

## POLICY NOTE

# Citizens' Guide to Snohomish County's Community Transit Proposition 1

By Bob Pishue, Director, Coles Center for Transportation

October 2015

### Key Findings

1. Community Transit provides local and commuter bus services, vanpools, and demand response service for people in Snohomish County.
2. In 2013, Community Transit spent \$48 million to provide 5.3 million trips on local bus service. That's \$9.10 per trip.
3. Costs at other urban Puget Sound transit agencies, like King County Metro and Pierce Transit, are \$4.41 per trip and \$4.75 per trip respectively.
4. Before asking voters to approve a tax increase, transit officials should work to reduce costs by better using contracting out. According to data provided to WSDOT, it costs about \$177 to operate one hour of commuter bus service in-house, compared to \$110 per hour when contracted-out.
5. Cutting costs on local and commuter service would free up millions to expand without requiring regressive tax increases or service cuts elsewhere.

### Introduction

One day after Governor Inslee signed the statewide transportation package during this year's legislative session, Community Transit's Board of Directors voted to send a sales tax increase to the November ballot. The transportation package included a special carve-out for Community Transit – the ability to raise taxes in most of Snohomish County above the maximum limit previously allowed by law. Other local transit agencies can legally impose up to a 0.9 percent sales tax to finance their operations. Community Transit officials currently impose a 0.9 percent sales tax to fund operations, but officials can now impose up to a 1.2 percent sales tax on Snohomish County residents outside of Everett.

Voters in the Transportation Benefit District (Urban and suburban areas of Snohomish County outside of Everett) will vote on the 0.3 percent tax increase, Community Transit Proposition 1, on the November ballot. A "Yes" vote would raise the sales tax rate in cities like Mukilteo and Edmonds from 9.5 percent on the sale of goods and services to 9.8 percent. The ballot language follows:

*"Snohomish County Public Transportation Benefit Area Corporation (Community Transit) Proposition No. 1*

*Transit and Mobility Improvement 0.3% Sales and Use Tax Funding*  
*The Board of Directors of the Snohomish County Public Transportation Benefit Area Corporation (Community Transit) adopted Resolution No. 08-15, concerning the imposition of an additional sales and use tax. This proposition would authorize an additional sales and use tax of three-tenths of one percent (0.3%) to fund operating, maintenance, and capital improvements to the existing system. These improvements would include more bus trips and better connections, operation of a second line of Swift bus rapid transit between Boeing/Paine Field and Canyon Park, and new service to current and emerging job, retail, and educational growth centers, including connections to the future regional light rail network. Should this proposition be:*

*\_ Approved \_ Rejected"*

Community Transit's new tax-ask comes at a time of rising tax burdens for transit. Most county residents already pay a 0.9 percent sales tax and a 0.3 percent Motor Vehicle Excise Tax, the tax based on the state's exaggerated estimate of your car's value, to Sound Transit. In addition, Sound Transit officials want to raise the sales tax on most Snohomish County residents by 0.5 percent next year, raise the unpopular Motor Vehicle Excise Tax and impose a new property tax for light rail.



**Bob Pishue** is director of WPC's Coles Center for Transportation. Prior to joining Washington Policy Center in 2013, Bob interned at the Washington Research Council where he produced policy briefs on initiatives and referenda. His most recent role was the IT and HR Manager for a Bellevue-based retailer for eight years. Bob graduated from Central Washington University with a bachelor's degree in economics.

*Washington Policy Center is an independent research organization in Washington state. Nothing here should be construed as an attempt to aid or hinder the passage of any legislation before any legislative body.*

Published by  
Washington Policy Center  
© 2015

**washingtonpolicy.org**  
**206-937-9691**

Officials estimate this year's proposed 0.3 percent sales tax rate increase would bring an additional \$25 million every year to Community Transit, and would rise with the economy. Community Transit officials want to increase spending to expand local bus service, including a second *Swift* bus rapid transit route. This Citizens' Guide provides a brief look at both Community Transit services to help inform Snohomish County voters before the November election.

## **Community Transit local bus service more costly than peer agencies**

Community Transit operates two types of bus service: local and commuter. Community Transit's local bus service is the most expensive for its size among urban bus systems in Washington state, according to the latest data available from the Washington State Department of Transportation (WSDOT). In 2013, Community Transit spent \$48 million to provide 5.3 million passenger trips.<sup>1</sup> That's \$9.10 per passenger trip.

Other Puget Sound transit agencies offer better returns to taxpayers. Costs at King County Metro, the largest county bus system in the state, are only \$4.41 per trip, and Pierce Transit spends about \$4.75 per trip.<sup>2</sup>

Spokane's transit agency serves about the same-size area as Community Transit. However, Spokane Transit has double the ridership of Community Transit, with just over 11 million trips. Spokane Transit also gets more bang for the buck. Spokane Transit provided 383,000 hours of local bus service last year while Community Transit provided 100,000 fewer hours but spent \$4 million more.<sup>3</sup>

One bright spot at Community Transit is their *Swift* commuter bus service, serving about one-third of their ridership. However, while transit officials do contract out some of their commuter service to First Transit, a third party transit provider, Community Transit's in-house operations are 61 percent more costly. According to WSDOT, it costs about \$177 to operate one hour of commuter service in-house at Community Transit, compared to a contracted-out \$110 per hour.<sup>4</sup>

## **Conclusion**

Community Transit services are just flat out expensive. Transit officials should work to reduce costs by contracting out all of their commuter services, and a good portion of their neighborhood bus service, to providers like First Transit. Other transit agencies serve the same number of trips as Community Transit but at a much lower cost. For example, Clark County's C-TRAN, provided about the same number of trips as Community Transit in 2013 (5.4 million) but for about half of the cost (\$26 million). Cutting costs on local and commuter service would free up millions to expand without requiring regressive tax increases or service cuts elsewhere.

1 "2013 Summary of Public Transportation," Washington State Department of Transportation, December 2014, at [wsdot.wa.gov/publications/manuals/fulltext/m0000/TransitSummary/PTSummary2013.pdf](http://wsdot.wa.gov/publications/manuals/fulltext/m0000/TransitSummary/PTSummary2013.pdf).

2 Ibid.

3 Ibid.

4 Ibid.