

**Municipal League of King County  
Ballot Issues Committee**

**Report on Seattle Proposition 1  
Seattle Popular Monorail Authority  
(Seattle Monorail Project)  
Construction of Monorail by Modifying Plan**

**Election Date: November 8, 2005**

General Election Ballot Measure

**Summary of Measure**

Proposition 1 asks the voters of Seattle whether a shorter monorail project – from Dravus Street in Interbay to Alaska Junction in West Seattle – should be built.

**Official Text of Proposition No.1**

**The Board of Directors of the Seattle Monorail Project adopted Resolution No. 05-36-A which concerns constructing a monorail by modifying the Seattle Popular Monorail Plan. This measure would modify the Plan to allow SMP to: initially build a monorail from Dravus (Interbay) to Alaska Junction (West Seattle); further modify the Plan's route if necessary to obtain City consent for construction permits following City review of SMP's finance plan; and, if possible, build the remainder of the 14-mile Green Line. If this proposition is enacted, SMP would be directed to build a monorail. If it is rejected, no new monorail would be built. Should this proposition be enacted in law?**

According to published reports of the Seattle Monorail Project (SMP) board discussion on October 17, if Proposition 1 passes, the SMP estimates that the total cost of the shorter initial phase of the monorail project will be \$3.5 to \$6 billion, and costs of construction and start-up operations can be paid off in 29 to 39 years (the ranges are a result of uncertainties in forecasting the rate of increase in receipts from the motor vehicle excise tax). While the Board discussed the numbers at its October 17 meeting, no decision was made on the preferred financial plan; therefore, the numbers included here are necessarily unofficial and subject to change.

The SMP expects the Green Line to be a part of a city-wide mass transit system (including Sound Transit light rail and Metro operations) and intends to retain ownership of land that has already been purchased in the expectation that further expansion of the monorail portion of the system will be feasible in the future.

**Chronology of Measure**

In 1997, Seattle voters approved Initiative 41, calling for an X-shaped, 40-mile monorail system. Attempts to secure nongovernmental funding were unsuccessful, and in

July 2000, the City Council dissolved the ETC.

In 2000, voters passed Initiative 53, which reinstated the ETC and gave it two years and \$6 million to plan a new system.

In 2002, Seattle voters approved Citizen's Petition No. 1, creating the Seattle Monorail Authority and authorizing it to build and operate the initial 14-mile segment of the proposed citywide monorail system. The initial Green Line would have run from Ballard through downtown Seattle to West Seattle. The measure created an annual tax levy of 1.4% on the value of motor vehicles owned by Seattle residents and would have cost \$1.75 billion including capital costs, financing, overhead, reserves, and inflation.

Trains would run at four-minute headways during peak periods and would accommodate 3,000 passengers per hour per direction. Trains would be automated to run without drivers. Monorail planners said the system operating costs would be covered by fares and advertising and no public subsidy would be required for the (initial) Green Line after the year 2020. The annual tax on a car valued at \$10,000 would be \$140.

The 2002 initiative created an independent government and transportation authority, the Seattle Popular Monorail Authority, to design and build the Seattle Monorail Project (the SMP), governed by a nine-member board.

In 2004, Initiative 83, a citizen initiative, asked voters if SMP should be barred from building within any City of Seattle right of way. Initiative 83 was defeated.

In late June SMP completed negotiations with the contractor selected to build the project and released a construction plan with financing expenses that would have led to a total cost in excess of \$11 billion over 50 years. Within days, the SMP withdrew this plan.

On September 23, the SMP approved a shorter line and a ballot measure implementing this decision.. The measure, Proposition 1, will be on the ballot November 8, 2005.

**Arguments FOR Proposition 1. Advocates for adopting the proposition and proceeding with monorail construction say:**

- There is a need for expanded rapid transit to provide an alternative to congestion, traffic, pollution and sprawl.
- Grade-separated transportation systems are preferable to surface level in heavily congested corridors, and the Green Line represents a start on construction of a city-wide system that can serve Seattle well into the future.
- Monorail is clean, fast, environmentally friendly rapid transit that can be constructed in crowded urban settings. .
- Guideway components can be prefabricated at an off-street location and then brought to the site for assembly; adverse impacts on surrounding streets, residents and businesses are thus modest.
- The monorail is environmentally sustainable. Its electric motors are quiet and do not pollute.
- The West Seattle Bridge is a serious chokepoint and the monorail will provide an alternative to this bottleneck.
- If Proposition 1 is not passed, there is no likelihood of any other rapid transit system

in its west side corridor.

- The shorter line proposed in this ballot measure is more reality-based, and is financially viable.
- The monorail is a flexible investment that can be expanded around the region.
- Starting with this shorter line will honor the will of the public, expressed by supporting a monorail on four previous occasions.
- The design, build, operate, maintain contract protects the public.
- The monorail is an attractive feature for the City and will bring visitors to see and ride it.

**Arguments AGAINST Proposition 1. Opponents of the proposals contained in the proposition urge that the project be ended and argue:**

- The proposed monorail line is a solution that does not address our most urgent transportation safety and congestion problems and therefore misallocates scarce transportation resources.
- The Ballard and West Seattle areas can be adequately served by improved surface bus routes, schedules and roadway improvements. Enhanced transit service to these areas does not require major transportation investments.
- The monorail board has operated for much of its history with insufficient information about the projects' financial challenges and, furthermore, a majority of the board is not accountable to the public. The events of the recent past have raised serious doubts that the board can oversee the complex tasks involved in a project of this scope.
- A financial consultant who spoke to the Ballot Issues Committee as an opponent to Proposition 1 identified three financial concerns that have not been satisfactorily addressed by the proposal:
  1. the motor vehicle excise tax forecasts are too high
  2. the ridership projections are too high (although adjusted downwards in the latest SMP discussions)
  3. the project is over-leveraged and even in this reduced form will incur too much debt
- The optimistic revenue growth forecasts depend on significantly increased rates of automobile ownership—an odd financial foundation for a transit project.
- The new plan does not alter the expectation that operating revenues will completely cover the cost of running the monorail starting in 2020; no urban rapid transit system in the United States runs without a continuing operating subsidy.
- The taxing base is too narrow for a project of this price tag; the costs are regional in magnitude but the project is local in benefits.
- The cost of completing even the shorter line is much higher per taxpayer than is typical of other public works and rapid transit projects.
- Monorail technology, unlike surface rail, lacks international standardization, which means each system may be incompatible with those manufactured by other entities. This fact makes future expansion much more problematic for monorail systems than it is with other rapid transit technologies.
- The ballot measure is misleading in several ways. The measure does not assure that a monorail system will be built if it passes. The measure states that no new monorail

will be built if the measure fails yet nothing in the language would prevent the voters from adopting another monorail plan at a future time.

The Municipal League recognizes and acknowledges the SMP Board's recent attempts to repair the significant deficiencies of the agency and the project which became apparent to the public in early July of this year. Both reducing the initial cost by shortening the line and proposing greater accountability for the board are significant improvements and should be commended. Our concern is that they fall short of what is needed to plan and build an effective transit project.

**Recommendation and Rationale:** The Municipal League of King County **opposes** Proposition 1 and recommends a NO vote on November 8, 2005.

A "No" vote on Proposition 1 will terminate the SMP's effort to invest in a solution that is not needed. The Ballard (or Interbay) and West Seattle areas can be adequately served by improved surface bus service or other measures that do not require such major investment.

The region's worst safety and congestion problems are the Viaduct, I-5, SR-520 and I-405. The Ballot Issues Committee is concerned that if this measure passes, constructing the monorail will exhaust voters' willingness to tax themselves to fix our truly urgent regional transportation problems.

Although improved over the late June numbers, the motor vehicle excise tax revenue estimates, ridership figures, assumptions on future operations revenue, and the size of the debt proposed by monorail planners do not seem prudent in light of experiences with major transit, highway and bridge projects here and elsewhere.

The Ballot Issues Committee has serious doubts, after the SMP performance of the last few years, about the agency's competence to deliver a functioning monorail system on time and within budget. If SMP-sponsored Proposition 2 passes, there will be five elected board members starting in 2007 – an increase from the current two. This increased accountability would be a welcome development, but the Municipal League is concerned that the board now in place would be called upon to make most of the crucial project decisions before the public would have an opportunity to increase the number of elected members.