

FACT SHEET
Sales Tax Distribution/Summary of the Financial Plan
For a Half Cent Sales Tax Measure for Highway 1 Widening/Carpool-Bus Lane Project
and Other Local Transportation Improvements
(Assumes 1.5% Real Growth)
Updated 6/3/04

Overall:

Sales Tax Projections

- All Figures shown in 2003/04 dollars
- Projections assume 1.5% for real growth
 - Real growth in taxable sales 1980-2001 was 1.61%
 - Real growth in taxable sales over last 10 years was 2.14%
- Assumes inflation and additional growth rates will parallel project cost increases
- Total generated by 30-year (2004/05-2034/35) 1/2-cent sales tax: **\$577 Million**

Fund Distribution:

- Sales Tax Revenues distributed **annually** to the Responsible Agency for each project/project type:

Project	% of Funds	Responsible Agency
Highway 1 Widening/Carpool Lanes Santa Cruz to Aptos - Includes 3 New Bicycle and Pedestrian Crossings (\$6M) - Includes Interest Payments on Bonds (\$131M)	64%	HCA
Highway 1 Express Buses (capital projects and/or services)	1%	SCCRTC distributes
Park/Ride Lots and Carpool/Alternative Transportation Programs (capital projects and/or services)	1.5%	SCCRTC distributes
Local City & County Transportation Improvements – Street, Road, Bicycle/Pedestrian and/or Transit (mostly capital projects)	19.5%	County/Cities (by population)
Coastal Bicycle/Pedestrian Trail next to rail line (capital project)	4%	SCCRTC distributes
Senior & Disabled Transportation Services (capital projects and/or services)	4%	SCCRTC distributes
Highway 17 Safety Programs (capital and CHP services)	1%	SCCRTC distributes
Watsonville-Pajaro Junction Rail Station (capital project)	1%	SCCRTC distributes
Contingency/Reserve	3%	SCCRTC distributes
Administration	1%	SCCRTC distributes

Annual distributions based on projected revenues shown on attached spreadsheet.

- Each of the Responsible Agencies will determine implementation and what/if any financial management tools to use (such as bonds) to accelerate delivery of those projects.

- Where SCCRTC is the responsible agency for distributing sales tax revenues to projects, SCCRTC will determine distribution schedules and what, if any, financial management tools to use to accelerate delivery of some projects. For some projects, SCCRTC may conduct a competitive grant process.
- For local city and county transportation improvements, annual allocations to the county and city will be based on current population; each City Council and the County Board of Supervisors will determine which specific projects to implement.

Assumptions for Highway 1 Project

Estimated Cost of Highway 1 Widening/HOV Project (from Santa Cruz to Aptos):

- Present day cost (in 2002/03 dollars) based on standard width medians (Alternative 2B from Caltrans Project Study Report)
 - Phase 1 (north of State Park Drive): \$235 million (M)
 - Phase 2 (south of State Park Drive): \$109M
 - Net Cost of Bonds Needed to Accelerate Delivery: \$131M
 - Financing Contingency: \$16M
 - **Total: \$491M**
- As project design proceeds, project phasing may change and project costs may change; however, the percent of the sales tax revenue will not change due to cost changes

Assumptions Regarding Revenues for Highway 1/HOV Project:

- \$8 million (M) in RSTP and CMAQ federal funds for Environmental Review (secured)
- \$102M from future state and federal funds (STIP, RSTP, congressional earmarks, etc.)
- \$12M from interest earnings on sales tax
- \$369M from sales tax measure
- **Total \$491M**

Estimated Construction Schedule for Highway 1 Widening:

- Project can be constructed as a continuous project under stated funding assumptions
- Phase 1 – north of State Park Dr. - 2010/11 to 2013/14
- Phase 2 – south of State Park Dr. - 2013/14-2017

Bonding Assumptions:

- Four Bonds Issued during construction of project – to be purchased as needed
- Assumes a Surety in bond issues
- Assumes \$15M Financing Contingency
- Debt Service for Highway 1 bonds shall have priority over other distributions. Unlikely to restrict annual distribution to other projects.
- Total Borrowed for Highway 1 (Bond Proceeds): \$226M
- Total Debt Service Cost: \$357M
- Net Cost of Bonds: \$131M (*Bond Debt Service Minus Bond Proceeds*)
- Timing: 30 year measure required to provide reasonable period to amortize the bonds

Years		Proceeds Half Cent Sales Tax	Distribution of Sales Tax Revenues - does not reflect total project costs; shown in current dollars; assumes 1.5% real growth in tax revenues										
Tax Year	Fiscal Year		Highway 1 Phase I & II (1)	City/County Amount	Express Buses	P & R Lots/ Alt Progrms	Senior & Disabled	HW 17 Safety	Bic/Ped Trail at Rail	Pajaro Junction Train Station	Contingency/ Reserve	Admin.	Total
			64.0%	19.5%	1.0%	1.5%	4.0%	1.0%	4.0%	1.0%	3.0%	1.0%	100.0%
1	2004-05	\$1,263,841	\$808,859	\$246,449	\$12,638	\$18,958	\$50,554	\$12,638	\$50,554	\$12,638	\$37,915	\$12,638	\$1,263,841
2	2005-06	15,393,589	9,851,897	3,001,750	153,936	230,904	615,744	153,936	615,744	153,936	461,808	153,936	\$15,393,589
3	2006-07	15,624,493	9,999,675	3,046,776	156,245	234,367	624,980	156,245	624,980	156,245	468,735	156,245	\$15,624,493
4	2007-08	15,858,860	10,149,671	3,092,478	158,589	237,883	634,354	158,589	634,354	158,589	475,766	158,589	\$15,858,860
5	2008-09	16,096,743	10,301,916	3,138,865	160,967	241,451	643,870	160,967	643,870	160,967	482,902	160,967	\$16,096,743
6	2009-10	16,338,194	10,456,444	3,185,948	163,382	245,073	653,528	163,382	653,528	163,382	490,146	163,382	\$16,338,194
7	2010-11	16,583,267	10,613,291	3,233,737	165,833	248,749	663,331	165,833	663,331	165,833	497,498	165,833	\$16,583,267
8	2011-12	16,832,016	10,772,490	3,282,243	168,320	252,480	673,281	168,320	673,281	168,320	504,960	168,320	\$16,832,016
9	2012-13	17,084,496	10,934,078	3,331,477	170,845	256,267	683,380	170,845	683,380	170,845	512,535	170,845	\$17,084,496
10	2013-14	17,340,764	11,098,089	3,381,449	173,408	260,111	693,631	173,408	693,631	173,408	520,223	173,408	\$17,340,764
11	2014-15	17,600,875	11,264,560	3,432,171	176,009	264,013	704,035	176,009	704,035	176,009	528,026	176,009	\$17,600,875
12	2015-16	17,864,888	11,433,529	3,483,653	178,649	267,973	714,596	178,649	714,596	178,649	535,947	178,649	\$17,864,888
13	2016-17	18,132,862	11,605,032	3,535,908	181,329	271,993	725,314	181,329	725,314	181,329	543,986	181,329	\$18,132,862
14	2017-18	18,404,855	11,779,107	3,588,947	184,049	276,073	736,194	184,049	736,194	184,049	552,146	184,049	\$18,404,855
15	2018-19	18,680,928	11,955,794	3,642,781	186,809	280,214	747,237	186,809	747,237	186,809	560,428	186,809	\$18,680,928
16	2019-20	18,961,141	12,135,131	3,697,423	189,611	284,417	758,446	189,611	758,446	189,611	568,834	189,611	\$18,961,141
17	2020-21	19,245,559	12,317,157	3,752,884	192,456	288,683	769,822	192,456	769,822	192,456	577,367	192,456	\$19,245,559
18	2021-22	19,534,242	12,501,915	3,809,177	195,342	293,014	781,370	195,342	781,370	195,342	586,027	195,342	\$19,534,242
19	2022-23	19,827,256	12,689,444	3,866,315	198,273	297,409	793,090	198,273	793,090	198,273	594,818	198,273	\$19,827,256
20	2023-24	20,124,664	12,879,785	3,924,310	201,247	301,870	804,987	201,247	804,987	201,247	603,740	201,247	\$20,124,664
21	2024-25	20,426,534	13,072,982	3,983,174	204,265	306,398	817,061	204,265	817,061	204,265	612,796	204,265	\$20,426,534
22	2025-26	20,732,932	13,269,077	4,042,922	207,329	310,994	829,317	207,329	829,317	207,329	621,988	207,329	\$20,732,932
23	2026-27	21,043,926	13,468,113	4,103,566	210,439	315,659	841,757	210,439	841,757	210,439	631,318	210,439	\$21,043,926
24	2027-28	21,359,585	13,670,135	4,165,119	213,596	320,394	854,383	213,596	854,383	213,596	640,788	213,596	\$21,359,585
25	2028-29	21,679,979	13,875,187	4,227,596	216,800	325,200	867,199	216,800	867,199	216,800	650,399	216,800	\$21,679,979
26	2029-30	22,005,179	14,083,314	4,291,010	220,052	330,078	880,207	220,052	880,207	220,052	660,155	220,052	\$22,005,179
27	2030-31	22,335,256	14,294,564	4,355,375	223,353	335,029	893,410	223,353	893,410	223,353	670,058	223,353	\$22,335,256
28	2031-32	22,670,285	14,508,983	4,420,706	226,703	340,054	906,811	226,703	906,811	226,703	680,109	226,703	\$22,670,285
29	2032-33	23,010,340	14,726,617	4,487,016	230,103	345,155	920,414	230,103	920,414	230,103	690,310	230,103	\$23,010,340
30	2033-34	23,355,495	14,947,517	4,554,321	233,555	350,332	934,220	233,555	934,220	233,555	700,665	233,555	\$23,355,495
31	2034-35	21,730,341	13,907,419	4,237,417	217,303	325,955	869,214	217,303	869,214	217,303	651,910	217,303	\$21,730,341
		\$577,143,388	\$369,371,768	\$112,542,961	\$5,771,434	\$8,657,151	\$23,085,736	\$5,771,434	\$23,085,736	\$5,771,434	\$17,314,302	\$5,771,434	\$577,143,388

Notes:

Growth 1.5%

(1) Includes bicycle and pedestrian overcrossings.