



King County

1200 King County
Courthouse
516 Third Avenue
Seattle, WA 98104

Meeting Agenda

King County Transportation District Executive Committee

*Boardmembers: Claudia Balducci, Chair;
Steffanie Fain, Vice Chair;
Rod Dembowski, Sarah Perry*

1:30 PM

Wednesday, May 27, 2026

Hybrid Meeting

SPECIAL MEETING

Hybrid Meetings: Attend King County Transportation District meetings in person in Council Chambers (Room 1001), 516 3rd Avenue in Seattle, or through remote access. Details on how to attend and/or provide comment remotely are listed below.

HOW TO PROVIDE PUBLIC TESTIMONY: The District values community input and looks forward to hearing from you. You are not required to sign up in advance.

There are three ways to provide public testimony:

1. **In person:** You may attend the meeting in person in Council Chambers.
2. **By email:** You may testify by submitting a COMMENT email. If your testimony is submitted before 4:00 p.m. on the day before the meeting, your email testimony will be distributed to the Supervisors and appropriate staff prior to the meeting. Please submit your testimony by emailing clerk@kingcounty.gov.
3. **Remote attendance on the Zoom Webinar:** You may provide oral public testimony at the meeting by connecting to the meeting via phone or computer using the ZOOM application at <https://zoom.us/>, and entering the Webinar ID below.

| | | |
|--|--|--|
| | <p>Sign language and interpreter services can be arranged given sufficient notice (206-848-0355). TTY Number - TTY 711.</p> <p>Council Chambers is equipped with a hearing loop, which provides a wireless signal that is picked up by a hearing aid when it is set to 'T' (Telecoil) setting.</p> | |
|--|--|--|

CONNECTING TO THE WEBINAR

Webinar ID: 830 0903 6067

If you do not have access to the ZOOM application, you can connect to the meeting by calling 1 253 215 8782 and using the Webinar ID. Connecting in this manner, however, may impact your ability to be unmuted to speak.

You have the right to language access services at no cost to you. To request these services, please contact our Equity and Social Justice Coordinator, Tera Chea at (206) 477 9259 or Tera.Chea2@kingcounty.gov, three (3) days prior to the meeting.



If you do not wish to be called upon for public comment during the meeting, please help us manage the callers and use one of the options below (Live Streaming or King County TV Channel 22).

HOW TO LISTEN TO THE MEETING: There are several ways to listen to the meeting if you don't wish to provide public testimony:

1. Stream online via this link: <https://kingcounty.gov/kctv>, or input the link web address into your web browser.
2. Watch King County TV on Comcast Channel 22 and 322(HD), and Astound Broadband Channels 22 and 711 (HD).
3. Listen to the meeting by telephone – See “Connecting to the Webinar” above.

To show a PDF of the written materials for an agenda item, click on the agenda item below.

1. **Call to Order**
2. **Roll Call**
3. **Approval of Minutes of April 22, 2026** **pg 4**
Supervisor Fain
4. **Public Comment**

| | | |
|---|---|---|
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|---|---|---|

Briefings

- 5. TD Briefing No. TD2026-B08 **pg 8**

Policy issues and process

Nick Bowman, Council staff
Mary Bourguignon, Council staff



- 6. TD Briefing No. TD2026-B09

Alternatives for KCTD next steps

Nick Bowman, Council staff
Mary Bourguignon, Council staff

Executive Session: Legal risks of a proposed action as allowed by RCW 42.30.110(1)(i)

Adjournment

| | | |
|---|---|---|
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|---|---|---|



King County

1200 King County
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Seattle, WA 98104

Meeting Minutes King County Transportation District Executive Committee

*Boardmembers: Claudia Balducci, Chair;
Steffanie Fain, Vice Chair;
Rod Dembowski, Sarah Perry*

3:30 PM

Wednesday, April 22, 2026

Hybrid Meeting

SPECIAL MEETING -DRAFT MINUTES-

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CONNECTING TO THE WEBINAR

Webinar ID: 895 1460 4908

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3. Listen to the meeting by telephone – See “Connecting to the Webinar” above.

1. **Call to Order**

The meeting was called to order at 3:36 p.m.

2. **Roll Call**

Present: 4 - Balducci, Fain, Dembowski and Perry

3. **Public Comment**

*The following people spoke:
Alex Tsimerman
Robert Feldstein*

Briefings

4. **[TD Resolution No. TD2026-01](#)**

A RESOLUTION of the King County transportation district, fixing and imposing a one-tenth of one percent sales and use tax within the boundaries of the district to finance transportation improvements, as authorized by RCW 36.73.040, 36.73.065, and 82.14.0455.

Sponsors: Balducci

Nick Bowman, Council Staff, briefed the District and answered questions.

Mary Bourguignon, Council Staff, briefed the District and answered questions.

This matter was Deferred

5. **[TD Resolution No. TD2026-02](#)**

A RESOLUTION related to the provision of services to the King County transportation district by King County; requesting the county prepare, negotiate, and execute with the district an implementation plan and interlocal agreement for transportation improvement planning and implementation, and stating the intent of the district to reimburse the county fully from available funds for the reasonable cost of services provided to the district.

Sponsors: Balducci

Nick Bowman, Council Staff, briefed the District and answered questions.

This matter was Deferred

6. Executive Session: Legal risks of a proposed action as allowed by RCW 42.30.110(1)(i)

No Executive Session was held.

Adjournment

The meeting was adjourned at 5:07 p.m.

Approved this _____ day of _____.

Clerk's Signature

King County Transportation District (KCTD) Executive Committee May 27, 2026

This document summarizes policy issues in Proposed Resolutions TD2026-01 and TD2026-02.

- **Sales tax: KCTD councilmanic sales tax for unincorporated area roads (TD2026-01)**
A 0.1% sales tax would generate approximately **\$101.9 million per year** for 10 years based on the March 2026 OEFA forecast. This number is an average calculated in 2026 \$.
- **Pass-through to local jurisdictions (TD2026-01, Amendments 2A & 2B)**
A 12.5% pass-through would allocate approximately **\$12.7 million per year** of the KCTD sales tax, minus administrative costs, to local jurisdictions. The amendments considered on May 15 would allocate this pass-through by city population.

See Attachment 1 for a flow chart showing how the various pass-through options could be implemented. See Attachment 2 for a spreadsheet showing illustrative examples of the pass-through options.

- **Minimum pass-through amount (TD2026-01, Amendment 2A)**
Amendment 2A would set a **minimum pass-through amount of \$10,000** to any city. This means that the first \$390,000 of the total pass-through amount would be distributed equally to all 39 cities in King County. The remaining \$12.35 million of the total pass-through would then be distributed to the cities by population. (See Attachment 2)
- **Maximum pass-through amount (TD2026-01, Amendment 2A)**
Amendment 2A would also set a **maximum pass-through amount of 15%**. That is, no single city could receive more than \$1.9 million per year of the total \$12.7 million pass-through. In this scenario, Seattle, the only city that would be affected, would receive \$1.9 million; the additional \$2.8 million that Seattle would have received if there was no maximum pass-through amount would be distributed by population to the other 38 cities. (See Attachment 2)

Amendment 1 to Amendment 2A would remove the 15% maximum. With a \$10,000 minimum but no maximum limit, Seattle could receive approximately \$4.67 million under a 12.5% pass-through scenario.

- **City Transportation Improvement Program (TD2026-01, Amendment 2A)**
Amendment 2A would establish a City Transportation Improvement Program (CTIP) to distribute revenues to participating cities. If the KCTD remains an independent entity, either the KCTD, or the County, under contract to KCTD, would administer the CTIP. If the KCTD is assumed by the County, the County would administer the CTIP.

Cities would need to affirm each year that they wish to participate in the CTIP and would execute an interlocal agreement with KCTD or its successor entity. Revenues from cities that decline to participate would be distributed to KC Roads.

Administrative costs to develop and operate the CTIP have not been calculated and would

likely vary depending on the entity administering the CTIP and the complexity of the CTIP's requirements.

- **Direct pass-through to local jurisdictions (TD2026-01, Amendment 2B)**

Amendment 2B would authorize a direct pass-through of 12.5% of KCTD revenues to participating jurisdictions. Cities would need to affirm each year that they wish to receive KCTD revenues and would execute an interlocal agreement with KCTD or its successor entity. Revenues from cities that decline to participate would be distributed to KC Roads.

Administrative costs to distribute funds to local jurisdictions have not been calculated. A direct pass-through to cities would likely be less administratively complex than developing and administering the CTIP.

- **Allowed uses for cities (TD2026-01, Amendments 2A & 2B)**

Cities choosing to receive pass-through moneys must spend the moneys on projects or programs contained in on a statutorily recognized transportation plan.

Amendment 2A would limit cities' use of KCTD pass-through (through the CTIP) to roads and roadway related programs and projects.

Amendment 2B would allow cities to use their pass-through funds for any projects eligible under Ordinance 17746 (which created the KCTD), which could include roads, roadway, and transit related programs and projects.

- **Bellevue's tax-increment financing (TIF) project (TD2026-01, Amendment 2B (fixed TIF))¹**

Amendment 2B (as adjusted) fixes the section on the interplay of TIF and Bellevue's allocated KCTD distribution. Each year of Bellevue's participation in KCTD pass-through, its KCTD allocation would be the difference of the 12.5% base less the TIF property tax dollar amount Bellevue would be entitled to receive under the TIF if there were no pass-through distribution. That "difference" would be directed to KC Roads Division. Specifically, KCTD would determine Bellevue's pass-through allocation as follows:

King County, through Ordinance 20061, pledged participation in Bellevue's TIF project to a maximum of \$30 million in support from King County property tax revenues between 2028 and 2051. The ordinance states that any King County property tax revenues apportioned to the TIF will be reduced by any revenues Bellevue receives from the KCTD in the previous year. But as in the early years of TIF, the TIF amount to Bellevue will be small, the estimated KCTD pass-through will wipe out any eligibility for Bellevue to get TIF.

Note that, as TIF does not start until 2028, so there would be no TIF set-off in 2027. Beginning in 2028, the amount of TIF apportioned revenues for each year, which but for Bellevue receiving KCTD pass-through moneys, Bellevue would be eligible to receive under the TIF ordinance, will be the amount that will be directed to KC Roads.

See Attachment 3 for an illustrative comparison of how the Bellevue allocation would be covered in different scenarios.

¹ The new Amendment 2B provision regarding TIF, is to meet the directions the sponsor gave.

Under the new Amendment 2B, starting in 2032, Bellevue would be eligible to receive TIF revenues under the provisions of the TIF Ordinance (Ord. 20061). However, the TIF calculation and administration is under the County and would not affect the KCTD allocation to Bellevue as contemplated by the new Amendment 2B.

- **Administration of the KCTD (TD2026-02)**

If the KCTD approves a revenue source, it can choose to be assumed into King County or it can remain an independent entity. If it is assumed into King County, the County would administer the revenues and implement the programs to spend the revenues through regular county processes.

If the KCTD remains independent, it must establish systems and procedures to manage approximately \$101.9 million each year. Staff has identified a list of tasks to be accomplished if the KCTD remains independent.

See Attachment 4 for a list of tasks if the KCTD remains independent.

Flood Control District example: For comparison, in terms of remaining independent, the Flood Control District has an interlocal agreement (ILA) with King County² that extends until 2027 and covers the responsibilities of the District and the County for the District's \$160 million annual budget. Specifically:

- The District has three dedicated staff: Executive Director, Deputy Director, and Administrator/Clerk.
- The District participates in King County's central rates for internal services.
- The District contracts with the King County Legislative Branch for rent, Clerk and public records support, KCTV, phones, and administrative support.
- The District retains its own legal counsel and contracts for a portion of the time of the Chief of Staff for each County Councilmember, which allows for privileged communication between the District's counsel and Supervisors' staff.
- The District retains its own accountant, who manages the State Audit process and provides quality control of the County's invoices.
- The District retains its own communications support.
- The District contracts with King County for all project work, including management of the District's city pass-through and grant programs. The County has determined the majority of the contract will be carried out by the Department of Natural Resources and Parks(DNRP).
- The District estimates it spends 2% of its budget on internal administrative overhead. Programmatic administrative costs (for instance, to manage District grants) are incorporated into the agreement with King County and not separately tracked by the District.

² FCD2021-06

How would the various pass-through amendments to KCTD Proposed Resolution TD2026-01 be implemented? ILLUSTRATIVE ONLY

AMENDMENT 2A

12.5% pass-through by population via a City Transportation Improvement Program (CTIP) with a \$10K minimum and 15% maximum

STEP 1
KCTD calculates amount to allocate to local cities through CTIP: 12.5% of total revenues minus KCTD & CTIP admin.

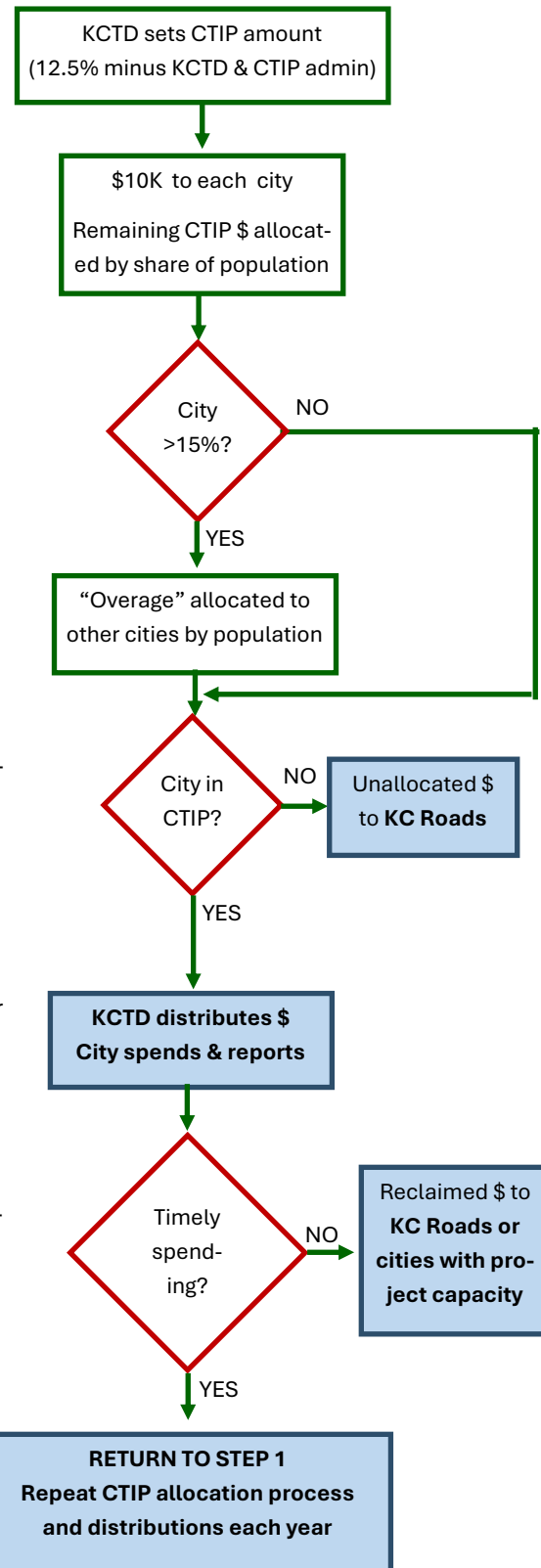
STEP 2
KCTD determines allocation each city is eligible to receive based on \$10K min and max of 15%.

STEP 3
Cities decide each year whether to participate in CTIP and execute ILA with KCTD. Allocations from cities that do not choose to participate go to KC Roads.

STEP 4
KCTD distributes city allocations. Cities spend on CTIP projects and report on their progress, including success in spending their KCTD allocation in a timely fashion

STEP 5
KCTD reclaims revenues from cities that cannot complete projects in a timely fashion and redistributes reclaimed revenues (and any undistributed or uncommitted CTIP revenues) to KC Roads or cities with eligible project capacity

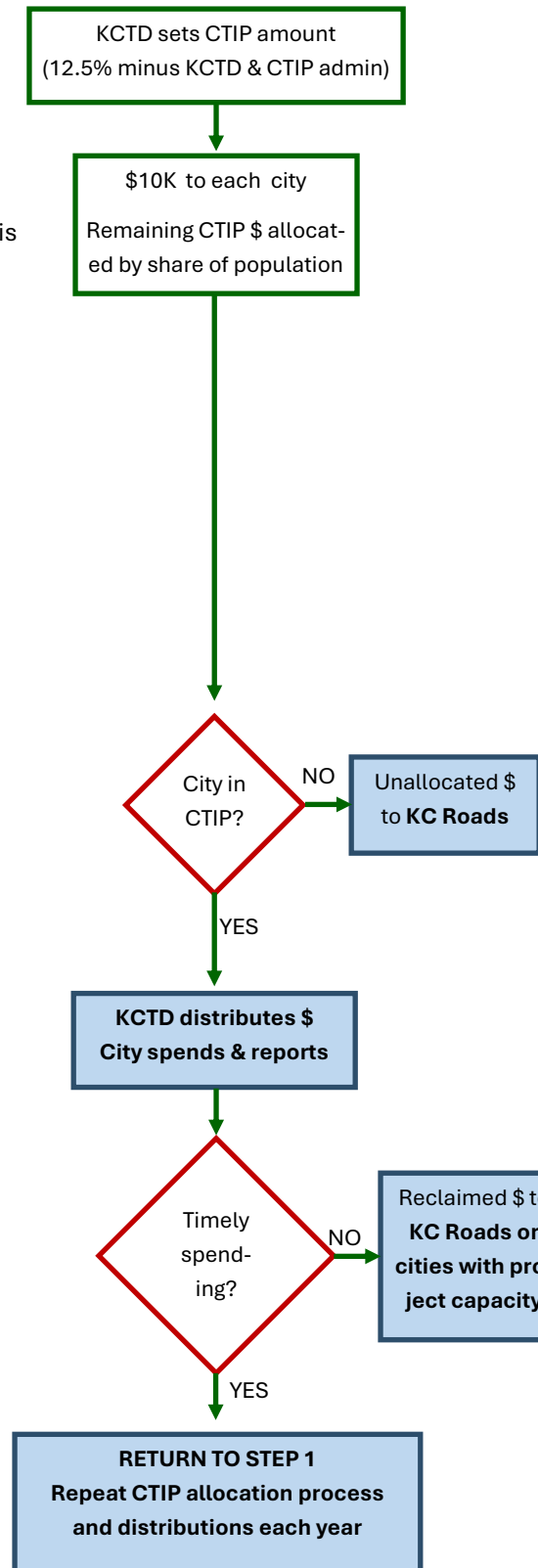
Return to Step 1: Repeat each year



AMENDMENT 1 to 2A

**Same as 2A but no 15% max
(Seattle retains its full pass-through)**

KCTD determines allocation each city is eligible to receive based on \$10K min (No maximum limit)



AMENDMENT 2B-NEW (fixed TIF)

**12.5% non-programmatic pass-through by population
No min, no max, Bellevue TIF deducted and difference goes to KC Roads**

STEP 1
KCTD calculates amount for direct allocation to local cities: 12.5% of total revenues minus admin.

STEP 2
KCTD determines Bellevue allocation:

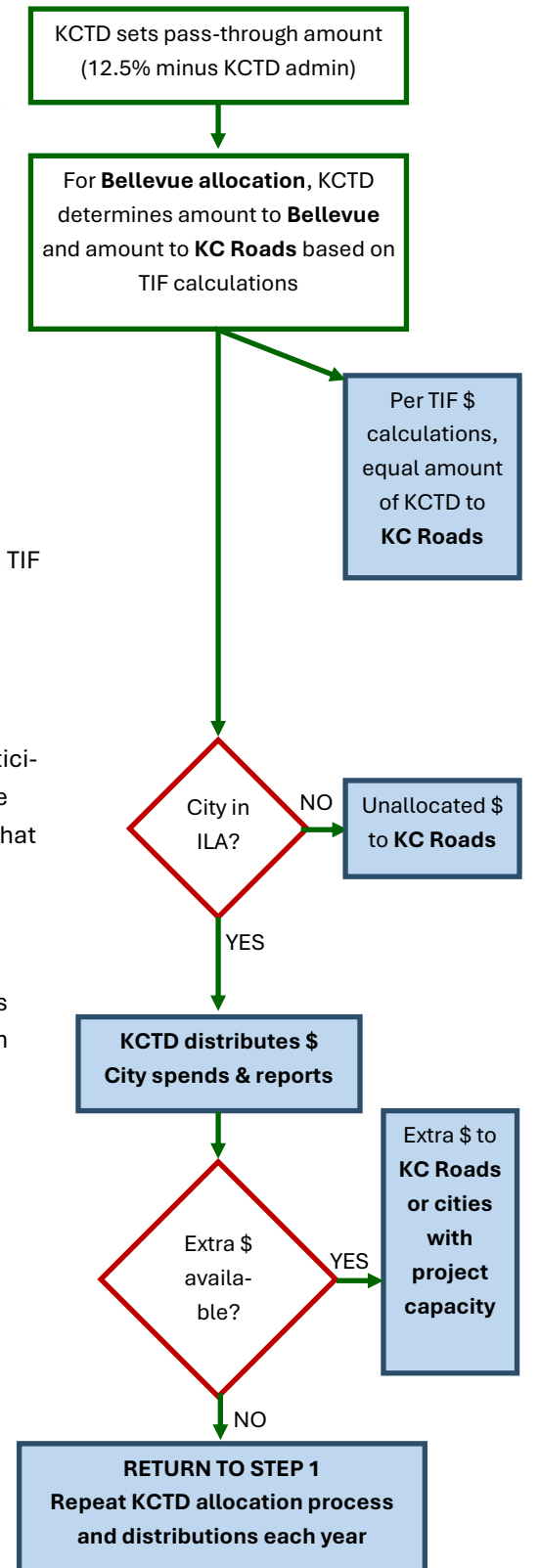
- KCTD pass-through reduced by what would have been received in TIF
- TIF is reduced by **prior year** KCTD distribution
- KC Roads receives in KCTD \$ what Bellevue would have received from TIF

STEP 3
Cities decide each year whether to participate in KCTD pass-through and execute ILA with KCTD. Allocations from cities that do not choose to participate go to KC Roads.

STEP 4
KCTD distributes city allocations. Cities spend on eligible projects and report on progress

STEP 5
KCTD redistributes undistributed revenues to KC Roads or cities with eligible project capacity

Return to Step 1: Repeat each year



ILLUSTRATIVE ONLY - BASED ON PRELIMINARY ESTIMATES - ADMIN COSTS NOT INCLUDED

KCTD Proposed Resolution TD2026-01 would impose a 0.1% sales tax countywide to fund unincorporated roads. The ILLUSTRATIVE examples below show different types of pass-through scenarios based on the amendments for May 15.

| | | | |
|---|----------------------|--|--------------------|
| Avg Year KCTD 0.1% sales tax revenues: ¹ | \$101,900,000 | MAXIMUM: 15% of pass-through total: | \$1,910,625 |
| PASS-THROUGH: 12.5% of revenues: | \$12,737,500 | Seattle > 15% limit to be reallocated: | \$2,764,230 |
| Baseline if each city receives \$10K: | \$390,000 | | |
| Pass-through 12.5% after \$10K min: | \$12,347,500 | | |

| City | Population of Cities in KC April 1, 2025 ² | Percent of All Cities' Population | AMDT 2A | | |
|----------------------------|---|-----------------------------------|---|--|---|
| | | | CTIP Program 12.5% total \$10K min 15% max (\$ from Seattle go to other cities) | AMDT1 to 2A Same as 2A BUT no 15% max (Seattle retains its full pass-through) | AMDT 2B 12.5% total No min No max B'vue TIF deducted* |
| Algona | 3,335 | 0.15% | \$35,906 | \$29,051 | \$19,653 |
| Auburn/King | 80,260 | 3.71% | \$633,453 | \$468,488 | \$472,969 |
| Beaux Arts Village | 310 | 0.01% | \$12,408 | \$11,771 | \$1,827 |
| Bellevue | 158,000 | 7.31% | \$1,237,331 | \$912,580 | \$931,089 |
| Black Diamond | 7,435 | 0.34% | \$67,754 | \$52,473 | \$43,814 |
| Bothell/King | 31,340 | 1.45% | \$253,446 | \$189,031 | \$184,686 |
| Burien | 53,320 | 2.47% | \$424,185 | \$314,592 | \$314,213 |
| Carnation | 2,320 | 0.11% | \$28,022 | \$23,253 | \$13,672 |
| Clyde Hill | 3,095 | 0.14% | \$34,042 | \$27,680 | \$18,239 |
| Covington | 22,160 | 1.03% | \$182,137 | \$136,590 | \$130,588 |
| Des Moines | 33,540 | 1.55% | \$270,536 | \$201,598 | \$197,650 |
| Duvall | 8,810 | 0.41% | \$78,435 | \$60,327 | \$51,917 |
| Enumclaw/King | 13,400 | 0.62% | \$114,090 | \$86,548 | \$78,966 |
| Federal Way | 102,900 | 4.76% | \$809,318 | \$597,820 | \$606,386 |
| Hunts Point | 455 | 0.02% | \$13,534 | \$12,599 | \$2,681 |
| Issaquah | 41,560 | 1.92% | \$332,835 | \$247,413 | \$244,912 |
| Kenmore | 24,520 | 1.13% | \$200,469 | \$150,071 | \$144,496 |
| Kent | 140,100 | 6.48% | \$1,098,285 | \$810,326 | \$825,605 |
| Kirkland | 97,850 | 4.53% | \$770,091 | \$568,971 | \$576,627 |
| Lake Forest Park | 13,700 | 0.63% | \$116,420 | \$88,262 | \$80,734 |
| Maple Valley | 29,340 | 1.36% | \$237,911 | \$177,606 | \$172,900 |
| Medina | 2,915 | 0.13% | \$32,643 | \$26,652 | \$17,178 |
| Mercer Island | 25,850 | 1.20% | \$210,801 | \$157,669 | \$152,333 |
| Milton/King | 1,640 | 0.08% | \$22,739 | \$19,369 | \$9,664 |
| Newcastle | 13,880 | 0.64% | \$117,819 | \$89,290 | \$81,794 |
| Normandy Park | 6,855 | 0.32% | \$63,249 | \$49,159 | \$40,396 |
| North Bend | 8,590 | 0.40% | \$76,726 | \$59,071 | \$50,621 |
| Pacific/King | 7,240 | 0.33% | \$66,240 | \$51,359 | \$42,665 |
| Redmond | 82,380 | 3.81% | \$649,921 | \$480,599 | \$485,463 |
| Renton | 109,700 | 5.08% | \$862,140 | \$636,665 | \$646,458 |
| Sammamish | 68,480 | 3.17% | \$541,947 | \$401,194 | \$403,550 |
| SeaTac | 32,990 | 1.53% | \$266,264 | \$198,457 | \$194,409 |
| Seattle | 816,600 | 37.78% | \$1,910,625 | \$4,674,855 | \$4,812,197 |
| Shoreline | 63,740 | 2.95% | \$505,127 | \$374,117 | \$375,618 |
| Skykomish | 165 | 0.01% | \$11,282 | \$10,943 | \$972 |
| Snoqualmie | 14,550 | 0.67% | \$123,023 | \$93,117 | \$85,743 |
| Tukwila | 22,960 | 1.06% | \$188,351 | \$141,160 | \$135,303 |
| Woodinville | 14,060 | 0.65% | \$119,217 | \$90,318 | \$82,855 |
| Yarrow Point | 1,130 | 0.05% | \$18,778 | \$16,455 | \$6,659 |
| TOTAL (Cities only) | 2,161,475 | 100.00% | \$12,737,500 | \$12,737,500 | \$12,737,500 |

Notes:

¹OEFA Revenue Forecast, March 2026 - this figure is an average over 10 years in 2026 \$

²WA Office of Financial Management April 1 Population of Cities, Towns, Counties

*Note that changes to the treatment of the Bellevue TIF will not affect KCTD allocations in 2027

Percentage and per capita totals each city will receive under May 15 amendments
ILLUSTRATIVE ONLY - BASED ON PRELIMINARY ESTIMATES - ADMIN COSTS NOT INCLUDED

May 20, 2026

The table below shows the approximate percentage of pass-through each city will receive based on the different amendment scenarios, as well as the approximate dollar amount per capita

| City | % AMDT 2A CTIP Program 12.5% total \$10K min 15% max (\$ from Seattle go to other cities) | | Per Cap AMDT 2A CTIP Program 12.5% total \$10K min 15% max (\$ from Seattle go to other cities) | | % AMDT 2B 12.5% total No min No max B'vue TIF deducted | | Per Cap AMDT 2B 12.5% total No min No max B'vue TIF deducted* | |
|--------------------|---|--|--|---|---|------------|---|--|
| | % AMDT1 to 2A Same as 2A BUT no 15% max | Per Cap AMDT1 to 2A Same as 2A BUT no 15% max | % AMDT 2B 12.5% total No min No max B'vue TIF deducted | Per Cap AMDT 2B 12.5% total No min No max B'vue TIF deducted* | | | | |
| Algona | 0.28% | \$11 | 0.23% | \$9 | 0.15% | \$6 | | |
| Auburn/King | 4.97% | \$8 | 3.68% | \$6 | 3.71% | \$6 | | |
| Beaux Arts Village | 0.10% | \$40 | 0.09% | \$38 | 0.01% | \$6 | | |
| Bellevue | 9.71% | \$8 | 7.16% | \$6 | 7.31% | \$6 | | |
| Black Diamond | 0.53% | \$9 | 0.41% | \$7 | 0.34% | \$6 | | |
| Bothell/King | 1.99% | \$8 | 1.48% | \$6 | 1.45% | \$6 | | |
| Burien | 3.33% | \$8 | 2.47% | \$6 | 2.47% | \$6 | | |
| Carnation | 0.22% | \$12 | 0.18% | \$10 | 0.11% | \$6 | | |
| Clyde Hill | 0.27% | \$11 | 0.22% | \$9 | 0.14% | \$6 | | |
| Covington | 1.43% | \$8 | 1.07% | \$6 | 1.03% | \$6 | | |
| Des Moines | 2.12% | \$8 | 1.58% | \$6 | 1.55% | \$6 | | |
| Duvall | 0.62% | \$9 | 0.47% | \$7 | 0.41% | \$6 | | |
| Enumclaw/King | 0.90% | \$9 | 0.68% | \$6 | 0.62% | \$6 | | |
| Federal Way | 6.35% | \$8 | 4.69% | \$6 | 4.76% | \$6 | | |
| Hunts Point | 0.11% | \$30 | 0.10% | \$28 | 0.02% | \$6 | | |
| Issaquah | 2.61% | \$8 | 1.94% | \$6 | 1.92% | \$6 | | |
| Kenmore | 1.57% | \$8 | 1.18% | \$6 | 1.13% | \$6 | | |
| Kent | 8.62% | \$8 | 6.36% | \$6 | 6.48% | \$6 | | |
| Kirkland | 6.05% | \$8 | 4.47% | \$6 | 4.53% | \$6 | | |
| Lake Forest Park | 0.91% | \$8 | 0.69% | \$6 | 0.63% | \$6 | | |
| Maple Valley | 1.87% | \$8 | 1.39% | \$6 | 1.36% | \$6 | | |
| Medina | 0.26% | \$11 | 0.21% | \$9 | 0.13% | \$6 | | |
| Mercer Island | 1.65% | \$8 | 1.24% | \$6 | 1.20% | \$6 | | |
| Milton/King | 0.18% | \$14 | 0.15% | \$12 | 0.08% | \$6 | | |
| Newcastle | 0.92% | \$8 | 0.70% | \$6 | 0.64% | \$6 | | |
| Normandy Park | 0.50% | \$9 | 0.39% | \$7 | 0.32% | \$6 | | |
| North Bend | 0.60% | \$9 | 0.46% | \$7 | 0.40% | \$6 | | |
| Pacific/King | 0.52% | \$9 | 0.40% | \$7 | 0.33% | \$6 | | |
| Redmond | 5.10% | \$8 | 3.77% | \$6 | 3.81% | \$6 | | |
| Renton | 6.77% | \$8 | 5.00% | \$6 | 5.08% | \$6 | | |
| Sammamish | 4.25% | \$8 | 3.15% | \$6 | 3.17% | \$6 | | |
| SeaTac | 2.09% | \$8 | 1.56% | \$6 | 1.53% | \$6 | | |
| Seattle | 15.00% | \$2 | 36.70% | \$6 | 37.78% | \$6 | | |
| Shoreline | 3.97% | \$8 | 2.94% | \$6 | 2.95% | \$6 | | |
| Skykomish | 0.09% | \$68 | 0.09% | \$66 | 0.01% | \$6 | | |
| Snoqualmie | 0.97% | \$8 | 0.73% | \$6 | 0.67% | \$6 | | |
| Tukwila | 1.48% | \$8 | 1.11% | \$6 | 1.06% | \$6 | | |
| Woodinville | 0.94% | \$8 | 0.71% | \$6 | 0.65% | \$6 | | |
| Yarrow Point | 0.15% | \$17 | 0.13% | \$15 | 0.05% | \$6 | | |
| TOTAL | 100.00% | \$6 | 100.00% | \$6 | 100.00% | \$6 | | |

*Note that changes to the treatment of the Bellevue TIF will not affect KCTD allocations in 2027

ILLUSTRATIVE ONLY - BASED ON PRELIMINARY ESTIMATES - ADMIN COSTS NOT INCLUDED

The table below shows the effective pass-through rate to each city

| City | Effective rate | | Effective rate |
|--------------------|---|---|----------------|
| | AMDT 2A CTIP Program 12.5% total \$10K min 15% max (\$ from Seattle go to other cities) | Effective rate AMDT1 to 2A Same as 2A BUT no 15% max | |
| Algona | 22.84% | 18.48% | 12.50% |
| Auburn/King | 16.74% | 12.38% | 12.50% |
| Beaux Arts Village | 84.90% | 80.54% | 12.50% |
| Bellevue | 16.61% | 12.25% | 12.50% |
| Black Diamond | 19.33% | 14.97% | 12.50% |
| Bothell/King | 17.15% | 12.79% | 12.50% |
| Burien | 16.87% | 12.52% | 12.50% |
| Carnation | 25.62% | 21.26% | 12.50% |
| Clyde Hill | 23.33% | 18.97% | 12.50% |
| Covington | 17.43% | 13.07% | 12.50% |
| Des Moines | 17.11% | 12.75% | 12.50% |
| Duvall | 18.88% | 14.52% | 12.50% |
| Enumclaw/King | 18.06% | 13.70% | 12.50% |
| Federal Way | 16.68% | 12.32% | 12.50% |
| Hunts Point | 63.10% | 58.74% | 12.50% |
| Issaquah | 16.99% | 12.63% | 12.50% |
| Kenmore | 17.34% | 12.98% | 12.50% |
| Kent | 16.63% | 12.27% | 12.50% |
| Kirkland | 16.69% | 12.33% | 12.50% |
| Lake Forest Park | 18.03% | 13.67% | 12.50% |
| Maple Valley | 17.20% | 12.84% | 12.50% |
| Medina | 23.75% | 19.39% | 12.50% |
| Mercer Island | 17.30% | 12.94% | 12.50% |
| Milton/King | 29.41% | 25.05% | 12.50% |
| Newcastle | 18.01% | 13.65% | 12.50% |
| Normandy Park | 19.57% | 15.21% | 12.50% |
| North Bend | 18.95% | 14.59% | 12.50% |
| Pacific/King | 19.41% | 15.05% | 12.50% |
| Redmond | 16.73% | 12.37% | 12.50% |
| Renton | 16.67% | 12.31% | 12.50% |
| Sammamish | 16.79% | 12.43% | 12.50% |
| SeaTac | 17.12% | 12.76% | 12.50% |
| Seattle | 4.96% | 12.14% | 12.50% |
| Shoreline | 16.81% | 12.45% | 12.50% |
| Skykomish | 145.03% | 140.67% | 12.50% |
| Snoqualmie | 17.93% | 13.58% | 12.50% |
| Tukwila | 17.40% | 13.04% | 12.50% |
| Woodinville | 17.99% | 13.63% | 12.50% |
| Yarrow Point | 35.25% | 30.89% | 12.50% |
| TOTAL | 12.50% | 12.50% | 12.50% |

*Note that changes to the treatment of the Bellevue TIF will not affect KCTD allocations in 2027

Possible Scenarios for Bellevue Tax Increment Financing (TIF) Allocations

May 21, 2026

ILLUSTRATIVE ONLY - BASED ON PRELIMINARY ESTIMATES TO COVER A RANGE OF POSSIBLE CONDITIONS

Ordinance 20061 commits King County to support Bellevue's TIF via \$30M in property tax revenues from 2028-2051. However, those property tax revenues are to be reduced by any revenues passed through to Bellevue from the KCTD. This table shows different scenarios for what Bellevue could receive from TIF property taxes and/or a KCTD sales tax pass-through to cities. Note that each KCTD sales tax is for a 10-year period and may or may not be renewed at the end of each 10-year period.

| A | B | C | D | E | F | G |
|------------------------|---|---|---------------------|---|----------------------------|----------------------------|
| | Ord 20061 <small>Assumes \$30M in KC property taxes to Bellevue with deduction of any KCTD \$ that Bellevue may receive</small> | Ord 20061 + KCTD Amdt 2A <small>Assumes sales tax pass-through to Bellevue from KCTD with TIF property taxes eliminated under Ord 20061 by KCTD amounts</small> | | Ord 20061 + KCTD Amdt 2B-NEW (fixed TIF) <small>Assumes \$30M in KC property taxes to Bellevue Assumes: KCTD pass-through reduced by what would have been received in TIF: D minus B = F TIF is reduced by <u>prior year</u> KCTD distribution: B minus F for prev yr = E KC Roads receives in KCTD \$ what Bellevue would have received from TIF: B = G</small> | | |
| Year | TIF Property Tax | TIF Property Tax | KCTD Sales Tax | TIF Property Tax | KCTD Sales Tax to Bellevue | KCTD Sales Tax to KC Roads |
| 2027 | \$0 | \$0 | \$931,089 | \$0 | \$931,089 | \$0 |
| 2028 | \$41,167 | \$0 | \$965,445 | \$0 | \$924,278 | \$41,167 |
| 2029 | \$127,655 | \$0 | \$986,059 | \$0 | \$858,404 | \$127,655 |
| 2030 | \$214,558 | \$0 | \$1,031,562 | \$0 | \$817,004 | \$214,558 |
| 2031 | \$501,292 | \$0 | \$1,071,550 | \$0 | \$570,258 | \$501,292 |
| 2032 | \$790,742 | \$0 | \$1,102,859 | \$220,484 | \$312,117 | \$790,742 |
| 2033 | \$823,044 | \$0 | \$1,143,781 | \$510,927 | \$320,737 | \$823,044 |
| 2034 | \$855,370 | \$0 | \$1,178,531 | \$534,633 | \$323,161 | \$855,370 |
| 2035 | \$887,744 | \$0 | \$1,213,710 | \$564,583 | \$325,966 | \$887,744 |
| 2036 | \$1,113,814 | \$0 | \$1,249,878 | \$787,848 | \$136,064 | \$1,113,814 |
| KCTD 1st 10 yrs | \$5,355,386 | \$0 | \$10,874,465 | \$2,618,475 | \$5,519,079 | \$5,355,386 |
| | | \$10,874,465 | | \$8,137,554 | | ROADS |
| 2037 | \$1,342,134 | \$92,134 | \$1,250,000 | \$1,206,070 | \$0 | \$1,250,000 |
| 2038 | \$1,382,580 | \$132,580 | \$1,250,000 | \$1,382,580 | \$0 | \$1,250,000 |
| 2039 | \$1,423,320 | \$173,320 | \$1,250,000 | \$1,423,320 | \$0 | \$1,250,000 |
| 2040 | \$1,464,382 | \$214,382 | \$1,250,000 | \$1,464,382 | \$0 | \$1,250,000 |
| 2041 | \$1,505,790 | \$255,790 | \$1,250,000 | \$1,505,790 | \$0 | \$1,250,000 |
| 2042 | \$3,265,906 | \$2,015,906 | \$1,250,000 | \$3,265,906 | \$0 | \$1,250,000 |
| 2043 | \$3,354,908 | \$2,104,908 | \$1,250,000 | \$3,354,908 | \$0 | \$1,250,000 |
| 2044 | \$3,444,797 | \$1,636,515 | \$1,250,000 | \$3,444,797 | \$0 | \$1,250,000 |
| 2045 | \$3,535,622 | \$0 | \$1,250,000 | \$3,535,622 | \$0 | \$1,250,000 |
| 2046 | \$3,627,437 | \$0 | \$1,250,000 | \$1,279,071 | \$0 | \$1,250,000 |
| KCTD 2nd 10 yrs | \$24,346,876 | \$6,625,535 | \$12,500,000 | \$21,862,446 | \$0 | \$12,500,000 |
| | | \$19,125,535 | | \$21,862,446 | | ROADS |
| 2047 | \$297,738 | | | | | |
| 2048 | | | | | | |
| 2049 | | | | | | |
| 2050 | | | | | | |
| 2051 | | | | | | |
| TIF ends | \$297,738 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GRAND TOTAL | \$30,000,000 | \$6,625,535 | \$23,374,465 | \$24,480,920 | \$5,519,079 | \$17,855,386 |
| | | \$30,000,000 | | \$30,000,000 | | ROADS |
| NPV (@ 3.5%) | \$18,105,185 | \$29,378,978 | | \$19,319,413 | | -- |

Notes:

- TIF KC property tax revenue figures are based on modeling prepared for Ord 20061
 - KCTD pass-through estimates are based on a 12.5% allocation (calculation does not factor in a minimum or maximum to other cities)
- The KCTD pass-through estimates are inflated through 2036 based on OEFA sales tax forecasts
No inflation has been shown for KCTD pass-through estimates post 2037 (a 2nd KCTD funding measure) as this is past OEFA's forecasts

Methodology:

- The Ordinance 20061 column assumes that there is no KCTD revenue pass-through to cities; Bellevue receives only TIF apportionment
 - The Amdt 2A columns show the interaction between TIF and KCTD based on the provisions in Ord 20061
Specifically, the TIF property tax appointment is reduced by the amount of KCTD pass-through
 - The Amdt 2B-NEW columns show the interaction between TIF and KCTD based on the newly drafted Amdt 2B
- Step 1: Calculate KCTD sales tax allocation to Bellevue each year reduced by what Bellevue would have received from TIF apportioned property tax in the same year but for TIF offset
Step 2: Calculate TIF apportioned property tax starting in 2028: TIF apportioned revenues for each year reduced by KCTD sales tax allocation received in prior year after Step 1 reduction

Potential Next Steps for Independent KCTD to Implement Roads Funding Measure

NOTE: King County is authorized to assume the KCTD under RCW 36.74. The timeline below is based on KCTD approving a funding measure by June, remaining an independent entity, and staffing administrative functions itself.

| Timing | Tasks Related to Passage of Funding Measure | Startup Tasks to be Completed Prior to Collection of Revenues | Tasks for Revenue Collection ¹ and Ongoing Operations |
|----------------------|--|--|--|
| May-June 2026 | <p>KCTD KC COUNCIL KC EXEC Letter directing use of County staff for KCTD startup tasks Under terms of 2014 KCTD/King County ILA</p> <p>KCTD Approve funding Resolution (TD2026-01) 0.1% sales tax for Roads purposes</p> <p>KCTD Request Exec to develop ILA + Implementation Plan (TD2026-02) 0.1% sales tax for Roads purposes</p> <p>KCTD Notify DOR of sales tax measure Must notify DOR by October 16, 2026, for collections to begin on January 1, 2027</p> | <p>KCTD Plan for startup and implementation staffing</p> <ul style="list-style-type: none"> • Determine whether to hire staff or consultants (Assume will use consultants at least for startup period) • Draft RFP, advertise, interview • Hire consultants for startup tasks <p>KCTD Update bylaws</p> <ul style="list-style-type: none"> • Number, timing of meetings for Board, Executive Committee • Treatment of Zoom (remote) attendance | |
| June-Dec 2026 | | <p>KCTD KCTD consultants develop procedures for admin, accounting, etc.</p> <ul style="list-style-type: none"> • Amend ILA between KCTD and King County? • Apply for necessary documentation: <ul style="list-style-type: none"> ◦ Federal EIN, WA Stat L&I, State UBI • Develop budget • Develop administrative workflows • Execute Cash Management Services and Investment Services Agreements with King County • Prepare interfund loan application for 2026/early 2027 startup expenses • Obtain legal counsel • Obtain insurance coverage (general liability, officers', cyber, etc.) • Identify and license accounting software • Develop internal controls, cash management, and records policies <p>KC EXEC Develop Implementation Plan & ILA Develop and transmit proposed County/KCTD ILA and Implementation Plan, plus project proposal for 2027, transmit to Council and KCTD</p> <p>KCTD KC COUNCIL Approve Implementation Plan & ILA Council and KCTD must each review and approve</p> <p>KCTD JURISDICTIONS Develop, distribute, approve ILA(s) with jurisdictions If revenues are passed through to jurisdictions, must develop an appropriate ILA, determine process for coordination with jurisdictions, approve and execute ILAs prior to distribution of revenues</p> | |

¹ If DOR begins revenue collections on January 1, 2027, KCTD will begin receiving revenues two months after the end of the first month (late March 2027)

| Timing | Tasks Related to Passage of Funding Measure | Startup Tasks to be Completed Prior to Collection of Revenues | Tasks for Revenue Collection ¹ and Ongoing Operations |
|-----------------------|---|---|---|
| Jan 2027- Dec 2036 | | | <p data-bbox="2076 223 2318 243">KC EXEC JURISDICTIONS</p> <p data-bbox="2076 249 2654 274">Implement roads projects based on approved ILAs</p> <p data-bbox="2076 280 2815 338">King County Roads and local jurisdictions (if there is a pass-through) implement the roads projects based on the approved ILAs</p> <p data-bbox="2076 379 2125 399">KCTD</p> <p data-bbox="2076 405 2396 429">Daily/weekly/monthly tasks</p> <ul data-bbox="2076 439 2620 693" style="list-style-type: none"> • Accounts payable • Accounts receivable • Asset management • Budget reporting • Cash management • Financial reporting and reconciliation (monthly) • Payroll • Purchasing/contracting/procurement <p data-bbox="2076 733 2125 753">KCTD</p> <p data-bbox="2076 760 2256 784">Quarterly tasks</p> <ul data-bbox="2076 794 2629 915" style="list-style-type: none"> • Tax filings for all levels of government, including: <ul data-bbox="2107 824 2498 885" style="list-style-type: none"> ○ WA L&I ○ WA Combined Excised Tax Return • Contractor monitoring (King County/cities) <p data-bbox="2076 955 2125 975">KCTD</p> <p data-bbox="2076 981 2225 1005">Annual tasks</p> <ul data-bbox="2076 1016 2878 1137" style="list-style-type: none"> • Financial reporting and submittal to required authorities • Audits as needed • Contractor monitoring (review of King County and jurisdiction progress) • Budget development, approval |