



# Puget Sound Gateway

## Position

Support the on-time and early implementation of the Puget Sound Gateway project (SR 167/SR 509). To ensure early delivery of the project, the alliance supports proposals to authorize tolling on the corridor, expedited funding for the project, and ensuring project cost savings are reinvested in the corridor.

## Background

The Puget Sound Gateway project is Connecting Washington's largest transportation investment, and is currently in the process of being delivered. The Gateway project includes the completion of State Route 509 and State Route 167. These projects provide essential connections to the ports of Tacoma and Seattle and will help ensure that people

and goods move more reliably through the Puget Sound region.

The legislature chose to use a pay-as-you go method. The result is that the project will not be completed until 2031. Wanting to see project finished much sooner, lawmakers in 2016 directed the Washington State Department of Transportation (WSDOT) to evaluate the benefits of accelerating the project as well as options for doing so.

“Not only does it deliver the gateway project four years earlier, but... our analysis showed there were nearly a quarter billion dollar in cost savings that could be realized.”

-Jason Richter, Washington State Deputy Treasurer



## How can the state help?

### Toll authorization

The Connecting Washington transportation package assumed \$180 million in toll revenue for the project. However, it assumed tolling would not begin until the entire project is completed in 2031. If the legislature were to authorize tolling sooner, allowing it to be implemented on those portions of the corridor that

are completed, it would accelerate cash flow, allowing construction to happen sooner.

### Financing

As noted above, lawmakers initially chose to build on a pay-as-you go basis. WSDOT has determined, however, that a small amount of borrowing (\$129 million) could accelerate construction and avoid inflationary costs enough to offset the interest associated with the borrowing.

### How does the state benefit?

- Construction time reduced by 25 percent, with project completion occurring in 2028.
- \$147 million in reduced construction costs.
- 271 million vehicle-miles travelled saved
- 33 million person-hours saved
- \$893 million in economic net benefits, with net present value of \$275 million.

