



University Station Revenue and How It Has Been Used

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University Station

Commercial value can provide additional new growth revenue for the town

The Town, as planned before the start of the project, has utilized this new revenue for several important financial areas including:



- Providing for direct service impact costs of the project (such as public safety and schools impact)
- Providing for sustainable growth for the school and municipal budgets above the limits of Proposition 2 ½%.
- Helping to limit the annual tax bill increase.
- Funding debt service for major capital projects within Proposition 2 1/2.
- Funding the Capital Stabilization reserve.
- Stabilizing the commercial/residential split tax rate.
- Providing support to maintain the Town's AAA bond rating

Estimated annual new tax revenue from initial impact study before start of project.

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|-----------------------------|-------------|
| • Increased new revenue - | \$5M |
| • Associated direct costs - | <u>\$2M</u> |
| • Public Safety | |
| • School Enrollment | |
| • Net new annual revenue - | \$3M |

University Station Revenue Allocation Areas

Address Multiple Areas

- University Station new commercial tax revenue can provide for multiple areas:



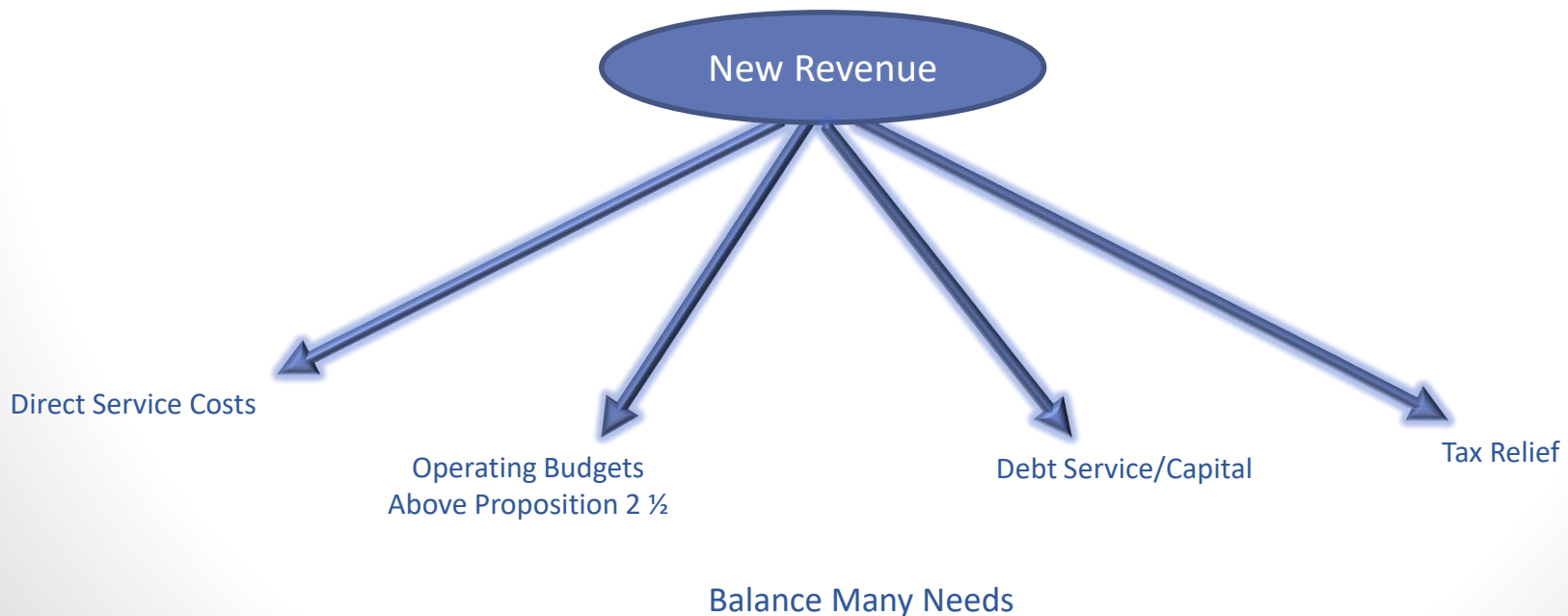
Balance Many Needs

University Station Revenue Has Helped All Budget Areas

- University Station has provided important new commercial tax revenue:

University Station New Growth Tax Revenue						
FY15	FY16	FY17	FY18	FY19	FY20	Total
\$565,000	\$3,242,307	\$1,171,730	\$179,000	\$276,000	\$503,000	\$5,937,037

This chart shows the additional tax revenue each year from the project. The additional annual revenue is now \$5.9M. As taxes on the property before development were approximately \$2million, the total current University Station development pays over \$7.9M in annual taxes.



University Station Revenue Significantly Helps Multiple Budget Areas

Summary:

Operating Budgets: Support operating budgets outside the constraints of Proposition 2 ½

Total Increase in funding to Operating Budgets	\$2.639M
School	\$1.9M
Municipal	\$ 700K

Direct Service Costs: Provides for increases in service costs especially public safety

Total Funding for Direct Service Costs	\$1.938M
School	\$ 265K
Municipal	\$ 1,672,500

Capital: Revenue to fund capital projects within Proposition 2 ½

Ongoing:

Debt Service – Police Bond	\$800,000
Debt Service – Route 109 Road Bond	\$92,500
Total Ongoing	\$892,500

One Time – Capital Fund	\$975,000
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Tax Bill Relief: Apply revenue to subsidize tax bills for all residents

	FY16	FY17	FY18	FY19	FY20
Unused Tax Levy	\$500,000	\$670,000	\$279,000	\$555,000	\$378,000

University Station Detail by Year of Use of New Tax Revenue

Operating Budgets - Support Operating Budgets Outside the Constraints of Proposition 2 ½

Operating Budgets

Revenue used to supplement budgets beyond the limits of Prop 2 ½. These funds have allowed the Town to provide a high level of services, without a Prop 2 ½ override. Funds listed are then added annually to the ongoing budget. For example, the School Department budget is now \$1.9M higher each year than it was before the University Station project.

	FY15/FY16	FY17	Total
School	\$1,020,225	\$883,000	\$1,903,225
Municipal	\$461,578	\$272,000	\$733,578

Direct Service Costs – Provides for Increases in Service Costs Primarily Public Safety

Direct Service Costs

Revenue used to provide for increases in service costs due to the project. Funds listed are then added annually to the ongoing budget. School costs provide for any impact/transportation costs for students in the development. The municipal costs provide for additional public safety staff. Police and Fire staffing and services have been significantly enhanced, with the addition of 14 new firefighters, 7 police, and 2 dispatch positions.

	FY15/FY16	FY17	FY18	FY19	FY20	Total
School		\$215,000			\$50,000	\$265,000
Municipal	\$565,000		\$570,000		\$537,500	\$1,672,500

University Station Summary of Use of New Tax Revenue

Capital – Revenue to Fund Capital Projects Within Proposition 2 1/2	
One Time appropriation to Capital Fund in FY16	\$975,000
Capital - Ongoing Revenue used to fund capital projects. The debt service is permanently added for the life of the bond.	
Debt Service – Police Station bonding beginning in FY17	\$800,000
Debt Service – Route 109 Road Bond beginning in FY20	\$92,500

Tax Bill Relief – Apply Revenue to Subsidize Tax Bills for all Residents					
Tax Bill Relief Each year some of the new revenue is left “unused”. This means that the budget is not increased to spend this money, but instead the funds are applied to existing budgets providing relief to all Town residents.					
	FY15/FY16	FY17	FY18	FY19	FY20
Unused Tax Levy	\$500,000	\$670,000	\$279,000	\$555,000	\$378,000

