

City of Davis Parcel Tax Study Session

JUNE 17, 2014

Issues

- Consideration of Potential Tax Measures
- Amount and Duration?
- Debt Financing vs. Pay Go?
- Timing and use of mail ballots?
- Specific Projects
- Process to be used

Options

1. Parcel tax for Transportation

- Projects from Pavement Management Study

2. Parcel Tax for Parks Projects

- Projects from Parks master Plan

3. Potential of Hybrid Measures

Revenue raised by various amounts of Parcel Tax over time*

Parcel Tax per Year	Revenue per year	Length of Time		
		10 yrs.	20 yrs.	30 yrs.
\$50	\$1.4 M	\$14 M	\$28 M	\$42 M
\$100	\$2.8 M	\$28 M	\$56 M	\$84 M
\$150	\$4.2 M	\$42 M	\$84 M	\$126 M
\$200	\$5.6 M	\$56 M	\$112 M	\$168 M

*Numbers not adjusted for inflation

Cost per Month for Homeowner

Parcel Tax per Year Amount	Cost Per Month
\$ 50	\$ 4.17
\$100	\$ 8.33
\$150	\$12.50
\$200	\$16.67

Financing (\$2.8 M per year Parcel Tax)

Comparative Bonding Capacity			
	Scenario 1	Scenario 2	Scenario 3
	10 year term	20 year term	30 year term
	3% interest rate	4% interest rate	4.5 % interest rate
	110 % coverage	110 % coverage	110 % coverage
Net Proceeds available to fund projects	\$21.04 M	\$33.56 M	\$40.19 M

Financing (\$25 M net proceeds)

	Scenario 1	Scenario 2	Scenario 3
Term	10 year term	20 year term	30 year term
Interest rate Coverage	3% interest rate 110% coverage	4% interest rate 110% coverage	4.5 % interest rate 110% coverage
Annual Debt Service	\$3.3 M	\$2.1 M	\$1.7 M
Total paid	\$33.2 M	\$41.8 M	\$52.3 M

20-year Capital Programs

1. Local Infrastructure/PMP

2. Park projects from Master Plan

Local Infrastructure/PMP

	B-Mod		Baseline		Opt. 1		Opt. 2	
	\$25M in FY 14/15 and 15/16 with variable cost totalling \$246M through FY 33/34		\$4.7M in FY 14/15 with \$1M/yr to FY 33/34		\$4.7M in FY 14/15 with \$2.4M/yr to FY 33/34		\$4.7M in FY 14/15 with \$3.8M/yr to FY 33/34	
	2015	2034	2015	2034	2015	2034	2015	2034
Average Road PCI	57	63	57	23	57	30	57	35
Average Arterial PCI	58	68						
Average Collector PCI	52	65						
Average Local PCI	59	60						
Street Backlog	\$ 19,924,340	\$ 116,452,137	\$21,844,909	\$463,079,197	\$21,844,909	\$394,612,278	\$21,844,909	\$339,142,463
Average Path PCI	52	73	52	34	52	41	52	47
Path Backlog	\$ 3,236,589	\$ 3,940,523	\$ 3,236,589	\$51,570,667	\$ 3,236,589	\$38,541,695	\$ 3,236,589	\$32,403,480

B-Mod (PCI Targets)

\$25M in Years 1 & 2, Variable 3-20, \$246M total

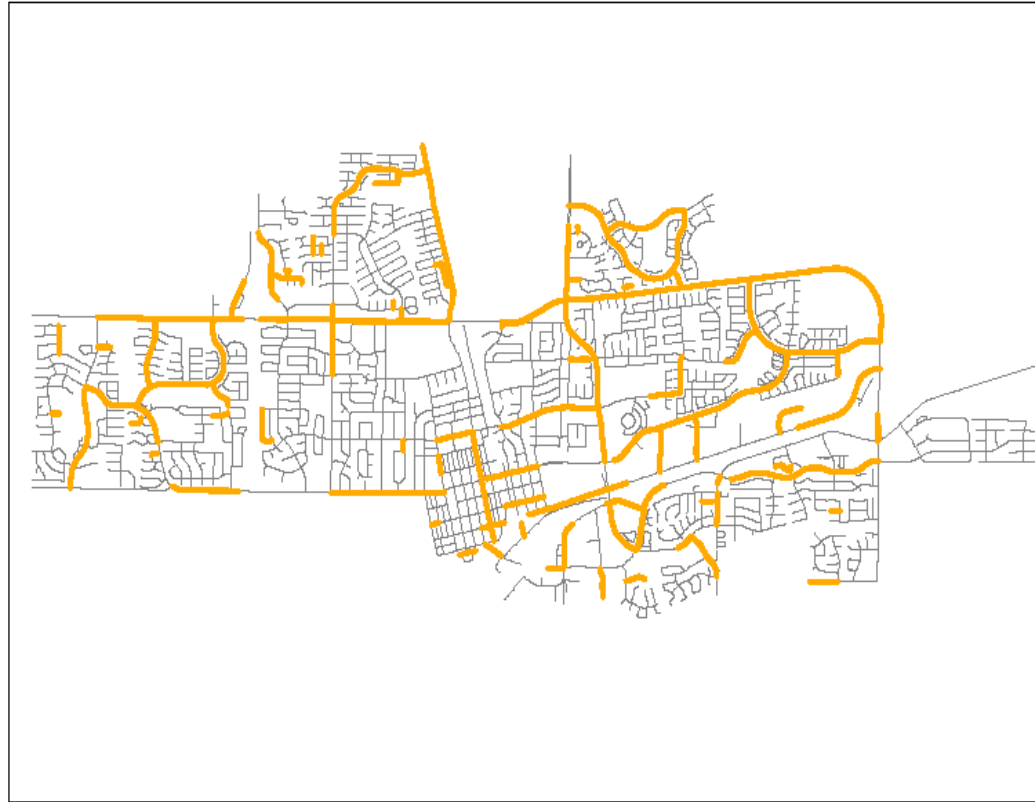
Street Segments w/ AC
Construction over 20 yrs



Option 2

\$4.7 M year 1, \$3.8 M thereafter

Street Segments w/ AC
Construction over 20 yr
Life



Parks Rehab Existing Facilities & Structures

20 years, \$100 per year

Facility/Structure	Estimated Cost
Greenbelt Water Conservation	\$3.2 million
Refurbish City Pools	\$3 million Civic Pool \$4 million Community Pool
Renovate Existing Parks	\$16 million
American's with Disabilities Act Upgrades	\$3 million
Refurbish Tennis Courts	\$800k Walnut Park \$2 million all other courts
Veteran's Memorial Center Modernization	\$8 million
Senior Center Modernization	\$7 million
Fountain Replacement in Central Park	\$1 million

Parks New Unfunded Projects

Facility/Structure	Estimated Cost
Refurbish Community Pool with a 50 Meter Competition Pool Complex	\$10 million total * (\$3 million more than refurbishing Civic and Community)
Sports Park Set Aside	\$2 million
New Dog Park	\$1 million
Bike Pump Track	\$1.5 million
Community Gardens	\$750k
Value Added Improvements	