



# Memo

**Date:** May 21, 2020

**To:** Move Seattle Levy Oversight Committee (LOC)

**From:** Lorelei Williams, Deputy Director Capital Project Delivery

**Subject:** Move Seattle Levy prioritization methodology and draft prioritization factors, in response to City revenue and budget impacts related to COVID-19

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**Purpose:** COVID-19 has significantly impacted SDOT's ability to deliver projects and services. While we don't know the full extent of these impacts yet, we do know that it has affected City and partnership revenues and delivery of some Levy projects and deliverables. This memo shares SDOT's approach and methodology for a Levy portfolio prioritization process, including draft prioritization factors, that responds to anticipated significant declines in revenue in 2021 and 2022.

**Action needed:** SDOT requests the LOC review these materials and prepare for a discussion at the June 2 Levy Oversight Committee meeting, leading to refinement of the attached prioritization factors. The LOC should provide written feedback or input on draft prioritization factors by June 10. The LOC may also identify budget priorities for consideration in the 2021-2022 budget biennium by submitting written recommendations to the Mayor's Office by close of business on June 30.

**Attachments:**

- A. Draft prioritization factors
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## Background

Move Seattle Levy revenues are based on property tax. While receipt of these revenues could be delayed due to the tax filing extension, property tax revenues are not currently expected to have major declines. However, in addition to Levy funds, SDOT leverages a variety of additional funds to deliver the Levy portfolio. This includes things like Vehicle License Fees (VLF), Real Estate Excise Tax (REET), General Fund sources such as Sales Tax, and grant funds, which are the revenue sources that have already been impacted and are expected to continue to be impacted by COVID-19. Additionally, and prior to COVID-19, we have anticipated potential impacts to the Levy portfolio's VLF20 funding through the passage of I-976 in November 2019. To address these revenue declines, we may be asked to delay Move Seattle Levy projects in order to reallocate local funding to address revenue shortfalls in SDOT's overall portfolio.

## Overview

In response to the LOC's discussion and feedback during the May 5 monthly meeting, this document outlines a methodology to move through the process of Levy portfolio prioritization and development of prioritization factors, supported by Attachment A. These materials are directly in response to the circumstances of COVID-19, but the prioritization factors may also serve in our response to additional Departmental pressures outside the levy portfolio, such as the West Seattle High Bridge projects and an uncertain outcome of a challenge to I-976.

## Methodology to prepare for portfolio-wide adjustments, 2020-2024

1. Develop prioritization factors: Due to the uncertainty of ongoing revenue shortfalls, SDOT has developed draft prioritization factors in preparation for making Levy work plan adjustments and to guide decision-making around what work could be delayed and what will continue. SDOT

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requests the LOC's feedback, submitted in writing by June 10, on the draft prioritization factors included in Attachment A.

2. Compile portfolio data and organize prioritization factors: We will compile the many projects and program deliverables that have been planned for 2020-2024 and identify and organize the prioritization factors. As the future-year revenue impacts become clearer, we will turn back to these factors to guide our decision making and funding adjustments. The Department will carefully consider the full list of projects and factors in the context of our desired outcomes as we decide to move forward or delay certain projects. In addition to input on the factors, SDOT asks the Levy Oversight Committee to consider recommendations for desired outcomes of a revised Levy portfolio.
3. 2021-2022 budget development: The City is continuing with development of the 2021-2022 biennium budget and is reflecting revenue shortfall projections through that process. We do not yet know the extent of these shortfalls, but we know they will be significant. The 2021-2022 budget development will set the budgets to be available for the Levy portfolio and will subsequently lead to not only Move Seattle Levy prioritization, but re-prioritization of our Department's and City's work as a whole.
4. Portfolio Status Update: Prior to the onset of the COVID-19 public health crisis and revenue shortfalls, we have been preparing a Portfolio Status Update to outline our delivery plan for the remaining years of the Levy. This was originally going to be a great opportunity to showcase how we have gotten Levy delivery back on track, and how we expected to meet our Levy commitments by 2024. Unfortunately, given the new uncertainties surrounding revenues and budget, we are pivoting and plan to publish this document in early 2021 following the 2021-2022 budget adoption in fall 2020. The Portfolio Status Update intends to capture Levy work plan changes due to COVID-19 and include a plan for remaining years, based on the best city revenue and budget information available at the time of publication.

### **Moving forward**

SDOT and our partners will continue to keep the Levy Oversight Committee informed on revenue and budget updates, and portfolio prioritization efforts through monthly meetings and transmittal of briefing memos. We look forward to continuing our work with the Committee and thank you for your service.



# ATTACHMENT A: DRAFT LEVY PORTFOLIO PRIORITIZATION FACTORS

*This document is a companion piece to Memorandum titled “Move Seattle Levy prioritization methodology and draft prioritization factors, in response to City revenue and budget impacts related to COVID-19,” transmitted to the Levy Oversight Committee on May 21, 2020.*

**Draft Levy portfolio prioritization factor details:** SDOT has compiled the following draft factors based on existing Levy and departmental priorities to serve as factors in guiding the Department’s decision making in the context of our current budget realities. We would like to emphasize the draft status of these factors and seek the Levy Oversight Committee’s input, particularly regarding the questions outlined on page 2. These represent the many factors that the Department will consider as we prioritize our Levy work and we look forward to the LOC’s input in this area. Our methodology and development of these factors aims to address anticipated Levy portfolio work plan changes while allowing the Department to remain responsive to changing and uncertain times. Letter identifiers have been applied for discussion and revision purposes.

Identifier	Factor	Details/explanation
A.	Project name or levy deliverable category	A specific project will be listed if applicable, and when not available (such as for operations/maintenance activities), an annual deliverable category will be identified (e.g. 2020 crosswalk restriping”).
B.	Levy program/s	The relevant Levy program will be listed, e.g. “Sidewalk Safety Repair.”
C.	Project status	This will account for project status: active construction, pre-construction or final design, operations and maintenance (O&M), or planning/design.
D.	Program prioritization score, if applicable	Many Levy programs go through robust prioritization efforts to advance a concept into planning and project delivery (e.g. Bicycle Master Plan Implementation Plan). When available, these processes thoroughly vet and score projects for safety, racial/social equity, community prioritization, and other factors.
E.	Equity score (high-low), if not included as part of criterion D	The above described program prioritization processes typically encompass an equity evaluation. If social equity is not already addressed through the program’s prioritization process, an equity score will be applied using the 2015 Racial Equity Toolkit; specifically the map on page 15 of this document. This is an interim tool until we update the Levy program RET in conjunction with the Portfolio Status Update and make adjustments accordingly.
F.	Grants/partnerships	Indicate total value of secured or highly like grants or partnership dollar amounts.
G.	Asset preservation OR resilient neighborhoods OR transportation/transit backbone	Three core functions were identified to allow SDOT to be responsive to unprecedented times and in the context of a changing and uncertain future (West Seattle Bridge, social distancing, etc.). Asset preservation refers to work supporting preservation and maintenance; resilient neighborhoods encompasses active transportation, work in support of economic recovery, and access to services or jobs; and the transit backbone is in support of a core transit network, including RapidRide and access to frequent reliable transit.
H.	Other considerations	Other relevant factors/considerations.

# ATTACHMENT A: LEVY PORTFOLIO PRIORITIZATION FACTORS

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**Example prioritization factors compiled for Levy projects:**

The following table illustrates an example of how the prioritization factors will be outlined and applied to Levy projects, if specific project information is available, or to Levy deliverables, which is

A	B	C	D	E	F	G	H
Project name or Levy deliverable category	Levy Program/s (1-30)*	Project status	Program Prioritization Score, if available**	Equity Score (High-Low)***	Secured or Highly Likely Grant <u>or</u> Partnership Dollar Amount	Asset Preservation <u>or</u> Resilient Neighborhoods <u>or</u> Transp./Transit Backbone	Other considerations
Madison BRT	18	Final design	83, Move Seattle 10-year Strategic Vision for Transportation	addressed at left	\$112M	Transit Backbone	Partnership commitment with Metro; close to securing ST and FTA funds
N 34 <sup>th</sup> PBL	5	Final design	75, BMP 2019 Implementation Plan	addressed at left	\$1M	Resilient Neighborhoods	At 100% design. Key bike connection from the Fremont Bridge to the Burke Gilman Trail, including near-term bike/ped safety improvements at the Fremont Bridge as part of Levy program 14
2021 Sidewalk Repair	6	O&M	n/a	Low, Med, and High	n/a	Asset Preservation	

\*An index of all 30 Levy programs is available [here](#)

\*\*The specific process that is used will be identified (i.e., Bicycle Master Plan, Pedestrian Master Plan).

\*\*\*If social equity is not already addressed through the program’s separate prioritization process, an equity score will be applied using the 2015 Levy Racial Equity Toolkit.

**Questions for Levy Oversight Committee consideration:**

1. Are there additional factors the Committee would like us to consider?
2. Is there tendency towards prioritization of any of these factors over others?
3. Does the Committee prefer certain programs to take an initial priority over others?
4. The above methodology outlines a methodology for prioritizing and preparing for adjustments to the Levy portfolio; please consider how the Committee would like us to factor or consider SDOT projects or programs that are outside of the Levy portfolio.
5. In addition to input on the above factors, please consider recommendations for desired outcomes of a revised Levy portfolio.