



Measure I 2018 Streets and Bike Path Maintenance Tax

Ballot Language:

Shall Ordinance 2522 be adopted to add Article 15.21 to the Davis Municipal Code to establish a Street and Bike Path Maintenance Tax of \$99 per year on residential units and on non-residential units in amounts specified in the Ordinance, to fund maintenance of streets, bike lanes and paths, sidewalks, and related transportation infrastructure, which is estimated to raise \$2.8 million, with a 2% annual inflator, for a period of 10 years?

What is the Streets and Bike Path Maintenance Tax (Measure I)?

Measure I is a city ballot measure for the June 2018 ballot to establish a Street and Bike Path Maintenance Tax to help fund the needs of the existing transportation infrastructure, including streets, sidewalks, bike lanes and bike paths. It requires a two-thirds (66.67%) vote to pass.

The proposed tax rates are as follows:

Residential Parcel	\$99/unit/year
Commercial Parcel	\$80/square foot, not to exceed 10,000 sq. ft.
Industrial Parcel	\$25.86/employee, not to exceed 30 employees
Day Care Parcel	\$29.90/1,000 sf, not to exceed 10,000 sq. ft.

The tax also includes a 2% inflator each year beginning in 2019, and will be in place for 10 years. If approved, the tax would sunset or require renewal by the voters in 2028.

How much revenue will Measure I generate?

If Measure I passes, the city expects to receive approximately \$2.8 million in the first year. In addition, the measure requires the city to continue its current commitment of at least \$3 million dollars each year to fund street and bike path maintenance. This “maintenance of effort” requirement ensures that the tax supplements, rather than supplants, funding that is already allocated to streets and bike path maintenance.

How would the city use the revenue from Streets and Bike Path Maintenance Tax?

The funds would be spent to maintain, repair, and upgrade roadways, bike paths and related infrastructure across the city. Specific activities include the following:

- Annual repaving or repairing of sections of roadway and bike paths
- Patching potholes in streets and on bike paths
- Ramping and grinding sidewalk tripping hazards
- Striping roads and bike lanes after paving or repairs
- Replacing existing non-compliant pedestrian ramps
- Upgrading the city’s signal and street lighting system

- Resurfacing city parking lots
- Repairing or replacing sidewalks and curbs

How much money do we need to put toward streets, bike paths and related transportation infrastructure?

Based on outside studies, the city has a total estimated need of approximately \$7.55 million per year above what the city is currently spending to bring the existing infrastructure up to a Pavement Condition Index (PCI) of 68 for Arterials, 65 for Collectors and 60 for Residential/Local streets, the City Council's minimum goal. Industry standards set a PCI of 25 or below as "failing". The city's average PCI is currently a 63 as of 2015.

Why doesn't the city use other money instead of proposing a Street and Bike Path Maintenance Tax?

The City Council has adopted a policy to have a "reserve" equal to 15% of the city's discretionary revenues, much like an individual would keep a savings account for an emergency. This reserve is the city's emergency fund for unanticipated situations such as natural disasters, recession, variances in financial forecasting, or costs imposed by other governmental agencies.

Using other existing funds would mean shifting them from other city services. Rather than do that, the City Council voted to place a tax on the June ballot to raise funds for the specific purpose of street and bike path maintenance.

How have State and Federal actions impacted the city?

Since 1992, the state legislature has taken General Fund property tax revenue away from cities and counties. The City of Davis receives, on average, less than 18% of the property tax generated within city limits. Approximately ¾ of the sales tax generated in Davis goes to the state. In addition, the state has fluctuated in its commitments to the city for other revenues, such as Vehicle Licensing Fees, funding for road improvements, and reimbursement of state-mandated costs.

The funding gap specifically for transportation infrastructure is exacerbated by the uncertain and fluctuating nature of funding that has historically flowed to the city from the federal and state levels. While public transportation funding has incremented upward each year, the city is merely the pass-thru entity for Unitrans and YoloBus. The TDA (Transportation Development Act) non-transit dollars have decreased from a high of \$2 million five years ago to approximately \$1,200 in the current budget. Outside competitive grants vary year to year. Finally, the state Road Repair and Accountability Act dollars (also known as SB1), which have started this fiscal year, will assist in addressing transportation needs, but will not close the gap identified by the City Council.

What will happen if voters do not approved the Street and Bike Path Maintenance Tax?

If the Streets and Bike Path Maintenance Tax is not approved, the city will continue to provide the current level of service on the city streets and bike paths, targeting as many areas as existing funds will allow. At the current levels of service, the overall Pavement Condition Index is projected to decline to 18 by 2035.

For more information, please visit: CityofDavis.org