington State Horse Racing Commission.

R. *Ride Sharing*. This chapter does not apply to any funds received in the course of commuter ride sharing or ride sharing for persons with special transportation needs in accordance with RCW 46.74.010.

S. *Employees*. This chapter shall not apply to any person in respect to the person's employment in the capacity as an employee or servant as distinguished from that of an independent contractor. For the purposes of this subsection, the definition of employee shall include those persons that are defined in the Internal Revenue Code, as hereafter amended. A booth renter is an independent contractor for purposes of this chapter.

T. *Amounts Derived from Sale of Real Estate*. This chapter shall not apply to gross proceeds derived from the sale of real estate. This, however, shall not be construed to allow an exemption of amounts received as commissions from the sale of real estate, nor as fees, handling charges, discounts, interest or similar financial charges resulting from, or relating to, real estate transactions. This chapter shall also not apply to amounts received for the rental of real estate if the rental income is derived from a contract to rent for a continuous period of thirty (30) days or longer.

U. *Mortgage Brokers' Third-Party Provider Services Trust Accounts*. This chapter shall not apply to amounts received from trust accounts to mortgage brokers for the payment of third-party costs if the accounts are operated in a manner consistent with RCW 19.146.050 and any rules adopted by the director of financial institutions.

V. *Amounts Derived From Manufacturing, Selling or Distributing Motor Vehicle Fuel*. This chapter shall not apply to the manufacturing, selling or distributing motor vehicle fuel, as the term "motor vehicle fuel" is defined in RCW 82.38.020 and exempt under RCW 82.38.280, provided that any fuel not subjected to the state fuel excise tax, or any other applicable deduction or exemption, will be taxable under this chapter.

W. *Amounts Derived From Liquor, and the Sale or Distribution of Liquor*. This chapter shall not apply to liquor as defined in RCW 66.04.010 and exempt in RCW 66.08.120.

X. *Casual and Isolated Sales*. This chapter shall not apply to the gross proceeds derived from casual or isolated sales.

Y. *Accommodation Sales*. This chapter shall not apply to sales for resale by persons regularly engaged in the business of making retail sales of the type of property so sold to other persons similarly engaged in the business of selling such property where:

1. The amount paid by the buyer does not exceed the amount paid by the seller to the vendor in the acquisition of the article; and
2. The sale is made as an accommodation to the buyer to enable the buyer to fill a bona fide existing order of a customer or is made within fourteen (14) days to reimburse in kind a previous accommodation sale by the buyer to the seller.

Z. *Real Estate Brokers and Associated Brokers, Agents, or Salesmen*. This chapter does not apply to that portion of a real estate commission assigned to another brokerage office pursuant to the division of revenue between the originating brokerage office and a cooperating brokerage office on a particular transaction. Each brokerage office shall pay the tax upon its respective revenue share of the transaction. Furthermore, where a brokerage office has paid the business and occupation tax on the gross commission earned by that brokerage office, associate brokers, salesmen or agents within the same office shall not be required to pay the tax upon their share of the commission from the same transaction.

AA. *Taxes Collected as Trust Funds*. This chapter shall not apply to amounts collected by the taxpayer from third parties to satisfy third party obligations to pay taxes such as the retail sales tax, use tax, and admission tax.

BB. *Health Maintenance Organization, Health Care Service Contractor, Certified Health Plan*. This chapter does not apply to any health maintenance organization, health care service contractor, or certified health plan with respect to premiums or prepayments that are taxable under RCW [48.14.0201](#). However, per RCW [48.14.0201\(7\)](#), this exemption is not intended to, and shall not, impair the City's ability to impose a tax hereunder upon the health care services directly delivered by the employees of a health maintenance organization under Chapter [48.46](#) RCW.

CC. *Nonprofit health care organization fees*. This chapter shall not apply to amounts derived from medical, nursing, ambulance, hospital, and other appropriate outpatient care as charges and service fees by nonprofit health care organizations for the benefit of subscribers where none of such fees and charges inure to the benefit of the organization or any of its employees, provided further that if a nonprofit health care organization's annual gross income, minus any allowed deductions or exemptions as provided in this chapter, exceeds \$30,000,000.00 for any calendar year, the exemption in this subsection A shall not apply to the amounts derived from health care organization service fees and charges. Non-profit health

care organizations exceeding the \$30,000.000 gross income threshold may take deductions in ACC 3.53.110S.

### **3.53.110 Deductions.**

In computing the license fee or tax, there may be deducted from the measure of tax the following items:

A. *Membership Fees and Certain Service Fees By Non-Profit Youth Organization.* For purposes of this subsection, “non-profit youth organization” means a non-profit organization engaged in character building of youth which is exempt from property tax under RCW 84.36.030. In computing tax due under this chapter, there may be deducted from the measure of tax all amounts received by a non-profit youth organization:

1. As membership fees or dues, irrespective of the fact that the payment of the membership fees or dues to the organization may entitle its members, in addition to other rights or privileges, to receive services from the organization or to use the organization’s facilities; or
2. From members of the organization for camping and recreational services provided by the organization or for the use of the organization’s camping and recreational facilities.

B. *Fees, Dues, and Charges Received by Non-Profit Organizations or Non-Profit Corporations.* In computing tax, a non- profit organization may deduct from the measure of tax amounts derived from bona fide:

1. Initiation fees;
2. Dues;
3. Contributions;
4. Donations;
5. Tuition fees;
6. Charges made for operation of privately operated kindergartens;
7. Charges made by a non-profit trade or professional organization for attending or occupying space at a trade show, convention, or educational seminar sponsored by the non-profit trade or professional organization, which trade show, convention, or educational seminar is not open to the general public; and

8. Endowment funds.

C. *Artistic and Cultural Organizations – Income From Business Activities*. In computing tax, there may be deducted from the measure of tax those amounts received by artistic or cultural organizations, as defined in this chapter, which represent:

1. Income derived from business activities conducted by the organization, provided that this deduction does not apply to retail sales made by artistic and cultural organizations;
2. Amounts received from the United States or any of instrumentality thereof or from the State of Washington or any municipal corporation or subdivision thereof as compensation for; or to support, artistic or cultural exhibitions, performances, or programs provided by an artistic or cultural organization for attendance or viewing by the general public; or
3. Amounts received as tuition charges collected for the privilege of attending artistic or cultural education programs.

D. *Artistic or Cultural Organization – Deduction For Tax Under the Manufacturing Classification – Value of Articles For Use In Displaying Art Objects or Presenting Artistic or Cultural Exhibitions, Performances, or Programs*. In computing tax, there may be deducted from the measure of tax by persons subject to payment of the tax under the manufacturing classification, the value of articles to the extent manufacturing activities are undertaken by an artistic or cultural organization, as defined in this chapter, solely for the purpose of manufacturing articles for use by the organization in displaying art objects or presenting artistic or cultural exhibitions, performances, or programs for attendance or viewing by the general public.

E. *Day Care Activities*. In computing tax, there may be deducted from the measure of tax amounts derived from day care activities by any organization organized and operated for charitable, educational, or other purposes which is exempt from taxation pursuant to Internal Revenue Code Section 501(c)(3), as hereafter amended, provided, however, that amounts derived from selling, altering or repairing tangible personal property shall not be deductible.

F. *Compensation from public entities for health or social welfare services – exception*. In computing tax, there may be deducted from the measure of tax amounts received from the United States or any instrumentality thereof or from the State of Washington or any municipal corporation or political subdivision thereof as compensation for, or to support, health or social welfare services rendered by a health or social welfare organization (as defined in RCW 82.04.431) or by a municipal corporation or political subdivision, except deductions are not allowed under this subsection for amounts that are received under an employee benefit plan. For purposes of this subsection, “employee benefit plan” includes the military benefits program authorized in 10 U.S.C. 1071 et seq., as amended, or amounts payable pursuant thereto.

G. *Interest on Investments or Loans Secured By Mortgages or Deeds of Trust.* In computing tax, to the extent permitted by Chapter 82.14A RCW, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest received on investments or loans primarily secured by first mortgages or trust deeds on non-transient residential properties.

H. *Interest on Obligations of the State, its Political Subdivisions, and Municipal Corporations.* In computing tax, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest paid on all obligations of the State of Washington, its political subdivisions, and municipal corporations organized pursuant to the laws thereof.

I. *Interest on Loans to Farmers and Ranchers, Producers or Harvesters of Aquatic Products, or Their Cooperatives.* In computing tax, there may be deducted from the measure of tax amounts derived as interest on loans to bona fide farmers and ranchers, producers or harvesters of aquatic products, or their cooperatives by a lending institution which is owned exclusively by its borrowers or members and which is engaged solely in the business of making loans and providing finance-related services to bona fide farmers and ranchers, producers or harvesters of aquatic products, their cooperatives, rural residents for housing, or persons engaged in furnishing farm-related or aquatic-related services to these individuals or entities.

J. *Receipts From Tangible Personal Property Delivered Outside the State.* In computing tax, there may be deducted from the measure of tax under retailing or wholesaling amounts derived from the sale of tangible personal property that is delivered by the seller to the buyer or the buyer's representative at a location outside the State of Washington.

K. *Cash Discount Taken by Purchaser.* In computing tax, there may be deducted from the measure of tax the cash discount amounts actually taken by the purchaser. This deduction is not allowed in arriving at the taxable amount under the extracting or manufacturing classifications with respect to articles produced or manufactured, the reported values of which, for the purposes of this tax, have been computed according to the "value of product" provisions.

L. *Credit Losses of Accrual Basis Taxpayers.* In computing tax, there may be deducted from the measure of tax the amount of credit losses actually sustained by taxpayers whose regular books of account are kept upon an accrual basis.

M. *Repair, Maintenance, Replacement, etc., of Residential Structures and Commonly Held Property – Eligible Organizations.*

1. In computing tax, there may be deducted from the measure of tax amounts used solely for repair, maintenance, replacement, management, or improvement of the residential structures

and commonly held property, but excluding property where fees or charges are made for use by the public who are not guests accompanied by a member, which are derived by:

- a. A cooperative housing association, corporation, or partnership from a person who resides in a structure owned by the cooperative housing association, corporation, or partnership;
- b. An association of owners of property as defined in RCW 64.32.010, as now or hereafter amended, from a person who is an apartment owner as defined in RCW 64.32.010; or
- c. An association of owners of residential property from a person who is a member of the association. "Association of owners of residential property" means any organization of all the owners of residential property in a defined area who all hold the same property in common within the area.

2. For the purposes of this subsection "commonly held property" includes areas required for common access such as reception areas, halls, stairways, parking, etc., and may include recreation rooms, swimming pools and small parks or recreation areas; but is not intended to include more grounds than are normally required in a residential area, or to include such extensive areas as required for golf courses, campgrounds, hiking and riding areas, boating areas, etc.

3. To qualify for the deductions under this subsection:

- a. The salary or compensation paid to officers, managers, or employees must be only for actual services rendered and at levels comparable to the salary or compensation of like positions within the county wherein the property is located;
- b. Dues, fees, or assessments in excess of amounts needed for the purposes for which the deduction is allowed must be rebated to the members of the association;
- c. Assets of the association or organization must be distributable to all members and must not inure to the benefit of any single member or group of members.

N. *Radio and Television Broadcasting – Advertising Agency Fees – National, Regional, and Network Advertising – Interstate Allocations.* In computing tax, there may be deducted from the measure of tax by radio and television broadcasters amounts representing the following:

1. Advertising agencies' fees when such fees or allowances are shown as a discount or price reduction in the billing or that the billing is on a net basis, i.e., less the discount;
2. Actual gross receipts from national network, and regional advertising or a "standard deduction" as provided by RCW 82.04.280; and

3. Local advertising revenue that represent advertising which is intended to reach potential customers of the advertiser who are located outside the State of Washington. The Director may issue a rule that provides detailed guidance as to how these deductions are to be calculated.

O. *Constitutional Prohibitions.* In computing tax, there may be deducted from the measure of the tax amounts derived from business which the City is prohibited from taxing under the Constitution of the State of Washington or the Constitution of the United States.

P. *Receipts from the Sale of Tangible Personal Property and Retail Services Delivered Outside the City but Within Washington.* Effective January 1, 2008, amounts included in the gross receipts reported on the tax return derived from the sale of tangible personal property delivered to the buyer or the buyer's representative outside the City but within the State of Washington may be deducted from the measure of tax under the retailing, retail services, or wholesaling classification.

Q. *Professional Employer Services.* In computing the tax, a professional employer organization may deduct from the calculation of gross income the gross income of the business derived from performing professional employer services that is equal to the portion of the fee charged to a client that represents the actual cost of wages and salaries, benefits, workers' compensation, payroll taxes, withholding, or other assessments paid to or on behalf of a covered employee by the professional employer organization under a professional employer agreement.

R. *Amounts Derived from the Sale or Lease of Clean Alternative Fuel and Plug-in Hybrid Vehicle Sales.* The deduction applies as follows:

1. This chapter shall not include the proceeds collected on the sale or lease of new or used passenger cars, light duty trucks, or medium duty passenger vehicles that are either exclusively powered by clean alternative fuel; or is a plug-in hybrid vehicle that can travel at least 30 miles on battery power alone.
2. Up to \$45,000 per new vehicle or up to \$30,000 per used vehicles may be deducted from taxable revenue.
3. The sale of accessories purchased as part of the qualifying vehicle may be included in the deduction, provided the total deduction does not exceed the total amounts listed in ACC 3.53.110.R.2.
4. Extended warranties and maintenance agreements cannot be included in the amount to be deducted.
5. This deduction is eligible beginning January 1, 2022 and will expire December 31, 2025.

S. *Nonprofit health care organization fees.* In computing the tax, nonprofit health care organizations may deduct up to \$30,000,000 in revenue derived from medical, nursing, ambulance, hospital, and other appropriate outpatient care as charges and service fees by the nonprofit health care organization.

### **3.53.120 Tax credits.**

#### **A. New business tax credit**

1. Purpose: The City believes that providing a temporary tax credit relating to new businesses is a meaningful method of fostering such new businesses to establish a solid financial foundation during its start-up process. Further, the City finds that a credit related to the creation of new full-time equivalent ("FTE") employees within the City will benefit other local businesses. Therefore, considering situations particular and unique to the City, the City finds that it is appropriate to differ from the business and occupation tax model ordinance in providing for a new business tax credit as described in this section.

2. There may be credited against the tax imposed by ACC 3.53.040, the amount up to one thousand dollars (\$1,000) per FTE position in the City of Auburn per quarter. To take the credit authorized by this section, a taxpayer must be able to document all of the following:

- a. The taxpayer has not, for any period of time, engaged in business in the City of Auburn within the five (5) years preceding application of the tax credit;
- b. The taxpayer employs twenty (20) or more full-time equivalent positions in Auburn. An FTE position is defined as each one thousand nine hundred and twenty (1,920) worker hours per calendar year; and
- c. The taxpayer may be required to submit its payroll information and/or other documentation in support of such employee hours worked in the City.
- d. The taxpayer must report, on each return filed, the taxpayer's total number of full-time employment positions created and positions currently filled.
- e. The taxpayer must employ a minimum of twenty (20) FTE's in each quarter the credit is being applied.

3. The tax credit can be taken for the first twelve (12) consecutive reporting quarters or three (3) reporting years.

4. This credit is not considered a payment of taxes for purposes of seeking a refund of overpayment of tax pursuant to the provisions contained in ACC Chapter 3.54, or any other

purpose. As such, unused credit amounts will not be refunded, carried over from reporting period(s) to reporting period(s), and will not accrue interest.

5. The Director is authorized to promulgate rules implementing, interpreting, and enforcing the provisions of this section.

**B. Auburn business area improvement assessment credit**

1. Purpose: Certain businesses operating within the Business Area Improvement (BIA) boundaries, as identified in ACC Chapter 2.98, are subject to an annual assessment. The purpose of the assessment is to enhance trade, economic vitality, and livability within the City of Auburn. The City believes that providing business and occupation tax relief to local businesses that are subject to the BIA assessment helps ensure their continued downtown presence, which contributes towards a vibrant downtown core and further benefits other local businesses not subject to the BIA assessment.

2. There may be credited against the tax imposed by ACC 3.53.040, an amount equal to the BIA assessment fee paid as imposed by ACC Chapter 2.98.

3. This credit is not considered a payment of taxes for purposes of seeking a refund of overpayment of tax pursuant to the provisions contained in ACC Chapter 3.54, or any other purpose. As such, unused credit amounts will not be refunded, carried over from reporting period(s) to reporting period(s), and will not accrue interest.

4. The Director is authorized to promulgate rules implementing, interpreting, and enforcing the provisions of this section.

**3.53.130 Tax part of overhead.**

It is not the intention of this chapter that the taxes or fees herein levied upon persons engaging in business be construed as taxes or fees upon the purchasers or customer, but that such taxes or fees shall be levied upon, and collectible from, the person engaging in the business activities herein designated and that such taxes or fees shall constitute a part of the cost of doing business of such persons.

**3.53.140 Administrative provisions.**

The administrative provisions contained in ACC Chapter 3.54 shall be fully applicable to the provisions of this chapter except as expressly stated to the contrary herein.

**3.53.150 Severability clause.**

If any provision of this chapter or its application to any person or circumstance is held invalid, the remainder of the chapter or the application of the provision to other persons or circumstances shall not be affected.

**Exhibit B**

**CHAPTER 3.54  
BUSINESS AND OCCUPATION TAX  
ADMINISTRATIVE CODE**

## Sections:

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| 3.54.240 | Tax constitutes debt.                                                                                                                                                                           |
| 3.54.250 | Unlawful actions – Violation – Penalties.                                                                                                                                                       |
| 3.54.260 | Suspension or revocation of business license and/or registration.                                                                                                                               |
| 3.54.270 | Closing agreement provisions.                                                                                                                                                                   |
| 3.54.280 | Charge-off of uncollectible taxes.                                                                                                                                                              |
| 3.54.290 | Severability.                                                                                                                                                                                   |

**3.54.010 Purpose.**

This chapter implements Washington Constitution Article XI, Section 12 and RCW 35A.82.020 and 35A.11.020 (code cities); RCW 35.22.280(32) (first class cities); RCW 35.23.440(8) (second class cities); and RCW 35.27.370(9) (fourth class cities and towns), which give municipalities the authority to license for revenue. In the absence of a legal or constitutional prohibition, municipalities have the power to define taxation categories as they see fit in order to respond to the unique concerns and responsibilities of local government. It is intended that this chapter be as uniform as possible among the various municipalities and

consistent with the mandatory requirements of Chapter 35.102 RCW for municipalities. Uniformity with provisions of state tax laws should not be presumed, and references in this chapter to statutory or administrative rule changes do not mean state tax statutes or rules promulgated by the Finance Department of Revenue automatically apply. This chapter is to provide administrative specific guidelines and provisions to implement, administer, and enforce the city tax codes.

#### **3.54.020 Application of chapter stated.**

The provisions of this chapter shall apply with respect to the taxes imposed under chapter 3.53 and under other titles, chapters, and sections in such manner and to such extent as indicated in each such title, chapter or section.

#### **3.54.030 Definitions.**

For purposes of this chapter:

The definitions contained in chapter 3.53 shall apply equally to the provisions of this chapter unless the term is defined otherwise in this chapter. In addition, the following definitions will apply.

A. "Reporting period" means:

1. A one-month period beginning the first day of each calendar month (monthly); or
2. A three-month period beginning the first day of January, April, July or October of each year (quarterly); or
3. A twelve-month period beginning the first day of January of each year (annual).

B. "Return" means any document a person is required by the City to file to satisfy or establish a tax or fee obligation that is administered or collected by the City and that has a statutorily defined due date.

C. "Successor" means any person to whom a taxpayer quitting, selling out, exchanging, or disposing of a business sells or otherwise conveys, directly or indirectly, in bulk and not in the ordinary course of the taxpayer's business, any part of the materials, supplies, merchandise, inventory, fixtures, or equipment of the taxpayer. Any person obligated to fulfill the terms of a contract shall be deemed a successor to any contractor defaulting in the performance of any contract as to which such person is a surety or guarantor.

D. "Tax year" or "taxable year" means the calendar year.

#### **3.54.040 Definitions – References to Chapter 82.32 RCW**

Where provisions of Chapter 82.32 RCW are incorporated in 3.54.110 of this Title, "Department" as used in the RCW shall refer to the "Director" as defined in ACC 3.53.020 and "warrant" as used in the RCW shall mean "citation or criminal complaint."

#### **3.54.050 Registration/license requirements.**

No person shall engage in any business or conduct any business activity without first obtaining a valid current business registration as required by ACC 5.10, General Business License.

#### **3.54.060 When due and payable – Reporting periods – Monthly, quarterly, and annual returns – Threshold provisions or relief from filing requirements – Computing time periods – Failure to file returns.**

- A. Other than any annual license fee or registration fee assessed under this chapter, the tax imposed by this chapter shall be due and payable in quarterly installments. At the Director's discretion, businesses may be assigned to a monthly or annual reporting period depending on the tax amount owing or type of tax. Until December 31, 2020, tax payments are due on or before the last day of the next month following the end of the assigned reporting period covered by the return. Effective January 1, 2021, tax payments are due on or before the time as provided in RCW [82.32.045](#)(1), (2), and (3).
- B. Taxes shall be paid as provided in this chapter and accompanied by a return on forms as prescribed by the Director. The return shall be signed by the taxpayer personally or by a responsible officer or agent of the taxpayer. The individual signing the return shall swear or affirm that the information in the return is complete and true.
- C. Tax returns must be filed and returned by the due date whether or not any tax is owed.
- D. For purposes of the tax imposed by chapter 3.53, any person whose value of products, gross proceeds of sales, or gross income of the business, subject to tax after all allowable deductions, is equal to or less than \$500,000 in the current calendar year and/or whose combined taxable business warehouse square footage within the city is 4,000 square feet or less, shall file a return, declare no tax due on their return, and submit the return to the Director. The gross receipts and deduction amounts shall be entered on the tax return even though no tax may be due.
- E. A taxpayer that commences to engage in business activity shall file a return and pay the tax or fee for the portion of the reporting period during which the taxpayer is engaged in business activity.
- F. Except as otherwise specifically provided by any other provision of this chapter, in computing any period of days prescribed by this chapter the day of the act or event from which the designated period of time runs shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday, or City or Federal legal holiday, in which case the last day of such period shall be the next succeeding day which is neither a Saturday, Sunday, or City or Federal legal holiday.
- G. If any taxpayer fails, neglects or refuses to make a return as and when required in this chapter, the Director is authorized to determine the amount of the tax or fees payable by obtaining facts and information upon which to base the Director's estimate of the tax or fees due. Such assessment shall be deemed prima facie correct and shall be the amount of tax owed to the City by the taxpayer. The Director shall notify the taxpayer by mail of the amount of tax so determined, together with any penalty, interest, and fees due; the total of such amounts shall thereupon become immediately due and payable.

**3.54.070      Payment methods – Mailing returns or remittances – Time extension – Deposits –  
Recording payments – Payment must accompany return – NSF checks.**

- A. Taxes shall be paid to the Director in United States currency by bank draft, certified check, cashier's check, personal check, money order, cash, or by wire transfer or electronic payment if such wire transfer or electronic payment is authorized by the Director. If payment so received is not paid by the bank on which it is drawn, the taxpayer, by whom such payment is tendered, shall remain liable for payment of the tax and for all legal penalties, the same as if such payment had not been tendered. Acceptance of any sum by the Director shall not discharge the tax or fee due unless the amount paid is the full amount due.

- B. A return or remittance that is transmitted to the City by United States mail shall be deemed filed or received on the date shown by the cancellation mark stamped by the Post Office upon the envelope containing it. The Director may allow electronic filing of returns or remittances from any taxpayer. A return or remittance which is transmitted to the City electronically shall be deemed filed or received according to procedures set forth by the Director.
- C. If a written request is received prior to the due date, the Director, for good cause, may grant, in writing, additional time within which to make and file returns.
- D. The Director shall keep full and accurate records of all funds received or refunded. The Director shall apply payments first against all penalties and interest owing, and then upon the tax, without regard to any direction of the taxpayer.
- E. For any return not accompanied by a remittance of the tax shown to be due thereon, the taxpayer shall be deemed to have failed or refused to file a return and shall be subject to the penalties and interest provided in this chapter.
- F. Any payment made that is returned for lack of sufficient funds or for any other reason will not be considered received until payment by certified check, money order, or cash of the original amount due, plus a "non-sufficient funds" (NSF) charge of twenty dollars (\$20.00) is received by the Director. Any license issued upon payment with a NSF check will be considered void, and shall be returned to the Director. No license shall be reissued until payment (including the twenty dollars (\$20.00) NSF fee) is received.
- G. The Director is authorized, but not required, to mail tax return forms to taxpayers, but failure of the taxpayer to receive any such forms shall not excuse the taxpayer from filing returns and making payment of the taxes or fees, when and as due under this chapter.

**3.54.080 Records to be preserved – Examination – Estoppel to question assessment.**

Every person liable for any fee or tax imposed by this chapter shall keep and preserve, for a period of five (5) years after filing a tax return, such records as may be necessary to determine the amount of any fee or tax for which the person may be liable; which records shall include copies of all federal income tax and state tax returns and reports made by the person. All books, records, papers, invoices, vendor lists, inventories, stocks of merchandise, and other data including federal income tax and state tax returns and reports shall be open for examination at any time by the Director or its duly authorized agent. Every person's business premises shall be open for inspection or examination by the Director or a duly authorized agent.

A. If a person does not keep the necessary books and records within the City, it shall be sufficient if such person (1) produces within the City such books and records as may be required by the Director, or (2) bears the cost of examination by the Director's agent at the place where such books and records are kept; provided that the person electing to bear such cost shall pay in advance to the Director the estimated amount thereof including round-trip fare, lodging, meals and incidental expenses, subject to adjustment upon completion of the examination.

B. Any person who fails, or refuses a Finance Department request, to provide or make available records, or to allow inspection or examination of the business premises, shall be forever barred from questioning in any court action, the correctness of any assessment of taxes made by the City for any period for which such records have not been provided, made available or kept and preserved, or in respect of which inspection or examination of the business premises has been denied. The Director is authorized to determine the amount of the tax on

payable by obtaining facts and information upon which to base the estimate of the tax or fees due. Such fee or tax assessment shall be deemed prima facie correct and shall be the amount of tax owing the City by the taxpayer. The Director shall notify the taxpayer by mail the amount of tax so determined, together with any penalty, interest, and fees due; the total of such amounts shall thereupon become immediately due and payable.

#### **3.54.090 Accounting methods.**

A. A taxpayer may file tax returns in each reporting period with amounts based upon cash receipts only if the taxpayer's books of account are kept on a cash receipts basis. A taxpayer that does not regularly keep books of account on a cash receipts basis must file returns with amounts based on the accrual method.

B. The taxes imposed and the returns required shall be upon a calendar year basis.

#### **3.54.100 Public work contracts – Payment of fee and tax before final payment for work.**

The Director may, before issuing any final payment to any person performing any public work contract for the City, require such person to pay in full all license fees or taxes due under this title from such person on account of such contract or otherwise, and may require such taxpayer to file with the Director a verified list of all subcontractors supplying labor and/or materials to the person in connection with said public work.

#### **3.54.110 Underpayment of tax, interest, or penalty – Interest.**

If, upon examination of any returns, or from other information obtained by the Director, it appears that a tax or penalty less than that properly due has been paid, the Director shall assess the additional amount found to be due and shall add thereto interest on the tax only. The Director shall notify the person by mail of the additional amount, which shall become due and shall be paid within thirty (30) days from the date of the notice, or within such time as the Director may provide in writing.

#### **3.54.120 Time in which assessment may be made.**

The Director shall not assess, or correct an assessment for, additional taxes, penalties, or interest due more than four years after the close of the calendar year in which they were incurred, except that the Director may issue an assessment:

- A. Against a person who is not currently registered or licensed or has not filed a tax return as required by this chapter for taxes due within the period commencing 10 years prior to the close of the calendar year in which the person was contacted in writing by the Director;
- B. Against a person that has committed fraud or who misrepresented a material fact; or
- C. Against a person that has executed a written waiver of such limitations.

#### **3.54.130 Over payment of tax, penalty, or interest – Credit or refund – Interest rate – Statute of limitations.**

A. If, upon receipt of an application for a refund, or during an audit or examination of the taxpayer's records and tax returns, the Director determines that the amount of tax, penalty, or interest paid is in excess of that properly due, the excess amount shall be credited to the taxpayer's account or shall be refunded to the taxpayer. Except as provided in subsection B of this section, no refund or credit shall be made for taxes, penalties, or interest paid more than four (4) years prior to the beginning of the calendar year in which the refund application is made or examination of records is completed.

- B. The execution of a written waiver shall extend the time for applying for, or making a refund or credit of any taxes paid during, or attributable to, the years covered by the waiver if, prior to the expiration of the waiver period, an application for refund of such taxes is made by the taxpayer or the Director discovers that a refund or credit is due.
- C. Refunds shall be made by means of vouchers approved by the Director and by the issuance of a City check or warrants drawn upon and payable from such funds as the City may provide.
- D. Any final judgment for which a recovery is granted by any court of competent jurisdiction for tax, penalties, interest, or costs paid by any person shall be paid in the same manner, as provided in subsection C of this section, upon the filing with the Director a certified copy of the order or judgment of the court.

**3.54.140 Late payment – Disregard of written instructions – Evasion – Penalties.**

- A. If payment of any tax due on a return to be filed by a taxpayer is not received by the Director by the due date, the Director shall add a penalty in accordance with RCW [82.32.090\(1\)](#), as it now exists or as it may be amended.
- B. If the Director determines that any tax has been substantially underpaid as defined in RCW [82.32.090\(2\)](#), there shall be added a penalty in accordance with RCW [82.32.090\(2\)](#), as it now exists or as it may be amended.
- C. If a citation or criminal complaint is issued by the Director for the collection of taxes, fees, assessments, interest or penalties, there shall be added thereto a penalty in accordance with RCW [82.32.090\(3\)](#), as it now exists or as it may be amended.
- D. If the Director finds that a person has engaged in any business or performed any act upon which a tax is imposed under this title and that person has not obtained from the Director a license as required by ACC 5.10, the Director shall impose a penalty in accordance with RCW [82.32.090\(4\)](#), as it now exists or as it may be amended. No penalty shall be imposed under this subsection D if the person who has engaged in business without a license obtains a license prior to being notified by the Director of the need to be licensed.
- E. If the Director determines that all or any part of a deficiency resulted from the taxpayer's failure to follow specific written tax reporting instructions, there shall be assessed a penalty in accordance with RCW [82.32.090\(5\)](#), as it now exists or as it may be amended.
- F. If the Director finds that all or any part of the deficiency resulted from an intent to evade the tax payable, the Director shall assess a penalty in accordance with RCW [82.32.090\(6\)](#), as it now exists or as it may be amended.
- G. The penalties imposed under subsections A through E above of this section can each be imposed on the same tax found to be due. This subsection does not prohibit or restrict the application of other penalties authorized by law.
- H. The Director shall not impose both the evasion penalty and the penalty for disregarding specific written instructions on the same tax found to be due.
- I. For the purposes of this section, "return" means any document a person is required by the City of Auburn to file to satisfy or establish a tax or fee obligation that is administered or collected by the City, and that has a statutorily defined due date.

J. If incorporation into the City of Auburn code of future changes to RCW [82.32.090](#) is deemed invalid, then the provisions of RCW [82.32.090](#) existing at the time this ordinance is effective shall apply.

### **3.54.150 Cancellation of penalties.**

A. The Director may cancel any penalties imposed under subsection 3.54.140.A if the taxpayer shows that its failure to timely file or pay the tax was due to reasonable cause and not willful neglect. Willful neglect is presumed unless the taxpayer shows that it exercised ordinary business care and prudence in making arrangements to file the return and pay the tax but was, nevertheless, due to circumstances beyond the taxpayer's control, unable to file or pay by the due date. The Director has no authority to cancel any other penalties or to cancel penalties for any other reason except as provided in subsection C.

B. A request for cancellation of penalties must be received by the Director within 30 days after the date the Finance Department mails the notice that the penalties are due. The request must be in writing and contain competent proof of all pertinent facts supporting a reasonable cause determination. In all cases the burden of proving the facts rests upon the taxpayer.

C. The Director may cancel the penalties in subsection 3.54.140.A one time if a person:

1. Is not currently licensed and filing returns,
2. Was unaware of its responsibility to file and pay tax, and
3. Obtained business licenses and filed past due tax returns within 30 days after being notified by the Finance Department.

D. The Director shall not cancel any interest charged upon amounts due.

### **3.54.160 Taxpayer quitting business – Liability of successor.**

A. Whenever any taxpayer quits business, sells out, exchanges, or otherwise disposes of his business or his stock of goods, any tax payable hereunder shall become immediately due and payable. Such taxpayer shall, within ten (10) days thereafter, make a return and pay the tax due.

B. Any person who becomes a successor shall become liable for the full amount of any tax owing. The successor shall withhold from the purchase price a sum sufficient to pay any tax due to the City from the taxpayer until such time as: 1) the taxpayer shall produce a receipt from the City showing payment in full of any tax due or a certificate that no tax is due, or 2) more than six (6) months has passed since the successor notified the Director of the acquisition and the Director has not issued and notified the successor of an assessment.

C. Payment of the tax by the successor shall, to the extent thereof, be deemed a payment upon the purchase price. If such payment is greater in amount than the purchase price, the amount of the difference shall become a debt due such successor from the taxpayer.

D. Notwithstanding the above, if a successor gives written notice to the Director of the acquisition, and the Finance Department does not within six (6) months of the date it received the notice issue an assessment

against the taxpayer and mail a copy of that assessment to the successor, the successor shall not be liable for the tax.

### **3.54.170 Administrative appeal.**

A. Any person, except one who has failed to comply with section 3.54.080, having been issued a notice of additional taxes, delinquent taxes, interest, or penalties assessed by the Finance Department may, within thirty (30) days after the issuance of such notice or within the period covered by any extension of the due date granted by the Finance Department, request a correction of the amount of the assessment and a conference for review of the assessment. Interest and penalties assessed shall continue to accrue during the Finance Department's review of a request for a correction, except and to the extent that the Finance Department later determines that a tax assessment was too high or the delay in issuing a determination is due to unreasonable delays caused by the Finance Department. After the conference, the Finance Department will make a final determination regarding the assessment and shall notify the taxpayer of the Finance Department's determination within sixty (60) days, unless otherwise notified in writing by the Finance Department. Such determination shall be subject to appeal pursuant to subsection B of this section. If no request for correction is filed within the time period provided herein, the assessment covered by such notice shall become final and immediately due and payable.

B. Any person aggrieved by the amount of any fee, tax, interest or penalty determined by the Director to be due under the prohibitions of this chapter ACC 3.53 Business and Occupation Tax may, upon full payment of the amount assessed, appeal such determination pursuant to the following procedures:

C. *Filing Fee.* A filing fee, as determined by ACC 2.46, shall be submitted with the appeal, which filing fee is required to process the appeal.

D. *Form of Appeal.* Any appeal must be in writing and must contain the following:

1. The taxpayer's name, business address, and phone number;
2. A statement identifying the determination of the Finance Department from which the appeal is taken;
3. A receipt or other proof of payment of the assessment in the amount determined by the Finance Department;
4. A statement setting forth the grounds upon which the appeal is taken and identifying specific errors the Finance Department is alleged to have made in making the determination;
5. A statement identifying the requested relief from the determination being appealed; and
6. A receipt from the Finance Department, as proof of payment "under protest", for the amount of the fee, tax, interest and penalty determined to be owing by the Finance Department. Such payment shall be a condition precedent to the right to appeal to the hearing examiner.

E. *Time and Place to Appeal.* Any appeal shall be filed with the office of the City Clerk with a copy to the Director no later than twenty (20) days following the date on which the determination of the Finance Department was mailed to the taxpayer. Failure to follow the appeal procedures in this section, including paying the filing fee and payment "under protest", shall preclude the taxpayer's right to appeal. Page 128 of 227

F. *Appeal Hearing.* The hearing examiner shall schedule a hearing date, notify the taxpayer and the Director of such hearing date and shall then conduct an appeal hearing in accordance with this chapter and procedures developed by the hearing examiner, at which time the appellant taxpayer and the Director shall have the opportunity to be heard and to introduce evidence relevant to the subject of the appeal.

G. *Burden of Proof.* The appellant taxpayer shall have the burden of proving by a preponderance of the evidence that the determination of the Finance Department is erroneous.

H. *Hearing Record.* The hearing examiner shall preserve a record of the hearing in such a form and manner as he/she deems proper.

I. *Decision of the Hearing Examiner.* Following the hearing, the hearing examiner shall enter a decision on the appeal, supported by written findings and conclusions in support thereof. A copy of the findings, conclusions and decision shall be mailed to the appellant taxpayer and to the Director. The decision shall state the correct amount of the fee, tax, interest or penalty owing.

J. *Interest accrual or payment.* Interest and/or penalties shall continue to accrue on all unpaid amounts, in accordance with ACC 3.54.110 and ACC 3.54.140, notwithstanding the fact that an appeal has been filed. If the hearing examiner determines that the taxpayer is owed a refund, such refund amount shall be paid to the taxpayer in accordance with ACC 3.54.130.

#### **3.54.180 Judicial review of hearing examiner decision.**

The taxpayer or the City may obtain judicial review of the hearing examiner's administrative decision by applying for a Writ of Review in the King County Superior Court within 21 days from the date of the hearing examiner's decision in accordance with the procedure set forth in Chapter [7.16](#) RCW, other applicable law, and court rules. The City shall have the same right of review from the administrative decision as does a taxpayer.

#### **3.54.190 Director to make rules.**

The Director shall have the power, from time to time, to adopt, publish and enforce rules and regulations not inconsistent with this chapter or with law for the purpose of carrying out the provisions of this chapter and it shall be unlawful to violate or fail to comply with, any such rule or regulation.

#### **3.54.200 Ancillary allocation authority of Director.**

The Director is authorized to enter into agreements with other Washington cities which impose an "eligible gross receipts tax":

A. To conduct an audit or joint audit of a taxpayer by using an auditor employed by the City of Auburn, another city, or a contract auditor, provided, that such contract auditor's pay is not in any way based upon the amount of tax assessed;

B. To allocate or apportion, in a manner that fairly reflects the gross receipts earned from activities conducted within the respective cities, the gross proceeds of sales, gross receipts, or gross income of the business, or taxes due from any person that is required to pay an eligible gross receipts tax to more than one Washington city;

C. To apply the City's tax prospectively where a taxpayer has no office or place of business within the City and has paid tax on all gross income to another Washington city where the taxpayer is located; Page 129 of 227

that the other city maintains an eligible gross receipts tax, and the income was not derived from contracts with the City.

#### **3.54.210 Mailing of notices.**

Any notice required by this chapter to be mailed to any taxpayer or licensee shall be sent by ordinary mail, addressed to the address of the taxpayer or licensee as shown by the records of the Director. Failure of the taxpayer or licensee to receive any such mailed notice shall not release the taxpayer or licensee from any tax, fee, interest, or any penalties thereon, nor shall such failure operate to extend any time limit set by the provisions of this chapter. It is the responsibility of the taxpayer to inform the Director in writing about a change in the taxpayer's address.

#### **3.54.220 Tax declared additional.**

The license fee and tax herein levied shall be additional to any license fee or tax imposed or levied under any law or any other ordinance of the City of Auburn except as herein otherwise expressly provided.

#### **3.54.230 Public disclosure – Confidentiality – Information sharing.**

A. For purposes of this section, defined terms shall be as set forth in ACC 3.54.030:

1. "Disclose" means to make known to any person in any manner whatever a return or tax information.
2. "Tax information" means:
  - a. A taxpayer's identity;
  - b. The nature, source, or amount of the taxpayer's income, payments, receipts, deductions, exemption, credits, assets, liability, net worth, tax liability deficiencies, over assessments, or tax payments, whether taken from the taxpayer's books and records or any other source;
  - c. Whether the taxpayer's return was, is being, or will be examined or subject to other investigation or processing; or
  - d. Other data received by, recorded by, prepared by, or provided to the City with respect to the determination or the existence, or possible existence, of liability, or the amount thereof, of a person under the City's tax code for a tax, penalty, interest, fine, forfeiture, or other imposition, or offense. However, data, material, or documents that do not disclose information related to a specific or identifiable taxpayer do not constitute tax information under this section. Nothing in this chapter requires any person possessing data, material, or documents made confidential and privileged by this section to delete information from such data, material or documents so as to permit its disclosure.
3. "City agency" means every City office, department, division, bureau, board, commission, or other City agency.
4. "Taxpayer identity" means the taxpayer's name, address, telephone number, registration number, or any combination thereof, or any other information disclosing the identity of the taxpayer.

B. Returns and tax information are confidential and privileged, and except as authorized by this section, neither the Director nor any other person may disclose any return or tax information.

C. This section does not prohibit the Director from:

1. Disclosing such return or tax information in a civil or criminal judicial proceeding or an administrative proceeding:
  - a. In respect of any tax imposed under the City's tax code if the taxpayer or its officer or other person liable under this title is a party in the proceeding; or
  - b. In which the taxpayer about whom such return or tax information is sought and another state agency are adverse parties in the proceeding.
2. Disclosing, subject to such requirements and conditions as the Director prescribes by rules adopted pursuant to ACC 3.54.190 such return or tax information regarding a taxpayer to such taxpayer or to such person or persons as that taxpayer may designate in a request for, or consent to, such disclosure, or to any other person, at the taxpayer's request, to the extent necessary to comply with a request for information or assistance made by the taxpayer to such other person. However, tax information not received from the taxpayer must not be so disclosed if the Director determines that such disclosure would compromise any investigation or litigation by any federal, state, or local government agency in connection with the civil or criminal liability of the taxpayer or another person, or that such disclosure would identify a confidential informant, or that such disclosure is contrary to any agreement entered into by the Finance Department that provides for the reciprocal exchange of information with other government agencies which agreement requires confidentiality with respect to such information unless such information is required to be disclosed to the taxpayer by the order of any court;
3. Publishing statistics so classified as to prevent the identification of particular returns or reports or items thereof;
4. Disclosing such return or tax information, for official purposes only, to the mayor or city attorney, or to any City agency, or to any member of the city council or their authorized designees dealing with matters of taxation, revenue, trade, commerce, the control of industry or the professions;
5. Permitting the City's records to be audited and examined by the proper state officer, his or her agents and employees;
6. Disclosing any such return or tax information to a peace officer as defined in RCW [9A.04.110](#) or county prosecuting attorney, for official purposes. The disclosure may be made only in response to a search warrant, subpoena, or other court order, unless the disclosure is for the purpose of criminal tax enforcement. A peace officer or county prosecuting attorney who receives the return or tax information may disclose that return or tax information only for use in the investigation and a related court proceeding, or in the court proceeding for which the return or tax information originally was sought or where otherwise allowed to be disclosed under this Section;
7. Disclosing any such return or tax information to the proper officer of the Internal Revenue Service of the United States, the Canadian government or provincial governments of Canada, or to the proper officer of the tax department of any state or city or town or county, for official purposes, but only if the statutes of the United States, Canada or its provincial governments, or of such other state or city or town or county, as the case may be, grants substantially similar privileges to the proper officers of the City;

8. Disclosing any such return or tax information to the United States Department of Justice, including the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Department of Defense, the Immigration and Customs Enforcement and the Customs and Border Protection agencies of the United States Department of Homeland Security, the United States Coast Guard, the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of Treasury, and the United States Department of Transportation, or any authorized representative of these federal agencies or their successors, for official purposes;

9. Publishing or otherwise disclosing the text of a written determination designated by the Director as a precedent pursuant to RCW [82.32.410](#);

10. Disclosing, in a manner that is not associated with other tax information, the taxpayer name, entity type, business address, mailing address, revenue tax registration numbers and the active/closed status of such registrations, state or local business license registration identification and the active/closed status and effective dates of such licenses, reseller permit numbers and the expiration date and status of such permits, North American industry classification system or standard industrial classification code of a taxpayer, and the dates of opening and closing of business. Except that this subsection may not be construed as giving authority to the City or any recipient to give, sell, or provide access to any list of taxpayers for any commercial purpose;

11. Disclosing such return or tax information that is also maintained by another Washington state or local governmental agency as a public record available for inspection and copying under the provisions of chapter [42.56](#) RCW or is a document maintained by a court of record and is not otherwise prohibited from disclosure;

12. Disclosing such return or tax information to the United States Department of Agriculture, or successor department or agency, for the limited purpose of investigating food stamp fraud by retailers;

13. Disclosing to a financial institution, escrow company, or title company, in connection with specific real property that is the subject of a real estate transaction, current amounts due the City for a filed tax warrant, judgment, or lien against the real property;

14. Disclosing to a person against whom the Finance Department has asserted liability as a successor under ACC 3.54.160 return or tax information pertaining to the specific business of the taxpayer to which the person has succeeded;

15. Disclosing real estate excise tax affidavit forms filed under ACC 3.56 in the possession of the City, including real estate excise tax affidavit forms for transactions exempt or otherwise not subject to tax;

16. Disclosing such return or tax information to the court or hearing examiner in respect to the City's application for a subpoena if there is probable cause to believe that the records in possession of a third party will aid the Director in connection with its official duties under this title or a civil or criminal investigation.

D. The Director may disclose return or taxpayer information to a person under investigation or during any court or administrative proceeding against a person under investigation as provided in this subsection D.

1. The disclosure must be in connection with the Finance Department's official duties under this Title, or a civil or criminal investigation. The disclosure may occur only when the person under investigation and the person in possession of data, materials, or documents are parties to the return or tax information.

disclosed. The Finance Department may disclose return or tax information such as invoices, contracts, bills, statements, resale or exemption certificates, or checks. However, the Finance Department may not disclose general ledgers, sales or cash receipt journals, check registers, accounts receivable/payable ledgers, general journals, financial statements, expert's workpapers, income tax returns, state tax returns, tax return workpapers, or other similar data, materials, or documents.

2. Before disclosure of any tax return or tax information under this subsection D, the Director must, through written correspondence, inform the person in possession of the data, materials, or documents to be disclosed. The correspondence must clearly identify the data, materials, or documents to be disclosed. The Director may not disclose any tax return or tax information under this subsection D until the time period allowed in 3 of this subsection has expired or until the court has ruled on any challenge brought under 3 of this subsection.

3. The person in possession of the data, materials, or documents to be disclosed by the Finance Department has twenty days from the receipt of the written request required under 2 of this subsection to petition the superior court of the county in which the petitioner resides for injunctive relief. The court must limit or deny the request of the Director if the court determines that:

a. The data, materials, or documents sought for disclosure are cumulative or duplicative, or are obtainable from some other source that is more convenient, less burdensome, or less expensive;

b. The production of the data, materials, or documents sought would be unduly burdensome or expensive, taking into account the needs of the Finance Department, the amount in controversy, limitations on the petitioner's resources, and the importance of the issues at stake; or

c. The data, materials, or documents sought for disclosure contain trade secret information that, if disclosed, could harm the petitioner.

4. The Director must reimburse reasonable expenses for the production of data, materials, or documents incurred by the person in possession of the data, materials, or documents to be disclosed.

5. Requesting information under 2 of this subsection that may indicate that a taxpayer is under investigation does not constitute a disclosure of tax return or tax information under this section.

E. Service of a subpoena issued by the court or under ACC 2.46 does not constitute a disclosure of return or tax information under this section. Notwithstanding anything else to the contrary in this section, a person served with a subpoena issued by the court or under ACC 2.46 may disclose the existence or content of the subpoena to that person's legal counsel.

F. Any person acquiring knowledge of any return or tax information in the course of his or her employment with the City and any person acquiring knowledge of any return or tax information as provided under subsection C.4, 5, 6, 7, 8, 9, or 11 of this section, who discloses any such return or tax information to another person not entitled to knowledge of such return or tax information under the provisions of this section, is guilty of a misdemeanor. If the person guilty of such violation is an officer or employee of the city, such person must forfeit such office or employment and is incapable of holding any public office or employment in this city for a period of two years thereafter.

Any license fee or tax due and unpaid under this chapter, and all interest and penalties thereon, shall constitute a debt to the City of Auburn and may be collected in the same manner as any other debt in like amount, which remedy shall be in addition to all other existing remedies.

### **3.54.250 Unlawful actions – Violation – Penalties.**

A. It shall be unlawful for any person liable for fees under this chapter (or other chapters as listed):

1. To violate or fail to comply with any of the provisions of this chapter or any lawful rule or regulation adopted by the Director;
2. To make any false statement on any license application or tax return;
3. To aid or abet any person in any attempt to evade payment of a license fee or tax;
4. To fail to appear or testify in response to a subpoena issued pursuant to the rules of procedure of the office of the hearing examiner;
5. To testify falsely in any investigation, audit, or proceeding conducted pursuant to this chapter.

B. Violation of any of the provisions of this chapter is a gross misdemeanor. Any person convicted of a violation of this chapter may be punished by a fine not to exceed \$1,000, imprisonment not to exceed one year, or both fine and imprisonment. Penalties or punishments provided in this chapter shall be in addition to all other penalties provided by law.

C. Any person, or officer of a corporation, convicted of continuing to engage in business after the revocation of a license shall be guilty of a gross misdemeanor and may be punished by a fine not to exceed \$5,000, or imprisonment not to exceed one year, or both fine and imprisonment.

### **3.54.260 Suspension or revocation of business license and/or registration.**

See ACC Chapter 5.15.

### **3.54.270 Closing agreement provisions.**

The Director may enter into an agreement in writing with any person relating to the liability of such person in respect of any tax imposed by any of the chapters within this title and administered by this chapter for any taxable period(s). Upon approval of such agreement, evidenced by execution thereof by the Director and the person so agreeing, the agreement shall be final and conclusive as to the tax liability or tax immunity covered thereby, and, except upon a showing of fraud or malfeasance, or misrepresentation of a material fact:

A. The case shall not be reopened as to the matters agreed upon, or the agreement modified, by the Director or the taxpayer; and

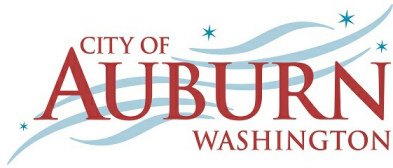
B. In any suit, action or proceeding, such agreement, or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance therewith, shall not be annulled, modified, set aside, or disregarded.

### **3.54.280 Charge-off of uncollectible taxes.**

The Director may charge off any tax, penalty, or interest that is owed by a taxpayer, if the Director reasonably ascertains that the cost of collecting such amounts would be greater than the total amount that is owed or likely to be collected from the taxpayer.

**3.54.290 Severability.**

If any provision of this chapter or its application to any person or circumstance is held invalid, the remainder of the chapter or the application of the provision to other persons or circumstances shall not be affected.



## AGENDA BILL APPROVAL FORM

**Agenda Subject:**

Ordinance No. 6820 (Gaub)(10 Minutes)

**Date:**

April 28, 2021

**Department:**

Public Works

**Attachments:**

[Ordinance No. 6820](#)

[Exhibit A](#)

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

**Administrative Recommendation:**

For discussion only.

**Background for Motion:****Background Summary:**

Ordinance No. 6820 authorizes modifications to various sections of code related to the Auburn Municipal Airport. In 2019, the City of Auburn modified the management structure of the Airport to move away from contract management services to management by city employees. The modifications proposed are to complete the facilitation of this structural change. In addition, there were identified sections of obsolete code and areas needing clarification, improving the organization of the code, and simplifying the code related to airport management and operations. A summary of the revisions are as follows:

**Repeal Sections:***2.18, Airport Supervisor*

This position no longer exists and is not necessary to be listed in the code in this specificity.

*8.36, Ultralights*

This section is no longer necessary in the City code but an appropriate level of detail will be included in revisions to the Airport Rules and Regulations that govern the use and operations of the Auburn Airport.

*12.56 Section .010, .200, .300, .310, .410*

These sections are all related to Airport operations and are covered in the Airport Rules and Regulations or in the individual storage agreements entered into with the Airport Tenants and are no longer needed in the code.

**New Section:**

### *12.56.385, Derelict Aircraft*

Is proposed to be added to better align with FAA expectations and regulations of the use of Airport property and provide clarity for Airport management of derelict aircraft situations.

#### **Modified Sections (Exhibit A):**

### *2.33, Municipal Airport Advisory Board*

This section is modified to align with the Board's procedures and provide clarification on board membership and responsibilities.

### *12.02, Administration*

This modification is to modify the department responsibility for administration of section 12.56 related to the Airport within the Public Works Department.

### *12.56, Airport*

This section is modified to address management of the Airport by City employees, provide clarifications, improve organization, and simplify codes related to management and operations of the Airport.

The draft code revisions were reviewed by the Auburn Airport Advisory Board at their regular meeting on April 21, 2021 and comments received from the board members have been incorporated in the draft ordinance attached.

#### **Reviewed by Council Committees:**

**Councilmember:** Stearns

**Staff:** Gaub

**Meeting Date:** May 10, 2021

Item Number:

## ORDINANCE NO. 6820

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, RELATING TO THE AUBURN MUNICIPAL AIRPORT, REPEALING CHAPTER 2.18, CHAPTER 8.36, AND VARIOUS SECTIONS OF CHAPTERS 2.33 AND 12.56, AMENDING VARIOUS SECTIONS OF ACC 2.33, 12.02 AND 12.56 OF THE AUBURN CITY CODE, AND ADDING A NEW SECTION TO THE AUBURN CITY CODE.

WHEREAS, the City of Auburn modified the management structure of the Auburn Municipal Airport from contract management services to management by city employees; and

WHEREAS, the amendment of various applicable Auburn City Code provisions is necessary to facilitate this management structure change; and

WHEREAS, certain additional City Code sections and/or chapters should be amended and/or repealed to address obsolete language and to clarify, organize and simplify the City's code regarding airport management and operations; and

WHEREAS, a new section regarding derelict aircraft should be added to the code to clarify and enhance airport staff's ability to address such aircraft on airport property for the safety and efficiency of airport operations.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

**Section 1. Repeal of certain Auburn City Code chapters and/or sections.**

The following Auburn City Code Chapters and/or sections and underlying ordinance language are hereby repealed:

|                  |                            |
|------------------|----------------------------|
| ACC Chapter 2.18 | Airport Supervisor         |
| ACC Chapter 8.36 | Ultralights                |
| ACC 12.56.010    | Airport supervisor defined |

|               |                                                               |
|---------------|---------------------------------------------------------------|
| ACC 12.56.200 | Aircraft – Posted traffic pattern conformance required        |
| ACC 12.56.300 | Aircraft – Operation in hangars                               |
| ACC 12.56.310 | Aircraft – Moving                                             |
| ACC 12.56.410 | Aircraft storage hangars – Electrical outlet use restrictions |

**Section 2. New Section to City Code.** A new section, ACC 12.56.385 “Derelict Aircraft,” is added to ACC Chapter 12.56 to read as follows:

ACC 12.56.385 Derelict Aircraft.

A. Storage of derelict aircraft prohibited. No person may park or store a derelict aircraft on airport property. A derelict aircraft is an aircraft or any aircraft components:

1. not being actively restored, constructed, or maintained; or
2. not in flyable condition; or
3. not certified airworthy by the Federal Aviation Administration.

B. Removal of derelict aircraft.

1. The Airport Manager or designee may immediately remove a derelict aircraft that obstructs a taxiway, runway, or parking area, or that endangers the safety of persons or property at the airport.
2. Otherwise, upon finding a derelict aircraft on airport property, the Airport Manager or designee may post a notice on the aircraft and/or give written notice to the aircraft owner requiring removal of the aircraft from airport property within 10 business days. The Airport Manager or designee may remove any derelict aircraft thereafter remaining on airport property.
3. In either case, the costs of towing, removal and/or storage of the aircraft shall be paid by its owner. The City shall not be liable for any costs or damages resulting from the removal.

**Section 3. Amendment to City Code.** Certain sections within Auburn City Code Chapters 2.33, 12.02, and 12.56 are amended to read as set forth on Exhibit A of this ordinance.

**Section 4. Implementation.** The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

**Section 5. Severability.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

**Section 6. Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Shawn Campbell, MMC, City Clerk

\_\_\_\_\_  
Kendra Comeau, City Attorney

Published: \_\_\_\_\_

## EXHIBIT A – ORD. 6820

### ACC 2.33.010      Creation.

There is created a board, which shall be known as the Auburn ~~municipal~~-airport advisory board, which shall consist of seven members, who shall serve without remuneration. The members shall be appointed by the mayor and confirmed by the city council. Members shall be:

A. City residents;

B. Employed by a business or organization with a physical location in the city; or

C. Actively working in or experienced in the aviation industry.

### ACC 2.33.020      Appointment – Terms.

Annually, or more often as warranted, the members of the board shall elect a chair and ~~vice chairman and secretary~~ whose duties shall be the duties indicated by such designation. The term of office for the board members shall be set up to ~~three~~five years from the date of appointment. All appointees will serve until successors are appointed and qualified. If the board considers an issue that relates to a board member's business interest at the airport, the board member shall disclose the fact and nature of the business interest prior to the taking of any vote bearing upon said interest.

Membership on the board is intended to represent a broad cross section of airport users and therefore shall not have more than 3 members at any one time that represent the following areas:

1. A member who is also a business owner or representative of a business that is located on the airport field,
2. A member who has a direct storage, tie down, or lease agreement with the airport,
3. A member who is a member of a flight club that is based on the airport field,

### ACC 2.33.030      Jurisdiction.

The board is a community and industry advisory body that reviews, discusses and advises on aviation and airport topics as requested by the mayor, city council and/or city

~~staff. when organized shall have jurisdiction to advise the city council and/or its committees regarding the following incidents involving the operation of the Auburn Municipal Airport: The board shall:~~

~~A. Review and advise on the Capital Improvement and significant maintenance programs for the Airport—Regarding construction, enlargement, improvement, maintenance, equipment and operation of the Auburn Municipal Airport facilities;~~

~~B. Review and recommend adoption and/or amendment of the—Regarding adoption and amendment of all need for rules and regulations of the Airportfor the government and use of the Auburn Municipal Airport facilities;~~

~~C. Regarding leasing or assignment to private parties, municipal or state governments or the national government, or departments of any of the same, for the operation or use of any space, area, improvements or equipment of the Auburn Municipal Airport;~~

~~CD. Review and recommend adoption Regarding the determination of the fee schedule related to the Airport of charges and/or rentals for the use of any properties owned or under the control of the Auburn Municipal Airport and regarding the charges for any services or accommodations and the terms and conditions under which such parties may be using it;~~

~~E. Regarding the securing and enforcement of liens as provided by law for liens and enforcements thereof; regarding the repairs of or improvements or storage or care of any personal property to enforce the payment of any such charges;~~

~~F. Regarding the exercise of all powers necessarily incidental to the exercising of the general and public powers granted in this chapter; and also regarding the exercise of all powers granted to the city by the laws of the state regarding the operation of municipal airports;~~

~~G. Repealed by Ord. 5924.~~

~~DH. Promote and foster the development of the Auburn Municipal Airport for the benefit of the citizens of the city;~~

~~EI. Develop comprehensive and long-range plans for airport development and financing;~~

~~F. J. Maintain liaison with other governmental bodies regarding municipal airport operations and financing. Review and advise on legislative issues as requested by the Airport Manager.~~

~~G. Advise on airport operations as requested by the Airport Manager.~~

#### **ACC 12.02.040      Administration.**

~~With exception of Chapter 12.56 ACC, Airport, which is administered by the director of the planning department, t~~This title shall be administered by the director of the public works department. The director ~~iss-are~~ responsible ~~for to~~ designation ~~of~~ staff and to develop uniform procedures ~~for to~~ implementing the standards and procedures of this Title set forth herein. In the absence of the public works director the city engineer will act in their behalf.

#### **ACC 12.56.015      Airport manager defined.**

“Airport manager” means the person designated by the Public Works Director to manage the operations of the Auburn Airport. The airport manager shall at all times have authority to take such action as may be necessary for handling, policing, protecting and safeguarding airport users and property. The airport manager may suspend or restrict any or all airport operations when necessary in the interests of safety. ~~any person designated by the airport supervisor or in the event that the city contracts for airport management services, then the person designated by the airport management entity, to manage operation of the Auburn Airport.~~

#### **ACC 12.56.020      Use rules and regulations – Adopted – Obedience required.**

Adopted Airport Rules and Regulations. The Airport Rules and Regulations as approved, supplemented and amended by the Airport Manager for continued operation of the Airport facilities and to be in conformance with all state and federal regulations governing the use and operation of the airport are herein referred to as the “rules and regulations” and are adopted by reference. ~~The mayor is authorized to promulgate administrative rules and regulations not inconsistent with this chapter.~~

All persons using the airport or any facilities thereon in any manner, including the operation of aircraft or motor vehicles, shall obey all applicable rules and regulations established or adopted.

#### **ACC 12.56.070 City's nonliability.**

The privilege of using the airport and its facilities shall be conditioned upon the assumption of full responsibility and risk by the user thereof, and they shall release, hold harmless and indemnify the city, members of the city council and airport ~~committee~~board, its officers and employees from any liability or loss resulting from such use, as well as against claims of third persons so using the airport. The exercise of the privilege of use constitutes an acknowledgment that the city maintains the airport in a governmental capacity.

#### **ACC 12.56.120 User's responsibilities.**

It shall be the responsibility of all aircraft owners, operators and users of the airport, or anyone who enters property under airport jurisdiction, to ~~become familiar with and~~ adhere to these adopted rules and regulations as currently written or amended. Entering onto property under jurisdiction of the airport constitutes usage.

#### **ACC 12.56.130 Federal aircraft operation regulations adopted.**

Federal Aviation Administration ~~The~~ rules and regulations ~~\_promulgated by the Federal Aviation Agency and presently in effect and all additions or amendments thereto are referred to, as now enacted or hereafter amended are~~ adopted by reference into this Chapter. ~~and made a part of these regulations as fully in all respects as if particularly set forth in this chapter.~~

#### **ACC 12.56.380 Aircraft storage hangars – Use restrictions.**

Aircraft storage hangars are for the sole purpose of storing active aircraft. ~~\_No other item may be stored within except as provided in ACC 12.56.450(E), and except ladders, cans, boxes, etc., and then only with the prior approval of the airport supervisor.~~

#### **ACC 12.56.440 Fire regulations.**

A. No aircraft shall be fueled or drained while the engine is running or while the aircraft is in a hangar.

- B. During all fuel operations the aircraft and appurtenances used in fueling shall be grounded by an approved method.
- C. Personnel engaged in fueling operations shall exercise care to prevent overflow of fuel or other damage to aircraft.
- D. Smoking or the lighting of an open flame shall be prohibited within 50 feet of any fuel operation.
- E. At no time shall an aircraft or vehicle be left unattended while fueling.
- F. Fueling operations shall be conducted at least 50 feet from any hangar or building.
- G. No cell phone use, electrical or radio equipment shall be operated during fuel operations, and master switches and magneto switches shall be in the "off" position.
- H. No aircraft shall be started when there is fuel on the ground, under or near the aircraft.
- I. No person shall drain or cause to be drained aircraft sumps on hangar floors or on asphalt-paved areas.
- J. Hangar floors shall be kept clean and free from oil, and no flammable solvent shall be used for cleaning purposes in shops, hangars or other buildings.
- K. No boxes, crates, rubbish, paper or other litter shall be permitted to accumulate on the airport or in any hangar or other building, and all oil, paint, dope and varnish containers shall be removed from hangars immediately upon being emptied.
- L. Degreasing of aircraft and/or aircraft engines shall be permitted only in maintenance shops or in areas so designated. Degreasing shall not be done by the spraying of a flammable liquid.
- M. No material of any nature shall be stored in such a manner so as to constitute a fire hazard.
- N. No smoking shall be permitted in any hangars where it is hazardous to do so or where "no smoking" signs are posted.
- O. Hangar entrances shall be kept sufficiently clear to permit ready access to buildings to combat fires.
- P. The storage, handling and use of all flammable liquids shall be as provided for in ACC 15.36A~~by the city fire prevention code~~.
- Q. Application of a Class I or II flammable liquid or the spraying of any flammable or combustible material is prohibited inside aircraft hangars.
- R. Batteries shall only be charged while the owner, operator or tenant is in attendance. Aircraft batteries shall not be connected to a charger when installed in an aircraft

located inside or partially inside a hangar. Exceptions to this are approved, low amperage battery maintainers.

S. Extension cords shall not be used as a substitute to permanent wiring and shall only be used with portable appliances.

T. Extension cords shall be maintained in good condition without splices, deterioration or damage.

U. Extension cords shall be plugged directly into an approved receptacle, power tap or multi-plug adapter and should serve only one portable appliance.

V. Provide clear and unobstructed access to all fire extinguishers.

W. Fire extinguishers shall be serviced annually by a qualified person.

X. Aircraft hangars and storerooms shall be subject to annual and periodic inspections by airport staff and Valley Regional Fire Authority to ensure compliance with all laws, ordinances and these regulations.

Y. All fueling operations shall comply with the most recent edition of the National Fire Prevention Association (NFPA) 407, Standard for Aircraft Fuel Servicing.

Z. Whenever the provisions of this chapter, city ordinances, state and federal laws are not applicable for any reason to any situation involving the protection of persons and property from the hazards of fire and explosions, the materials, methods of construction, installation, practices or operation necessary to provide such protection shall be in accordance with nationally recognized and accepted standards.

#### **ACC 12.56.450      Vehicular traffic and parking regulations.**

A. Unless authorized by the airport ~~supervisor~~manager, no highway vehicle or bicycle shall be operated on the airport except on roadways, parking areas or places that are designated for such vehicles.

B. No person shall operate any vehicle in a careless or negligent manner or in disregard for the safety of others or in excess of posted speed traffic signs, and in no event in excess of ~~10~~25 miles per hour.

C. Highway vehicles shall always yield the right-of-way to aircraft on the ground or in the process of landing or taking off.

D. Any accident involving motor vehicles on the airport shall be reported to the airport ~~supervisor~~manager. This shall not be taken to mean that the normal requirement to

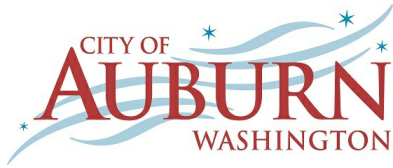
report accidents to the police department is waived, but is in addition to that requirement.

E. Vehicles shall only be parked in a manner and in areas so designated for such purpose. Aircraft owners who lease storage hangar space from the city may, at the discretion of the airport ~~supervisor~~manager, park ~~one~~-automobile(s) ~~or pickup truck~~ within that hangar for the duration of time that the aircraft housed therein is on a ~~cross-country~~ flight, with the reservation that any and all such vehicles would be under the control of the airport ~~supervisor~~manager, and the vehicle(s) parked therein shall be so parked at the owner's risk and the city accepts no liability for loss thereof or damage, etc. ~~Locked vehicles parked in storage hangars must be parked with the gear selector lever in neutral, with the brakes released and one wheel adequately chocked.~~

F. Illegally parked vehicles may be issued parking violation citations, moved to designated parking areas, impounded, or any combination of the above three provisions. A charge for such towing will be levied and the airport shall not assume any liability for damage while moving such vehicle.

#### **ACC 12.56.470      Violation – Penalty.**

In addition to the above penalties, anyone who violates or fails to comply with any provisions of this chapter or of the rules adopted hereunder ~~or under ACC 2.18.020~~ shall, upon conviction thereof, be punished as provided in ACC 1.25.050 and, unless a different penalty or provision is stated, any violation of this chapter or the airport rules and regulations or the airport minimum operating standards may be enforced pursuant to Chapter 1.25 ACC. A violation of any of the rules or regulations set forth in this chapter shall be deemed sufficient cause for the airport ~~supervisor~~manager to deny or prohibit access to or use of the airport by the responsible person or firm.



## AGENDA BILL APPROVAL FORM

**Agenda Subject:**

2022-2027 Transportation Improvement Program Annual Update and 2022 Transportation Impact Fee Update (Gaub)(20 Minutes)

**Date:**

May 5, 2021

**Department:**

Public Works

**Attachments:**

[2022-2027 TIP & TIF Update Memo](#)

[2022-2027 Draft TIP Project Sheets](#)

[2022-2027 Draft TIP Map](#)

[Downtown TIF Map](#)

[Lakeland Hills PUD TIF Map](#)

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

**Administrative Recommendation:**

For discussion only.

**Background for Motion:****Background Summary:**

Staff will present and discuss the proposed annual update to the City's Transportation Improvement Program (TIP). The TIP identifies projects and programs needed to address transportation needs over the next 6-year period. RCW 35.77.010 requires the City to create a TIP and update it at least once per year. Often the TIP is updated more frequently as additional transportation needs and funding is identified throughout the year. The TIP identifies secured or reasonably expected revenues and expenditures for each of the projects and programs included in the TIP.

Staff will also present and discuss the proposed 2022 update to the transportation impact fees. The proposed fees are based on the funding needs identified in the 2022-2027 TIP and anticipated development activities during the next 6 year period that necessitate additional transportation capacity. The proposed fee would be included in the fee schedule that will be brought later to the City council for adoption:

- Increase in the base City wide fee of 7% from \$4,894 to \$5,237 per trip
- Reduced fees for downtown remain in place
- Fees for Lakeland Hills Planned Unit Development (PUD) increase will be based on the Consumer Price Index for the Seattle area

**Reviewed by Council Committees:**

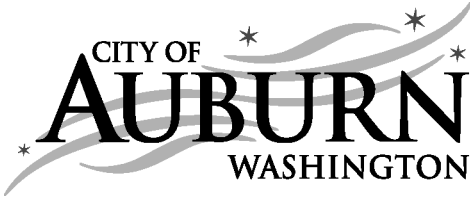
**Councilmember:** Stearns

**Staff:**

Gaub

**Meeting Date:** May 10, 2021

**Item Number:**



## Memorandum

**To:** Mayor Backus  
Council Members

**From:** James Webb, Senior Traffic Engineer, PE, PTOE

**Date:** May 4, 2021

**Re:** 2022-2027 Transportation Improvement Program and Transportation Impact Fees – Annual Update

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### **ANNUAL TIP UPDATE**

RCW 35.77.010 requires that the Six-Year Transportation Improvement Program (TIP) be amended annually by June 30.

The TIP is a multiyear planning tool and document for the near-term development of transportation facilities within the City. The TIP is proposed to be financially constrained for the entire six years of the TIP based on known and anticipated revenue and expenditure forecasts. Once the TIP is approved, projects are budgeted and funded through the City's biennial budget. The TIP sets priorities for the acquisition of project funding and is a prerequisite of most grant programs. Staff also uses the TIP to coordinate future transportation projects with needed utility improvements.

### **SUMMARY OF PROPOSED AMENDMENTS TO THE TIP**

#### **Removal of Projects**

Projects anticipated to be complete in 2021 will be removed from the TIP and their TIP project numbers recycled. Projects are sometimes removed from the TIP for other reasons such as being combined with other projects or changing priorities and needs. The following projects are proposed to be removed from the TIP:

- TIP I-17: Citywide LED Street Lighting and Controls (\$2.7M) (Nearing Completion, will be complete in 2021)
- TIP N-3: Arterial Bicycle and Safety Improvement Program (\$0.1M) – Combined with N-1 Non-Motorized Safety Program, as described under Other Modifications
- TIP N-10: M Street SE Sidewalk Improvements (\$0.71M) (Beginning construction, will be complete in 2021)

- TIP P-7: 2021 Local Street Preservation Project (\$2.5M) (Beginning Construction, will be complete in 2021)
- TIP P-8: 2022 Local Street Preservation (\$1.65M) – The 2022 program funding is included with TIP P-1 Local Street Preservation. A stand-alone local street preservation project will not be pursued in 2022. Instead, local street preservation work will be incorporated into other projects such as the Water Utility's Lead Service Line Replacement Project (CP1922).
- TIP P-9: Lea Hill Bridge Deck Preservation (\$1.65M) (Beginning Construction, will be complete in 2021)
- TIP P-12: Lakeland Hills Way Preservation (\$0.65M) (Beginning Construction, will be complete in 2021)
- TIP P-13: 3rd Street SW Bridge Deck Preservation (\$1.45M) (Beginning Construction, will be complete in 2021)

### **New Projects – Grant Awards and Emerging Needs**

The annual TIP update provides an opportunity to add projects to the TIP or to modify existing projects to reflect recent grant awards and other revenues. It also provides an opportunity to add new projects based on emerging needs. The 2022-2027 TIP includes the following proposed project additions:

- TIP R-4: A Street Loop – the project finances were updated to show \$1,125,000 of Federal grant funds awarded to the project in April 2021
- TIP R-6: AWS Widening (Hemlock to Poplar) - the project finances were updated to show \$3,608,232 of Federal grant funds awarded to the project in April of 2021
- TIP N-7: AWS Southside Sidewalk – the project finances were updated to show \$600,000 of State grant funds anticipated to be awarded to the project
- TIP I-9: Lea Hill ITS Expansion (\$0.60M) (Emerging Need)
- TIP N-5: Sidewalk and ADA Inventory (\$0.20M) (Emerging Need)

### **Other Modifications**

Other changes proposed to be made as part of the annual update are to revise certain project descriptions, cost estimates, and anticipated funding sources to be more representative of project scopes and available funding sources, and to match the adopted Capital Facilities Plan. The most significant changes are listed below:

- TIP I-2: Annual Traffic Signal Improvement – No changes are proposed to the 2022 funding of \$100k. The current TIP shows alternating funding between \$200k and \$100k each year starting in 2023. The proposed TIP shows a funding level that starts at \$180k in 2023 and gradually increases to \$200k by 2027. Actual annual needs for the program have typically ranged from \$150k to \$200k.
- TIP N-1: Non-Motorized Safety Program – this is a new name for the program and is a combination of the Pedestrian Accessibility and Safety Program (N-1) and Arterial Bicycle and Safety Improvement Program (N-3). These programs were combined to provide more flexibility in how the funding can be used, and to combine the funding to allow more extensive improvements to be funded. Overall funding levels remain unchanged from the previous programs.
- TIP N-8: Evergreen SRTS – the scope of the project was revised to include the extension of the sidewalk to the west of Evergreen Heights Elementary to 51st Avenue S. The previously proposed roundabout and roadway realignment at 56th Avenue S

will be added to the comprehensive plan as a long-range project need. This change will allow the project to be more competitive for Safe Routes to Schools grant funding in 2022.

- TIP P-2: Local Street Preservation Program – From 2023 and beyond, annual expenditures were increased from \$1.65M to \$2.0M to reflect the program needs identified in the annual state of our streets report. The additional expenditure comes from spending down the existing fund balance. The program also anticipates that the program will continue to be funded beyond the 2021/22 budget, although the source of the anticipated \$1.5M annually that is currently funded by REET2 revenues is unknown at this time.
- TIP R-1: Neighborhood Traffic Calming Program – The current TIP has this program funded at \$10k per year through 2023 and at \$50k per year from 2024 and beyond. The proposed TIP shows funding the program at \$150k per year starting in 2022. The revised funding reflects the need for a modified and expanded program that is currently under development and will be presented in more detail later. The program shows an increase in annual funding to reflect the anticipated needs of the program and to provide the ability to fund a wider variety of traffic calming measures.

#### **CURRENT STATUS AND NEXT STEPS:**

Staff will continue to develop the 2022-2027 TIP update. Input from the Transportation Advisory Board and City Council will be incorporated, and adoption is anticipated to follow the schedule below.

- **JUNE 1, 2021:** SECOND TRANSPORTATION ADVISORY BOARD DISCUSSION
- **JUNE 7, 2021:** RESOLUTION TO SCHEDULE PUBLIC HEARING
- **JUNE 14, 2021:** SECOND COUNCIL STUDY SESSION (IF REQUIRED)
- **JUNE 21, 2021:** PUBLIC HEARING & RESOLUTION FOR ADOPTION

#### **ANNUAL TRANSPORTATION FEE UPDATE**

The most recent update to the City's transportation impact fee occurred on January 1, 2021 and was based on the funding needs identified in the current TIP (2021-2026). Transportation impact fees are generally updated annually with adoption of the City's fee schedule. The updates are required to stay current with the need to fund transportation projects which add capacity to accommodate current and forecast growth. A description of the updated transportation impact fee that is proposed to be included in the 2022 fee schedule follows:

##### **TIP Funding Need**

The proposed 2022-2027 TIP requires \$22.5M of transportation impact fee funding which reflects a 15% increase from the 2021-2026 TIP which required \$19.5M of transportation impact fee funding. A portion of this funding will be provided by previously collected traffic impact fees (approximately \$6.1M). The remaining portion (approximately \$16.4M) needs to be collected during the six years between 2022 and 2027 to fully fund the capacity projects proposed to be included in the TIP. This increase is the result of a combination of factors including the addition of new projects to the TIP, changes in funding needs for existing projects, and adjusting the TIP to maintain a positive balance in the traffic impact fee fund at the end of the six-year period covered by the TIP.

### **Number of Growth Trips**

The proposed 2022 fee is based on the additional vehicle trips anticipated to be generated by growth within the City forecast during the six-year period covered by the TIP. This is based on the 2015 Comprehensive Transportation Plan, and the estimated number of trips generated by growth within the City in recent years. An annual average of 436 trips are forecast to be generated by growth occurring during the 2022-2027 TIP for a total of 2,616 trips. This represents a small reduction from the 2,634 total trips forecast during the 2021-2026 TIP.

### **Proposed Citywide Transportation Impact Fees**

The current per trip fee is \$4,894.00. The proposal is to implement a gradual increase throughout the TIP period of 7% per year that would generate the revenue needed to fully fund the TIP.

**A per trip fee of \$5,237 is proposed for 2022, a 7% increase from 2021 (\$4,894).**

The updated PM peak hour trip amount will be utilized to adjust the detailed traffic impact fees included in the proposed 2022 fee schedule. The updated fee would be applicable to all new uses citywide except in the Lakeland Hills PUD and the Downtown Urban Center (DUC) zone.

### **Downtown Urban Center Zone Rate**

To acknowledge the trip generation characteristics of the downtown urban center, the City added a second zone to the transportation impact fee program. The program charges reduced impact fees for development occurring in the downtown urban center. The applicable downtown area in which fees are reduced is shown in Figure 1.

Reduced impact fees for the downtown urban center account for anticipated reduced trip generation resulting from the availability of transit service (both bus and rail), the completeness of non-motorized facilities, and the proximity of complementary land-uses (retail, commercial, medical, etc.). This provides a better nexus between transportation impact fees and the impacts of development in the downtown urban center.

The following reductions are used for each land use category in the downtown urban center:

- ***Residential, Lodging, and Medical*** **-19%**
- ***Recreation, Institutional, Retail, and Service*** **-26%**
- ***Office*** **-32%**

National and local data was used to estimate the reductions for downtown land-uses in Auburn. This approach is consistent with other local jurisdictions, including Federal Way and Kent.

### **Lakeland Hills PUD Rate**

Transportation mitigation fees for Lakeland Hills were established in 1998 by Resolution 2955. At that time, the initial impact fees were identified for detached single-family units, attached single-family and multi-family units, senior family residential units, and commercial and retail space. The

fees are updated annually based on the Consumer Price Index (CPI) for the Seattle-Metropolitan area. These fees will be updated closer to the end of the year when the CPI data is available.

**TIF Comparison by Agency**

Below is a comparison of the traffic impact fee for a single-family residential unit in several local cities in Puget Sound (listed from lowest to highest) compared with the proposed 2022 rate for Auburn:

|                 |                                   |
|-----------------|-----------------------------------|
| Covington -     | \$4,461 (2021)                    |
| Puyallup,       | \$4,547.41 (unchanged from 2007)  |
| Kent -          | \$4,938.19 (2022)                 |
| Kirkland -      | \$5,888 (2021)                    |
| <b>Auburn -</b> | <b>\$6,048.74 (2022 proposed)</b> |
| Federal Way-    | \$7,054 (2021)                    |
| Bellevue -      | \$7,271 (2022)                    |
| Bothell -       | \$9,606 (2021)                    |
| Renton -        | \$10,861.69 (2021/22)             |

The single-family residential rate presented above for Auburn is based on, but differs from the per trip fee presented in the traffic impact fee calculations. This is because the fees for individual land uses include adjustments for the number of new trips generated, average vehicle trip length, and the proportion of truck trips generated (for commercial developments). The list includes a mix of 2021 and 2022 rates because not all agencies have developed and published their 2022 rates.

For previous annual traffic impact fee updates, a chart showing the comparison of the basic transportation impact fee for 60 Western Washington Cities and five Counties was provided. However, this chart is not currently available.

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

| TIP#        | Intersection, Signal and ITS Projects                              | 2022    | 2023    | 2024      | 2025    | 2026      | 2027      | Total            |
|-------------|--------------------------------------------------------------------|---------|---------|-----------|---------|-----------|-----------|------------------|
| <b>I-1</b>  | <b><u>Auburn Way N/1st Street NE Signal Replacement</u></b>        |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | 105,935 | -       | -         | -       | -         | -         | <b>105,935</b>   |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | 85,935  | -       | -         | -       | -         | -         | <b>85,935</b>    |
|             | Arterial Preservation Fund (105)                                   | 20,000  | -       | -         | -       | -         | -         | <b>20,000</b>    |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | Traffic Impact Fees                                                | -       | -       | -         | -       | -         | -         | -                |
|             | REET 2                                                             | -       | -       | -         | -       | -         | -         | -                |
| <b>I-2</b>  | <b><u>Annual Traffic Signal Improvements</u></b>                   |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | 100,000 | 180,000 | 185,000   | 190,000 | 195,000   | 200,000   | <b>1,050,000</b> |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Cap. Imp. Fund Balance                                             | -       | -       | -         | -       | -         | -         | -                |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | REET 2                                                             | 100,000 | 180,000 | 185,000   | 190,000 | 195,000   | 200,000   | <b>1,050,000</b> |
| <b>I-3</b>  | <b><u>ITS Dynamic Message Signs</u></b>                            |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | -       | -       | -         | -       | 35,000    | 225,000   | <b>260,000</b>   |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | -       | -       | -         | -       | 35,000    | 225,000   | <b>260,000</b>   |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | Traffic Impact Fees                                                | -       | -       | -         | -       | -         | -         | -                |
| <b>I-4</b>  | <b><u>Street Lighting Improvement Program</u></b>                  |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | 50,000  | 50,000  | 50,000    | 50,000  | 50,000    | 50,000    | <b>300,000</b>   |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Cap. Imp. Fund Balance                                             | -       | -       | -         | -       | -         | -         | -                |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | REET 2                                                             | 50,000  | 50,000  | 50,000    | 50,000  | 50,000    | 50,000    | <b>300,000</b>   |
| <b>I-5</b>  | <b><u>Harvey Road/8th Street NE Intersection Improvements</u></b>  |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | 83,196  | 82,794  | 82,382    | 81,990  | 81,589    | 81,187    | <b>493,138</b>   |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | -       | -       | -         | -       | -         | -         | -                |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | Traffic Impact Fees                                                | 83,196  | 82,794  | 82,382    | 81,990  | 81,589    | 81,187    | <b>493,138</b>   |
| <b>I-6</b>  | <b><u>Lea Hill Road/112th Avenue SE Roundabout</u></b>             |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | -       | -       | 350,000   | 420,000 | 2,200,000 | 2,200,000 | <b>5,170,000</b> |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | -       | -       | -         | -       | -         | -         | -                |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | 1,600,000 | 1,100,000 | <b>2,700,000</b> |
|             | Traffic Impact Fees                                                | -       | -       | 350,000   | 420,000 | 600,000   | 1,100,000 | <b>2,470,000</b> |
| <b>I-7</b>  | <b><u>Auburn Avenue/E Main Street Signal Replacement</u></b>       |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | -       | -       | -         | -       | 200,000   | 900,000   | <b>1,100,000</b> |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | -       | -       | -         | -       | -         | -         | -                |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | REET 2                                                             | -       | -       | -         | -       | 200,000   | 900,000   | <b>1,100,000</b> |
| <b>I-8</b>  | <b><u>R Street SE/29th Street SE Intersection Improvements</u></b> |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | 525,000 | 250,000 | 4,000,000 | -       | -         | -         | <b>4,775,000</b> |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | -       | -       | -         | -       | -         | -         | -                |
|             | Arterial Preservation Fund (105)                                   | 25,000  | -       | 375,000   | -       | -         | -         | <b>400,000</b>   |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | Traffic Impact Fees                                                | 500,000 | 250,000 | 3,500,000 | -       | -         | -         | <b>4,250,000</b> |
|             | Other (Icon)                                                       | -       | -       | 125,000   | -       | -         | -         | <b>125,000</b>   |
| <b>I-9</b>  | <b><u>Lea Hill ITS Expansion</u></b>                               |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | -       | -       | 100,000   | 500,000 | -         | -         | <b>600,000</b>   |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | -       | -       | -         | -       | -         | -         | -                |
|             | Unsecured Grants                                                   | -       | -       | -         | -       | -         | -         | -                |
|             | Traffic Impact Fees                                                | -       | -       | 50,000    | 250,000 | -         | -         | <b>300,000</b>   |
|             | REET 2                                                             | -       | -       | 50,000    | 250,000 | -         | -         | <b>300,000</b>   |
| <b>I-10</b> | <b><u>R Street SE/21st Street SE Roundabout</u></b>                |         |         |           |         |           |           |                  |
|             | <b>Capital Costs</b>                                               | -       | 250,000 | 100,000   | 750,000 | -         | -         | <b>1,100,000</b> |
|             | <b>Funding Sources:</b>                                            |         |         |           |         |           |           |                  |
|             | Unrestricted Street Revenue                                        | -       | -       | -         | -       | -         | -         | -                |
|             | Unsecured Grants                                                   | -       | -       | -         | 600,000 | -         | -         | <b>600,000</b>   |
|             | Traffic Impact Fees                                                | -       | 250,000 | 100,000   | 150,000 | -         | -         | <b>500,000</b>   |

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

| TIP#                                                    | Intersection, Signal and ITS Projects                              | 2022             | 2023             | 2024             | 2025             | 2026             | 2027             | Total             |
|---------------------------------------------------------|--------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>I-11</b>                                             | <b><u>Auburn Way S/6th Street SE Intersection Improvements</u></b> |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | -                | 130,000          | 25,000           | 845,000          | -                | -                | 1,000,000         |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Unrestricted Street Revenue                                        | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Unsecured Grants                                                   | -                | -                | -                | 695,000          | -                | -                | 695,000           |
|                                                         | Traffic Impact Fees                                                | -                | 130,000          | 25,000           | 150,000          | -                | -                | 305,000           |
| <b>I-13</b>                                             | <b><u>SE 304th Street/132nd Avenue SE Roundabout</u></b>           |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | -                | 250,000          | 50,000           | 1,200,000        | -                | -                | 1,500,000         |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Unrestricted Street Revenue                                        | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Unsecured Grants                                                   | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Traffic Impact Fees                                                | -                | 250,000          | 50,000           | 1,200,000        | -                | -                | 1,500,000         |
| <b>I-15</b>                                             | <b><u>10th Street NW/A Street NW Intersection Improvements</u></b> |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | 250,000          | 750,000          | -                | -                | -                | -                | 1,000,000         |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Unrestricted Street Revenue                                        | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Unsecured Grants                                                   | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Traffic Impact Fees                                                | 250,000          | 750,000          | -                | -                | -                | -                | 1,000,000         |
| <b>I-16</b>                                             | <b><u>15th Street NW/SR 167 NB Ramps</u></b>                       |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | 1,525,000        | -                | -                | -                | -                | -                | 1,525,000         |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Unrestricted Street Revenue                                        | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Unsecured Grants                                                   | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Traffic Impact Fees                                                | 225,000          | -                | -                | -                | -                | -                | 225,000           |
|                                                         | Other (Developer)                                                  | 1,300,000        | -                | -                | -                | -                | -                | 1,300,000         |
| <b>Subtotal, Intersection, Signal and ITS Projects:</b> |                                                                    |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | 2,639,131        | 1,942,794        | 4,942,382        | 4,036,990        | 2,761,589        | 3,656,187        | 19,979,073        |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Unrestricted Street Revenue                                        | 85,935           | -                | -                | -                | 35,000           | 225,000          | 345,935           |
|                                                         | Arterial Preservation Fund (105)                                   | 45,000           | -                | 375,000          | -                | -                | -                | 420,000           |
|                                                         | Secured Grants                                                     | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Unsecured Grants                                                   | -                | -                | -                | 1,295,000        | 1,600,000        | 1,100,000        | 3,995,000         |
|                                                         | Traffic Impact Fees                                                | 1,058,196        | 1,712,794        | 4,157,382        | 2,251,990        | 881,589          | 2,081,187        | 12,143,138        |
|                                                         | REET 2                                                             | 150,000          | 230,000          | 285,000          | 490,000          | 245,000          | 250,000          | 1,650,000         |
|                                                         | Other (Icon)                                                       | -                | -                | 125,000          | -                | -                | -                | 125,000           |
|                                                         | Other (Developer)                                                  | 1,300,000        | -                | -                | -                | -                | -                | 1,300,000         |
|                                                         | <b>Total Funding</b>                                               | <b>2,639,131</b> | <b>1,942,794</b> | <b>4,942,382</b> | <b>4,036,990</b> | <b>2,761,589</b> | <b>3,656,187</b> | <b>19,979,073</b> |
| <b>TIP: Non-Motorized and Transit Projects</b>          |                                                                    | <b>2022</b>      | <b>2023</b>      | <b>2024</b>      | <b>2025</b>      | <b>2026</b>      | <b>2027</b>      | <b>Total</b>      |
| <b>N-1</b>                                              | <b><u>Non-Motorized Safety Program</u></b>                         |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 900,000           |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Unrestricted Street Revenue                                        | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 900,000           |
|                                                         | Unsecured Grants                                                   | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Traffic Impact Fees                                                | -                | -                | -                | -                | -                | -                | -                 |
| <b>N-2</b>                                              | <b><u>Sidewalk Repair and Accessibility Program</u></b>            |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | 185,000          | 140,000          | 20,000           | 220,000          | 190,000          | 20,000           | 775,000           |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Cap. Imp. Fund Balance                                             | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | REET 2                                                             | 185,000          | 120,000          | -                | 200,000          | 170,000          | -                | 675,000           |
|                                                         | Other (Fees)                                                       | -                | 20,000           | 20,000           | 20,000           | 20,000           | 20,000           | 100,000           |
| <b>N-4</b>                                              | <b><u>Transit Partnership Routes</u></b>                           |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Capital Costs                                                      | 185,000          | 190,000          | 195,000          | 200,000          | 205,000          | 210,000          | 1,185,000         |
|                                                         | Funding Sources:                                                   |                  |                  |                  |                  |                  |                  |                   |
|                                                         | Unrestricted Street Revenue                                        | 185,000          | 190,000          | 195,000          | 200,000          | 205,000          | 210,000          | 1,185,000         |
|                                                         | Unsecured Grants                                                   | -                | -                | -                | -                | -                | -                | -                 |
|                                                         | Traffic Impact Fees                                                | -                | -                | -                | -                | -                | -                | -                 |

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

| TIP#                                                          | Intersection, Signal and ITS Projects                                 | 2022           | 2023             | 2024             | 2025           | 2026           | 2027             | Total            |
|---------------------------------------------------------------|-----------------------------------------------------------------------|----------------|------------------|------------------|----------------|----------------|------------------|------------------|
| <b>N-5</b>                                                    | <b><u>Sidewalk and ADA Inventory</u></b>                              |                |                  |                  |                |                |                  |                  |
|                                                               | Capital Costs                                                         | -              | 200,000          | -                | -              | -              | -                | 200,000          |
|                                                               | Funding Sources:                                                      |                |                  |                  |                |                |                  |                  |
|                                                               | Unrestricted Street Revenue                                           | -              | -                | -                | -              | -              | -                | -                |
|                                                               | Unsecured Grants                                                      | -              | -                | -                | -              | -              | -                | -                |
|                                                               | REET 2                                                                | -              | 200,000          | -                | -              | -              | -                | 200,000          |
| <b>N-6</b>                                                    | <b><u>Auburn Station Access Improvements</u></b>                      |                |                  |                  |                |                |                  |                  |
|                                                               | Capital Costs                                                         | -              | 125,000          | -                | -              | -              | -                | 125,000          |
|                                                               | Funding Sources:                                                      |                |                  |                  |                |                |                  |                  |
|                                                               | Unrestricted Street Revenue                                           | -              | -                | -                | -              | -              | -                | -                |
|                                                               | Unsecured Grants                                                      | -              | -                | -                | -              | -              | -                | -                |
|                                                               | Other (King County Metro)                                             | -              | 125,000          | -                | -              | -              | -                | 125,000          |
| <b>N-7</b>                                                    | <b><u>Auburn Way S (SR 164) - Southside Sidewalk Improvements</u></b> |                |                  |                  |                |                |                  |                  |
|                                                               | Capital Costs                                                         | 95,000         | 750,000          | -                | -              | -              | -                | 845,000          |
|                                                               | Funding Sources:                                                      |                |                  |                  |                |                |                  |                  |
|                                                               | Unrestricted Street Revenue                                           | -              | -                | -                | -              | -              | -                | -                |
|                                                               | Secured Grants                                                        | 80,000         | 600,000          | -                | -              | -              | -                | 680,000          |
|                                                               | Traffic Impact Fees                                                   | -              | -                | -                | -              | -              | -                | -                |
|                                                               | REET 2                                                                | 15,000         | 65,000           | -                | -              | -              | -                | 80,000           |
|                                                               | Other (MIT)                                                           | -              | 85,000           | -                | -              | -              | -                | 85,000           |
| <b>N-8</b>                                                    | <b><u>Evergreen Heights Safe Routes to School Improvements</u></b>    |                |                  |                  |                |                |                  |                  |
|                                                               | Capital Costs                                                         | -              | -                | -                | -              | 150,000        | 1,800,000        | 1,950,000        |
|                                                               | Funding Sources:                                                      |                |                  |                  |                |                |                  |                  |
|                                                               | Unrestricted Street Revenue                                           | -              | -                | -                | -              | -              | 160,000          | 160,000          |
|                                                               | Unsecured Grants                                                      | -              | -                | -                | -              | 120,000        | 1,440,000        | 1,560,000        |
|                                                               | Traffic Impact Fees                                                   | -              | -                | -                | -              | -              | -                | -                |
|                                                               | REET 2                                                                | -              | -                | -                | -              | 30,000         | 200,000          | 230,000          |
| <b>N-9</b>                                                    | <b><u>Riverwalk Drive SE Non-Motorized Improvements</u></b>           |                |                  |                  |                |                |                  |                  |
|                                                               | Capital Costs                                                         | 250,000        | 1,050,000        | -                | -              | -              | -                | 1,300,000        |
|                                                               | Funding Sources:                                                      |                |                  |                  |                |                |                  |                  |
|                                                               | Unrestricted Street Revenue                                           | 250,000        | 400,000          | -                | -              | -              | -                | 650,000          |
|                                                               | Unsecured Grants                                                      | -              | -                | -                | -              | -              | -                | -                |
|                                                               | Traffic Impact Fees                                                   | -              | -                | -                | -              | -              | -                | -                |
|                                                               | Other (MIT)                                                           | -              | 650,000          | -                | -              | -              | -                | 650,000          |
| <b>N-11</b>                                                   | <b><u>Lea Hill Safe Routes to Schools</u></b>                         |                |                  |                  |                |                |                  |                  |
|                                                               | Capital Costs                                                         | -              | 70,000           | 900,000          | -              | -              | -                | 970,000          |
|                                                               | Funding Sources:                                                      |                |                  |                  |                |                |                  |                  |
|                                                               | Unrestricted Street Revenue                                           | -              | -                | -                | -              | -              | -                | -                |
|                                                               | Unsecured Grants                                                      | -              | 55,000           | 700,000          | -              | -              | -                | 755,000          |
|                                                               | REET 2                                                                | -              | 15,000           | 200,000          | -              | -              | -                | 215,000          |
|                                                               | Other                                                                 | -              | -                | -                | -              | -              | -                | -                |
| <b><u>Subtotal, Non-Motorized &amp; Transit Projects:</u></b> |                                                                       |                |                  |                  |                |                |                  |                  |
|                                                               | Capital Costs                                                         | 865,000        | 2,675,000        | 1,265,000        | 570,000        | 695,000        | 2,180,000        | 8,250,000        |
|                                                               | Funding Sources                                                       |                |                  |                  |                |                |                  |                  |
|                                                               | Unrestricted Street Revenue                                           | 585,000        | 740,000          | 345,000          | 350,000        | 355,000        | 520,000          | 2,895,000        |
|                                                               | Secured Grants                                                        | 80,000         | 600,000          | -                | -              | -              | -                | 680,000          |
|                                                               | Unsecured Grants                                                      | -              | 55,000           | 700,000          | -              | 120,000        | 1,440,000        | 2,315,000        |
|                                                               | Traffic Impact Fees                                                   | -              | -                | -                | -              | -              | -                | -                |
|                                                               | REET 2                                                                | 200,000        | 400,000          | 200,000          | 200,000        | 200,000        | 200,000          | 1,400,000        |
|                                                               | Other (Fees)                                                          | -              | 20,000           | 20,000           | 20,000         | 20,000         | 20,000           | 100,000          |
|                                                               | Other (MIT)                                                           | -              | 735,000          | -                | -              | -              | -                | 735,000          |
|                                                               | Other (King County Metro)                                             | -              | 125,000          | -                | -              | -              | -                | 125,000          |
|                                                               | <b>Total Funding</b>                                                  | <b>865,000</b> | <b>2,675,000</b> | <b>1,265,000</b> | <b>570,000</b> | <b>695,000</b> | <b>2,180,000</b> | <b>8,250,000</b> |

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

| TIP#                                    | Preservation Projects                                                  | 2022             | 2023             | 2024             | 2025             | 2026             | 2027             | Total             |
|-----------------------------------------|------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>P-1</b>                              | <b><u>Arterial Street Preservation Program</u></b>                     |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 600,000          | 600,000          | 150,000          | 1,133,870        | 2,050,000        | 2,200,000        | 6,733,870         |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | 600,000          | 600,000          | 150,000          | 1,133,870        | 2,050,000        | 2,200,000        | 6,733,870         |
| <b>P-2</b>                              | <b><u>Local Street Preservation Program</u></b>                        |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 1,650,000        | 2,000,000        | 2,000,000        | 2,000,000        | 2,000,000        | 2,000,000        | 11,650,000        |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Local Street Pres. Fund (103)                                          | -                | 350,000          | 350,000          | 350,000          | 350,000          | 350,000          | 1,750,000         |
|                                         | Utilities Transfer to 103 Fund                                         | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 900,000           |
|                                         | REET 1                                                                 | -                | -                | -                | -                | -                | -                | -                 |
|                                         | REET 2                                                                 | 1,500,000        | -                | -                | -                | -                | -                | 1,500,000         |
|                                         | Other (Unidentified 103 Funding)                                       | -                | 1,500,000        | 1,500,000        | 1,500,000        | 1,500,000        | 1,500,000        | 7,500,000         |
| <b>P-3</b>                              | <b><u>2nd Street SE Preservation</u></b>                               |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 175,000          | -                | -                | -                | -                | -                | 175,000           |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | 70,000           | -                | -                | -                | -                | -                | 70,000            |
|                                         | Secured Grants                                                         | 105,000          | -                | -                | -                | -                | -                | 105,000           |
| <b>P-4</b>                              | <b><u>Bridge Deck Preservation Program</u></b>                         |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 600,000           |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 600,000           |
|                                         | Unsecured Grants                                                       | -                | -                | -                | -                | -                | -                | -                 |
| <b>P-5</b>                              | <b><u>Bridge Structure Preservation Program</u></b>                    |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 50,000           | -                | 50,000           | -                | 50,000           | -                | 150,000           |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | 50,000           | -                | 50,000           | -                | 50,000           | -                | 150,000           |
|                                         | Unsecured Grants                                                       | -                | -                | -                | -                | -                | -                | -                 |
| <b>P-6</b>                              | <b><u>Lake Tapps Pkwy/Sumner-Tapps Hwy E Preservation</u></b>          |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 25,000           | 75,000           | 1,284,356        | -                | -                | -                | 1,384,356         |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | 25,000           | 75,000           | 534,356          | -                | -                | -                | 634,356           |
|                                         | Secured Grants                                                         | -                | -                | 750,000          | -                | -                | -                | 750,000           |
| <b>P-10</b>                             | <b><u>A St SE Preservation (37th St SE to Lakeland Hills Way)</u></b>  |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | -                | 25,000           | 100,000          | 1,732,260        | -                | -                | 1,857,260         |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | -                | 25,000           | 100,000          | 866,130          | -                | -                | 991,130           |
|                                         | Unsecured Grants                                                       | -                | -                | -                | 866,130          | -                | -                | 866,130           |
| <b>P-11</b>                             | <b><u>C Street SW Preservation (W Main St to GSA Signal)</u></b>       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 100,000          | 2,236,544        | -                | -                | -                | -                | 2,336,544         |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | 100,000          | 1,118,272        | -                | -                | -                | -                | 1,218,272         |
|                                         | Secured Grants                                                         | -                | 1,118,272        | -                | -                | -                | -                | 1,118,272         |
| <b>P-14</b>                             | <b><u>4th Street SE Preservation (Auburn Way S to L Street SE)</u></b> |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 2,662,620        | -                | -                | -                | -                | -                | 2,662,620         |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Arterial Preservation Fund (105)                                       | 1,065,048        | -                | -                | -                | -                | -                | 1,065,048         |
|                                         | Secured Grants                                                         | 1,597,572        | -                | -                | -                | -                | -                | 1,597,572         |
| <b>Subtotal, Preservation Projects:</b> |                                                                        |                  |                  |                  |                  |                  |                  |                   |
|                                         | Capital Costs                                                          | 5,362,620        | 5,036,544        | 3,684,356        | 4,966,130        | 4,200,000        | 4,300,000        | 27,549,650        |
|                                         | Funding Sources:                                                       |                  |                  |                  |                  |                  |                  |                   |
|                                         | Local Street Pres. Fund (103)                                          | -                | 350,000          | 350,000          | 350,000          | 350,000          | 350,000          | 1,750,000         |
|                                         | Arterial Preservation Fund (105)                                       | 2,010,048        | 1,918,272        | 934,356          | 2,100,000        | 2,200,000        | 2,300,000        | 11,462,676        |
|                                         | Secured Grants                                                         | 1,702,572        | 1,118,272        | 750,000          | -                | -                | -                | 3,570,844         |
|                                         | Unsecured Grants                                                       | -                | -                | -                | 866,130          | -                | -                | 866,130           |
|                                         | REET 1                                                                 | -                | -                | -                | -                | -                | -                | -                 |
|                                         | REET 2                                                                 | 1,500,000        | -                | -                | -                | -                | -                | 1,500,000         |
|                                         | Utilities Transfer to 103 Fund                                         | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 150,000          | 900,000           |
|                                         | Other (Unidentified 103 Funding)                                       | -                | 1,500,000        | 1,500,000        | 1,500,000        | 1,500,000        | 1,500,000        | 7,500,000         |
|                                         | <b>Total Funding</b>                                                   | <b>5,362,620</b> | <b>5,036,544</b> | <b>3,684,356</b> | <b>4,966,130</b> | <b>4,200,000</b> | <b>4,300,000</b> | <b>27,549,650</b> |

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

| TIP#       | Roadway Projects                                                          | 2022      | 2023      | 2024      | 2025      | 2026    | 2027    | Total     |
|------------|---------------------------------------------------------------------------|-----------|-----------|-----------|-----------|---------|---------|-----------|
| <b>R-1</b> | <b><u>Neighborhood Traffic Calming Program</u></b>                        |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | 150,000   | 150,000   | 150,000   | 150,000   | 150,000 | 150,000 | 900,000   |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Cap. Imp. Fund Balance                                                    | -         | -         | -         | -         | -       | -       | -         |
|            | Unsecured Grants                                                          | -         | -         | -         | -         | -       | -       | -         |
|            | REET 2                                                                    | 150,000   | 150,000   | 150,000   | 150,000   | 150,000 | 150,000 | 900,000   |
| <b>R-2</b> | <b><u>Stewart Road - City of Sumner (Lake Tapps Parkway Corridor)</u></b> |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | -         | -         | 150,000   | -         | -       | -       | 150,000   |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | -         | -         | -         | -         | -       | -       | -         |
|            | Unsecured Grants                                                          | -         | -         | -         | -         | -       | -       | -         |
|            | Traffic Impact Fees                                                       | -         | -         | -         | -         | -       | -       | -         |
|            | Traffic Mitigation Fees                                                   | -         | -         | 150,000   | -         | -       | -       | 150,000   |
| <b>R-3</b> | <b><u>M Street Underpass (3rd St SE to 8th St SE)</u></b>                 |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | 122,843   | 122,550   | 122,258   | 121,965   | 121,673 | 121,380 | 732,669   |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | -         | -         | -         | -         | -       | -       | -         |
|            | Traffic Impact Fees                                                       | 122,843   | 122,550   | 122,258   | 121,965   | 121,673 | 121,380 | 732,669   |
|            | Traffic Mitigation Fees                                                   | -         | -         | -         | -         | -       | -       | -         |
| <b>R-4</b> | <b><u>A Street Loop</u></b>                                               |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | 330,000   | 1,532,000 | -         | -         | -       | -       | 1,862,000 |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | -         | -         | -         | -         | -       | -       | -         |
|            | Secured Grants                                                            | -         | 1,125,000 | -         | -         | -       | -       | 1,125,000 |
|            | Traffic Impact Fees                                                       | 330,000   | 67,000    | -         | -         | -       | -       | 397,000   |
|            | Other (Sound Transit)                                                     | -         | 340,000   | -         | -         | -       | -       | 340,000   |
| <b>R-5</b> | <b><u>A Street NW, Phase 2 (W Main St to 3rd St NW)</u></b>               |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | -         | -         | 350,000   | 2,650,000 | -       | -       | 3,000,000 |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | -         | -         | -         | -         | -       | -       | -         |
|            | Unsecured Grants                                                          | -         | -         | 200,000   | 1,325,000 | -       | -       | 1,525,000 |
|            | Traffic Impact Fees                                                       | -         | -         | 150,000   | -         | -       | -       | 150,000   |
|            | Other (Developer)                                                         | -         | -         | -         | 1,325,000 | -       | -       | 1,325,000 |
| <b>R-6</b> | <b><u>Auburn Way S Widening (Hemlock St SE to Poplar St SE)</u></b>       |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | 1,143,988 | 400,000   | 4,000,000 | 3,000,000 | -       | -       | 8,543,988 |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | -         | -         | -         | -         | -       | -       | -         |
|            | Secured Grants                                                            | 297,550   | -         | 2,061,847 | 1,546,385 | -       | -       | 3,905,782 |
|            | Unsecured Grants                                                          | -         | -         | -         | -         | -       | -       | -         |
|            | Traffic Impact Fees                                                       | 846,438   | 400,000   | 1,938,153 | 1,453,615 | -       | -       | 4,638,206 |
|            | Other (Developer)                                                         | -         | -         | -         | -         | -       | -       | -         |
| <b>R-7</b> | <b><u>M Street NE Widening (E Main St to 4th St NE)</u></b>               |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | 375,000   | 50,000    | 2,485,000 | -         | -       | -       | 2,910,000 |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | 120,000   | 50,000    | 400,000   | -         | -       | -       | 570,000   |
|            | Arterial Preservation Fund (105)                                          | 185,000   | -         | 1,220,000 | -         | -       | -       | 1,405,000 |
|            | REET 2                                                                    | -         | -         | 400,000   | -         | -       | -       | 400,000   |
|            | Traffic Impact Fees                                                       | 70,000    | -         | 465,000   | -         | -       | -       | 535,000   |
| <b>R-8</b> | <b><u>49th Street NE (Auburn Way N to I St NE)</u></b>                    |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | 500,000   | 1,500,000 | -         | -         | -       | -       | 2,000,000 |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | -         | -         | -         | -         | -       | -       | -         |
|            | Unsecured Grants                                                          | -         | -         | -         | -         | -       | -       | -         |
|            | Traffic Impact Fees                                                       | -         | -         | -         | -         | -       | -       | -         |
|            | Other (Developer)                                                         | 500,000   | 1,500,000 | -         | -         | -       | -       | 2,000,000 |
| <b>R-9</b> | <b><u>46th Place S Realignment</u></b>                                    |           |           |           |           |         |         |           |
|            | Capital Costs                                                             | -         | -         | -         | 250,000   | 250,000 | 750,000 | 1,250,000 |
|            | Funding Sources:                                                          |           |           |           |           |         |         |           |
|            | Unrestricted Street Revenue                                               | -         | -         | -         | -         | -       | -       | -         |
|            | Unsecured Grants                                                          | -         | -         | -         | -         | -       | -       | -         |
|            | Traffic Impact Fees                                                       | -         | -         | -         | 250,000   | 250,000 | 750,000 | 1,250,000 |

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

| TIP#        | Roadway Projects                                                                 | 2022             | 2023             | 2024             | 2025             | 2026             | 2027             | Total             |
|-------------|----------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>R-10</b> | <b><u>High Friction Surface Treatment</u></b>                                    |                  |                  |                  |                  |                  |                  |                   |
|             | Capital Costs                                                                    | 360,000          | -                | -                | -                | -                | -                | 360,000           |
|             | Funding Sources:                                                                 |                  |                  |                  |                  |                  |                  |                   |
|             | Unrestricted Street Revenue                                                      | -                | -                | -                | -                | -                | -                | -                 |
|             | Secured Grants                                                                   | 360,000          | -                | -                | -                | -                | -                | 360,000           |
|             | Traffic Impact Fees                                                              | -                | -                | -                | -                | -                | -                | -                 |
| <b>R-11</b> | <b><u>124th Avenue SE Corridor Improvements (SE 312th St to SE 318th St)</u></b> |                  |                  |                  |                  |                  |                  |                   |
|             | Capital Costs                                                                    | -                | -                | -                | -                | 400,000          | 1,100,000        | 1,500,000         |
|             | Funding Sources:                                                                 |                  |                  |                  |                  |                  |                  |                   |
|             | Unrestricted Street Revenue                                                      | -                | -                | -                | -                | -                | -                | -                 |
|             | Unsecured Grants                                                                 | -                | -                | -                | -                | -                | -                | -                 |
|             | Traffic Impact Fees                                                              | -                | -                | -                | -                | 400,000          | 1,100,000        | 1,500,000         |
| <b>R-16</b> | <b><u>Regional Growth Center Access Improvements</u></b>                         |                  |                  |                  |                  |                  |                  |                   |
|             | Capital Costs                                                                    | 100,000          | 1,500,000        | -                | -                | -                | -                | 1,600,000         |
|             | Funding Sources:                                                                 |                  |                  |                  |                  |                  |                  |                   |
|             | Unrestricted Street Revenue                                                      | -                | -                | -                | -                | -                | -                | -                 |
|             | Secured Grants                                                                   | -                | 1,300,000        | -                | -                | -                | -                | 1,300,000         |
|             | Traffic Impact Fees                                                              | 100,000          | 200,000          | -                | -                | -                | -                | 300,000           |
| <b>R-24</b> | <b><u>Stewart Road - City of Pacific (Lake Tapps Parkway Corridor)</u></b>       |                  |                  |                  |                  |                  |                  |                   |
|             | Capital Costs                                                                    | 100,000          | -                | -                | -                | -                | -                | 100,000           |
|             | Funding Sources:                                                                 |                  |                  |                  |                  |                  |                  |                   |
|             | Unrestricted Street Revenue                                                      | -                | -                | -                | -                | -                | -                | -                 |
|             | Unsecured Grants                                                                 | -                | -                | -                | -                | -                | -                | -                 |
|             | Traffic Impact Fees                                                              | -                | -                | -                | -                | -                | -                | -                 |
|             | Traffic Mitigation Fees                                                          | 100,000          | -                | -                | -                | -                | -                | 100,000           |
| <b>R-26</b> | <b><u>E Valley Highway Widening</u></b>                                          |                  |                  |                  |                  |                  |                  |                   |
|             | Capital Costs                                                                    | -                | -                | -                | -                | 300,000          | 250,000          | 550,000           |
|             | Funding Sources:                                                                 |                  |                  |                  |                  |                  |                  |                   |
|             | Unrestricted Street Revenue                                                      | -                | -                | -                | -                | -                | -                | -                 |
|             | Unsecured Grants                                                                 | -                | -                | -                | -                | 200,000          | 175,000          | 375,000           |
|             | Traffic Impact Fees                                                              | -                | -                | -                | -                | 100,000          | 75,000           | 175,000           |
| <b>R-27</b> | <b><u>Garden Avenue Realignment</u></b>                                          |                  |                  |                  |                  |                  |                  |                   |
|             | Capital Costs                                                                    | 500,000          | -                | -                | -                | -                | -                | 500,000           |
|             | Funding Sources:                                                                 |                  |                  |                  |                  |                  |                  |                   |
|             | Unrestricted Street Revenue                                                      | -                | -                | -                | -                | -                | -                | -                 |
|             | Unsecured Grants                                                                 | -                | -                | -                | -                | -                | -                | -                 |
|             | Traffic Impact Fees                                                              | 500,000          | -                | -                | -                | -                | -                | 500,000           |
| TIP#        | Roadway Projects                                                                 | 2022             | 2023             | 2024             | 2025             | 2026             | 2027             | Total             |
|             | <b>Subtotal, Roadway Projects:</b>                                               |                  |                  |                  |                  |                  |                  |                   |
|             | Capital Costs                                                                    | 3,581,831        | 5,254,550        | 7,257,258        | 6,171,965        | 1,221,673        | 2,371,380        | 25,858,657        |
|             | <b>Funding Sources</b>                                                           |                  |                  |                  |                  |                  |                  |                   |
|             | Unrestricted Street Revenue                                                      | 120,000          | 50,000           | 400,000          | -                | -                | -                | 570,000           |
|             | Arterial Preservation Fund (105)                                                 | 185,000          | -                | 1,220,000        | -                | -                | -                | 1,405,000         |
|             | Secured Grants                                                                   | 657,550          | 2,425,000        | 2,061,847        | 1,546,385        | -                | -                | 6,690,782         |
|             | Unsecured Grants                                                                 | -                | -                | 200,000          | 1,325,000        | 200,000          | 175,000          | 1,900,000         |
|             | Traffic Impact Fees                                                              | 1,969,281        | 789,550          | 2,675,411        | 1,825,580        | 871,673          | 2,046,380        | 10,177,875        |
|             | Traffic Mitigation Fees                                                          | 100,000          | -                | 150,000          | -                | -                | -                | 250,000           |
|             | REET 2                                                                           | 150,000          | 150,000          | 550,000          | 150,000          | 150,000          | 150,000          | 1,300,000         |
|             | Other (Developer)                                                                | 500,000          | 1,500,000        | -                | 1,325,000        | -                | -                | 3,325,000         |
|             | Other (Sound Transit)                                                            | -                | 340,000          | -                | -                | -                | -                | 340,000           |
|             | <b>Total Funding</b>                                                             | <b>3,681,831</b> | <b>5,254,550</b> | <b>7,257,258</b> | <b>6,171,965</b> | <b>1,221,673</b> | <b>2,371,380</b> | <b>25,958,657</b> |

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

| TIP#                                           | Pre. Eng. and Misc. Projects                                                               | 2022       | 2023       | 2024       | 2025       | 2026      | 2027       | Total      |
|------------------------------------------------|--------------------------------------------------------------------------------------------|------------|------------|------------|------------|-----------|------------|------------|
| <b>S-1</b>                                     | <b>A Street NW - Phase 1 (3rd St NW to 14th St NW) - Env. Monitoring</b>                   |            |            |            |            |           |            |            |
|                                                | <b>Capital Costs</b>                                                                       | 25,000     | -          | -          | -          | -         | -          | 25,000     |
|                                                | <b>Funding Sources:</b>                                                                    |            |            |            |            |           |            |            |
|                                                | Unrestricted Street Revenue                                                                | -          | -          | -          | -          | -         | -          | -          |
|                                                | Secured Grants                                                                             | -          | -          | -          | -          | -         | -          | -          |
|                                                | Traffic Impact Fees                                                                        | 25,000     | -          | -          | -          | -         | -          | 25,000     |
| <b>S-2</b>                                     | <b>S 277th St Corridor Capacity and Non-Motorized Trail Improvements - Env. Monitoring</b> |            |            |            |            |           |            |            |
|                                                | <b>Capital Costs</b>                                                                       | 20,000     | 20,000     | 20,000     | 20,000     | 20,000    | 20,000     | 120,000    |
|                                                | <b>Funding Sources:</b>                                                                    |            |            |            |            |           |            |            |
|                                                | Unrestricted Street Revenue                                                                | -          | -          | -          | -          | -         | -          | -          |
|                                                | Unsecured Grants                                                                           | -          | -          | -          | -          | -         | -          | -          |
|                                                | Traffic Impact Fees                                                                        | 20,000     | 20,000     | 20,000     | 20,000     | 20,000    | 20,000     | 120,000    |
| <b>Subtotal, Pre. Eng. and Misc. Projects:</b> |                                                                                            |            |            |            |            |           |            |            |
|                                                | <b>Capital Costs</b>                                                                       | 45,000     | 20,000     | 20,000     | 20,000     | 20,000    | 20,000     | 145,000    |
|                                                | <b>Funding Sources</b>                                                                     |            |            |            |            |           |            |            |
|                                                | Unrestricted Street Revenue                                                                | -          | -          | -          | -          | -         | -          | -          |
|                                                | Secured Grants                                                                             | -          | -          | -          | -          | -         | -          | -          |
|                                                | Unsecured Grants                                                                           | -          | -          | -          | -          | -         | -          | -          |
|                                                | Traffic Impact Fees                                                                        | 45,000     | 20,000     | 20,000     | 20,000     | 20,000    | 20,000     | 145,000    |
|                                                | Traffic Mitigation Fees                                                                    | -          | -          | -          | -          | -         | -          | -          |
|                                                | <b>Total Funding</b>                                                                       | 45,000     | 20,000     | 20,000     | 20,000     | 20,000    | 20,000     | 145,000    |
| <b>PROJECT FINANCING SUMMARY:</b>              |                                                                                            |            |            |            |            |           |            |            |
|                                                | <b>CAPITAL COSTS</b>                                                                       | 2022       | 2023       | 2024       | 2025       | 2026      | 2027       | Total      |
|                                                | Int., Signal and ITS Projects                                                              | 2,639,131  | 1,942,794  | 4,942,382  | 4,036,990  | 2,761,589 | 3,656,187  | 19,979,073 |
|                                                | Non-Motorized Projects                                                                     | 865,000    | 2,675,000  | 1,265,000  | 570,000    | 695,000   | 2,180,000  | 8,250,000  |
|                                                | Preservation Projects                                                                      | 5,362,620  | 5,036,544  | 3,684,356  | 4,966,130  | 4,200,000 | 4,300,000  | 27,549,650 |
|                                                | Roadway Projects                                                                           | 3,581,831  | 5,254,550  | 7,257,258  | 6,171,965  | 1,221,673 | 2,371,380  | 25,858,657 |
|                                                | Prel. Eng. and Misc. Projects                                                              | 45,000     | 20,000     | 20,000     | 20,000     | 20,000    | 20,000     | 145,000    |
|                                                | <b>Total Costs</b>                                                                         | 12,493,582 | 14,928,888 | 17,168,996 | 15,765,085 | 8,898,262 | 12,527,567 | 81,782,380 |
| <b>FUNDING SOURCES:</b>                        |                                                                                            |            |            |            |            |           |            |            |
|                                                | Unrestricted Street Revenue                                                                | 790,935    | 790,000    | 745,000    | 350,000    | 390,000   | 745,000    | 3,810,935  |
|                                                | Secured Grants                                                                             | 2,440,122  | 4,143,272  | 2,811,847  | 1,546,385  | -         | -          | 10,941,626 |
|                                                | Unsecured Grants                                                                           | -          | 55,000     | 900,000    | 3,486,130  | 1,920,000 | 2,715,000  | 9,076,130  |
|                                                | Traffic Impact Fees                                                                        | 3,072,477  | 2,522,344  | 6,852,793  | 4,097,570  | 1,773,262 | 4,147,567  | 22,466,013 |
|                                                | Traffic Mitigation Fees                                                                    | 100,000    | -          | 150,000    | -          | -         | -          | 250,000    |
|                                                | Local Street Pres. Fund (103)                                                              | -          | 350,000    | 350,000    | 350,000    | 350,000   | 350,000    | 1,750,000  |
|                                                | Utilities Transfer to 103 Fund                                                             | 150,000    | 150,000    | 150,000    | 150,000    | 150,000   | 150,000    | 900,000    |
|                                                | Other (Unidentified 103 Funding)                                                           | -          | 1,500,000  | 1,500,000  | 1,500,000  | 1,500,000 | 1,500,000  | 7,500,000  |
|                                                | Arterial Preservation Fund (105)                                                           | 2,240,048  | 1,918,272  | 2,529,356  | 2,100,000  | 2,200,000 | 2,300,000  | 13,287,676 |
|                                                | REET 2                                                                                     | 2,000,000  | 780,000    | 1,035,000  | 840,000    | 595,000   | 600,000    | 5,850,000  |
|                                                | Other (Fees)                                                                               | -          | 20,000     | 20,000     | 20,000     | 20,000    | 20,000     | 100,000    |
|                                                | Other (King County Metro)                                                                  | -          | 125,000    | -          | -          | -         | -          | 125,000    |
|                                                | Other (Developer)                                                                          | 1,800,000  | 1,500,000  | -          | 1,325,000  | -         | -          | 4,625,000  |
|                                                | Other (MIT)                                                                                | -          | 735,000    | -          | -          | -         | -          | 735,000    |
|                                                | Other (Icon)                                                                               | -          | -          | 125,000    | -          | -         | -          | 125,000    |
|                                                | Other (Sound Transit)                                                                      | -          | 340,000    | -          | -          | -         | -          | 340,000    |
|                                                | <b>Total Funding</b>                                                                       | 12,593,582 | 14,928,888 | 17,168,996 | 15,765,085 | 8,898,262 | 12,527,567 | 81,882,380 |

# PROPOSED DRAFT

## 2022-2027 TRANSPORTATION IMPROVEMENT PROJECTS AND FINANCING

### Financial Constraint and Fund Balance Summary

|                                           | 2022      | 2023      | 2024      | 2025      | 2026      | 2027      |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Unrestricted Street Revenue 102</b>    |           |           |           |           |           |           |
| Beginning Fund Balance                    | 539,866   | 348,931   | 163,931   | 23,931    | 283,931   | 503,931   |
| Forecast Annual Revenue                   | 600,000   | 605,000   | 605,000   | 610,000   | 610,000   | 615,000   |
| Project Expenses                          | 790,935   | 790,000   | 745,000   | 350,000   | 390,000   | 745,000   |
| End of Year Fund Balance                  | 348,931   | 163,931   | 23,931    | 283,931   | 503,931   | 373,931   |
| <b>Traffic Impact Fees</b>                |           |           |           |           |           |           |
| Beginning Fund Balance                    | 6,172,386 | 5,382,909 | 5,303,565 | 1,064,772 | (235,798) | 983,940   |
| Forecast Annual Revenue                   | 2,283,000 | 2,443,000 | 2,614,000 | 2,797,000 | 2,993,000 | 3,202,000 |
| Project Expenses                          | 3,072,477 | 2,522,344 | 6,852,793 | 4,097,570 | 1,773,262 | 4,147,567 |
| End of Year Fund Balance                  | 5,382,909 | 5,303,565 | 1,064,772 | (235,798) | 983,940   | 38,373    |
| <b>Traffic Mitigation Fees</b>            |           |           |           |           |           |           |
| Beginning Fund Balance                    | 138,396   | 106,730   | 140,384   | 376,784   | 376,784   | 376,784   |
| Forecast Annual Revenue                   | 68,334    | 33,654    | 386,400   | -         | -         | -         |
| Project Expenses                          | 100,000   | -         | 150,000   | -         | -         | -         |
| End of Year Fund Balance                  | 106,730   | 140,384   | 376,784   | 376,784   | 376,784   | 376,784   |
| <b>Local Street Preservation Fund 103</b> |           |           |           |           |           |           |
| Beginning Fund Balance                    | 2,027,953 | 2,027,953 | 1,677,953 | 1,327,953 | 977,953   | 627,953   |
| Forecast Annual Revenue                   | 1,650,000 | 1,650,000 | 1,650,000 | 1,650,000 | 1,650,000 | 1,650,000 |
| Project Expenses                          | 1,650,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| End of Year Fund Balance                  | 2,027,953 | 1,677,953 | 1,327,953 | 977,953   | 627,953   | 277,953   |
| <b>Arterial Preservation Fund 105</b>     |           |           |           |           |           |           |
| Beginning Fund Balance                    | 1,461,151 | 1,091,103 | 1,072,831 | 543,475   | 543,475   | 543,475   |
| Forecast Annual Revenue                   | 1,800,000 | 1,900,000 | 2,000,000 | 2,100,000 | 2,200,000 | 2,300,000 |
| Project Expenses                          | 2,170,048 | 1,918,272 | 2,529,356 | 2,100,000 | 2,200,000 | 2,300,000 |
| End of Year Fund Balance                  | 1,091,103 | 1,072,831 | 543,475   | 543,475   | 543,475   | 543,475   |
| <b>Grants</b>                             |           |           |           |           |           |           |
| Secured Grants                            | 2,440,122 | 4,143,272 | 2,811,847 | 1,546,385 | -         | -         |
| Unsecured Grants                          | -         | 55,000    | 900,000   | 3,486,130 | 1,920,000 | 2,715,000 |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-1

Project Title: **Auburn Way N/1st Street NE Signal Replacement**  
 Project No: **CP1927**  
 Project Type: **Non-Capacity**  
 Project Manager: **Matt Larson**

STIP# AUB-N/A

### Description:

The project will replace the existing traffic signal at the Auburn Way N/1st Street NE signal. The signal was constructed in 1968 and is approaching the end of its service life. The project scope also includes the construction of ADA improvements, curb-bulbs, and storm improvements.

### Progress Summary:

### Future Impact on Operating Budget:

Replacing the traffic signal will reduce on-going maintenance costs to replace parts and equipment that have reached the end of their service life.

| Activity:                     | Funding Sources:                        | Prior to 2021 | 2021 YE Estimate | Budget         |      |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|-----------------------------------------|---------------|------------------|----------------|------|------|-----------------------|------|------|-------------|--------------------|
|                               |                                         |               |                  | 2022           | 2023 | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
|                               | <i>Unrestricted Street Revenue</i>      | 86,812        | 773,410          | 85,935         | -    | -    | -                     | -    | -    | -           | 946,157            |
|                               | <i>Arterial Preservation Fund (105)</i> | -             | 205,000          | 20,000         | -    | -    | -                     | -    | -    | -           | 225,000            |
|                               | <i>Unsecured Grant</i>                  | -             | -                | -              | -    | -    | -                     | -    | -    | -           | -                  |
|                               | <i>Traffic Impact Fees</i>              | -             | -                | -              | -    | -    | -                     | -    | -    | -           | -                  |
|                               | <i>REET 2</i>                           | -             | -                | -              | -    | -    | -                     | -    | -    | -           | -                  |
| <b>Total Funding Sources:</b> |                                         | <b>86,812</b> | <b>978,410</b>   | <b>105,935</b> | -    | -    | -                     | -    | -    | -           | <b>1,171,157</b>   |
|                               |                                         |               |                  |                |      |      |                       |      |      |             |                    |
|                               | <b>Capital Expenditures:</b>            |               |                  |                |      |      |                       |      |      |             |                    |
|                               | <i>Design</i>                           | 86,812        | 191,189          | -              | -    | -    | -                     | -    | -    | -           | 278,001            |
|                               | <i>Right of Way</i>                     | -             | -                | -              | -    | -    | -                     | -    | -    | -           | -                  |
|                               | <i>Construction</i>                     | -             | 787,221          | 105,935        | -    | -    | -                     | -    | -    | -           | 893,156            |
| <b>Total Expenditures:</b>    |                                         | <b>86,812</b> | <b>978,410</b>   | <b>105,935</b> | -    | -    | -                     | -    | -    | -           | <b>1,171,157</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

CAPITAL IMPROVEMENT FUND (328)

TIP# I-2

Project Title: **Annual Traffic Signal Improvements**  
 Project No: **Varies**  
 Project Type: **Non-Capacity (Annual)**  
 Project Manager: **Scott Nutter**

STIP# AUB-N/A

### Description:

The program will replace end of life traffic signal and Intelligent Transportation System (ITS) equipment including cabinets, video detection cameras, field network devices, traffic cameras, battery backup components, and other related equipment. The program also includes minor safety improvements, operations improvements, and Accessible Pedestrian Signal Improvements based on the requirements of the Americans with Disabilities Act (ADA).

### Progress Summary:

Project continues to complete various intersection improvements.

### Future Impact on Operating Budget:

This project will have a positive impact on the operating budget for street maintenance, reducing maintenance costs.

| Activity:                     |               | 2021 YE        | Budget         |                |                | Forecast Project Cost |                |                |             | Total Project Cost |
|-------------------------------|---------------|----------------|----------------|----------------|----------------|-----------------------|----------------|----------------|-------------|--------------------|
| Funding Sources:              | Prior to 2021 | Estimate       | 2022           | 2023           | 2024           | 2025                  | 2026           | 2027           | Beyond 2027 |                    |
| Cap. Imp. Fund Balance        | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| Unsecured Grant               | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| REET 2                        | -             | 304,313        | 100,000        | 180,000        | 185,000        | 190,000               | 195,000        | 200,000        | -           | 1,354,313          |
| Other                         | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| <b>Total Funding Sources:</b> | <b>-</b>      | <b>304,313</b> | <b>100,000</b> | <b>180,000</b> | <b>185,000</b> | <b>190,000</b>        | <b>195,000</b> | <b>200,000</b> | <b>-</b>    | <b>1,354,313</b>   |
|                               |               |                |                |                |                |                       |                |                |             |                    |
| Capital Expenditures:         |               |                |                |                |                |                       |                |                |             |                    |
| Design                        | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| Right of Way                  | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| Construction                  | -             | 304,313        | 100,000        | 180,000        | 185,000        | 190,000               | 195,000        | 200,000        | -           | 1,354,313          |
| <b>Total Expenditures:</b>    | <b>-</b>      | <b>304,313</b> | <b>100,000</b> | <b>180,000</b> | <b>185,000</b> | <b>190,000</b>        | <b>195,000</b> | <b>200,000</b> | <b>-</b>    | <b>1,354,313</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-3

Project Title: ITS Dynamic Message Signs  
 Project No: Varies  
 Project Type: Non-Capacity (ITS)  
 Project Manager: Scott Nutter

STIP# AUB-N/A

### Description:

The program constructs Dynamic Message Signs at various locations throughout the City. Dynamic message signs are an important tool for communicating with roadway users in real time. Priority locations for sign placement are based on the Comprehensive Transportation Plan and include S. 277th, Auburn Way N, Auburn Way S, W Valley Highway, E Valley Highway, Lake Tapps Parkway, 15th St NW, and Lea Hill Rd.

### Progress Summary:

The Auburn Way S and S 277th Street have been completed. The Lake Tapps Parkway and 15th Street NW signs are being constructed during 2021.

### Future Impact on Operating Budget:

The annual maintenance and operational costs for this project is estimated to be \$750 per sign.

| Activity: | Funding Sources:              | Prior to 2021  | 2021 YE Estimate | Budget |      |      | Forecast Project Cost |               |                |             | Total Project Cost |
|-----------|-------------------------------|----------------|------------------|--------|------|------|-----------------------|---------------|----------------|-------------|--------------------|
|           |                               |                |                  | 2022   | 2023 | 2024 | 2025                  | 2026          | 2027           | Beyond 2027 |                    |
|           | Unrestricted Street Revenue   | 224,320        | 462,201          | -      | -    | -    | -                     | 35,000        | 225,000        | -           | 946,521            |
|           | Unsecured Grant               | -              | -                | -      | -    | -    | -                     | -             | -              | -           | -                  |
|           | Traffic Impact Fees           | -              | -                | -      | -    | -    | -                     | -             | -              | -           | -                  |
|           | REET 2                        | 97,500         | -                | -      | -    | -    | -                     | -             | -              | -           | 97,500             |
|           | Other                         | -              | -                | -      | -    | -    | -                     | -             | -              | -           | -                  |
|           | <b>Total Funding Sources:</b> | <b>321,820</b> | <b>462,201</b>   | -      | -    | -    | -                     | <b>35,000</b> | <b>225,000</b> | -           | <b>1,044,021</b>   |
|           | <b>Capital Expenditures:</b>  |                |                  |        |      |      |                       |               |                |             |                    |
|           | Design                        | 32,500         | -                | -      | -    | -    | -                     | 35,000        | -              | -           | 67,500             |
|           | Right of Way                  | -              | -                | -      | -    | -    | -                     | -             | -              | -           | -                  |
|           | Construction                  | 289,320        | 462,201          | -      | -    | -    | -                     | -             | 225,000        | -           | 976,521            |
|           | <b>Total Expenditures:</b>    | <b>321,820</b> | <b>462,201</b>   | -      | -    | -    | -                     | <b>35,000</b> | <b>225,000</b> | -           | <b>1,044,021</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

CAPITAL IMPROVEMENT FUND (328)

TIP# I-4

Project Title: **Street Lighting Improvement Program**  
 Project No: **Varies**  
 Project Type: **Non-Capacity (Annual)**  
 Project Manager: **Scott Nutter**

STIP# AUB-N/A

### Description:

The project constructs lighting improvements throughout the City, including upgrading decorative street lights not converted to LED with the 2020 conversion project, and installing new street lights.

### Progress Summary:

During 2021 a program is being developed to continue the conversion of decorative city street lights and non-city owned street lights which were not included in the 2020 LED conversion project.

### Future Impact on Operating Budget:

New street lights installed with this program will increase the City's street light power costs but this increase will be offset by decreased power costs as existing standard street lights are converted to LED.

| Activity: |                        | 2021 YE       | Budget   |        |        | Forecast Project Cost |        |        |        |             |                    |
|-----------|------------------------|---------------|----------|--------|--------|-----------------------|--------|--------|--------|-------------|--------------------|
|           | Funding Sources:       | Prior to 2021 | Estimate | 2022   | 2023   | 2024                  | 2025   | 2026   | 2027   | Beyond 2027 | Total Project Cost |
|           | Cap. Imp. Fund Balance | -             | -        | -      | -      | -                     | -      | -      | -      | -           | -                  |
|           | Unsecured Grant        | -             | -        | -      | -      | -                     | -      | -      | -      | -           | -                  |
|           | REET 2                 | -             | 91,922   | 50,000 | 50,000 | 50,000                | 50,000 | 50,000 | 50,000 | -           | 391,922            |
|           | Other                  | -             | -        | -      | -      | -                     | -      | -      | -      | -           | -                  |
|           | Total Funding Sources: | -             | 91,922   | 50,000 | 50,000 | 50,000                | 50,000 | 50,000 | 50,000 | -           | 391,922            |
|           | Capital Expenditures:  |               |          |        |        |                       |        |        |        |             |                    |
|           | Design                 | -             | -        | -      | -      | -                     | -      | -      | -      | -           | -                  |
|           | Right of Way           | -             | -        | -      | -      | -                     | -      | -      | -      | -           | -                  |
|           | Construction           | -             | 91,922   | 50,000 | 50,000 | 50,000                | 50,000 | 50,000 | 50,000 | -           | 391,922            |
|           | Total Expenditures:    | -             | 91,922   | 50,000 | 50,000 | 50,000                | 50,000 | 50,000 | 50,000 | -           | 391,922            |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-5

Project Title: Harvey Rd NE/8th St NE Intersection Improvements  
 Project No: CP0611  
 Project Type: Capacity  
 Project Manager: N/A

STIP# AUB-N/A

LOS Corridor ID# 5,19

### Description:

The project constructed one eastbound through/right turn-lane on 8th St NE to the west of Harvey Rd and modified traffic signals and traffic channelization to accommodate the new lane. The additional lane reduced traffic delays and queuing at the intersection of Harvey Rd and 8th St NE in all directions. This project also reconstructed M St NE from 4th St NE to 8th St NE, a segment of roadway approximately 0.3 miles long with a four-lane cross-section. The reconstruction addressed the existing poor pavement condition and completed sidewalk gaps.

### Progress Summary:

Project was completed in 2010. Ongoing budget is for Public Works Trust Fund Loan debt payments through 2028.

### Future Impact on Operating Budget:

N/A

| Activity: | Funding Sources:                   | Prior to 2021    | 2021 YE<br>Estimate | Budget        |               |               | Forecast Project Cost |               |               |               | Total Project Cost |
|-----------|------------------------------------|------------------|---------------------|---------------|---------------|---------------|-----------------------|---------------|---------------|---------------|--------------------|
|           |                                    |                  |                     | 2022          | 2023          | 2024          | 2025                  | 2026          | 2027          | Beyond 2027   |                    |
|           | Unrestricted Street Revenue        | -                | -                   | -             | -             | -             | -                     | -             | -             | -             | -                  |
|           | Unsecured Grant                    | -                | -                   | -             | -             | -             | -                     | -             | -             | -             | -                  |
|           | Traffic Impact Fees (Debt Service) | 945,178          | 83,598              | 83,196        | 82,794        | 82,382        | 81,990                | 81,589        | 81,187        | 80,785        | 1,602,699          |
|           | Traffic Impact Fees                | 204,500          | -                   | -             | -             | -             | -                     | -             | -             | -             | 204,500            |
|           | PWTF                               | 1,527,300        | -                   | -             | -             | -             | -                     | -             | -             | -             | 1,527,300          |
|           | <b>Total Funding Sources:</b>      | <b>1,731,800</b> | <b>83,598</b>       | <b>83,196</b> | <b>82,794</b> | <b>82,382</b> | <b>81,990</b>         | <b>81,589</b> | <b>81,187</b> | <b>80,785</b> | <b>1,807,199</b>   |
|           | <b>Capital Expenditures:</b>       |                  |                     |               |               |               |                       |               |               |               |                    |
|           | Design                             | 327,500          | -                   | -             | -             | -             | -                     | -             | -             | -             | 327,500            |
|           | Right of Way                       | 200,400          | -                   | -             | -             | -             | -                     | -             | -             | -             | 200,400            |
|           | Construction                       | 1,203,900        | -                   | -             | -             | -             | -                     | -             | -             | -             | 1,203,900          |
|           | Long Term Debt: PWTF               | 945,178          | 83,598              | 83,196        | 82,794        | 82,382        | 81,990                | 81,589        | 81,187        | 80,785        | 1,602,699          |
|           | <b>Total Expenditures:</b>         | <b>1,731,800</b> | <b>83,598</b>       | <b>83,196</b> | <b>82,794</b> | <b>82,382</b> | <b>81,990</b>         | <b>81,589</b> | <b>81,187</b> | <b>80,785</b> | <b>1,807,199</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-6

Project Title: **Lea Hill Road/112th Avenue SE Roundabout**  
 Project No: **TBD**  
 Project Type: **Safety, Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 19

### Description:

The project will construct a single-lane roundabout at the 112th Avenue SE intersection with Lea Hill Road. The intersection is currently stop-controlled on the 112th Avenue SE approach. The project will also implement turn restrictions at the Lea Hill Road intersection with 105th Place SE, and remove the existing span wire traffic signal. The project will improve traffic operations, safety and non-motorized access.

### Progress Summary:

The Lea Hill Road Corridor study was completed during 2020. This project is based on the study recommendations.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity:                          | Prior to 2021 | 2021 YE Estimate | Budget |      |         | Forecast Project Cost |           |           |             | Total Project Cost |
|------------------------------------|---------------|------------------|--------|------|---------|-----------------------|-----------|-----------|-------------|--------------------|
|                                    |               |                  | 2022   | 2023 | 2024    | 2025                  | 2026      | 2027      | Beyond 2027 |                    |
| <b>Funding Sources:</b>            |               |                  |        |      |         |                       |           |           |             |                    |
| <i>Unrestricted Street Revenue</i> | -             | -                | -      | -    | -       | -                     | -         | -         | -           | -                  |
| <i>Unsecured Grant</i>             | -             | -                | -      | -    | -       | -                     | 1,600,000 | 1,100,000 | -           | 2,700,000          |
| <i>Traffic Impact Fees</i>         | -             | -                | -      | -    | 350,000 | 420,000               | 600,000   | 1,100,000 | -           | 2,470,000          |
| <i>Other</i>                       | -             | -                | -      | -    | -       | -                     | -         | -         | -           | -                  |
| <b>Total Funding Sources:</b>      | -             | -                | -      | -    | 350,000 | 420,000               | 2,200,000 | 2,200,000 | -           | 5,170,000          |
| <b>Capital Expenditures:</b>       |               |                  |        |      |         |                       |           |           |             |                    |
| <i>Pre-Design</i>                  | -             | -                | -      | -    | -       | -                     | -         | -         | -           | -                  |
| <i>Design</i>                      | -             | -                | -      | -    | 350,000 | -                     | -         | -         | -           | 350,000            |
| <i>Right of Way</i>                | -             | -                | -      | -    | -       | 420,000               | -         | -         | -           | 420,000            |
| <i>Construction</i>                | -             | -                | -      | -    | -       | -                     | 2,200,000 | 2,200,000 | -           | 4,400,000          |
| <b>Total Expenditures:</b>         | -             | -                | -      | -    | 350,000 | 420,000               | 2,200,000 | 2,200,000 | -           | 5,170,000          |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-7

Project Title: **Auburn Avenue/E Main Street Signal Replacement**  
 Project No: **TBD**  
 Project Type: **Non-Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

### Description:

This program will replace the existing traffic signal at the Auburn Avenue/E Main Street signal, which was constructed in 1968. The project scope also includes the construction of ADA improvements.

### Progress Summary:

### Future Impact on Operating Budget:

Replacing the traffic signal will reduce on-going maintenance costs to replace parts and equipment that have reached the end of their service life.

| Activity:                     | Funding Sources:                   | Prior to 2021 | 2021 YE Estimate | Budget |      |      | Forecast Project Cost |                |                |             | Total Project Cost |
|-------------------------------|------------------------------------|---------------|------------------|--------|------|------|-----------------------|----------------|----------------|-------------|--------------------|
|                               |                                    |               |                  | 2022   | 2023 | 2024 | 2025                  | 2026           | 2027           | Beyond 2027 |                    |
|                               | <i>Unrestricted Street Revenue</i> | -             | -                | -      | -    | -    | -                     | -              | -              | -           | -                  |
|                               | <i>Unsecured Grant</i>             | -             | -                | -      | -    | -    | -                     | -              | -              | -           | -                  |
|                               | <i>Traffic Impact Fees</i>         | -             | -                | -      | -    | -    | -                     | -              | -              | -           | -                  |
|                               | <i>REET 2</i>                      | -             | -                | -      | -    | -    | -                     | 200,000        | 900,000        | -           | 1,100,000          |
| <b>Total Funding Sources:</b> |                                    | -             | -                | -      | -    | -    | -                     | <b>200,000</b> | <b>900,000</b> | -           | <b>1,100,000</b>   |
|                               |                                    |               |                  |        |      |      |                       |                |                |             |                    |
|                               | <b>Capital Expenditures:</b>       |               |                  |        |      |      |                       |                |                |             |                    |
|                               | <i>Design</i>                      | -             | -                | -      | -    | -    | -                     | 200,000        | -              | -           | 200,000            |
|                               | <i>Right of Way</i>                | -             | -                | -      | -    | -    | -                     | -              | -              | -           | -                  |
|                               | <i>Construction</i>                | -             | -                | -      | -    | -    | -                     | -              | 900,000        | -           | 900,000            |
| <b>Total Expenditures:</b>    |                                    | -             | -                | -      | -    | -    | -                     | <b>200,000</b> | <b>900,000</b> | -           | <b>1,100,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-8

Project Title: **R Street SE/29th Street SE Intersection Improvements**  
 Project No: **TBD**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 16, 27

### Description:

The project will construct a second southbound through lane between 22nd Street SE and 33rd Street SE and a new signal at the 29th Street SE intersection. The improvements are needed to address the existing LOS deficiency at this intersection during the weekday PM peak hour. The project will also preserve the pavement and rechannelize R Street SE between 33rd Street SE and the White River Bridge.

### Progress Summary:

The R Street Corridor study was completed during 2020. This project is based on the study recommendations.

### Future Impact on Operating Budget:

The additional annual maintenance cost for this project is estimated to be \$500. Replacing the traffic signal will reduce on-going maintenance costs to replace parts and equipment that have reached the end of their service life.

| Activity:                     | Prior to 2021 | 2021 YE Estimate | Budget         |                |                  | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|---------------|------------------|----------------|----------------|------------------|-----------------------|------|------|-------------|--------------------|
|                               |               |                  | 2022           | 2023           | 2024             | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                  |                |                |                  |                       |      |      |             |                    |
| Unrestricted Street Revenue   | -             | -                | -              | -              | -                | -                     | -    | -    | -           | -                  |
| Arterial Street Fund (105)    | -             | 75,000           | 25,000         | -              | 375,000          | -                     | -    | -    | -           | 475,000            |
| Unsecured Grant               | -             | -                | -              | -              | -                | -                     | -    | -    | -           | -                  |
| Traffic Impact Fees           | -             | 750,000          | 500,000        | 250,000        | 3,500,000        | -                     | -    | -    | -           | 5,000,000          |
| Other (Icon)                  | -             | -                | -              | -              | 125,000          | -                     | -    | -    | -           | 125,000            |
| <b>Total Funding Sources:</b> | -             | <b>825,000</b>   | <b>525,000</b> | <b>250,000</b> | <b>4,000,000</b> | -                     | -    | -    | -           | <b>5,600,000</b>   |
| <b>Capital Expenditures:</b>  |               |                  |                |                |                  |                       |      |      |             |                    |
| Design                        | -             | 825,000          | 275,000        | -              | -                | -                     | -    | -    | -           | 1,100,000          |
| Right of Way                  | -             | -                | 250,000        | 250,000        | -                | -                     | -    | -    | -           | 500,000            |
| Construction                  | -             | -                | -              | -              | 4,000,000        | -                     | -    | -    | -           | 4,000,000          |
| <b>Total Expenditures:</b>    | -             | <b>825,000</b>   | <b>525,000</b> | <b>250,000</b> | <b>4,000,000</b> | -                     | -    | -    | -           | <b>5,600,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

TIP# I-9

### ARTERIAL STREET FUND (102)

Project Title: **Lea Hill ITS Expansion**  
 Project No: **TBD**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 16, 27

#### Description:

This project will extend new City of Auburn fiber east along SE 304th St from 124th Ave SE to 132nd Ave SE and connect to the signal with SE 304th St. This will support communication to School zone beacons on both SE 304th St and 132nd Ave SE, one traffic signal, one battery backup, and ITS cameras.

#### Progress Summary:

#### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$500.

| Activity:                   |               | 2021 YE  | Budget |      |         | Forecast Project Cost |      |      |             |                    |
|-----------------------------|---------------|----------|--------|------|---------|-----------------------|------|------|-------------|--------------------|
| Funding Sources:            | Prior to 2021 | Estimate | 2022   | 2023 | 2024    | 2025                  | 2026 | 2027 | Beyond 2027 | Total Project Cost |
| Unrestricted Street Revenue | -             | -        | -      | -    | -       | -                     | -    | -    | -           | -                  |
| Unsecured Grant             | -             | -        | -      | -    | -       | -                     | -    | -    | -           | -                  |
| Traffic Impact Fees         | -             | -        | -      | -    | 50,000  | 250,000               | -    | -    | -           | 300,000            |
| REET 2                      | -             | -        | -      | -    | 50,000  | 250,000               | -    | -    | -           | 300,000            |
| Total Funding Sources:      | -             | -        | -      | -    | 100,000 | 500,000               | -    | -    | -           | 600,000            |
| Capital Expenditures:       |               |          |        |      |         |                       |      |      |             |                    |
| Design                      | -             | -        | -      | -    | 100,000 | -                     | -    | -    | -           | 100,000            |
| Right of Way                | -             | -        | -      | -    | -       | -                     | -    | -    | -           | -                  |
| Construction                | -             | -        | -      | -    | -       | 500,000               | -    | -    | -           | 500,000            |
| Total Expenditures:         | -             | -        | -      | -    | 100,000 | 500,000               | -    | -    | -           | 600,000            |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-10

Project Title: **R Street SE/21st Street SE Roundabout**

STIP# AUB-N/A

Project No: **TBD**

Project Type: **Capacity, Safety**

Project Manager: **TBD**

LOS Corridor ID# 16

### Description:

The project will construct a single lane roundabout in place of the existing east/west stop-control on 21st Street SE. The project is needed to address an existing LOS deficiency, and will improve safety at the intersection.

### Progress Summary:

This improvement was recommended in the R Street Corridor study which was completed during 2020.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity: | Funding Sources:                   | Prior to 2021 | 2021 YE<br>Estimate | Budget |                |                | Forecast Project Cost |      |      |             | Total Project Cost |
|-----------|------------------------------------|---------------|---------------------|--------|----------------|----------------|-----------------------|------|------|-------------|--------------------|
|           |                                    |               |                     | 2022   | 2023           | 2024           | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
|           | <i>Unrestricted Street Revenue</i> | -             | -                   | -      | -              | -              | -                     | -    | -    | -           | -                  |
|           | <i>Unsecured Grant</i>             | -             | -                   | -      | -              | -              | 600,000               | -    | -    | -           | 600,000            |
|           | <i>Traffic Impact Fees</i>         | -             | -                   | -      | 250,000        | 100,000        | 150,000               | -    | -    | -           | 500,000            |
|           | <i>Other</i>                       | -             | -                   | -      | -              | -              | -                     | -    | -    | -           | -                  |
|           | <b>Total Funding Sources:</b>      | -             | -                   | -      | <b>250,000</b> | <b>100,000</b> | <b>750,000</b>        | -    | -    | -           | <b>1,100,000</b>   |
|           | <b>Capital Expenditures:</b>       |               |                     |        |                |                |                       |      |      |             |                    |
|           | <i>Design</i>                      | -             | -                   | -      | 250,000        | -              | -                     | -    | -    | -           | 250,000            |
|           | <i>Right of Way</i>                | -             | -                   | -      | -              | 100,000        | -                     | -    | -    | -           | 100,000            |
|           | <i>Construction</i>                | -             | -                   | -      | -              | -              | 750,000               | -    | -    | -           | 750,000            |
|           | <b>Total Expenditures:</b>         | -             | -                   | -      | <b>250,000</b> | <b>100,000</b> | <b>750,000</b>        | -    | -    | -           | <b>1,100,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-11

Project Title: **Auburn Way S/6th Street SE Intersection Improvements**  
 Project No: **TBD**  
 Project Type: **Capacity, Safety**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 3

### Description:

The project will construct a dedicated southbound right-turn pocket on Auburn Way S at 6th Street SE and other improvements to support the new right-turn pocket. The project will address an existing level of service deficiency at the intersection, improving access from SR-18 to A Street SE.

### Progress Summary:

Federal grant funding for construction is proposed to be applied for in 2022. If awarded construction would occur in 2025.

### Future Impact on Operating Budget:

This annual maintenance cost for this project is estimated to be \$500.

| Activity: | Funding Sources:                   | Prior to 2021 | 2021 YE Estimate | Budget |                |               | Forecast Project Cost |      |      |             | Total Project Cost |
|-----------|------------------------------------|---------------|------------------|--------|----------------|---------------|-----------------------|------|------|-------------|--------------------|
|           |                                    |               |                  | 2022   | 2023           | 2024          | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
|           | <i>Unrestricted Street Revenue</i> | -             | -                | -      | -              | -             | -                     | -    | -    | -           | -                  |
|           | <i>Unsecured Grant</i>             | -             | -                | -      | -              | -             | 695,000               | -    | -    | -           | 695,000            |
|           | <i>Traffic Impact Fees</i>         | -             | -                | -      | 130,000        | 25,000        | 150,000               | -    | -    | -           | 305,000            |
|           | <i>Other</i>                       | -             | -                | -      | -              | -             | -                     | -    | -    | -           | -                  |
|           | <b>Total Funding Sources:</b>      | -             | -                | -      | <b>130,000</b> | <b>25,000</b> | <b>845,000</b>        | -    | -    | -           | <b>1,000,000</b>   |
|           | <b>Capital Expenditures:</b>       |               |                  |        |                |               |                       |      |      |             |                    |
|           | <i>Design</i>                      | -             | -                | -      | 130,000        | -             | -                     | -    | -    | -           | 130,000            |
|           | <i>Right of Way</i>                | -             | -                | -      | -              | 25,000        | -                     | -    | -    | -           | 25,000             |
|           | <i>Construction</i>                | -             | -                | -      | -              | -             | 845,000               | -    | -    | -           | 845,000            |
|           | <b>Total Expenditures:</b>         | -             | -                | -      | <b>130,000</b> | <b>25,000</b> | <b>845,000</b>        | -    | -    | -           | <b>1,000,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-13

Project Title: **SE 304th Street/132nd Avenue SE Roundabout**  
 Project No: **TBD**  
 Project Type: **Safety, Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 19

### Description:

The project will construct a single-lane roundabout at the SE 304th Street intersection with 132nd Avenue SE on Lea Hill. The roundabout will replace the existing stop-controlled on the SE 304th Street approach. The project is needed to address a level of service deficiency at the intersection.

### Progress Summary:

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity:                          | Prior to 2021 | 2021 YE Estimate | Budget |                |               | Forecast Project Cost |      |      |             | Total Project Cost |
|------------------------------------|---------------|------------------|--------|----------------|---------------|-----------------------|------|------|-------------|--------------------|
|                                    |               |                  | 2022   | 2023           | 2024          | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>            |               |                  |        |                |               |                       |      |      |             |                    |
| <i>Unrestricted Street Revenue</i> | -             | -                | -      | -              | -             | -                     | -    | -    | -           | -                  |
| <i>Unsecured Grant</i>             | -             | -                | -      | -              | -             | -                     | -    | -    | -           | -                  |
| <i>Traffic Impact Fees</i>         | -             | -                | -      | 250,000        | 50,000        | 1,200,000             | -    | -    | -           | 1,500,000          |
| <i>Other</i>                       | -             | -                | -      | -              | -             | -                     | -    | -    | -           | -                  |
| <b>Total Funding Sources:</b>      | -             | -                | -      | <b>250,000</b> | <b>50,000</b> | <b>1,200,000</b>      | -    | -    | -           | <b>1,500,000</b>   |
| <b>Capital Expenditures:</b>       |               |                  |        |                |               |                       |      |      |             |                    |
| <i>Pre-Design</i>                  | -             | -                | -      | -              | -             | -                     | -    | -    | -           | -                  |
| <i>Design</i>                      | -             | -                | -      | 250,000        | -             | -                     | -    | -    | -           | 250,000            |
| <i>Right of Way</i>                | -             | -                | -      | -              | 50,000        | -                     | -    | -    | -           | 50,000             |
| <i>Construction</i>                | -             | -                | -      | -              | -             | 1,200,000             | -    | -    | -           | 1,200,000          |
| <b>Total Expenditures:</b>         | -             | -                | -      | <b>250,000</b> | <b>50,000</b> | <b>1,200,000</b>      | -    | -    | -           | <b>1,500,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-15

Project Title: **10th Street NW/A Street NW Intersection Improvements**  
 Project No: **TBD**  
 Project Type: **Capacity, Safety**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 18

### Description:

The project will construct a new traffic signal in place of the existing stop-control on the 10th Street NW approach. The project is needed to address a level of service deficiency at the intersection. The project will also evaluate intersection control, channelization, and pedestrian crossing improvements along 10th Street NW to the east of the intersection.

### Progress Summary:

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget         |                |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|---------------|---------------------|----------------|----------------|------|-----------------------|------|------|-------------|--------------------|
|                               |               |                     | 2022           | 2023           | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                     |                |                |      |                       |      |      |             |                    |
| Unrestricted Street Revenue   | -             | -                   | -              | -              | -    | -                     | -    | -    | -           | -                  |
| Unsecured Grant               | -             | -                   | -              | -              | -    | -                     | -    | -    | -           | -                  |
| Traffic Impact Fees           | -             | -                   | 250,000        | 750,000        | -    | -                     | -    | -    | -           | 1,000,000          |
| Other                         | -             | -                   | -              | -              | -    | -                     | -    | -    | -           | -                  |
| <b>Total Funding Sources:</b> | -             | -                   | <b>250,000</b> | <b>750,000</b> | -    | -                     | -    | -    | -           | <b>1,000,000</b>   |
| <b>Capital Expenditures:</b>  |               |                     |                |                |      |                       |      |      |             |                    |
| Design                        | -             | -                   | 250,000        | -              | -    | -                     | -    | -    | -           | 250,000            |
| Right of Way                  | -             | -                   | -              | -              | -    | -                     | -    | -    | -           | -                  |
| Construction                  | -             | -                   | -              | 750,000        | -    | -                     | -    | -    | -           | 750,000            |
| <b>Total Expenditures:</b>    | -             | -                   | <b>250,000</b> | <b>750,000</b> | -    | -                     | -    | -    | -           | <b>1,000,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# I-16

Project Title: **15th Street NW/SR 167 NB Ramps**  
 Project No: **TBD**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 9

### Description:

The project will construct a new westbound right-turn pocket on 15th Street NW at the intersection with the SR 167 northbound ramps. The widening is needed to improve the level of service and manage vehicle queues at the intersection.

### Progress Summary:

The design and construction of the project is anticipated as part of an adjacent development project.

### Future Impact on Operating Budget:

This annual maintenance cost for this project is estimated to be \$500.

| Activity:                     | 2021 YE       |               | Budget           |      |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|---------------|---------------|------------------|------|------|-----------------------|------|------|-------------|--------------------|
|                               | Prior to 2021 | Estimate      | 2022             | 2023 | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |               |                  |      |      |                       |      |      |             |                    |
| Unrestricted Street Revenue   | -             | -             | -                | -    | -    | -                     | -    | -    | -           | -                  |
| Unsecured Grant               | -             | -             | -                | -    | -    | -                     | -    | -    | -           | -                  |
| Traffic Impact Fees           | -             | -             | 225,000          | -    | -    | -                     | -    | -    | -           | 225,000            |
| Other (Developer)             | 50,000        | 75,000        | 1,300,000        | -    | -    | -                     | -    | -    | -           | 1,425,000          |
| <b>Total Funding Sources:</b> | <b>50,000</b> | <b>75,000</b> | <b>1,525,000</b> | -    | -    | -                     | -    | -    | -           | <b>1,650,000</b>   |
| <b>Capital Expenditures:</b>  |               |               |                  |      |      |                       |      |      |             |                    |
| Design                        | 50,000        | 75,000        | -                | -    | -    | -                     | -    | -    | -           | 125,000            |
| Right of Way                  | -             | -             | -                | -    | -    | -                     | -    | -    | -           | -                  |
| Construction                  | -             | -             | 1,525,000        | -    | -    | -                     | -    | -    | -           | 1,525,000          |
| <b>Total Expenditures:</b>    | <b>50,000</b> | <b>75,000</b> | <b>1,525,000</b> | -    | -    | -                     | -    | -    | -           | <b>1,650,000</b>   |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

TIP# I-17

### CAPITAL IMPROVEMENT FUND (328)

Project Title: **Citywide LED Street Lighting and Controls**  
 Project No: **cp1920**  
 Project Type: **Non-Capacity**  
 Project Manager: **Scott Nutter**

STIP# AUB-N/A

#### Description:

The project will convert all City owned cobra-head street lights to LED. This phase of the project will convert all City owned cobra-head street lights to LED and add smart lighting control technology. Federal grant funding for this phase of the project was awarded in 2019. Future phases to upgrade other types of City street lights (such as decorative residential and downtown decorative lights) to LED will be considered as additional funding is available.

#### Progress Summary:

A detailed audit of all existing City owned lights and the design phase of the project have been completed. The construction phase of the project is programmed to begin during Spring 2020.

#### Future Impact on Operating Budget:

This project will reduce annual street light power and maintenance/repair costs by approximately \$190,000.

| Activity: |                               |               | Budget           |               |      | Forecast Project Cost |      |      |      | Total Project Cost |
|-----------|-------------------------------|---------------|------------------|---------------|------|-----------------------|------|------|------|--------------------|
|           | Funding Sources:              | Prior to 2020 | 2020 YE Estimate | 2021          | 2022 | 2023                  | 2024 | 2025 | 2026 | Beyond 2026        |
|           | Cap. Imp. Fund Balance        | -             | -                | -             | -    | -                     | -    | -    | -    | -                  |
|           | Secured Grant                 | -             | 497,988          | 2,012         | -    | -                     | -    | -    | -    | -                  |
|           | REET 2                        | -             | 1,813,000        | 37,000        | -    | -                     | -    | -    | -    | -                  |
|           | Other (PSE)                   | -             | 350,000          | -             | -    | -                     | -    | -    | -    | -                  |
|           | <b>Total Funding Sources:</b> | -             | <b>2,660,988</b> | <b>39,012</b> | -    | -                     | -    | -    | -    | -                  |
|           | <b>Capital Expenditures:</b>  |               |                  |               |      |                       |      |      |      |                    |
|           | Design                        | -             | 112,294          | -             | -    | -                     | -    | -    | -    | -                  |
|           | Right of Way                  | -             | -                | -             | -    | -                     | -    | -    | -    | -                  |
|           | Construction                  | -             | 2,548,694        | 39,012        | -    | -                     | -    | -    | -    | -                  |
|           | <b>Total Expenditures:</b>    | -             | <b>2,660,988</b> | <b>39,012</b> | -    | -                     | -    | -    | -    | -                  |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# N-1

Project Title: **Non-Motorized Safety Program**  
 Project No: **Varies**  
 Project Type: **Non-Capacity (Annual)**  
 Project Manager: **James Webb**

STIP# AUB-N/A

### Description:

The program will construct non-motorized safety improvement projects at locations throughout the City. Projects are prioritized based on pedestrian and bicycle demands, existing deficiencies, field studies and community requests. Common improvements installed by this program include, but are not limited to, RRFBs, signage, striping, raised crosswalk, bicycle lanes, etc.

### Progress Summary:

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     |   | 2021 YE<br>Estimate | Budget         |                |                | Forecast Project Cost |                |                |                | Total Project Cost |
|-------------------------------|---|---------------------|----------------|----------------|----------------|-----------------------|----------------|----------------|----------------|--------------------|
|                               |   |                     | Prior to 2021  | 2022           | 2023           | 2024                  | 2025           | 2026           | 2027           | Beyond 2027        |
| <b>Funding Sources:</b>       |   |                     |                |                |                |                       |                |                |                |                    |
| Unrestricted Street Revenue   | - | 165,000             | 150,000        | 150,000        | 150,000        | 150,000               | 150,000        | 150,000        | -              | 1,065,000          |
| Unsecured Grant               | - | -                   | -              | -              | -              | -                     | -              | -              | -              | -                  |
| REET 1                        | - | -                   | -              | -              | -              | -                     | -              | -              | -              | -                  |
| Traffic Impact Fees           | - | -                   | -              | -              | -              | -                     | -              | -              | -              | -                  |
| Other                         | - | -                   | -              | -              | -              | -                     | -              | -              | -              | -                  |
| <b>Total Funding Sources:</b> | - | <b>165,000</b>      | <b>150,000</b> | <b>150,000</b> | <b>150,000</b> | <b>150,000</b>        | <b>150,000</b> | <b>150,000</b> | <b>150,000</b> | <b>-</b>           |
| <b>Capital Expenditures:</b>  |   |                     |                |                |                |                       |                |                |                |                    |
| Design                        | - | 33,000              | 30,000         | 30,000         | 30,000         | 30,000                | 30,000         | 30,000         | 30,000         | -                  |
| Right of Way                  | - | -                   | -              | -              | -              | -                     | -              | -              | -              | -                  |
| Construction                  | - | 132,000             | 120,000        | 120,000        | 120,000        | 120,000               | 120,000        | 120,000        | 120,000        | -                  |
| <b>Total Expenditures:</b>    | - | <b>165,000</b>      | <b>150,000</b> | <b>150,000</b> | <b>150,000</b> | <b>150,000</b>        | <b>150,000</b> | <b>150,000</b> | <b>150,000</b> | <b>-</b>           |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

CAPITAL IMPROVEMENT FUND (328)

TIP# N-2

Project Title: **Sidewalk Repair and Accessibility Program**  
 Project No: **Varies, CP2106**  
 Project Type: **Non-Capacity (Annual)**  
 Project Manager: **James Webb**

STIP# AUB-N/A

### Description:

The program replaces damaged sidewalks throughout the City, adds new curb ramps, and replaces existing curb ramps that do not meet current American with Disabilities Act (ADA) requirements. Projects are prioritized annually based on pedestrian demands, existing deficiencies, and citizen requests. Program funds reflect remaining budget after allocations to specific ADA and sidewalk improvement projects. The "fees" shown in the funding sources would be from a new proposed program that is under consideration that would give residents the option to pay a fee to the City for replacement of damaged sidewalk sections that they are responsible for (caused by their private trees) and the replacement work would occur with this program. Typically HUD funds (not shown below) are also transferred into this program to complete accessibility improvements in qualifying neighborhoods.

### Progress Summary:

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:              |   | 2021 YE<br>Estimate | Budget        |         |        | Forecast Project Cost |         |        |      | Total Project Cost |
|------------------------|---|---------------------|---------------|---------|--------|-----------------------|---------|--------|------|--------------------|
|                        |   |                     | Prior to 2021 | 2022    | 2023   | 2024                  | 2025    | 2026   | 2027 |                    |
| Funding Sources:       |   |                     |               |         |        |                       |         |        |      |                    |
| Cap. Imp. Fund Balance | - | -                   | -             | -       | -      | -                     | -       | -      | -    | -                  |
| Unsecured Grant        | - | -                   | -             | -       | -      | -                     | -       | -      | -    | -                  |
| REET 2                 | - | 340,022             | 185,000       | 120,000 | -      | 200,000               | 170,000 | -      | -    | 1,015,022          |
| Other (Fees)           | - | -                   | -             | 20,000  | 20,000 | 20,000                | 20,000  | 20,000 | -    | 100,000            |
| Total Funding Sources: | - | 340,022             | 185,000       | 140,000 | 20,000 | 220,000               | 190,000 | 20,000 | -    | 1,115,022          |
| Capital Expenditures:  |   |                     |               |         |        |                       |         |        |      |                    |
| Design                 | - | 45,000              | 37,000        | 28,000  | 4,000  | 44,000                | 38,000  | 4,000  | -    | 200,000            |
| Right of Way           | - | -                   | -             | -       | -      | -                     | -       | -      | -    | -                  |
| Construction           | - | 295,022             | 148,000       | 112,000 | 16,000 | 176,000               | 152,000 | 16,000 | -    | 915,022            |
| Total Expenditures:    | - | 340,022             | 185,000       | 140,000 | 20,000 | 220,000               | 190,000 | 20,000 | -    | 1,115,022          |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

TIP# N-3

### ARTERIAL STREET FUND (102)

Project Title: **Arterial Bicycle and Safety Improvement Program**  
Project No: **Varies**  
Project Type: **Non-Capacity (Safety)**  
Project Manager: **James Webb**

STIP# AUB-N/A

#### Description:

The program will construct bicycle and safety improvements on classified roadways throughout the City. Projects are prioritized bi-annually based upon field studies and community feedback.

#### Progress Summary:

#### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity: | Funding Sources:                   | 2020 YE<br>Estimate | Budget         |      |                | Forecast Project Cost |                |      |                | Total Project Cost |
|-----------|------------------------------------|---------------------|----------------|------|----------------|-----------------------|----------------|------|----------------|--------------------|
|           |                                    |                     | 2021           | 2022 | 2023           | 2024                  | 2025           | 2026 | Beyond 2026    |                    |
|           | <i>Unrestricted Street Revenue</i> | -                   | 100,000        | -    | 100,000        | -                     | 100,000        | -    | 100,000        | 400,000            |
|           | <i>Unsecured Grant</i>             | -                   | -              | -    | -              | -                     | -              | -    | -              | -                  |
|           | <i>Traffic Impact Fees</i>         | -                   | -              | -    | -              | -                     | -              | -    | -              | -                  |
|           | <i>Other</i>                       | -                   | -              | -    | -              | -                     | -              | -    | -              | -                  |
|           | <b>Total Funding Sources:</b>      | -                   | <b>100,000</b> | -    | <b>100,000</b> | -                     | <b>100,000</b> | -    | <b>100,000</b> | <b>400,000</b>     |
|           | <b>Capital Expenditures:</b>       |                     |                |      |                |                       |                |      |                |                    |
|           | <i>Design</i>                      | -                   | 10,000         | -    | 10,000         | -                     | 10,000         | -    | 10,000         | 40,000             |
|           | <i>Right of Way</i>                | -                   | -              | -    | -              | -                     | -              | -    | -              | -                  |
|           | <i>Construction</i>                | -                   | 90,000         | -    | 90,000         | -                     | 90,000         | -    | 90,000         | 360,000            |
|           | <b>Total Expenditures:</b>         | -                   | <b>100,000</b> | -    | <b>100,000</b> | -                     | <b>100,000</b> | -    | <b>100,000</b> | <b>400,000</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# N-4

Project Title: **Transit Partnership Routes**  
 Project No: **N/A**  
 Project Type: **Other**  
 Project Manager: **Celile Malik**

STIP# AUB-N/A

### Description:

Operating costs associated with the Commuter Shuttle (PT497) from the Lakeland Hills neighborhood to Auburn Station.

### Progress Summary:

The Lakeland Hills route, PT497, began in 2009. The route is operated in partnership with King County Metro and Pierce Transit and is being extended. Route 910 is a KC Metro Transit Now Partnership Program currently authorized until September 2020. The agreement for the Route 910 is will not be renewed as King County Metro is ending this program.

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     | 2021 YE       |                | Budget         |                |                | Forecast Project Cost |                |                |             | Total Project Cost |
|-------------------------------|---------------|----------------|----------------|----------------|----------------|-----------------------|----------------|----------------|-------------|--------------------|
|                               | Prior to 2021 | Estimate       | 2022           | 2023           | 2024           | 2025                  | 2026           | 2027           | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                |                |                |                |                       |                |                |             |                    |
| Unrestricted Street Revenue   | -             | 180,000        | 185,000        | 190,000        | 195,000        | 200,000               | 205,000        | 210,000        | -           | 1,365,000          |
| Unsecured Grant               | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| REET 1                        | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| Other (Agencies)              | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| <b>Total Funding Sources:</b> | -             | <b>180,000</b> | <b>185,000</b> | <b>190,000</b> | <b>195,000</b> | <b>200,000</b>        | <b>205,000</b> | <b>210,000</b> | -           | <b>1,365,000</b>   |
| <b>Capital Expenditures:</b>  |               |                |                |                |                |                       |                |                |             |                    |
| Design                        | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| Right of Way                  | -             | -              | -              | -              | -              | -                     | -              | -              | -           | -                  |
| Transit Service               | -             | 180,000        | 185,000        | 190,000        | 195,000        | 200,000               | 205,000        | 210,000        | -           | 1,365,000          |
| <b>Total Expenditures:</b>    | -             | <b>180,000</b> | <b>185,000</b> | <b>190,000</b> | <b>195,000</b> | <b>200,000</b>        | <b>205,000</b> | <b>210,000</b> | -           | <b>1,365,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

CAPITAL IMPROVEMENT FUND (328)

TIP# N-5

Project Title: **Sidewalk and ADA Inventory**  
 Project No: **TBD**  
 Project Type: **Non-Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

### Description:

The project will create an inventory of existing sidewalk and ADA infrastructure located within the public ROW throughout the City. This information will be used to identify and prioritize deficiencies in existing non-motorized infrastructure, and to document progress on the implementation of the ADA transition plan.

### Progress Summary:

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget |                |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|---------------|---------------------|--------|----------------|------|-----------------------|------|------|-------------|--------------------|
|                               |               |                     | 2022   | 2023           | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                     |        |                |      |                       |      |      |             |                    |
| Cap. Imp. Fund Balance        | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| Unsecured Grant               | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| REET 2                        | -             | -                   | -      | 200,000        | -    | -                     | -    | -    | -           | 200,000            |
| Other                         | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| <b>Total Funding Sources:</b> | -             | -                   | -      | <b>200,000</b> | -    | -                     | -    | -    | -           | <b>200,000</b>     |
| <b>Capital Expenditures:</b>  |               |                     |        |                |      |                       |      |      |             |                    |
| Design                        | -             | -                   | -      | 200,000        | -    | -                     | -    | -    | -           | 200,000            |
| Right of Way                  | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| Construction                  | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| <b>Total Expenditures:</b>    | -             | -                   | -      | <b>200,000</b> | -    | -                     | -    | -    | -           | <b>200,000</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# N-6

Project Title: **Auburn Station Access Improvements**  
 Project No: **TBD**  
 Project Type: **Non-Capacity, Transit**  
 Project Manager: **TBD**

STIP# AUB-N/A

### Description:

The project will reconstruct the channelization and curb radii to improve the turning radius for transit vehicles at the northeast corner of A St SW/2nd St SW.

### Progress Summary:

The ROW needed to accommodate this improvement was dedicated by the adjacent development project.

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget |                |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|---------------|---------------------|--------|----------------|------|-----------------------|------|------|-------------|--------------------|
|                               |               |                     | 2022   | 2023           | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                     |        |                |      |                       |      |      |             |                    |
| Unrestricted Street Revenue   | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| Unsecured Grant               | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| Traffic Impact Fees           | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| Other (King County Metro)     | -             | -                   | -      | 125,000        | -    | -                     | -    | -    | -           | 125,000            |
| <b>Total Funding Sources:</b> | -             | -                   | -      | <b>125,000</b> | -    | -                     | -    | -    | -           | <b>125,000</b>     |
| <b>Capital Expenditures:</b>  |               |                     |        |                |      |                       |      |      |             |                    |
| Design                        | -             | -                   | -      | 25,000         | -    | -                     | -    | -    | -           | 25,000             |
| Right of Way                  | -             | -                   | -      | -              | -    | -                     | -    | -    | -           | -                  |
| Construction                  | -             | -                   | -      | 100,000        | -    | -                     | -    | -    | -           | 100,000            |
| <b>Total Expenditures:</b>    | -             | -                   | -      | <b>125,000</b> | -    | -                     | -    | -    | -           | <b>125,000</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

CAPITAL IMPROVEMENT FUNDS (328)

TIP# N-7

Project Title: **Auburn Way S (SR 164) - Southside Sidewalk Improvements**  
 Project No: **TBD**  
 Project Type: **Non-motorized, Safety**  
 Project Manager: **TBD**

STIP# AUB-N/A

### Description:

The project will construct sidewalk along the south side of Auburn Way S. The existing sidewalk along the south side currently ends at the intersection with Howard Road and restarts to the west of the intersection with Muckleshoot Plaza. The sidewalk gap extends for approximately 1,700 feet. The project also includes a Rapid Flashing Rectangular Beacon (RRFB) across Howard Road to provide a connection from the existing non-motorized facilities to the proposed improvements.

### Progress Summary:

Grant funding from WSDOT is anticipated to be awarded in 2021. The project is also on the PSRC contingency list for federal funding. The design phase could start in 2022 with construction of the improvements in 2023. The City and Muckleshoot Indian Tribe have entered into a memorandum of understanding for improvements along the Auburn Way S corridor, and are currently negotiating the funding agreement for this project.

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     | Prior to 2021 | 2021 YE Estimate | Budget        |                |      | Forecast Project Costs |      |      |             | Total Project Cost |
|-------------------------------|---------------|------------------|---------------|----------------|------|------------------------|------|------|-------------|--------------------|
|                               |               |                  | 2022          | 2023           | 2024 | 2025                   | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                  |               |                |      |                        |      |      |             |                    |
| Cap. Imp. Fund Balance        | -             | -                | -             | -              | -    | -                      | -    | -    | -           | -                  |
| Secured Grant                 | -             | -                | 80,000        | 600,000        | -    | -                      | -    | -    | -           | 680,000            |
| Traffic Impact Fees           | -             | -                | -             | -              | -    | -                      | -    | -    | -           | -                  |
| REET 2                        | -             | -                | 15,000        | 65,000         | -    | -                      | -    | -    | -           | 80,000             |
| Other (MIT)                   | -             | -                | -             | 85,000         | -    | -                      | -    | -    | -           | 85,000             |
| <b>Total Funding Sources:</b> | -             | -                | <b>95,000</b> | <b>750,000</b> | -    | -                      | -    | -    | -           | <b>845,000</b>     |
| <b>Capital Expenditures:</b>  |               |                  |               |                |      |                        |      |      |             |                    |
| Design                        | -             | -                | 95,000        | -              | -    | -                      | -    | -    | -           | 95,000             |
| Right of Way                  | -             | -                | -             | -              | -    | -                      | -    | -    | -           | -                  |
| Construction                  | -             | -                | -             | 750,000        | -    | -                      | -    | -    | -           | 750,000            |
| <b>Total Expenditures:</b>    | -             | -                | <b>95,000</b> | <b>750,000</b> | -    | -                      | -    | -    | -           | <b>845,000</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# N-8

Project Title: **Evergreen Heights Elementary Sidewalks**  
 Project No: **TBD**  
 Project Type: **Non-Motorized**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 37

### Description:

The project will construct a new sidewalk along the north side of S 316th Street between the end of the existing sidewalk at 56th Avenue S and 51st Avenue S to the west (approximately 1,250 feet). The project will also construct curb and gutter, storm improvements, and street lighting.

### Progress Summary:

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity: | Funding Sources:              | Prior to 2021  | 2021 YE Estimate | Budget |      |      | Forecast Project Cost |                |                  |             | Total Project Cost |
|-----------|-------------------------------|----------------|------------------|--------|------|------|-----------------------|----------------|------------------|-------------|--------------------|
|           |                               |                |                  | 2022   | 2023 | 2024 | 2025                  | 2026           | 2027             | Beyond 2027 |                    |
|           | Unrestricted Street Revenue   | 24,500         | -                | -      | -    | -    | -                     | -              | 160,000          | -           | 184,500            |
|           | Unsecured Grant               | -              | -                | -      | -    | -    | -                     | 120,000        | 1,440,000        | -           | 1,560,000          |
|           | Traffic Impact Fees           | -              | -                | -      | -    | -    | -                     | -              | -                | -           | -                  |
|           | Other (ASD)                   | 122,500        | -                | -      | -    | -    | -                     | -              | -                | -           | 122,500            |
|           | REET 2                        | -              | -                | -      | -    | -    | -                     | 30,000         | 200,000          | -           | 230,000            |
|           | Traffic Mitigation Fees       | 100,000        | -                | -      | -    | -    | -                     | -              | -                | -           | 100,000            |
|           | <b>Total Funding Sources:</b> | <b>247,000</b> | -                | -      | -    | -    | -                     | <b>150,000</b> | <b>1,800,000</b> | -           | <b>2,197,000</b>   |
|           | <b>Capital Expenditures:</b>  |                |                  |        |      |      |                       |                |                  |             |                    |
|           | Design                        | -              | -                | -      | -    | -    | -                     | 150,000        | -                | -           | 150,000            |
|           | Right of Way                  | -              | -                | -      | -    | -    | -                     | -              | -                | -           | -                  |
|           | Construction                  | 247,000        | -                | -      | -    | -    | -                     | -              | 1,800,000        | -           | 2,047,000          |
|           | <b>Total Expenditures:</b>    | <b>247,000</b> | -                | -      | -    | -    | -                     | <b>150,000</b> | <b>1,800,000</b> | -           | <b>2,197,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP # N-9

Project Title: **Riverwalk Drive SE Non-Motorized Improvements**  
 Project No: **TBD**  
 Project Type: **Non-Motorized**  
 Project Manager: **TBD**

STIP# AUB-N/A

### Description:

The project will construct sidewalks, street lighting, and related storm improvements along the east side of Riverwalk Drive SE between Auburn Way S and Howard Road SE. This project will close a gap in the sidewalk system completing a non-motorized connection between the R Street SE and Auburn Way S. The project will also install a RRFB at the intersection with Howard Road. The project is proposed to be in partnership with the Muckleshoot Indian Tribe.

### Progress Summary:

The City and Muckleshoot Indian Tribe have entered into a memorandum of understanding for improvements along the Auburn Way S corridor, and are currently negotiating the funding agreement for this project.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$2,000.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget         |                  |      | Forecast Project Cost |      |      |             | Total Project<br>Cost |
|-------------------------------|---------------|---------------------|----------------|------------------|------|-----------------------|------|------|-------------|-----------------------|
|                               |               |                     | 2022           | 2023             | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                       |
| <b>Funding Sources:</b>       |               |                     |                |                  |      |                       |      |      |             |                       |
| Unrestricted Street Revenue   | -             | -                   | 250,000        | 400,000          | -    | -                     | -    | -    | -           | 650,000               |
| Unsecured Grant               | -             | -                   | -              | -                | -    | -                     | -    | -    | -           | -                     |
| Traffic Impact Fees           | -             | -                   | -              | -                | -    | -                     | -    | -    | -           | -                     |
| Other (MIT)                   | -             | -                   | -              | 650,000          | -    | -                     | -    | -    | -           | 650,000               |
| <b>Total Funding Sources:</b> | -             | -                   | <b>250,000</b> | <b>1,050,000</b> | -    | -                     | -    | -    | -           | <b>1,300,000</b>      |
| <b>Capital Expenditures:</b>  |               |                     |                |                  |      |                       |      |      |             |                       |
| Design                        | -             | -                   | 250,000        | -                | -    | -                     | -    | -    | -           | 250,000               |
| Right of Way                  | -             | -                   | -              | -                | -    | -                     | -    | -    | -           | -                     |
| Construction                  | -             | -                   | -              | 1,050,000        | -    | -                     | -    | -    | -           | 1,050,000             |
| <b>Total Expenditures:</b>    | -             | -                   | <b>250,000</b> | <b>1,050,000</b> | -    | -                     | -    | -    | -           | <b>1,300,000</b>      |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# N-10

Project Title: **M Street SE Sidewalk Improvements**  
 Project No: **CP2012**  
 Project Type: **Non-Motorized**  
 Project Manager: **Luis Barba**

STIP# AUB-N/A

### Description:

The project will construct sidewalks along the M Street SE corridor between Auburn Way S and 8th Street SE. The project will complete the missing sections of sidewalk along the west side of M Street SE between Auburn Way S and 8th Street SE, and will complete the missing segments of sidewalk along the east side between Auburn Way S and 12th Street SE. The project will construct approximately 2,000 linear feet of new sidewalk to match adjacent widths. The project will also construct ADA compliant curb ramps and relocate existing utility poles and overhead signage to provide ADA access.

### Progress Summary:

Grant funding for the project was awarded by TIB in 2019. The design phase was initiated in 2020 and construction anticipated to be completed during 2021.

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                   | 2020 YE          |               | Budget   |      |      | Forecast Project Cost |      |      |      | Total Project Cost |
|-----------------------------|------------------|---------------|----------|------|------|-----------------------|------|------|------|--------------------|
|                             | Funding Sources: | Prior to 2020 | Estimate | 2021 | 2022 | 2023                  | 2024 | 2025 | 2026 |                    |
| Unrestricted Street Revenue | -                | 14,980        | 250,000  | -    | -    | -                     | -    | -    | -    | 264,980            |
| Secured Grant               | -                | 30,020        | 419,980  | -    | -    | -                     | -    | -    | -    | 450,000            |
| Traffic Impact Fees         | -                | -             | -        | -    | -    | -                     | -    | -    | -    | -                  |
| Other                       | -                | -             | -        | -    | -    | -                     | -    | -    | -    | -                  |
| Total Funding Sources:      | -                | 45,000        | 669,980  | -    | -    | -                     | -    | -    | -    | 714,980            |
| Capital Expenditures:       |                  |               |          |      |      |                       |      |      |      |                    |
| Design                      | -                | 45,000        | -        | -    | -    | -                     | -    | -    | -    | 45,000             |
| Right of Way                | -                | -             | -        | -    | -    | -                     | -    | -    | -    | -                  |
| Construction                | -                | -             | 669,980  | -    | -    | -                     | -    | -    | -    | 669,980            |
| Total Expenditures:         | -                | 45,000        | 669,980  | -    | -    | -                     | -    | -    | -    | 714,980            |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

### CAPITAL IMPROVEMENT FUND (328)

TIP# N-11

Project Title: **Lea Hill Safe Routes to Schools**

STIP# AUB-N/A

Project No: **TBD**

Project Type: **Non-Motorized**

Project Manager: **TBD**

#### Description:

The project will construct non-motorized improvements along SE 304th St from Hazelwood Elementary School extending east to 124th Ave SE, and along the west side of 124th Ave SE to the south of SE 304th St. The project will complete multiple gaps in the existing non-motorized network. The project will also construct curb and gutter, ADA compliant curb ramps, driveways aprons and retaining walls associated with the new sidewalks. Utility poles will need to be relocated to accommodate the proposed sidewalk alignment in some locations. Additional lighting is proposed for pedestrian safety and will be incorporated onto existing/relocated utility poles, and an RRFB will be installed at the SE 304th St intersection with 116th Ave SE. Ancillary work, including but not limited to, property restoration, grading, storm upgrades, school zone beacon relocation, channelization, fencing, landscaping and mailbox relocation will be addressed with the project.

#### Progress Summary:

Grant funding is anticipated to be applied for in 2022. If secured, the design phase will be started in 2023.

#### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                   |               | 2021 YE  | Budget |        |         | Forecast Project Cost |      |      |             |                    |
|-----------------------------|---------------|----------|--------|--------|---------|-----------------------|------|------|-------------|--------------------|
| Funding Sources:            | Prior to 2021 | Estimate | 2022   | 2023   | 2024    | 2025                  | 2026 | 2027 | Beyond 2027 | Total Project Cost |
| Unrestricted Street Revenue | -             | -        | -      | -      | -       | -                     | -    | -    | -           | -                  |
| Unsecured State Grant       | -             | -        | -      | 55,000 | 700,000 | -                     | -    | -    | -           | 755,000            |
| REET 2                      | -             | -        | -      | 15,000 | 200,000 | -                     | -    | -    | -           | 215,000            |
| Other                       | -             | -        | -      | -      | -       | -                     | -    | -    | -           | -                  |
| Total Funding Sources:      | -             | -        | -      | 70,000 | 900,000 | -                     | -    | -    | -           | 970,000            |
| Capital Expenditures:       |               |          |        |        |         |                       |      |      |             |                    |
| Design                      | -             | -        | -      | 70,000 | -       | -                     | -    | -    | -           | 70,000             |
| Right of Way                | -             | -        | -      | -      | -       | -                     | -    | -    | -           | -                  |
| Construction                | -             | -        | -      | -      | 900,000 | -                     | -    | -    | -           | 900,000            |
| Total Expenditures:         | -             | -        | -      | 70,000 | 900,000 | -                     | -    | -    | -           | 970,000            |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

### ARTERIAL PRESERVATION FUND (105)

TIP# P-1

Project Title: **Arterial Street Preservation Program**  
 Project No: **Varies**  
 Project Type: **Preservation**  
 Project Manager: **James Webb**

STIP# AUB-N/A

#### Description:

The program preserves classified streets throughout the City. Individual projects may include a combination of crack seal, overlays, rebuilds, and spot repairs. The program also funds the biennial collection of pavement condition ratings. This program is funded through a 1% utility tax that was adopted by City Council in 2008. Program funds reflect remaining budget after allocations to specific arterial street preservation projects, which are included as separate projects in this TIP.

#### Progress Summary:

During 2021, the Auburn Way N preservation projects and 15th Street NW reconstruction will be completed; the Lea Hill Road and 3rd Street SW bridge decks will be preserved; the reconstruction of 2nd Street SE will begin; 4th Street SE reconstruction is being designed; and arterial patching and crack seal projects are proposed.

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                  | 2021 YE       |           | Budget  |         |         | Forecast Project Cost |           |           |             | Total Project Cost |
|----------------------------|---------------|-----------|---------|---------|---------|-----------------------|-----------|-----------|-------------|--------------------|
|                            | Prior to 2021 | Estimate  | 2022    | 2023    | 2024    | 2025                  | 2026      | 2027      | Beyond 2027 |                    |
| Funding Sources:           |               |           |         |         |         |                       |           |           |             |                    |
| Arterial Preservation Fund | -             | 2,200,000 | 600,000 | 600,000 | 150,000 | 1,133,870             | 2,050,000 | 2,200,000 | -           | 8,933,870          |
| Total Funding Sources:     | -             | 2,200,000 | 600,000 | 600,000 | 150,000 | 1,133,870             | 2,050,000 | 2,200,000 | -           | 8,933,870          |
| Capital Expenditures:      |               |           |         |         |         |                       |           |           |             |                    |
| Design                     | -             | 330,000   | 90,000  | 90,000  | 22,500  | 170,081               | 307,500   | 330,000   | -           | 1,340,081          |
| Right of Way               | -             | -         | -       | -       | -       | -                     | -         | -         | -           | -                  |
| Construction               | -             | 1,870,000 | 510,000 | 510,000 | 127,500 | 963,790               | 1,742,500 | 1,870,000 | -           | 7,593,790          |
| Total Expenditures:        | -             | 2,200,000 | 600,000 | 600,000 | 150,000 | 1,133,870             | 2,050,000 | 2,200,000 | -           | 8,933,870          |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

TIP# P-2

### LOCAL STREET PRESERVATION FUND (103)

Project Title: **Local Street Preservation Program**  
 Project No: **Varies**  
 Project Type: **Preservation**  
 Project Manager: **James Webb**

STIP# AUB-N/A

#### Description:

The program preserves local (unclassified) streets. Individual projects may include crack sealing, asphalt patching, pre-leveling, asphalt overlays and roadway reconstruction. The program also funds the biennial collection of pavement condition ratings. Beginning in 2019 REET funding was dedicated by council to this program. Beyond 2022, funding for this program is shown as other because a dedicated funding source has not yet been identified, and the use of REET to fund the program is not sustainable long term. Program funds reflect remaining budget after allocations to specific local street preservation projects, which are included as separate projects in this TIP.

#### Progress Summary:

This program has successfully completed overlays, chip seals and complete reconstructions since 2005. The program will focus on completing reconstruction needs in addition to regular maintenance treatments. The 2022 funds have been transferred into the Lead Service Line replacement project to cover the cost of additional reconstruction/rehabilitation included with the scope of that project.

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity: | Funding Sources:                 | Prior to 2021 | 2021 YE Estimate | Budget           |                  |                  | Forecast Project Cost |                  |                  |             | Total Project Cost |
|-----------|----------------------------------|---------------|------------------|------------------|------------------|------------------|-----------------------|------------------|------------------|-------------|--------------------|
|           |                                  |               |                  | 2022             | 2023             | 2024             | 2025                  | 2026             | 2027             | Beyond 2027 |                    |
|           | Local Street Preserv. Fund       | -             | -                | -                | 350,000          | 350,000          | 350,000               | 350,000          | 350,000          | -           | 1,750,000          |
|           | Utilities Transfer to 103 Fund   | -             | -                | 150,000          | 150,000          | 150,000          | 150,000               | 150,000          | 150,000          | -           | 900,000            |
|           | REET 1                           | -             | -                | -                | -                | -                | -                     | -                | -                | -           | -                  |
|           | REET 2                           | -             | -                | 1,500,000        | -                | -                | -                     | -                | -                | -           | 1,500,000          |
|           | Other (Unidentified 103 Funding) | -             | -                | -                | 1,500,000        | 1,500,000        | 1,500,000             | 1,500,000        | 1,500,000        | -           | 7,500,000          |
|           | <b>Total Funding Sources:</b>    | -             | -                | <b>1,650,000</b> | <b>2,000,000</b> | <b>2,000,000</b> | <b>2,000,000</b>      | <b>2,000,000</b> | <b>2,000,000</b> | -           | <b>11,650,000</b>  |
|           | <b>Capital Expenditures:</b>     |               |                  |                  |                  |                  |                       |                  |                  |             |                    |
|           | Design                           | -             | -                | 250,000          | 400,000          | 400,000          | 400,000               | 400,000          | 400,000          | -           | 2,250,000          |
|           | Right of Way                     | -             | -                | -                | -                | -                | -                     | -                | -                | -           | -                  |
|           | Construction                     | -             | -                | 1,400,000        | 1,600,000        | 1,600,000        | 1,600,000             | 1,600,000        | 1,600,000        | -           | 9,400,000          |
|           | <b>Total Expenditures:</b>       | -             | -                | <b>1,650,000</b> | <b>2,000,000</b> | <b>2,000,000</b> | <b>2,000,000</b>      | <b>2,000,000</b> | <b>2,000,000</b> | -           | <b>11,650,000</b>  |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

### ARTERIAL PRESERVATION FUND (105)

TIP# P-3

Project Title: **2nd Street SE Preservation**  
 Project No: **CP2003**  
 Project Type: **Preservation**  
 Project Manager: **Jai Carter**

STIP# AUB-N/A

#### Description:

This project will reconstruct 2nd Street SE between A Street SE and Auburn Way S. The reconstruction will utilize full depth reclamation techniques. The project will also address fixed objects located within the clear zone, remove barriers to ADA access, and install new LED street lighting.

#### Progress Summary:

Grant funding for this project was awarded by TIB in 2019. The design phase started in 2020.

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                     | 2021 YE        |                | Budget         |          |          | Forecast Project Cost |          |          |             | Total Project Cost |
|-------------------------------|----------------|----------------|----------------|----------|----------|-----------------------|----------|----------|-------------|--------------------|
|                               | Prior to 2021  | Estimate       | 2022           | 2023     | 2024     | 2025                  | 2026     | 2027     | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |                |                |                |          |          |                       |          |          |             |                    |
| Arterial Preservation Fund    | 46,000         | 277,502        | 70,000         | -        | -        | -                     | -        | -        | -           | 393,502            |
| Secured State Grant           | 69,000         | 416,253        | 105,000        | -        | -        | -                     | -        | -        | -           | 590,253            |
| Other                         | -              | -              | -              | -        | -        | -                     | -        | -        | -           | -                  |
| <b>Total Funding Sources:</b> | <b>115,000</b> | <b>693,755</b> | <b>175,000</b> | <b>-</b> | <b>-</b> | <b>-</b>              | <b>-</b> | <b>-</b> | <b>-</b>    | <b>983,755</b>     |
| <b>Capital Expenditures:</b>  |                |                |                |          |          |                       |          |          |             |                    |
| Design                        | 115,000        | -              | -              | -        | -        | -                     | -        | -        | -           | 115,000            |
| Right of Way                  | -              | -              | -              | -        | -        | -                     | -        | -        | -           | -                  |
| Construction                  | -              | 693,755        | 175,000        | -        | -        | -                     | -        | -        | -           | 868,755            |
| <b>Total Expenditures:</b>    | <b>115,000</b> | <b>693,755</b> | <b>175,000</b> | <b>-</b> | <b>-</b> | <b>-</b>              | <b>-</b> | <b>-</b> | <b>-</b>    | <b>983,755</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL PRESERVATION FUND (105)

TIP# P-4

Project Title: **Bridge Deck Preservation Program**  
 Project No: **Varies**  
 Project Type: **Preservation**  
 Project Manager: **Scott Nutter**

STIP# AUB-N/A

### Description:

The program rehabilitates bridge decks as identified by the City's annual bridge inspection program. Program funds reflect remaining budget after allocations to specific bridge deck preservation projects.

### Progress Summary:

The 2021 funds are being used as the local match for the grant funded Lea Hill and 3rd Street bridge maintenance projects.

### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                  | 2021 YE | Budget        |          |         | Forecast Project Cost |         |         |         | Total Project Cost |         |
|----------------------------|---------|---------------|----------|---------|-----------------------|---------|---------|---------|--------------------|---------|
|                            |         | Prior to 2021 | Estimate | 2022    | 2023                  | 2024    | 2025    | 2026    |                    | 2027    |
| Funding Sources:           |         |               |          |         |                       |         |         |         |                    |         |
| Arterial Preservation Fund | -       | -             | 100,000  | 100,000 | 100,000               | 100,000 | 100,000 | 100,000 | -                  | 600,000 |
| Unsecured Grant            | -       | -             | -        | -       | -                     | -       | -       | -       | -                  | -       |
| Other                      | -       | -             | -        | -       | -                     | -       | -       | -       | -                  | -       |
| Total Funding Sources:     | -       | -             | 100,000  | 100,000 | 100,000               | 100,000 | 100,000 | 100,000 | -                  | 600,000 |
|                            | -       |               |          |         |                       |         |         |         |                    |         |
| Capital Expenditures:      |         |               |          |         |                       |         |         |         |                    |         |
| Design                     | -       | -             | 20,000   | 20,000  | 20,000                | 20,000  | 20,000  | 20,000  | -                  | 120,000 |
| Right of Way               | -       | -             | -        | -       | -                     | -       | -       | -       | -                  | -       |
| Construction               | -       | -             | 80,000   | 80,000  | 80,000                | 80,000  | 80,000  | 80,000  | -                  | 480,000 |
| Total Expenditures:        | -       | -             | 100,000  | 100,000 | 100,000               | 100,000 | 100,000 | 100,000 | -                  | 600,000 |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL PRESERVATION FUND (105)

TIP# P-5

Project Title: **Bridge Structure Preservation Program**  
 Project No: **Varies**  
 Project Type: **Preservation**  
 Project Manager: **Scott Nutter**

STIP# AUB-N/A

### Description:

This program performs annual bridge inspections and load ratings as needed and implements identified maintenance, repairs, and improvements. Program funds reflect remaining budget after allocations to specific bridge structure preservation projects.

### Progress Summary:

The 2021 funds are being used as the local match for the grant funded Lea Hill and 3rd Street bridge maintenance projects.

### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget        |      |               | Forecast Project Cost |               |      |               | Total Project Cost |
|-------------------------------|---------------|---------------------|---------------|------|---------------|-----------------------|---------------|------|---------------|--------------------|
|                               |               |                     | 2022          | 2023 | 2024          | 2025                  | 2026          | 2027 | Beyond 2027   |                    |
| <b>Funding Sources:</b>       |               |                     |               |      |               |                       |               |      |               |                    |
| Arterial Preservation Fund    | -             | 25,000              | 50,000        | -    | 50,000        | -                     | 50,000        | -    | 50,000        | 225,000            |
| Unsecured Grant               | -             | -                   | -             | -    | -             | -                     | -             | -    | -             | -                  |
| Other                         | -             | -                   | -             | -    | -             | -                     | -             | -    | -             | -                  |
| <b>Total Funding Sources:</b> | -             | <b>25,000</b>       | <b>50,000</b> | -    | <b>50,000</b> | -                     | <b>50,000</b> | -    | <b>50,000</b> | <b>225,000</b>     |
| <b>Capital Expenditures:</b>  |               |                     |               |      |               |                       |               |      |               |                    |
| Design                        | -             | 25,000              | 10,000        | -    | 10,000        | -                     | 10,000        | -    | 10,000        | 65,000             |
| Right of Way                  | -             | -                   | -             | -    | -             | -                     | -             | -    | -             | -                  |
| Construction                  | -             | -                   | 40,000        | -    | 40,000        | -                     | 40,000        | -    | 40,000        | 160,000            |
| <b>Total Expenditures:</b>    | -             | <b>25,000</b>       | <b>50,000</b> | -    | <b>50,000</b> | -                     | <b>50,000</b> | -    | <b>50,000</b> | <b>225,000</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

### ARTERIAL PRESERVATION FUND (105)

TIP# P-6

Project Title: Lake Tapps Pkwy/Sumner-Tapps Hwy E Preservation  
 Project No: TBD  
 Project Type: Preservation  
 Project Manager: TBD

STIP# AUB-68

#### Description:

The project will grind and overlay the Lake Tapps Parkway/Sumner-Tapps Highway E corridor from the intersection of Lake Tapps Parkway with Lakeland Hills Way to the intersection of Sumner-Tapps Highway E with 16th Street E (the Auburn City limit). Portions of the corridor include a center two-way left-turn lane which does not require preservation and would be omitted from the grind and overlay. The project scope also includes upgrades to ADA curb ramps and pedestrian push buttons, and replacement of vehicle detection at signalized intersections.

#### Progress Summary:

Grant funding for the project was awarded in 2020.

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                     | 2021 YE       |          | Budget        |               |                  | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|---------------|----------|---------------|---------------|------------------|-----------------------|------|------|-------------|--------------------|
|                               | Prior to 2021 | Estimate | 2022          | 2023          | 2024             | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |          |               |               |                  |                       |      |      |             |                    |
| Arterial Preservation Fund    | -             | -        | 25,000        | 75,000        | 534,356          | -                     | -    | -    | -           | 634,356            |
| Secured Grant                 | -             | -        | -             | -             | 750,000          | -                     | -    | -    | -           | 750,000            |
| Other                         | -             | -        | -             | -             | -                | -                     | -    | -    | -           | -                  |
| <b>Total Funding Sources:</b> | -             | -        | <b>25,000</b> | <b>75,000</b> | <b>1,284,356</b> | -                     | -    | -    | -           | <b>1,384,356</b>   |
| <b>Capital Expenditures:</b>  |               |          |               |               |                  |                       |      |      |             |                    |
| Design                        | -             | -        | 25,000        | 50,000        | -                | -                     | -    | -    | -           | 75,000             |
| Right of Way                  | -             | -        | -             | 25,000        | -                | -                     | -    | -    | -           | 25,000             |
| Construction                  | -             | -        | -             | -             | 1,284,356        | -                     | -    | -    | -           | 1,284,356          |
| <b>Total Expenditures:</b>    | -             | -        | <b>25,000</b> | <b>75,000</b> | <b>1,284,356</b> | -                     | -    | -    | -           | <b>1,384,356</b>   |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

TIP# P-7

### LOCAL STREET PRESERVATION FUND (103)

Project Title: **2021 Local Street Preservation Project**  
 Project No: **CP2019**  
 Project Type: **Preservation**  
 Project Manager: **Kim Truong**

STIP# AUB-N/A

#### Description:

This project will reconstruct G Street SE (from East Main Street to 4th Street SE) and grind and overlay the Riverwalk/Forest Ridge Neighborhood. The scope of work includes the following: full-depth roadway replacement and/or grind and overlay and any needed utility improvements within the project limits.

#### Progress Summary:

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                      | 2020 YE<br>Estimate | Budget         |                  |      | Forecast Project Cost |      |      |      | Total Project Cost |
|--------------------------------|---------------------|----------------|------------------|------|-----------------------|------|------|------|--------------------|
|                                |                     | Prior to 2020  | 2021             | 2022 | 2023                  | 2024 | 2025 | 2026 | Beyond 2026        |
| <b>Funding Sources:</b>        |                     |                |                  |      |                       |      |      |      |                    |
| Local Street Preserv. Fund     | -                   | -              | -                | -    | -                     | -    | -    | -    | -                  |
| Utilities Transfer to 103 Fund | -                   | -              | -                | -    | -                     | -    | -    | -    | -                  |
| REET 1                         | -                   | 300,000        | 2,200,000        | -    | -                     | -    | -    | -    | -                  |
| REET 2                         | -                   | -              | -                | -    | -                     | -    | -    | -    | -                  |
| <b>Total Funding Sources:</b>  | -                   | <b>300,000</b> | <b>2,200,000</b> | -    | -                     | -    | -    | -    | <b>2,500,000</b>   |
| <b>Capital Expenditures:</b>   |                     |                |                  |      |                       |      |      |      |                    |
| Design                         | -                   | 300,000        | -                | -    | -                     | -    | -    | -    | -                  |
| Right of Way                   | -                   | -              | -                | -    | -                     | -    | -    | -    | -                  |
| Construction                   | -                   | -              | 2,200,000        | -    | -                     | -    | -    | -    | -                  |
| <b>Total Expenditures:</b>     | -                   | <b>300,000</b> | <b>2,200,000</b> | -    | -                     | -    | -    | -    | <b>2,500,000</b>   |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

TIP# P-8

### LOCAL STREET PRESERVATION FUND (103)

Project Title: **2022 Local Street Preservation Project**  
 Project No: **TBD**  
 Project Type: **Preservation**  
 Project Manager: **TBD**

STIP# AUB-N/A

#### Description:

This project will reconstruct I Street SE (from East Main Street to 4th Street SE). The scope of work includes the following: full-depth roadway replacement and any needed utility improvements within the project limits.

#### Progress Summary:

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                      | 2020 YE       |          | Budget         |                  |      | Forecast Project Cost |      |      |             | Total Project Cost |
|--------------------------------|---------------|----------|----------------|------------------|------|-----------------------|------|------|-------------|--------------------|
|                                | Prior to 2020 | Estimate | 2021           | 2022             | 2023 | 2024                  | 2025 | 2026 | Beyond 2026 |                    |
| <b>Funding Sources:</b>        |               |          |                |                  |      |                       |      |      |             |                    |
| Local Street Preserv. Fund     | -             | -        | -              | -                | -    | -                     | -    | -    | -           | -                  |
| Utilities Transfer to 103 Fund | -             | -        | 150,000        | -                | -    | -                     | -    | -    | -           | 150,000            |
| REET 1                         | -             | -        | -              | 750,000          | -    | -                     | -    | -    | -           | 750,000            |
| REET 2                         | -             | -        | -              | 750,000          | -    | -                     | -    | -    | -           | 750,000            |
| <b>Total Funding Sources:</b>  | -             | -        | <b>150,000</b> | <b>1,500,000</b> | -    | -                     | -    | -    | -           | <b>1,650,000</b>   |
| <b>Capital Expenditures:</b>   |               |          |                |                  |      |                       |      |      |             |                    |
| Design                         | -             | -        | 150,000        | -                | -    | -                     | -    | -    | -           | 150,000            |
| Right of Way                   | -             | -        | -              | -                | -    | -                     | -    | -    | -           | -                  |
| Construction                   | -             | -        | -              | 1,500,000        | -    | -                     | -    | -    | -           | 1,500,000          |
| <b>Total Expenditures:</b>     | -             | -        | <b>150,000</b> | <b>1,500,000</b> | -    | -                     | -    | -    | -           | <b>1,650,000</b>   |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

TIP# P-9

### ARTERIAL PRESERVATION FUND (105)

Project Title: **Lea Hill Bridge Deck Preservation**  
 Project No: **CP2007**  
 Project Type: **Preservation**  
 Project Manager: **Kim Truong**

STIP# AUB-N/A

#### Description:

This project will grind and overlay the bridge deck in an effort to extend the overall service life of the bridge.

#### Progress Summary:

Federal Grant funding was awarded in 2020.

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                     | Prior to 2020 | 2020 YE<br>Estimate | Budget        |                |      | Forecast Project Costs |      |      |             | Total Project Cost |
|-------------------------------|---------------|---------------------|---------------|----------------|------|------------------------|------|------|-------------|--------------------|
|                               |               |                     | 2021          | 2022           | 2023 | 2024                   | 2025 | 2026 | Beyond 2026 |                    |
| <b>Funding Sources:</b>       |               |                     |               |                |      |                        |      |      |             |                    |
| Arterial Preservation Fund    | -             | -                   | -             | -              | -    | -                      | -    | -    | -           | -                  |
| Secured Federal Grant         | -             | -                   | 80,000        | 567,850        | -    | -                      | -    | -    | -           | 647,850            |
| Other                         | -             | -                   | -             | -              | -    | -                      | -    | -    | -           | -                  |
| <b>Total Funding Sources:</b> | -             | -                   | <b>80,000</b> | <b>567,850</b> | -    | -                      | -    | -    | -           | <b>647,850</b>     |
| <b>Capital Expenditures:</b>  |               |                     |               |                |      |                        |      |      |             |                    |
| Design                        | -             | -                   | 80,000        | -              | -    | -                      | -    | -    | -           | 80,000             |
| Right of Way                  | -             | -                   | -             | -              | -    | -                      | -    | -    | -           | -                  |
| Construction                  | -             | -                   | -             | 567,850        | -    | -                      | -    | -    | -           | 567,850            |
| <b>Total Expenditures:</b>    | -             | -                   | <b>80,000</b> | <b>567,850</b> | -    | -                      | -    | -    | -           | <b>647,850</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL PRESERVATION FUND (105)

TIP# P-10

Project Title: **A Street SE Preservation (37th Street SE to Lakeland Hills Way)**  
Project No: **TBD**  
Project Type: **Preservation**  
Project Manager: **TBD**

STIP# AUB-N/A

### Description:

The project will grind and overlay A Street SE from 37th Street SE to the Auburn/Pacific City Limit and from the Pacific/Auburn City Limit to the intersection with Lakeland Hills Way). The project also includes ADA upgrades to curb ramps, pedestrian push buttons, and replacement of vehicle detection loops.

### Progress Summary:

Grant funding for the construction phase of this project is anticipated to be submitted in 2022. If awarded, the design phase would begin in 2023.

### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity: | Funding Sources:                  | Prior to 2021 | 2021 YE Estimate | Budget |               |                | Forecast Project Cost |      |      |             | Total Project Cost |
|-----------|-----------------------------------|---------------|------------------|--------|---------------|----------------|-----------------------|------|------|-------------|--------------------|
|           |                                   |               |                  | 2022   | 2023          | 2024           | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
|           | <i>Arterial Preservation Fund</i> | -             | -                | -      | 25,000        | 100,000        | 866,130               | -    | -    | -           | 991,130            |
|           | <i>Unsecured Grant</i>            | -             | -                | -      | -             | -              | 866,130               | -    | -    | -           | 866,130            |
|           | <i>Traffic Impact Fees</i>        | -             | -                | -      | -             | -              | -                     | -    | -    | -           | -                  |
|           | <i>Other</i>                      | -             | -                | -      | -             | -              | -                     | -    | -    | -           | -                  |
|           | <b>Total Funding Sources:</b>     | -             | -                | -      | <b>25,000</b> | <b>100,000</b> | <b>1,732,260</b>      | -    | -    | -           | <b>1,857,260</b>   |
|           | <b>Capital Expenditures:</b>      |               |                  |        |               |                |                       |      |      |             |                    |
|           | <i>Design</i>                     | -             | -                | -      | 25,000        | 75,000         | -                     | -    | -    | -           | 100,000            |
|           | <i>Right of Way</i>               | -             | -                | -      | -             | 25,000         | -                     | -    | -    | -           | 25,000             |
|           | <i>Construction</i>               | -             | -                | -      | -             | -              | 1,732,260             | -    | -    | -           | 1,732,260          |
|           | <b>Total Expenditures:</b>        | -             | -                | -      | <b>25,000</b> | <b>100,000</b> | <b>1,732,260</b>      | -    | -    | -           | <b>1,857,260</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL PRESERVATION FUND (105)

TIP# P-11

Project Title: **C Street SW Preservation (W Main St to GSA Signal)**  
 Project No: **TBD**  
 Project Type: **Preservation**  
 Project Manager: **TBD**

STIP# AUB-67

### Description:

The project will grind and overlay C Street SW from W Main Street to the GSA signal (approximately 2,000 feet to the south of 15th Street SW). The project also includes ADA upgrades to curb ramps and pedestrian push buttons, and replacement of vehicle detection loops.

### Progress Summary:

Grant funding for the construction phase of this project was awarded in 2020.

### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                     |                      | 2021 YE<br>Estimate | Budget         |                  |          | Forecast Project Cost |          |          |             | Total Project<br>Cost |
|-------------------------------|----------------------|---------------------|----------------|------------------|----------|-----------------------|----------|----------|-------------|-----------------------|
|                               |                      |                     | 2022           | 2023             | 2024     | 2025                  | 2026     | 2027     | Beyond 2027 |                       |
| <b>Funding Sources:</b>       | <b>Prior to 2021</b> |                     |                |                  |          |                       |          |          |             |                       |
| Arterial Preservation Fund    | -                    | 25,000              | 100,000        | 1,118,272        | -        | -                     | -        | -        | -           | 1,243,272             |
| Secured Grant                 | -                    | -                   | -              | 1,118,272        | -        | -                     | -        | -        | -           | 1,118,272             |
| Traffic Impact Fees           | -                    | -                   | -              | -                | -        | -                     | -        | -        | -           | -                     |
| Other                         | -                    | -                   | -              | -                | -        | -                     | -        | -        | -           | -                     |
| <b>Total Funding Sources:</b> | <b>-</b>             | <b>25,000</b>       | <b>100,000</b> | <b>2,236,544</b> | <b>-</b> | <b>-</b>              | <b>-</b> | <b>-</b> | <b>-</b>    | <b>2,361,544</b>      |
| <b>Capital Expenditures:</b>  |                      |                     |                |                  |          |                       |          |          |             |                       |
| Design                        | -                    | 25,000              | 75,000         | -                | -        | -                     | -        | -        | -           | 100,000               |
| Right of Way                  | -                    | -                   | 25,000         | -                | -        | -                     | -        | -        | -           | 25,000                |
| Construction                  | -                    | -                   | -              | 2,236,544        | -        | -                     | -        | -        | -           | 2,236,544             |
| <b>Total Expenditures:</b>    | <b>-</b>             | <b>25,000</b>       | <b>100,000</b> | <b>2,236,544</b> | <b>-</b> | <b>-</b>              | <b>-</b> | <b>-</b> | <b>-</b>    | <b>2,361,544</b>      |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

TIP# P-12

### ARTERIAL PRESERVATION FUND (105)

Project Title: **Lakeland Hill Way Preservation (57th Drive SE to Lake Tapps Pkwy)**  
 Project No: **CP2011**  
 Project Type: **Preservation**  
 Project Manager: **Seth Wickstrom**

STIP# AUB-N/A

#### Description:

The project will grind, patch, and overlay Lakeland Hills Way from 57th Drive SE to Lake Tapps Pkwy. The project also includes ADA upgrades to curb ramps and replacement of vehicle detection loops.

#### Progress Summary:

Grant funding for the construction phase of this project was awarded in 2018. However, to assist the region in meeting obligation targets for Federal funding, the grant funds awarded for this project were re-allocated to the Auburn Way Phase 2 and Phase 3 preservation projects to be completed in 2020. The re-allocation requires that the City commits to completing this project as originally planned using non-federal funding sources.

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                  | 2020 YE       |          | Budget    |      |      | Forecast Project Cost |      |      |             | Total Project Cost |
|----------------------------|---------------|----------|-----------|------|------|-----------------------|------|------|-------------|--------------------|
|                            | Prior to 2020 | Estimate | 2021      | 2022 | 2023 | 2024                  | 2025 | 2026 | Beyond 2026 |                    |
| Funding Sources:           |               |          |           |      |      |                       |      |      |             |                    |
| Arterial Preservation Fund | -             | 100,000  | 1,100,000 | -    | -    | -                     | -    | -    | -           | 1,200,000          |
| Secured Federal Grant      | -             | -        | -         | -    | -    | -                     | -    | -    | -           | -                  |
| Traffic Impact Fees        | -             | -        | -         | -    | -    | -                     | -    | -    | -           | -                  |
| Other                      | -             | -        | -         | -    | -    | -                     | -    | -    | -           | -                  |
| Total Funding Sources:     | -             | 100,000  | 1,100,000 | -    | -    | -                     | -    | -    | -           | 1,200,000          |
| Capital Expenditures:      |               |          |           |      |      |                       |      |      |             |                    |
| Design                     | -             | 100,000  | -         | -    | -    | -                     | -    | -    | -           | 100,000            |
| Right of Way               | -             | -        | -         | -    | -    | -                     | -    | -    | -           | -                  |
| Construction               | -             | -        | 1,100,000 | -    | -    | -                     | -    | -    | -           | 1,100,000          |
| Total Expenditures:        | -             | 100,000  | 1,100,000 | -    | -    | -                     | -    | -    | -           | 1,200,000          |

# TO BE REMOVED

## Six Year Transportation Improvement Plan

TIP# P-13

### ARTERIAL PRESERVATION FUND (105)

Project Title: **3rd Street SW Bridges Deck Preservation**  
 Project No: **CP2006**  
 Project Type: **Preservation**  
 Project Manager: **Kim Truong**

STIP# AUB-N/A

#### Description:

This project will seal and overlay the 3rd Street SW bridge decks in an effort to extend the overall service life of the bridges. The following bridges are included in the project: 3rd Street off-ramp, 3rd Street SW over the BNSF tracks, and 3rd Street SW over A Street SW.

#### Progress Summary:

Federal Grant funding was awarded in 2020.

#### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity: | Funding Sources:                  | Prior to 2020 | 2020 YE Estimate | Budget         |                |      | Forecast Project Costs |      |      |             | Total Project Cost |
|-----------|-----------------------------------|---------------|------------------|----------------|----------------|------|------------------------|------|------|-------------|--------------------|
|           |                                   |               |                  | 2021           | 2022           | 2023 | 2024                   | 2025 | 2026 | Beyond 2026 |                    |
|           | <i>Arterial Preservation Fund</i> | -             | -                | -              | -              | -    | -                      | -    | -    | -           | -                  |
|           | <i>Secured Federal Grant</i>      | -             | -                | 120,000        | 553,540        | -    | -                      | -    | -    | -           | 673,540            |
|           | <i>Other</i>                      | -             | -                | -              | -              | -    | -                      | -    | -    | -           | -                  |
|           | <b>Total Funding Sources:</b>     | -             | -                | <b>120,000</b> | <b>553,540</b> | -    | -                      | -    | -    | -           | <b>673,540</b>     |
|           | <b>Capital Expenditures:</b>      |               |                  |                |                |      |                        |      |      |             |                    |
|           | <i>Design</i>                     | -             | -                | 120,000        | -              | -    | -                      | -    | -    | -           | 120,000            |
|           | <i>Right of Way</i>               | -             | -                | -              | -              | -    | -                      | -    | -    | -           | -                  |
|           | <i>Construction</i>               | -             | -                | -              | 553,540        | -    | -                      | -    | -    | -           | 553,540            |
|           | <b>Total Expenditures:</b>        | -             | -                | <b>120,000</b> | <b>553,540</b> | -    | -                      | -    | -    | -           | <b>673,540</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL PRESERVATION FUND (105)

TIP# P-14

Project Title: **4th Street SE Preservation (Auburn Way S to L Street SE)**  
 Project No: **CP2102**  
 Project Type: **Preservation**  
 Project Manager: **Jeff Bender**

STIP# AUB-N/A

### Description:

This project will replace pavement and utilities on 4th Street SE from Auburn Way South to L Street SE. A pavement grind and overlay is planned between Auburn Way South and D Street SE. Full depth pavement reclamation is planned from D Street SE to L Street SE. The project will also include replacement of City utilities, removal of sidewalk obstructions, replacement of sidewalk and curb ramps as needed to address ADA requirements, and other improvements.

### Progress Summary:

Grant funding for the project was awarded by TIB in 2020.

### Future Impact on Operating Budget:

This project is anticipated to reduce the operating budget for street maintenance.

| Activity:                  | 2021 YE          |               | Budget    |      |      | Forecast Project Cost |      |      |      | Total Project Cost |
|----------------------------|------------------|---------------|-----------|------|------|-----------------------|------|------|------|--------------------|
|                            | Funding Sources: | Prior to 2021 | Estimate  | 2022 | 2023 | 2024                  | 2025 | 2026 | 2027 |                    |
| Arterial Preservation Fund | -                | 143,951       | 1,065,048 | -    | -    | -                     | -    | -    | -    | 1,208,999          |
| Secured Grant              | -                | 150,000       | 1,597,572 | -    | -    | -                     | -    | -    | -    | 1,747,572          |
| Traffic Impact Fees        | -                | -             | -         | -    | -    | -                     | -    | -    | -    | -                  |
| Other                      | -                | -             | -         | -    | -    | -                     | -    | -    | -    | -                  |
| Total Funding Sources:     | -                | 293,951       | 2,662,620 | -    | -    | -                     | -    | -    | -    | 2,956,571          |
| Capital Expenditures:      |                  |               |           |      |      |                       |      |      |      |                    |
| Design                     | -                | 293,951       | -         | -    | -    | -                     | -    | -    | -    | 293,951            |
| Right of Way               | -                | -             | -         | -    | -    | -                     | -    | -    | -    | -                  |
| Construction               | -                | -             | 2,662,620 | -    | -    | -                     | -    | -    | -    | 2,662,620          |
| Total Expenditures:        | -                | 293,951       | 2,662,620 | -    | -    | -                     | -    | -    | -    | 2,956,571          |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

CAPITAL IMPROVEMENT FUND (328)

TIP# R-1

Project Title: **Neighborhood Traffic Calming Program**  
 Project No: **Varies**  
 Project Type: **Non-Capacity**  
 Project Manager: **Cecile Malik**

STIP# AUB-N/A

### Description:

This program will implement traffic calming measures within residential neighborhoods. The measures will be supported by engineering studies as necessary. Projects will be selected annually based on requests from residents, or police concerns, crash history, and available staff and financial resources.

### Progress Summary:

During 2020 and 2021 the scope of the program was reduced due to funding and staffing constraints. A budget ammendment is proposed for 2022 to allow the program to be resumed.

### Future Impact on Operating Budget:

The traffic calming program will have no impact on the operating budget for street maintenance.

| Activity:              |               | 2021 YE  | Budget  |         |         | Forecast Project Cost |         |         |             |                    |
|------------------------|---------------|----------|---------|---------|---------|-----------------------|---------|---------|-------------|--------------------|
| Funding Sources:       | Prior to 2021 | Estimate | 2022    | 2023    | 2024    | 2025                  | 2026    | 2027    | Beyond 2027 | Total Project Cost |
| Fund Balance           | -             | -        | -       | -       | -       | -                     | -       | -       | -           | -                  |
| Unsecured Grant        | -             | -        | -       | -       | -       | -                     | -       | -       | -           | -                  |
| REET 2                 | -             | 51,937   | 150,000 | 150,000 | 150,000 | 150,000               | 150,000 | 150,000 | -           | 951,937            |
| Other                  | -             | -        | -       | -       | -       | -                     | -       | -       | -           | -                  |
| Total Funding Sources: | -             | 51,937   | 150,000 | 150,000 | 150,000 | 150,000               | 150,000 | 150,000 | -           | 951,937            |
| Capital Expenditures:  |               |          |         |         |         |                       |         |         |             |                    |
| Design                 | -             | 5,000    | 30,000  | 30,000  | 30,000  | 30,000                | 30,000  | 30,000  | -           | 185,000            |
| Right of Way           | -             | -        | -       | -       | -       | -                     | -       | -       | -           | -                  |
| Construction           | -             | 46,937   | 120,000 | 120,000 | 120,000 | 120,000               | 120,000 | 120,000 | -           | 766,937            |
| Total Expenditures:    | -             | 51,937   | 150,000 | 150,000 | 150,000 | 150,000               | 150,000 | 150,000 | -           | 951,937            |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

TIP# R-2

### ARTERIAL STREET FUND (102)

Project Title: **Stewart Road - City of Sumner (Lake Tapps Parkway Corridor)**  
 Project No: **N/A**  
 Project Type: **Capacity**  
 Project Manager: **City of Sumner**

STIP# AUB-N/A

LOS Corridor ID# N/A

#### Description:

This is a City of Sumner project to widen the Stewart Road (Lake Tapps Parkway) Corridor. The project will replace the existing bridge over the White River with a new wider one. Completion of this corridor widening is expected to significantly relieve traffic congestion in Auburn along the A St SE and C St SW corridors.

#### Progress Summary:

City of Sumner has initiated preliminary road design and is seeking grant funding to complete the project.

#### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget |      |                | Forecast Project Cost |      |      |             | Total Project<br>Cost |
|-------------------------------|---------------|---------------------|--------|------|----------------|-----------------------|------|------|-------------|-----------------------|
|                               |               |                     | 2022   | 2023 | 2024           | 2025                  | 2026 | 2027 | Beyond 2027 |                       |
| <b>Funding Sources:</b>       |               |                     |        |      |                |                       |      |      |             |                       |
| Unrestricted Street Revenue   | -             | -                   | -      | -    | -              | -                     | -    | -    | -           | -                     |
| Unsecured Grant               | -             | -                   | -      | -    | -              | -                     | -    | -    | -           | -                     |
| Traffic Impact Fees           | -             | -                   | -      | -    | -              | -                     | -    | -    | -           | -                     |
| Traffic Mitigation Fees       | -             | -                   | -      | -    | 150,000        | -                     | -    | -    | -           | 150,000               |
| <b>Total Funding Sources:</b> | -             | -                   | -      | -    | <b>150,000</b> | -                     | -    | -    | -           | <b>150,000</b>        |
| <b>Capital Expenditures:</b>  |               |                     |        |      |                |                       |      |      |             |                       |
| Design                        | -             | -                   | -      | -    | -              | -                     | -    | -    | -           | -                     |
| Right of Way                  | -             | -                   | -      | -    | -              | -                     | -    | -    | -           | -                     |
| Construction                  | -             | -                   | -      | -    | 150,000        | -                     | -    | -    | -           | 150,000               |
| <b>Total Expenditures:</b>    | -             | -                   | -      | -    | <b>150,000</b> | -                     | -    | -    | -           | <b>150,000</b>        |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-3

Project Title: **M Street Underpass (3rd St SE to 8th St SE)**  
 Project No: **c201a0**  
 Project Type: **Capacity**  
 Project Manager: **Ryan Vondrak**

STIP# AUB-N/A

LOS Corridor ID# 6

### Description:

The project constructed a grade separated railroad crossing of M Street SE at the BNSF Stampede Pass tracks.

### Progress Summary:

Construction was completed in 2014. The project is now in Public Works Trust Fund Loan (PWTFL) debt repayment through 2041.

### Future Impact on Operating Budget:

N/A

| Activity: | Funding Sources:                   | 2021 YE<br>Prior to 2021<br>Estimate | Budget         |                |                | Forecast Project Cost |                |                |                  | Total Project Cost |
|-----------|------------------------------------|--------------------------------------|----------------|----------------|----------------|-----------------------|----------------|----------------|------------------|--------------------|
|           |                                    |                                      | 2022           | 2023           | 2024           | 2025                  | 2026           | 2027           | Beyond 2027      |                    |
|           | Unrestricted Street Revenue        | -                                    | -              | -              | -              | -                     | -              | -              | -                | -                  |
|           | Secured Grants (Fed,State)         | 9,731,904                            | -              | -              | -              | -                     | -              | -              | -                | 9,731,904          |
|           | REET 2                             | 1,140,000                            | -              | -              | -              | -                     | -              | -              | -                | 1,140,000          |
|           | Traffic Impact Fees (Construction) | 4,309,782                            | -              | -              | -              | -                     | -              | -              | -                | 4,309,782          |
|           | Traffic Impact Fees (Debt Service) | 890,856                              | 122,843        | 122,550        | 122,258        | 121,965               | 121,673        | 121,380        | 1,668,615        | 3,415,275          |
|           | Traffic Mitigation Fees            | 660,000                              | -              | -              | -              | -                     | -              | -              | -                | 660,000            |
|           | PWTFL (30 years)                   | 3,284,857                            | -              | -              | -              | -                     | -              | -              | -                | 3,284,857          |
|           | Other (Agencies)                   | 3,090,514                            | -              | -              | -              | -                     | -              | -              | -                | 3,090,514          |
|           | <b>Total Funding Sources:</b>      | <b>22,217,057</b>                    | <b>122,843</b> | <b>122,550</b> | <b>122,258</b> | <b>121,965</b>        | <b>121,673</b> | <b>121,380</b> | <b>1,668,615</b> | <b>22,347,475</b>  |
|           | <b>Capital Expenditures:</b>       |                                      |                |                |                |                       |                |                |                  |                    |
|           | Design                             | 2,688,924                            | -              | -              | -              | -                     | -              | -              | -                | 2,688,924          |
|           | Right of Way                       | 3,358,443                            | -              | -              | -              | -                     | -              | -              | -                | 3,358,443          |
|           | Construction                       | 16,169,690                           | -              | -              | -              | -                     | -              | -              | -                | 16,169,690         |
|           | PWTF Debt Service                  | 890,856                              | 122,843        | 122,550        | 122,258        | 121,965               | 121,673        | 121,380        | 1,668,615        | 3,415,275          |
|           | <b>Total Expenditures:</b>         | <b>22,217,057</b>                    | <b>122,843</b> | <b>122,550</b> | <b>122,258</b> | <b>121,965</b>        | <b>121,673</b> | <b>121,380</b> | <b>1,668,615</b> | <b>22,347,475</b>  |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP # R-4

Project Title: **A Street Loop**  
 Project No: **CP2117**  
 Project Type: **Capacity**  
 Project Manager: **Luis Barba**

STIP# AUB-N/A

LOS Corridor ID# 31

### Description:

The project will construct a new one-way (eastbound) roadway connection between A Street SW/S Division Street and A Street SE. The new intersection with A Street SE will allow an unsignalized right-turn movement onto southbound A Street SE, providing an alternative to the intersection of 3rd Street SE and A Street SE, which does not meet adopted LOS standards. The roadway will be constructed as a complete street to accommodate non-motorized road users.

### Progress Summary:

Sound Transit has agreed to provide \$340,000 towards the construction phase as mitigation for the second parking garage. Federal funding for the construction phase was awarded in 2021. The \$70,000 programmed for 2021 is a carryforward from 2020.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity: | Funding Sources:                   | Prior to 2021 | 2021 YE Estimate | Budget         |                  |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-----------|------------------------------------|---------------|------------------|----------------|------------------|------|-----------------------|------|------|-------------|--------------------|
|           |                                    |               |                  | 2022           | 2023             | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
|           | <i>Unrestricted Street Revenue</i> | -             | -                | -              | -                | -    | -                     | -    | -    | -           | -                  |
|           | <i>Secured Federal Grant</i>       | -             | -                | -              | 1,125,000        | -    | -                     | -    | -    | -           | 1,125,000          |
|           | <i>Traffic Impact Fees</i>         | -             | 70,000           | 330,000        | 67,000           | -    | -                     | -    | -    | -           | 467,000            |
|           | <i>Other (Sound Transit)</i>       | -             | -                | -              | 340,000          | -    | -                     | -    | -    | -           | 340,000            |
|           | <b>Total Funding Sources:</b>      | -             | <b>70,000</b>    | <b>330,000</b> | <b>1,532,000</b> | -    | -                     | -    | -    | -           | <b>1,932,000</b>   |
|           | <b>Capital Expenditures:</b>       |               |                  |                |                  |      |                       |      |      |             |                    |
|           | <i>Design</i>                      | -             | 70,000           | 230,000        | -                | -    | -                     | -    | -    | -           | 300,000            |
|           | <i>Right of Way</i>                | -             | -                | 100,000        | 67,000           | -    | -                     | -    | -    | -           | 167,000            |
|           | <i>Construction</i>                | -             | -                | -              | 1,465,000        | -    | -                     | -    | -    | -           | 1,465,000          |
|           | <b>Total Expenditures:</b>         | -             | <b>70,000</b>    | <b>330,000</b> | <b>1,532,000</b> | -    | -                     | -    | -    | -           | <b>1,932,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-5

Project Title: **A Street NW, Phase 2 (W Main St to 3rd St NW)**  
 Project No: **TBD**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 18

### Description:

The project will widen A Street NW to create a three-lane roadway section between W Main St and 3rd St NW. This project will improve the connection between the A St NW Extension, (Phase 1) and Auburn Station and Central Business District. This project could be partially or fully funded by development and/or Sound Transit's parking garage/access improvements. The project is approximately 0.2 miles long.

### Progress Summary:

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$500.

| Activity:                     | 2021 YE        |          | Budget |      |                | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|----------------|----------|--------|------|----------------|-----------------------|------|------|-------------|--------------------|
|                               | Prior to 2021  | Estimate | 2022   | 2023 | 2024           | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |                |          |        |      |                |                       |      |      |             |                    |
| Unrestricted Street Revenue   | -              | -        | -      | -    | -              | -                     | -    | -    | -           | -                  |
| Unsecured Grant               | -              | -        | -      | -    | 200,000        | 1,325,000             | -    | -    | -           | 1,525,000          |
| Traffic Impact Fees           | -              | -        | -      | -    | 150,000        | -                     | -    | -    | -           | 150,000            |
| Other (Developer)             | 150,000        | -        | -      | -    | -              | 1,325,000             | -    | -    | -           | 1,475,000          |
| <b>Total Funding Sources:</b> | <b>150,000</b> | -        | -      | -    | <b>350,000</b> | <b>2,650,000</b>      | -    | -    | -           | <b>3,150,000</b>   |
| <b>Capital Expenditures:</b>  |                |          |        |      |                |                       |      |      |             |                    |
| Design                        | -              | -        | -      | -    | 250,000        | -                     | -    | -    | -           | 250,000            |
| Right of Way                  | -              | -        | -      | -    | 100,000        | -                     | -    | -    | -           | 100,000            |
| Construction                  | 150,000        | -        | -      | -    | -              | 2,650,000             | -    | -    | -           | 2,800,000          |
| <b>Total Expenditures:</b>    | <b>150,000</b> | -        | -      | -    | <b>350,000</b> | <b>2,650,000</b>      | -    | -    | -           | <b>3,150,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-6

Project Title: **Auburn Way S Widening (Hemlock St SE to Poplar St SE)**  
 Project No: **CP1622**  
 Project Type: **Capacity**  
 Project Manager: **Jeff Bender**

STIP# AUB-64

LOS Corridor ID# 4

### Description:

The project will widen Auburn Way S between Hemlock St SE and Poplar St SE to accommodate two lanes in each direction, center turn lane and/or medians to provide access management where feasible, sidewalks, bus pull-outs, street lighting and storm improvements. The project will also add an eastbound turnaround and enhanced pedestrian crossing near Redwood Court. The project length is approximately 0.5 miles. The project is needed to provide additional vehicular capacity, transit, and non-motorized facilities on the corridor.

### Progress Summary:

Project scope was revised to omit portions of the original project scope that are being built by the Auburn School District's (ASD) Chinook Elementary replacement project. ASD's project will construct a roundabout at the school driveway on Auburn Way S instead of the traffic signal on Auburn Way S that was originally proposed as part of the City's project. \$1,297,000 of federal grant funding for the design phase was awarded in 2019. 2021 Funding includes 2020 carry forward. If the cost of design phase is less than anticipated, a portion of the design phase grant will be utilized for construction. \$3,605,807 of federal grant funding was awarded in 2022 for the construction phase.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$2,500.

| Activity: | Funding Sources:                   | Prior to 2021  | 2021 YE Estimate | Budget           |                |                  | Forecast Project Cost |          |          |             | Total Project Cost |
|-----------|------------------------------------|----------------|------------------|------------------|----------------|------------------|-----------------------|----------|----------|-------------|--------------------|
|           |                                    |                |                  | 2022             | 2023           | 2024             | 2025                  | 2026     | 2027     | Beyond 2027 |                    |
|           | <i>Unrestricted Street Revenue</i> | -              | -                | -                | -              | -                | -                     | -        | -        | -           | -                  |
|           | <i>Secured Federal Grant</i>       | 131,305        | 865,000          | 297,550          | -              | 2,061,847        | 1,546,385             | -        | -        | -           | 4,902,087          |
|           | <i>Unsecured Grant</i>             | -              | -                | -                | -              | -                | -                     | -        | -        | -           | -                  |
|           | <i>Traffic Impact Fees</i>         | 24,707         | 135,000          | 846,438          | 400,000        | 1,938,153        | 1,453,615             | -        | -        | -           | 4,797,913          |
|           | <i>Other</i>                       | -              | -                | -                | -              | -                | -                     | -        | -        | -           | -                  |
|           | <b>Total Funding Sources:</b>      | <b>156,012</b> | <b>1,000,000</b> | <b>1,143,988</b> | <b>400,000</b> | <b>4,000,000</b> | <b>3,000,000</b>      | <b>-</b> | <b>-</b> | <b>-</b>    | <b>9,700,000</b>   |
|           | <b>Capital Expenditures:</b>       |                |                  |                  |                |                  |                       |          |          |             |                    |
|           | <i>Pre-Design</i>                  | -              | -                | -                | -              | -                | -                     | -        | -        | -           | -                  |
|           | <i>Design</i>                      | 156,012        | 1,000,000        | 343,988          | -              | -                | -                     | -        | -        | -           | 1,500,000          |
|           | <i>Right of Way</i>                | -              | -                | 800,000          | 400,000        | -                | -                     | -        | -        | -           | 1,200,000          |
|           | <i>Construction</i>                | -              | -                | -                | -              | 4,000,000        | 3,000,000             | -        | -        | -           | 7,000,000          |
|           | <b>Total Expenditures:</b>         | <b>156,012</b> | <b>1,000,000</b> | <b>1,143,988</b> | <b>400,000</b> | <b>4,000,000</b> | <b>3,000,000</b>      | <b>-</b> | <b>-</b> | <b>-</b>    | <b>9,700,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

TIP# R-7

### ARTERIAL STREET FUND (102)

Project Title: **M Street NE Widening (E Main St to 4th St NE)**  
 Project No: **asbd12**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 5

#### Description:

This project will construct a complete four/five-lane street section on M St NE from south of E Main St to 4th St NE, and reconstruct the signal at E Main St. The project is needed to improve traffic operations along the M Street NE corridor, and replace the existing pavement which is in poor condition.

#### Progress Summary:

#### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$500.

| Activity: | Funding Sources:                   | Prior to 2021 | 2021 YE Estimate | Budget         |               |                  | Forecast Project Cost |      |      |             | Total Project Cost |
|-----------|------------------------------------|---------------|------------------|----------------|---------------|------------------|-----------------------|------|------|-------------|--------------------|
|           |                                    |               |                  | 2022           | 2023          | 2024             | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
|           | <i>Unrestricted Street Revenue</i> | -             | -                | 120,000        | 50,000        | 400,000          | -                     | -    | -    | -           | 570,000            |
|           | <i>Arterial Street Fund (105)</i>  | -             | -                | 185,000        | -             | 1,220,000        | -                     | -    | -    | -           | 1,405,000          |
|           | <i>REET 2</i>                      | -             | -                | -              | -             | 400,000          | -                     | -    | -    | -           | 400,000            |
|           | <i>Traffic Impact Fees</i>         | -             | -                | 70,000         | -             | 465,000          | -                     | -    | -    | -           | 535,000            |
|           | <i>Other</i>                       | -             | -                | -              | -             | -                | -                     | -    | -    | -           | -                  |
|           | <b>Total Funding Sources:</b>      | -             | -                | <b>375,000</b> | <b>50,000</b> | <b>2,485,000</b> | -                     | -    | -    | -           | <b>2,910,000</b>   |
|           | <b>Capital Expenditures:</b>       |               |                  |                |               |                  |                       |      |      |             |                    |
|           | <i>Pre-Design</i>                  | -             | -                | -              | -             | -                | -                     | -    | -    | -           | -                  |
|           | <i>Design</i>                      | -             | -                | 375,000        | -             | -                | -                     | -    | -    | -           | 375,000            |
|           | <i>Right of Way</i>                | -             | -                | -              | 50,000        | -                | -                     | -    | -    | -           | 50,000             |
|           | <i>Construction</i>                | -             | -                | -              | -             | 2,485,000        | -                     | -    | -    | -           | 2,485,000          |
|           | <b>Total Expenditures:</b>         | -             | -                | <b>375,000</b> | <b>50,000</b> | <b>2,485,000</b> | -                     | -    | -    | -           | <b>2,910,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-8

Project Title: **49th Street NE (Auburn Way N to D St NE)**  
 Project No: **TBD**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# N/A

### Description:

This project will construct the build-out of 49th Street NE between Auburn Way N and D Street NE. The improvements are funded by private development.

### Progress Summary:

Preliminary design to identify the scope of the project and cost estimate is currently prepared by the developer. Once this has been approved by the City, the developer will provide the City with funding to complete the detailed design, ROW acquisition, and construction of the improvements.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$500

| Activity: | Funding Sources:                   | Prior to 2021 | 2021 YE Estimate | Budget         |                  |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-----------|------------------------------------|---------------|------------------|----------------|------------------|------|-----------------------|------|------|-------------|--------------------|
|           |                                    |               |                  | 2022           | 2023             | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
|           | <i>Unrestricted Street Revenue</i> | -             | -                | -              | -                | -    | -                     | -    | -    | -           | -                  |
|           | <i>Unsecured Grant</i>             | -             | -                | -              | -                | -    | -                     | -    | -    | -           | -                  |
|           | <i>Traffic Impact Fees</i>         | -             | -                | -              | -                | -    | -                     | -    | -    | -           | -                  |
|           | <i>Other (Developer)</i>           | -             | -                | 500,000        | 1,500,000        | -    | -                     | -    | -    | -           | 2,000,000          |
|           | <b>Total Funding Sources:</b>      | -             | -                | <b>500,000</b> | <b>1,500,000</b> | -    | -                     | -    | -    | -           | <b>2,000,000</b>   |
|           | <b>Capital Expenditures:</b>       |               |                  |                |                  |      |                       |      |      |             |                    |
|           | <i>Design</i>                      | -             | -                | 350,000        | -                | -    | -                     | -    | -    | -           | 350,000            |
|           | <i>Right of Way</i>                | -             | -                | 150,000        | -                | -    | -                     | -    | -    | -           | 150,000            |
|           | <i>Construction</i>                | -             | -                | -              | 1,500,000        | -    | -                     | -    | -    | -           | 1,500,000          |
|           | <b>Total Expenditures:</b>         | -             | -                | <b>500,000</b> | <b>1,500,000</b> | -    | -                     | -    | -    | -           | <b>2,000,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-9

Project Title: **46th Place S Realignment**  
 Project No: **TBD**  
 Project Type: **Capacity, Safety**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# N/A

### Description:

The project will realign 46th Place S to the south of S 321st Street. The realignment will move the 46th Place S intersection with S 321st Street approximately 350 feet to the east of the current location. This will create two T-intersections (44th Avenue S and 46th Place S) in place of the existing four-leg intersection. The existing 46th Place S will be dead-ended to the south of S 321st Street. The project will improve safety and traffic operations at the intersections.

### Progress Summary:

A portion of the right-of-way for the realigned roadway was dedicated as part of an adjacent development project.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget |      |      | Forecast Project Cost |                |                |             | Total Project Cost |
|-------------------------------|---------------|---------------------|--------|------|------|-----------------------|----------------|----------------|-------------|--------------------|
|                               |               |                     | 2022   | 2023 | 2024 | 2025                  | 2026           | 2027           | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                     |        |      |      |                       |                |                |             |                    |
| Unrestricted Street Revenue   | -             | -                   | -      | -    | -    | -                     | -              | -              | -           | -                  |
| Unsecured Grant               | -             | -                   | -      | -    | -    | -                     | -              | -              | -           | -                  |
| Traffic Impact Fees           | -             | -                   | -      | -    | -    | 250,000               | 250,000        | 750,000        | -           | 1,250,000          |
| Other (Development)           | -             | -                   | -      | -    | -    | -                     | -              | -              | -           | -                  |
| <b>Total Funding Sources:</b> | -             | -                   | -      | -    | -    | <b>250,000</b>        | <b>250,000</b> | <b>750,000</b> | -           | <b>1,250,000</b>   |
| <b>Capital Expenditures:</b>  |               |                     |        |      |      |                       |                |                |             |                    |
| Design                        | -             | -                   | -      | -    | -    | -                     | -              | -              | -           | -                  |
| Right of Way                  | -             | -                   | -      | -    | -    | 250,000               | 250,000        | -              | -           | 500,000            |
| Construction                  | -             | -                   | -      | -    | -    | -                     | -              | 750,000        | -           | 750,000            |
| <b>Total Expenditures:</b>    | -             | -                   | -      | -    | -    | <b>250,000</b>        | <b>250,000</b> | <b>750,000</b> | -           | <b>1,250,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-10

Project Title: **High Friction Surface Treatment**  
Project No: **CP2112**  
Project Type: **Safety**  
Project Manager: **Aleksey Koshman**

STIP# AUB-N/A

LOS Corridor ID# N/A

### Description:

The project will install a high friction surface treatment (HFST) at six different curved roadway segments throughout the City. The HFST involves the application of fine/rough aggregate to the pavement using a polymer binder to increase pavement friction. The higher pavement friction helps motorists maintain better control in both dry and wet driving conditions, reducing the potential for a crash.

### Progress Summary:

Grant funding was awarded by WSDOT in 2020.

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget         |      |      | Forecast Project Cost |      |      |             | Total Project Cost |
|-------------------------------|---------------|---------------------|----------------|------|------|-----------------------|------|------|-------------|--------------------|
|                               |               |                     | 2022           | 2023 | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                     |                |      |      |                       |      |      |             |                    |
| Unrestricted Street Revenue   | -             | 6,000               | -              | -    | -    | -                     | -    | -    | -           | 6,000              |
| Secured Grant                 | -             | 54,000              | 360,000        | -    | -    | -                     | -    | -    | -           | 414,000            |
| Traffic Impact Fees           | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                  |
| Other                         | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                  |
| <b>Total Funding Sources:</b> | -             | <b>60,000</b>       | <b>360,000</b> | -    | -    | -                     | -    | -    | -           | <b>420,000</b>     |
| <b>Capital Expenditures:</b>  |               |                     |                |      |      |                       |      |      |             |                    |
| Design                        | -             | 60,000              | -              | -    | -    | -                     | -    | -    | -           | 60,000             |
| Right of Way                  | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                  |
| Construction                  | -             | -                   | 360,000        | -    | -    | -                     | -    | -    | -           | 360,000            |
| <b>Total Expenditures:</b>    | -             | <b>60,000</b>       | <b>360,000</b> | -    | -    | -                     | -    | -    | -           | <b>420,000</b>     |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-11

Project Title: **124th Ave SE Widening (SE 312th St to SE 318th St)**  
 Project No: **TBD**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 23

### Description:

This project will widen 124th Avenue SE to create a four-lane section with bicycle and pedestrian facilities between SE 318th St and SE 312th St. The project will also construct improvements at the SE 312th St/124th Ave SE intersection (including adding bike lanes, dual westbound left-turn lanes, dual southbound through-lanes, a northbound right-turn pocket, ITS improvements, and pedestrian safety improvements). The project is needed to improve traffic operations along the corridor and to accommodate all travel modes.

### Progress Summary:

Phase 1 improvements between SE 318th and SE 316th were completed by GRC in 2012.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity:              | Funding Sources:            | 2021 YE<br>Estimate | Budget        |      |      | Forecast Project Cost |         |           |           | Total Project Cost |
|------------------------|-----------------------------|---------------------|---------------|------|------|-----------------------|---------|-----------|-----------|--------------------|
|                        |                             |                     | Prior to 2021 | 2022 | 2023 | 2024                  | 2025    | 2026      | 2027      |                    |
|                        | Unrestricted Street Revenue | -                   | -             | -    | -    | -                     | -       | -         | -         | -                  |
|                        | Unsecured Grant             | -                   | -             | -    | -    | -                     | -       | -         | -         | -                  |
|                        | Traffic Impact Fees         | -                   | -             | -    | -    | -                     | 400,000 | 1,100,000 | 2,500,000 | 4,000,000          |
|                        | Other                       | -                   | -             | -    | -    | -                     | -       | -         | -         | -                  |
| Total Funding Sources: |                             | -                   | -             | -    | -    | -                     | 400,000 | 1,100,000 | 2,500,000 | 4,000,000          |
|                        |                             |                     |               |      |      |                       |         |           |           |                    |
|                        | Capital Expenditures:       |                     |               |      |      |                       |         |           |           |                    |
|                        | Pre-Design                  | -                   | -             | -    | -    | -                     | -       | -         | -         | -                  |
|                        | Design                      | -                   | -             | -    | -    | -                     | 400,000 | -         | -         | 400,000            |
|                        | Right of Way                | -                   | -             | -    | -    | -                     | -       | 1,100,000 | -         | 1,100,000          |
|                        | Construction                | -                   | -             | -    | -    | -                     | -       | -         | 2,500,000 | 2,500,000          |
| Total Expenditures:    |                             | -                   | -             | -    | -    | -                     | 400,000 | 1,100,000 | 2,500,000 | 4,000,000          |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-16

Project Title: **Regional Growth Center Access Improvements**  
 Project No: **CP2110**  
 Project Type: **Capacity**  
 Project Manager: **Seth Wickstrom**

STIP# AUB-N/A

LOS Corridor ID# 2

### Description:

The project will construct a northbound left-turn lane and a northbound/southbound crosswalk at the 3rd Street NE/Auburn Avenue intersection, and realign the 4th Street NE/Auburn Way N intersection to eliminate the split phase signal operation improving circulation and access. The project will improve traffic operations, safety, and circulation for both vehicles and non-motorized users.

### Progress Summary:

Grant funding for the design and construction phases was awarded from Sound Transit in 2019. The design phase of the project has been initiated, and is currently underway.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$500.

| Activity: | Funding Sources:              | Prior to 2021 | 2021 YE Estimate | Budget         |                  |      | Forecast Project Costs |      |      |             | Total Project Cost |
|-----------|-------------------------------|---------------|------------------|----------------|------------------|------|------------------------|------|------|-------------|--------------------|
|           |                               |               |                  | 2022           | 2023             | 2024 | 2025                   | 2026 | 2027 | Beyond 2027 |                    |
|           | Unrestricted Street Revenue   | -             | -                | -              | -                | -    | -                      | -    | -    | -           | -                  |
|           | Secured Grant (Sound Transit) | -             | 325,000          | -              | 1,300,000        | -    | -                      | -    | -    | -           | 1,625,000          |
|           | Traffic Impact Fees           | -             | 85,000           | 100,000        | 200,000          | -    | -                      | -    | -    | -           | 385,000            |
|           | Other                         | -             | -                | -              | -                | -    | -                      | -    | -    | -           | -                  |
|           | <b>Total Funding Sources:</b> | -             | <b>410,000</b>   | <b>100,000</b> | <b>1,500,000</b> | -    | -                      | -    | -    | -           | <b>2,010,000</b>   |
|           | <b>Capital Expenditures:</b>  |               |                  |                |                  |      |                        |      |      |             |                    |
|           | Design                        | -             | 410,000          | -              | -                | -    | -                      | -    | -    | -           | 410,000            |
|           | Right of Way                  | -             | -                | 100,000        | -                | -    | -                      | -    | -    | -           | 100,000            |
|           | Construction                  | -             | -                | -              | 1,500,000        | -    | -                      | -    | -    | -           | 1,500,000          |
|           | <b>Total Expenditures:</b>    | -             | <b>410,000</b>   | <b>100,000</b> | <b>1,500,000</b> | -    | -                      | -    | -    | -           | <b>2,010,000</b>   |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-24

Project Title: **Stewart Road - City of Pacific (Lake Tapps Parkway Corridor)**

STIP# AUB-N/A

Project No: **N/A**

Project Type: **Capacity**

Project Manager: **City of Pacific**

LOS Corridor ID# N/A

### Description:

This is a City of Pacific project to widen the Stewart Road (Lake Tapps Parkway) Corridor. This is the final segment of widening in the City of Pacific which will tie in with the City of Sumner's planned final widening segment and new bridge over the White River. Completion of this corridor widening is expected to significantly relieve traffic congestion in Auburn along the A St SE and C St SW corridors.

### Progress Summary:

City of Pacific is in the process of completing the design phase and environmental permitting for the project. Construction is currently planned for 2021/22.

### Future Impact on Operating Budget:

This project will have no impact on the operating budget for street maintenance.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget         |      |      | Forecast Project Cost |      |      |             | Total Project<br>Cost |
|-------------------------------|---------------|---------------------|----------------|------|------|-----------------------|------|------|-------------|-----------------------|
|                               |               |                     | 2022           | 2023 | 2024 | 2025                  | 2026 | 2027 | Beyond 2027 |                       |
| <b>Funding Sources:</b>       |               |                     |                |      |      |                       |      |      |             |                       |
| Unrestricted Street Revenue   | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                     |
| Unsecured Grant               | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                     |
| Traffic Impact Fees           | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                     |
| Traffic Mitigation Fees       | -             | -                   | 100,000        | -    | -    | -                     | -    | -    | -           | 100,000               |
| <b>Total Funding Sources:</b> | -             | -                   | <b>100,000</b> | -    | -    | -                     | -    | -    | -           | <b>100,000</b>        |
| <b>Capital Expenditures:</b>  |               |                     |                |      |      |                       |      |      |             |                       |
| Design                        | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                     |
| Right of Way                  | -             | -                   | -              | -    | -    | -                     | -    | -    | -           | -                     |
| Construction                  | -             | -                   | 100,000        | -    | -    | -                     | -    | -    | -           | 100,000               |
| <b>Total Expenditures:</b>    | -             | -                   | <b>100,000</b> | -    | -    | -                     | -    | -    | -           | <b>100,000</b>        |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-26

Project Title: **E Valley Highway Widening**  
 Project No: **TBD**  
 Project Type: **Capacity**  
 Project Manager: **TBD**

STIP# AUB-N/A

LOS Corridor ID# 10

### Description:

This project will widen E Valley Highway between Lakeland Hills Way and Terrace View Drive SE, approximately 0.6 miles. The roadway will have a four/five lane cross section with a trail connection along the east side. Other project elements include storm improvement, illumination and ITS. The project will provide congestion relief along the corridor and provide access for non-motorized users.

### Progress Summary:

The City is conducting a corridor study during 2021. The scope and cost estimate for this project will be revised based on the study recommendations.

### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$2,500.

| Activity:                     | Prior to 2021 | 2021 YE<br>Estimate | Budget |      |      | Forecast Project Cost |                |                |                  | Total Project<br>Cost |
|-------------------------------|---------------|---------------------|--------|------|------|-----------------------|----------------|----------------|------------------|-----------------------|
|                               |               |                     | 2022   | 2023 | 2024 | 2025                  | 2026           | 2027           | Beyond 2027      |                       |
| <b>Funding Sources:</b>       |               |                     |        |      |      |                       |                |                |                  |                       |
| Unrestricted Street Revenue   | -             | -                   | -      | -    | -    | -                     | -              | -              | -                | -                     |
| Unsecured Grant               | -             | -                   | -      | -    | -    | -                     | 200,000        | 175,000        | 1,000,000        | 1,375,000             |
| Traffic Impact Fees           | -             | -                   | -      | -    | -    | -                     | 100,000        | 75,000         | 200,000          | 375,000               |
| Other (Developer)             | -             | -                   | -      | -    | -    | -                     | -              | -              | -                | -                     |
| <b>Total Funding Sources:</b> | -             | -                   | -      | -    | -    | -                     | <b>300,000</b> | <b>250,000</b> | <b>1,200,000</b> | <b>1,750,000</b>      |
| <b>Capital Expenditures:</b>  |               |                     |        |      |      |                       |                |                |                  |                       |
| Design                        | -             | -                   | -      | -    | -    | -                     | 300,000        | -              | -                | 300,000               |
| Right of Way                  | -             | -                   | -      | -    | -    | -                     | -              | 250,000        | -                | 250,000               |
| Construction                  | -             | -                   | -      | -    | -    | -                     | -              | -              | 1,200,000        | 1,200,000             |
| <b>Total Expenditures:</b>    | -             | -                   | -      | -    | -    | -                     | <b>300,000</b> | <b>250,000</b> | <b>1,200,000</b> | <b>1,750,000</b>      |

# PROPOSED DRAFT

## Six Year Transportation Improvement Plan

ARTERIAL STREET FUND (102)

TIP# R-27

Project Title: **Garden Avenue Realignment**  
 Project No: **CP2022**  
 Project Type: **Safety, Capacity**  
 Project Manager: **Kim Truong**

STIP# AUB-N/A

LOS Corridor ID# 19

### Description:

The project will construct a new east/west connection between Garden Avenue and 104th Avenue SE, and will cul-de-sac Garden Avenue to the north of 8th Street NE. This will improve traffic operations and safety along 8th Street NE.

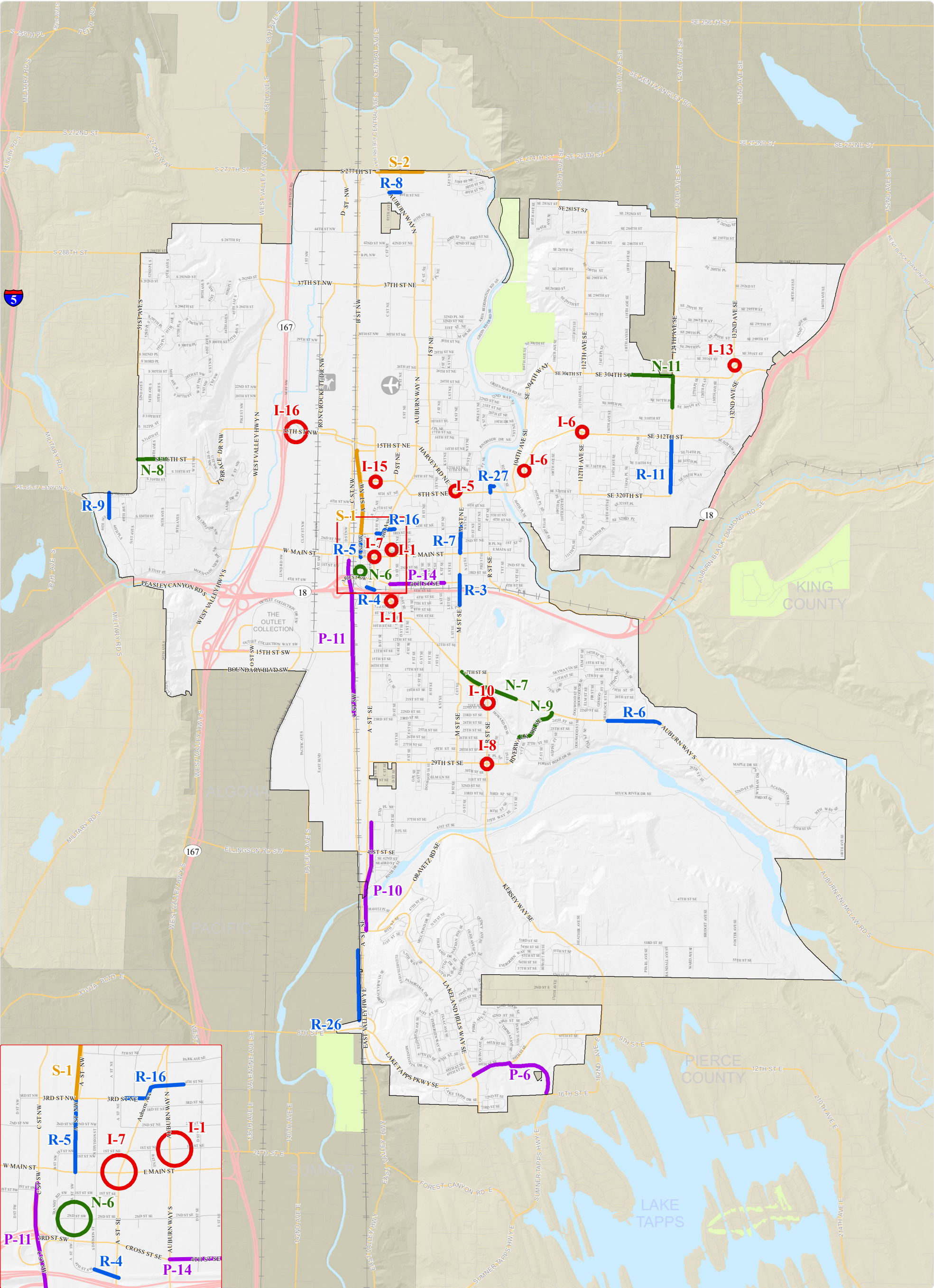
### Progress Summary:

The previous project title (Lea Hill Rd Segment 1A) was updated based on recommendations from the Lea Hill Corridor Study in 2020. In 2016, a parcel at the intersection of Garden Avenue and 320th/8th Street was purchased for the project. In 2016, right-of-way was dedicated for a portion of the new east/west roadway as part of an adjacent development project.

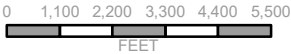
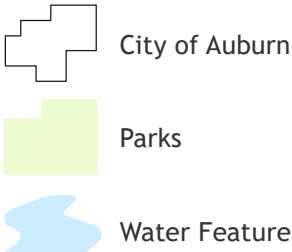
### Future Impact on Operating Budget:

The annual maintenance cost for this project is estimated to be \$1,000.

| Activity:                     | 2021 YE       |                | Budget         |          |          | Forecast Project Cost |          |          |             | Total Project Cost |
|-------------------------------|---------------|----------------|----------------|----------|----------|-----------------------|----------|----------|-------------|--------------------|
|                               | Prior to 2021 | Estimate       | 2022           | 2023     | 2024     | 2025                  | 2026     | 2027     | Beyond 2027 |                    |
| <b>Funding Sources:</b>       |               |                |                |          |          |                       |          |          |             |                    |
| Unrestricted Street Revenue   | -             | -              | -              | -        | -        | -                     | -        | -        | -           | -                  |
| Unsecured Grant               | -             | -              | -              | -        | -        | -                     | -        | -        | -           | -                  |
| Traffic Impact Fees           | 8,200         | 291,800        | 500,000        | -        | -        | -                     | -        | -        | -           | 800,000            |
| Other                         | -             | -              | -              | -        | -        | -                     | -        | -        | -           | -                  |
| <b>Total Funding Sources:</b> | <b>8,200</b>  | <b>291,800</b> | <b>500,000</b> | <b>-</b> | <b>-</b> | <b>-</b>              | <b>-</b> | <b>-</b> | <b>-</b>    | <b>800,000</b>     |
| <b>Capital Expenditures:</b>  |               |                |                |          |          |                       |          |          |             |                    |
| Design                        | 8,200         | 141,800        | -              | -        | -        | -                     | -        | -        | -           | 150,000            |
| Right of Way                  | -             | 150,000        | -              | -        | -        | -                     | -        | -        | -           | 150,000            |
| Construction                  | -             | -              | 500,000        | -        | -        | -                     | -        | -        | -           | 500,000            |
| <b>Total Expenditures:</b>    | <b>8,200</b>  | <b>291,800</b> | <b>500,000</b> | <b>-</b> | <b>-</b> | <b>-</b>              | <b>-</b> | <b>-</b> | <b>-</b>    | <b>800,000</b>     |



- Intersection and ITS Improvements
- Non-Motorized/Transit Improvements
- Prelim Eng and Misc Improvements
- Preservation
- Roadway Improvements

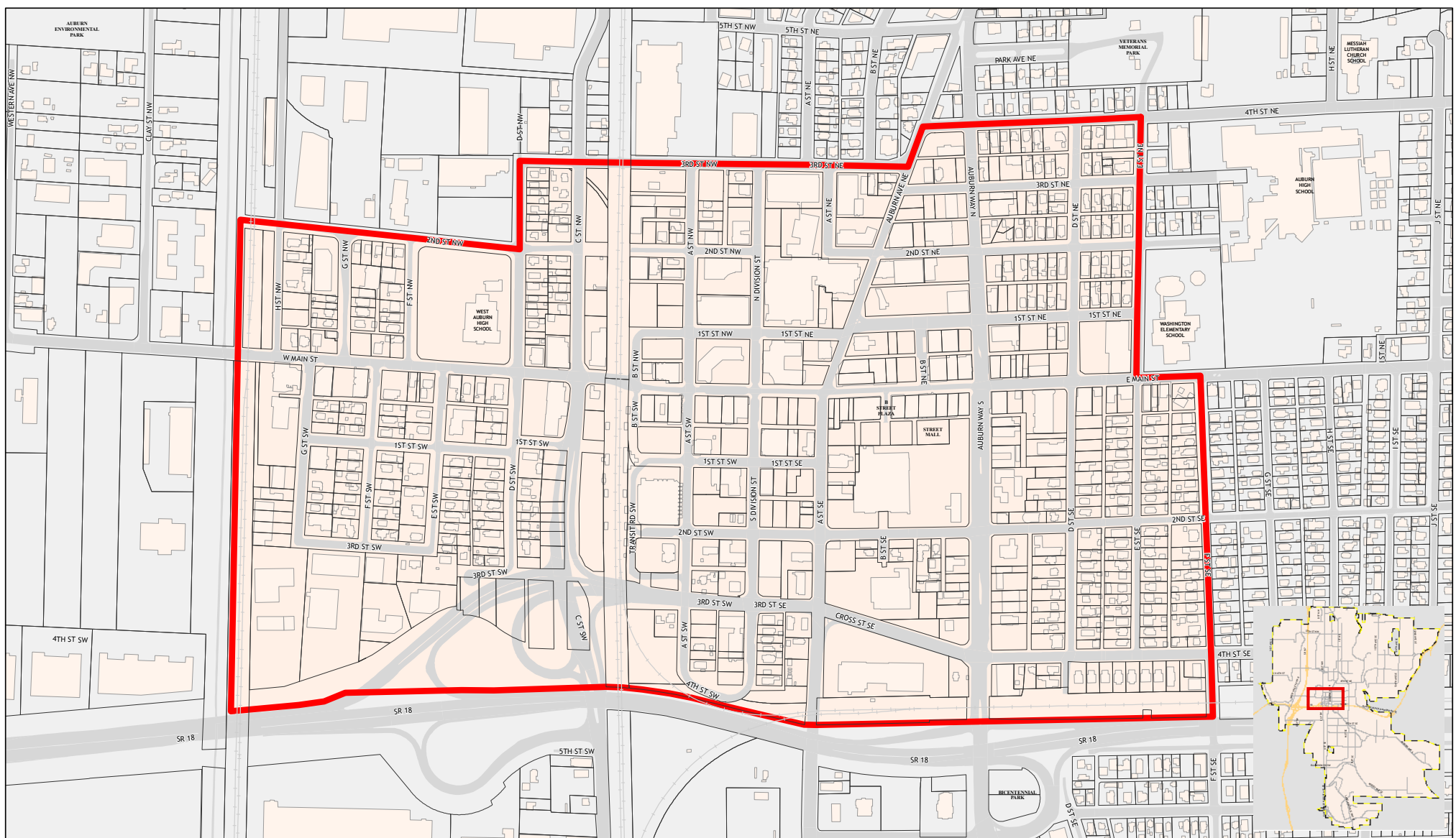


Appendix B

Printed On: 04/15/2021  
Map ID: 6174



Information shown is for general reference purposes only and does not necessarily represent exact geographic or cartographic data as mapped. The City of Auburn makes no warranty as to its accuracy.



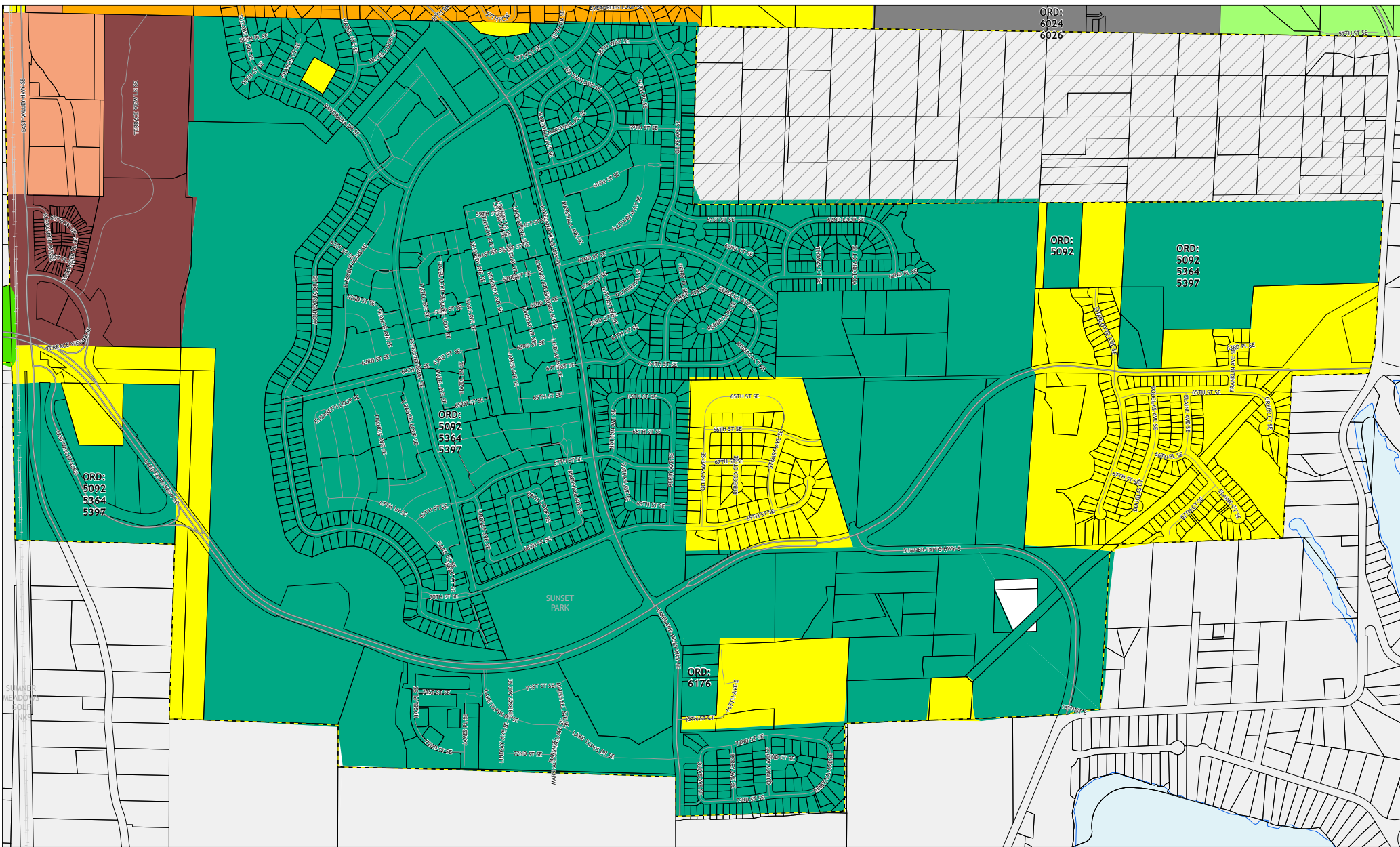
**Auburn Downtown Map**  
**Figure 1**

1 INCH = 400 FEET

Printed On: 08/16/2010

Map ID : 1271

# Lakeland Hills South PUD



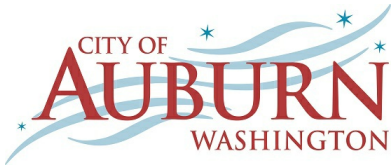
- Auburn City Limits
- Water Features
- R2/LHR2 Single-Family Residential District
- PUD Planned Unit Development
- Parcels
- RR Residential District
- C1/LHC1 Light Commercial District
- Lakeland Hills South PUD
- R1/LHR1 Single-Family Residential District
- P1/LHP1 Public Use District
- TV Terrace View
- Potential Annexation Areas

0 140 280 420 560 700  
FEET

Printed On 03/05/09  
Map ID: 1040



Information shown is for general reference purposes only and does not necessarily represent exact geographic or cartographic data as required. The City of Auburn makes no warranty as to its accuracy.



## AGENDA BILL APPROVAL FORM

**Agenda Subject:**

South King Housing and Homelessness Partners (SKHHP)  
Update and 2022 Work Plan (Tate)(15 Minutes)

**Date:**

May 3, 2021

**Department:**

Community Development

**Attachments:**

[Presentation Slides](#)

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budge: \$0

**Administrative Recommendation:**

For discussion only.

**Background for Motion:****Background Summary:**

The following is an overview of work plan progress and the May 10 City Council study session will be an opportunity to provide feedback on SKHHP's mission, objectives, and 2022 work plan priorities.

Attributable to the timing of staff hiring, the first SKHHP work plan covered two years (2020-2021). Consistent with the SKHHP Interlocal Agreement subsequent work plans will be annual.

SKHHP's mission is for South King County jurisdictions to work together and share resources to create a coordinated and comprehensive approach to increasing housing stability and producing and preserving quality affordable housing in South King County. The overall objectives to pursue this mission are:

- Share technical information and resources to promote sound housing policy
- Coordinate public resources to attract greater private and public investment into affordable housing in South King County
- Provide a unified voice for South King County

Over the past year and a half, progress towards meeting these objectives include: onboarding SKHHP's first two staff members, developing a mechanism for partner cities to pool sales tax credit revenues for affordable housing, award of Microsoft Philanthropy grant funds to augment staff capacity and pursue a 501(c)(3) branch, and support for a South King County subregional housing framework. SKHHP staff also conducted extensive outreach and informational sessions with housing and homeless organizations and service providers throughout South King County to both provide background information on SKHHP and to

obtain feedback and input into the creation of the SKHHP Advisory Board.

Ongoing areas of focus for 2021 include establishing the SKHHP Advisory Board, developing an administrative plan and structure for the SKHHP Housing Capital Fund, and building funding support through advocacy with philanthropic and private corporations through establishing a 501(c)(3) branch and developing marketing and advocacy materials.

Priorities for 2022 will be informed by each SKHHP partner jurisdiction, Executive Board members, and the SKHHP staff workgroup. The following priorities were identified in an initial discussion with the SKHHP staff workgroup and will be built upon through briefings with individual SKHHP partner Councils, and further discussion with the SKHHP staff workgroup and Executive Board.

- Continue the ongoing action items and build upon current work plan.
- Work towards the adoption of a balanced budget that includes full time Executive Manager and full time Program Coordinator.
- Look into compensation structure for SKHHP Advisory Board members.
- Develop strategies for preservation of existing affordable housing stock in South King County.
- Partner with organizations and area experts to provide educational opportunities for Executive Board, Advisory Board, and SKHHP jurisdiction staff to better understand the connections between affordable and attainable housing to homelessness services, outreach, and best practices.
- Provide monthly educational opportunities at Executive Board meetings that are strategically tied to SKHHP work plan.
- Engage in strategic planning to set 3-5-year goals and objectives

### **Reviewed by Council Committees:**

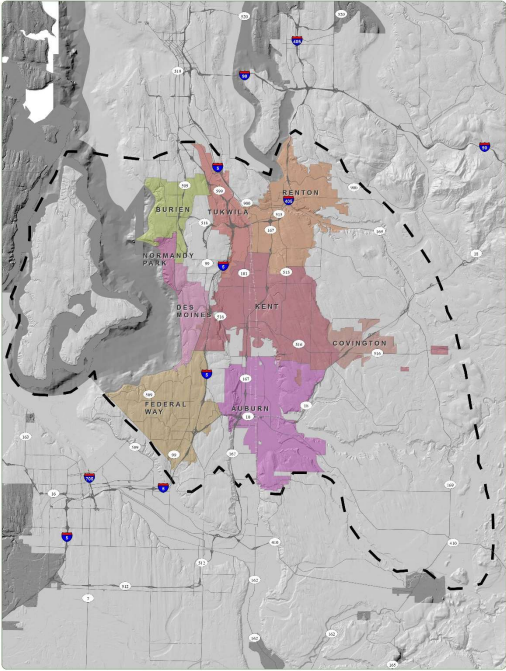
**Councilmember:**

**Staff:**

Tate

**Meeting Date:** May 10, 2021

Item Number:



A map of South King County, Washington, showing the jurisdictions of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Normandy Park, Renton, Tukwila, and King County. The map is color-coded: Auburn (purple), Burien (green), Covington (orange), Des Moines (pink), Federal Way (yellow), Kent (red), Normandy Park (light green), Renton (light orange), Tukwila (light green), and King County (grey). Major highways (Interstates 5, 90, 520 and State Routes 162, 168, 169, 520) are shown as black lines with their respective shields. A dashed black line outlines the South King County area.

**SKHHP**  
South King Housing and Homelessness Partners

*Auburn City Council*

Angela San Filippo, Executive Manager  
May 10, 2021

Auburn | Burien | Covington | Des Moines | Federal Way | Kent | Normandy Park | Renton | Tukwila | King County

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## *DRAFT SKHHP MISSION*

*South King County jurisdictions working together and sharing resources to create a coordinated and comprehensive approach to increasing housing stability and producing and preserving quality affordable housing in South King County.*

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## DRAFT SKHHP OBJECTIVES

- Share technical information and resources to promote sound housing policy
- Coordinate public resources to attract greater private and public investment into affordable housing in South King County
- Provide a unified voice for South King County

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### REOCCURRING SKHHP ANNUAL WORK PLAN ITEMS

#### Governance and Administration

- Annual work plan and budget
- Quarterly progress and budget reports
- Annual updates to stakeholders and non-SKHHP partner cities

#### Policy and planning

- Build funding support

#### Outreach and education

- Represent SKHHP at local and regional meetings and forums
- Monthly SKHHP Executive Board educational topics
- Education and engagement opportunities for elected officials, stakeholders, and community members
- State and federal legislative priorities
- Convene South King County Joint Planners and Developers (SKCJPD) work group

Auburn | Burien | Covington | Des Moines | Federal Way | Kent | Normandy Park | Renton | Tukwila | King County



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## 2020-2021 SKHHP WORK PLAN REVIEW

### Areas of ongoing focus

- Establish SKHHP Advisory Board
- Establish SKHHP Housing Capital Fund and develop administration plan and structure
- Build funding support
  - Establish SKHHP 501(c)(3)
  - Develop marketing materials
- Coordinate with developers to better understand barriers to increasing construction and preservation of affordable housing
- Inventory and assessment of existing preservation programs for affordable rental and ownership housing

Auburn | Burien | Covington | Des Moines | Federal Way | Kent | Normandy Park | Renton | Tukwila | King County



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## 2020-2021 SKHHP WORK PLAN REVIEW

### Areas in need of attention

- Inventory of naturally occurring affordable housing vulnerable to market pressures
- Develop examples of potential design standards and desired requirements
- Develop affordable housing and homelessness awareness presentation toolkit

Auburn | Burien | Covington | Des Moines | Federal Way | Kent | Normandy Park | Renton | Tukwila | King County



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## SKHHP WORK PLAN AND BUDGET PROCESS

**April:** Staff workgroup  
kickoff discussion



**April - May:** Outreach and  
update to partner Councils



**May –June:** Executive Board  
work plan and budget  
development and adoption



**July - September:** Partner  
jurisdiction adoption of  
2022 work plan and budget

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### 2022 SKHHP WORK PLAN PRIORITY SETTING

#### Budget

- Balanced budget that includes full time Executive Manager and Program Coordinator
- Look into compensation structure for SKHHP Advisory Board

#### Work Plan

- Continue the ongoing action items and build upon current work plan
- Develop strategies to preserve existing affordable housing in South King County
- Partner with organizations and area experts to provide educational opportunities to better understand the connections between SKHHP's mission and homelessness services, outreach, and best practices
- Monthly Executive Board educational opportunities strategically tied to SKHHP work plan
- Engage in strategic planning to set 3–5-year goals and objectives

Auburn | Burien | Covington | Des Moines | Federal Way | Kent | Normandy Park | Renton | Tukwila | King County



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## South King Housing and Homelessness Partners

Angela San Filippo, Executive Manager

[asanfilippo@skhhp.org](mailto:asanfilippo@skhhp.org)

(253) 329-7394

Auburn | Burien | Covington | Des Moines | Federal Way | Kent | Normandy Park | Renton | Tukwila | King County