Five-Year Economic Forecast and Revenue Projections

2014-2018

MAJOR CAPITAL REVENUES

Overview

The major revenues that support the City of San José's capital programs are bond proceeds, grants, transfers between funds, and a number of taxes and fees levied on construction and property resale (conveyance) activity. This document provides a five-year forecast for the following taxes and fees: Construction and Conveyance Tax; Building and Structure Construction Tax; Construction Excise Tax; various Municipal Water System Fees; Residential Construction Tax; Sanitary Sewer Connection Fee; and Storm Drainage Connection Fee.

Overall, construction-related capital program revenues in this 2014-2018 Forecast are anticipated to increase significantly (\$51.7 million or 23%) from the estimates provided in the 2013-2017 Adopted Capital Improvement Program (CIP), reflecting improvements in the current economic environment. Revenues total \$280.7 million in this Forecast compared to \$229.0 million in the 2013-2017 Adopted CIP. The Construction-Related Revenue Forecast chart included at the end of this section provides a year-by-year comparison of this Forecast with the 2013-2017 Adopted CIP.

FORECAST COMPARISON SUMMARY (\$ in Thousands)

	2013-2017 CIP	2014-2018 Forecast	Difference	% Change
Construction and Conveyance Tax	\$109,000	\$150,000	\$41,000	38%
Building and Structure Construction Tax	50,000	55,000	5,000	10%
Construction Excise Tax	65,000	70,000	5,000	8%
Municipal Water System Fees	750	750	0	0%
Residential Construction Tax	500	925	425	85%
Sanitary Sewer Connection Fee	3,000	3,250	250	8%
Storm Drainage Connection Fee	700	750	50	7%
TOTAL	\$228,950	\$280,675	\$51,725	23%

A discussion of major construction activity trends and each of the revenue categories are included in more detail on the following pages.

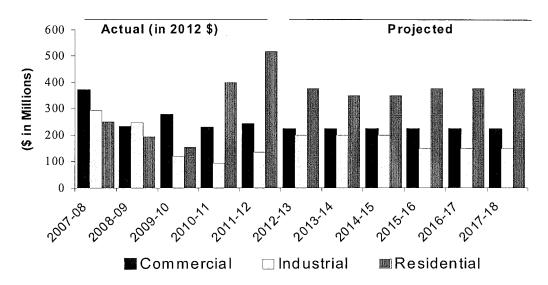
CONSTRUCTION ACTIVITY PROJECTIONS

With the exception of the Construction and Conveyance Tax Fund, the capital revenues described in this Forecast are construction-related taxes and fees. Revenue projections are derived from actual revenue collection patterns and construction activity estimates provided by the Planning, Building and Code Enforcement (PBCE) Department. Each year the PBCE Department provides projections of construction activity related to residential, commercial, and industrial development. The valuation figures have been adjusted to 2012 dollars per the Bureau of Labor Statistics Consumer Price Index, San José-San Francisco-Oakland all items index. A more complete discussion of these estimates is provided in a technical report prepared by PBCE entitled "Development Activity Highlights and Five-Year Forecast (2014-2018)", which is attached as an appendix to this document.

Based on projections provided by the PBCE Department, construction activity valuation in the current year is estimated to continue at slightly lower levels than actually experienced last year: \$800 million for 2012-2013, or an 11% decrease, compared to \$894 million in 2011-2012. This level of activity is expected to drop to \$775 million in 2013-2014 and 2014-2015, and then drop slightly again in to \$750 million for 2016-2017 and 2017-2018. These assumptions show a slight improvement of 12%, or a \$425 million increase from the levels presented in the 2013-2017 Forecast where activity ranged from \$675 million in 2012-2013 through 2014-2015 and increased to \$700 million in 2015-2016 and 2016-2017.

The following graph illustrates the level of projected construction activity by type (not including exemptions).

CONSTRUCTION VALUATION, BY TYPE



CONSTRUCTION ACTIVITY PROJECTIONS

A summary of the PBCE Department construction activity projections and the corresponding revenue estimates are provided below. It should be noted that due to the highly volatile nature of the construction market, the reliability of the estimates can be expected to change over the period of the Forecast. As new information becomes available, these estimates will be refined.

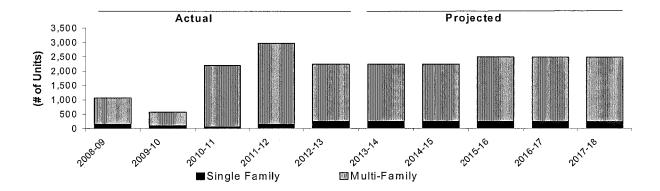
A. Residential Construction Activity

A significant portion of development-related revenue in San José has traditionally been generated by residential construction. Construction activity in 2011-2012 in this sector reached a five-year high of 2,973 new dwelling units as a result of a surge in activity in the later half of the year. This compares to an all-time low of just 573 new dwelling units in 2009-2010. Construction of new residential units is anticipated to decline by 25% (to 2,225 units) in 2012-2013 from last year's levels, as relatively high demand for rental housing continues in the near term.

The total value of residential construction activity projected in this Forecast is \$1.825 billion, a 9% increase over the 2013-2017 Forecast. The PBCE Department expects residential construction activity to generate an estimated 2,250 new units per year from 2012-2013 through 2014-2015, and then increase to 2,500 new units per year from 2015-2016 through 2017-2018. This represents an average of 2,400 units per year or 12,000 units over the forecast period. This activity level has increased slightly compared to the 11,500 units included in the 2013-2017 Forecast.

This Forecast expects a total of 10,750 multi-family dwelling units, or approximately 90% of all dwelling units (single-family and multi-family), to be constructed, reflecting the construction of higher density housing primarily in North San José. This figure represents a 5% increase compared to the projections in the 2013-2017 Forecast for this category. Conversely, only 1,250 new single-family dwelling units are anticipated during this forecast period, flat compared to projections in the 2013-2017 Forecast, demonstrating that high-density developments will continue to drive residential construction for the foreseeable future. The following chart shows the number of new units, by housing type, anticipated in San José through 2017-2018.

RESIDENTIAL CONSTRUCTION ACTIVITY



CONSTRUCTION ACTIVITY PROJECTIONS

B. Commercial Construction Activity

In 2011-2012, commercial construction activity totaled \$242 million, a 6% increase from 2010-2011. New construction fell to its lowest levels in almost 20 years, yet alterations of existing buildings climbed to a four-year high. The PBCE Department expects commercial activity to remain flat in 2012-2013, with construction valuation estimated at \$225 million.

The total commercial permit valuation projected in this Forecast is \$1.125 billion, which reflects no change from the previous five-year Forecast. As discussed in the attached report provided by the PBCE Department, the outlook for commercial construction activity is largely unchanged. The majority of near-term office and retail development is expected to occur in locations further north (i.e., San Francisco and the peninsula). It should be noted that information provided by real estate trade groups for the 4th Quarter in 2012 indicated that the San José office vacancy rate was 17% and the retail vacancy rate was 5.5%. These rates are similar in comparison to the 4th Quarter in 2011 of 19.4% and 5.2%, respectively.

C. Industrial Construction Activity

Industrial construction activity in San José has also experienced a dramatic decline since a peak in 2000-2001. However, 2011-2012 saw industrial valuation rise to \$136 million, an increase of 46% from 2010-2011. The majority of industrial construction activity was alterations to existing buildings, with new construction remaining at historically low levels. In 2012-2013, activity for alterations is expected to slightly increase from last year, from \$125 million to \$150 million, and decrease slightly again to \$125 million in 2013-2014 though 2017-2018. New construction is expected to rise to \$50 million in 2012-2013, up from \$11 million in 2011-2012, rise to \$75 million in 2013-2014 and 2014-2015, and drop back down to \$25 million from 2015-2016 through 2017-2018. The modest rise and fall during the earlier years of the Forecast are reflective of specific projects expected to move forward during this time period. Industrial valuation over the forecast period is estimated at \$850 million, an increase of 36% over the previous Forecast, driven by a few large new construction projects and an overall modest uptick in alteration activity. It should be noted that information provided by real estate trade groups for the 4th Quarter in 2012 indicated that the San José vacancy rate for industrial space was 8.0%, which is similar to the 7.9% vacancy rate for the same period in 2011.

In the Mayor's March 2011 Budget Message approved by the City Council, staff was directed to review costs assigned to private development and develop a structure that makes San José more competitive with surrounding jurisdictions. In addition, staff was directed to explore an incentive program for research and development, office, retail, and light industrial/manufacturing uses. The objective of addressing the cost structure of the development taxes was to create a predictable and competitive environment that supports the City's economic development goals of filling industrial buildings and encouraging new workplace development. Based on this direction, in January 2012, the

CONSTRUCTION ACTIVITY PROJECTIONS

Administration recommended a development incentive program, which was approved by the City Council. Although the incentive program is expected to encourage the absorption of vacant space by driving industry companies to locate in San José and make the city more competitive for new development projects, this Forecast does not assume any impact from this incentive program due to the difficulty in determining how successful the incentive program will be to stimulate development activity. A more detailed discussion of this incentive program, as well as other incentives related to development fees, taxes, and costs for North San José and Downtown High Rises, can be found in the Building and Structure Construction Tax section of this document.

Major Development Activity Data

As part of the attached Development Activity Highlights and Five-Year Forecast (2014-2018) document prepared by the PBCE Department, information is provided on development activity that serves as the foundation for their forecast. Data is provided on "major" projects (residential projects greater than 50 units, commercial projects greater than 25,000 square feet, and industrial projects greater than 75,000 square feet), and is broken down by the three major land use categories – residential, commercial, and industrial. The projects are further subdivided into four categories based on their status (completed, under construction, approved but not yet commenced, and pending City approval). In addition, individual maps are provided for each of the City's 15 planning areas that show the projects in all status categories submitted since January 1, 2008. These maps can be used in conjunction with the activity data to help analyze the rate, type, and location of major development activity in San José.

CONSTRUCTION AND CONVEYANCE TAX

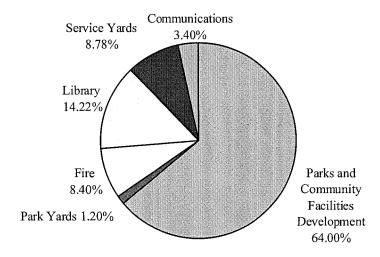
The Construction Tax portion of the Construction and Conveyance Tax category is levied on most types of construction. For residential construction, the tax rate is based upon the number of units constructed and ranges from \$75 per unit located in a building containing at least 20 dwelling units to \$150 for a single-family residence. The commercial and industrial rate is eight cents per square foot of floor area constructed. The Construction Tax accounts for a very small portion (approximately 1%) of the total Construction and Conveyance Taxes collected.

The Conveyance Tax portion of the Construction and Conveyance Tax category is imposed upon each transfer of real property where the value of the property exceeds one hundred dollars. The tax is imposed at a rate of \$1.65 for each \$500 of the value of the property. The Conveyance Tax accounts for approximately 99% of the total Construction and Conveyance Taxes collected.

Under current ordinance, Construction and Conveyance Tax receipts are allocated to six different capital programs per a distribution formula as displayed on the following page.

CONSTRUCTION AND CONVEYANCE TAX

CONSTRUCTION AND CONVEYANCE TAX DISTRIBUTION TO CAPITAL PROGRAMS



Per the City ordinance, the combined proceeds from the Construction and Conveyance Tax may be used for facility acquisition, construction, equipment, furnishings, and limited operating and maintenance expenses.

Consistent with the Construction and Conveyance Tax Task Force recommendations adopted by the City Council in June 1989, the Parks and Community Facilities Development portion of the estimated revenues, less non-construction costs and transfers to the General Fund, is allocated for all years of the Forecast using a two-to-one ratio, with two-thirds of the proceeds going to neighborhood/district park projects and one-third to city-wide park projects. Per the City ordinance, 20% of funds for neighborhood/district projects are set aside and equally allocated to meet special needs. The balance of the funds is then distributed to district funds based on a formula using the following criteria:

- neighborhood and community-serving park acres per 1,000 population;
- developed neighborhood and community-serving park acres per 1,000 population;
- square feet of neighborhood and community-serving center space per 1,000 population;
 and
- developed park acres and/or facilities in good condition per 1,000 population.

The five-year projection for Construction and Conveyance Tax revenue totals \$150 million, which is 38% higher than the estimate used to develop the 2013-2017 Adopted ClP. The Construction and Conveyance Tax revenue projections are based upon: 1) a review of prior year collection trends; 2) a review of year-to-date residential sales activity in San José; 3) a review of year-to-date tax receipts; and 4) projections of the future strength of the San José real estate market.

CONSTRUCTION AND CONVEYANCE TAX

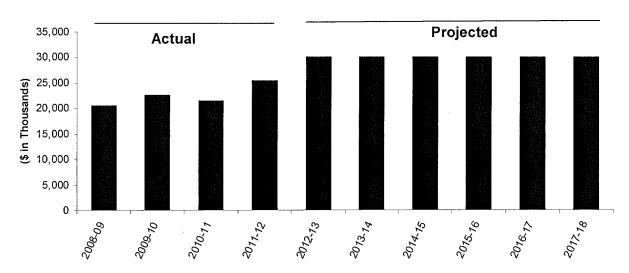
Historically, Construction and Conveyance Tax revenues have been very volatile, reflecting the impacts of the ups and downs of the local economy and particularly the real estate market. After reaching a record setting high of \$49 million in 2005-2006, tax collections continuously fell for several years following the real estate slowdown and financial market crisis, dropping to \$20.5 million in 2008-2009. Collections rose slightly in 2009-2010 to \$22.5 million, decreased slightly to \$21.4 million in 2010-2011, and then rose again to \$25.4 million in 2011-2012.

As the housing market shows continued improvement from the steep declines experienced after the collapse of the financial market, action was taken as part of the 2012-2013 Mid-Year Budget Review to increase the Construction and Conveyance Tax revenue estimate from \$21.0 million to \$30.0 million for 2012-2013. Over the forecast period, revenues are projected to remain at \$30.0 million annually, though these estimates could vary significantly due to the historically volatile real estate market.

As discussed earlier, nearly 99% of the total Construction and Conveyance Taxes are comprised of conveyance receipts, a tax based on the value of property transfers. The median single-family home price in January 2013 was \$613,500, which is an increase of 40.2% from the January 2012 price of \$437,500. The January 2013 figure represents the highest median single-family home price since May 2008. In addition, the amount of time it took to sell these more expensive homes (single-family and multi-family dwellings) dropped from 88 days in January 2012 to 52 days in January 2013. However, the number of property transfers (sales) for all types of residences in January 2013 totaled 319, which represents a decrease of approximately 37.1% from the 507 sales that occurred in the same month in the prior year.

The graph below shows actual and projected revenues for the combined Construction and Conveyance Tax revenues over a 10-year period.

CONSTRUCTION AND CONVEYANCE TAX REVENUES



BUILDING AND STRUCTURE CONSTRUCTION TAX

The Building and Structure Construction Tax is imposed upon the construction, repair or improvement of any building or structure where a building permit is required. Current rates are:

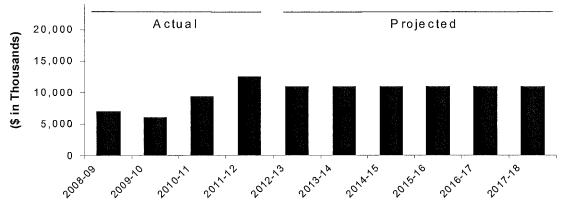
- 1) Residential -1.75% of 88% of the Building Official's valuation.
- 2) Commercial -1.5% of the Building Official's valuation.
- 3) Industrial -1.0% of the Building Official's valuation.

The proceeds from the Building and Structure Construction Tax are restricted by ordinance for use for traffic capital improvements on major arterials and collectors. These improvements can include the acquisition of land and interest in land and the construction, reconstruction, replacement, widening, modification, and alteration (but not maintenance) of City streets. This tax revenue provides the Traffic Capital program with funds to complete major street infrastructure projects, particularly those that improve the Level of Service (LOS). LOS refers to the efficiency with which streets and roadways accommodate peak level traffic.

Building and Structure Construction Tax receipts through January totaled \$7.2 million, compared to a budgeted estimate of \$10.0 million. This tax is tracking similar to actual levels received in 2011-2012, with collection levels just \$218,000 above the same period last year. Year-end collections are projected to total \$11.0 million, due to strong residential construction activity. This performance is much welcomed compared to a 15-year low of \$6.1 million collected in 2009-2010.

Based on the construction activity forecasts supplied by the PBCE Department and an analysis of actual collection patterns, the five-year projection for the Building and Structure Construction Tax collections totals \$55.0 million. Collections are projected to be \$11 million in 2012-2013 and remain at this level during the forecast period. The five-year revenue projection represents an increase of approximately \$5.0 million (10%) from the estimate included in the 2013-2017 Adopted CIP, reflecting the modest improvement in construction activity. A comparison of the five-year forecast with actual collections in previous years for the Building and Structure Construction Tax is shown in the chart below.

BUILDING AND STRUCTURE CONSTRUCTION TAX REVENUES



BUILDING AND STRUCTURE CONSTRUCTION TAX

As mentioned previously, in March 2011, staff was directed to review costs assigned to private development and develop a structure that makes San José more competitive with surrounding jurisdictions and to explore an incentive program for research and development, office, retail, and light industrial/manufacturing uses. While San José has multiple construction-related taxes, staff concentrated primarily on reviewing the two largest, the Building and Structure Construction Tax and the Construction Excise Tax, as they make up approximately two-thirds of the cost of many building permits issued by the City.

Given that these two taxes are the primary funding sources for the Traffic Capital Program, any decrease to these taxes would result in a negative impact to the continued development of an effective transportation system and maintenance of the City's current traffic infrastructure. Taking this into consideration, a short-term incentive program was approved by the City Council in January 2012. This incentive program adjusts the definition of industrial uses and results in certain projects designated as office, research and development, data center, and solar photovoltaic systems paying a lower rate of Building and Structure Construction Tax and being exempt from the Construction Excise Tax. Therefore, projects designated as these uses are currently taxed at the lower industrial rate of 1% rather than the 4.5% rate for commercially designated projects. This incentive program, intended to spur development activity, sunsets March 15, 2014 and any losses of revenue that otherwise would have funded traffic capital projects will be offset by funding in the Economic Development Enhancement Fund, up to \$450,000. If the funds are exhausted before the sunset date, staff will revisit the incentive program, considering the fiscal environment at that time. Staff will return to the City Council in early 2014 to propose a permanent plan for modernization of the City's construction taxes to encourage job creation while ensuring major traffic infrastructure remains funded.

The City Council, in keeping with the objective of advancing the City's economic development goals, also implemented a temporary reduction to the North San José traffic impact fees that sunsets in December 31, 2014. Under this temporary incentive program, North San José traffic impact fees would be capped at \$5 per square foot for projects larger than 100,000 square feet, with a cap of 1,000,000 square feet of development (subsequently increased by 250,000 square feet in February 2013). In January 2012, at the time of the incentive program's approval, the traffic impact fee was \$12.69 per square foot, which is significantly higher than neighboring jurisdictions. The intent of this incentive program is to drive near-term industrial development to benefit from the latest growth cycle in the regional economy. One consequence of the incentive program, however, is a reduction in fee revenue available to implement the \$570 million North San José Transportation Plan. The plan anticipated developer fees contributing \$460 million; the incentive program reduces that amount to \$449 million. While staff will pursue grant opportunities in an attempt to make up for this \$11 million shortfall, the total amount of regional grants needed to implement the plan now exceeds \$100 million, making its future implementation a challenging prospect.

In May 2012, the City Council approved, and subsequently extended in February 2013, additional development incentives for Downtown high rise residential development. This incentive program was targeted toward residential buildings of at least 12 stories in height for the next 1,000 residential units in the Downtown. This temporary incentive program mandates that a

BUILDING AND STRUCTURE CONSTRUCTION TAX

building permit will be issued by December 31, 2014, and will result in a 50% reduction in development taxes for eligible projects. At this time, it is not anticipated that this incentive program will have a negative impact on the Traffic Capital Program, as this incentive is intended to secure projects that would not have otherwise occurred.

CONSTRUCTION EXCISE TAX

The Construction Excise Tax (also referred to as the Commercial-Residential-Mobile Home Park Building Tax) is imposed upon the construction, alteration, repair or improvement of any building or structure, which is for residential or commercial purposes or is associated with a mobile home. This general purpose tax may be used for any "usual current expenses" of the City. However, the City Council has historically used the majority of these funds for traffic improvements. The current rates are:

- 1) Residential -2.75% of 88% of the Building Official's valuation.
- 2) Commercial 3.0% of the Building Official's valuation.

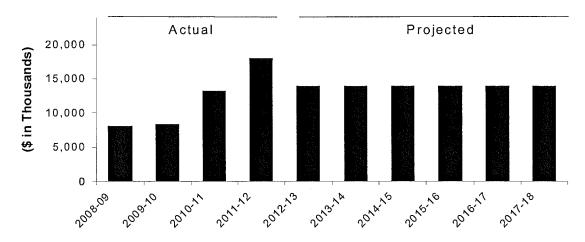
Unlike the Building and Structure Construction Tax, this tax does not apply to industrial development. As a result, changes in industrial building activity do not affect these tax receipts. However, the development incentive program implemented in January 2012, as described earlier, is anticipated to impact this tax as certain projects that now temporarily fall under the definition of industrial uses will be exempted from the Construction Excise Tax through March 15, 2014. As mentioned above, this tax is a general purpose tax; however, the majority of the proceeds have generally been used for a variety of essential Traffic Capital projects that cannot be funded by the Building and Structure Construction Tax or grants. Typical projects funded with this tax include street maintenance and resurfacing, streetlights, bicycle and pedestrian facilities, and most strategic planning programs, which improve the City's ability to obtain State and federal grants. A portion of these taxes have also been historically used as a budget balancing solution to address General Fund shortfalls, as needed.

Receipts through January for the Construction Excise Tax Fund totaled \$9.2 million, compared to a budgeted estimate of \$13.0 million. While this tax is tracking 8% lower than 2011-2012, collection levels for the same period last year, year-end collections are expected to total \$14 million, slightly exceeding the budgeted estimate due to construction of new multi-family residential units in North San José.

Based upon the construction projections provided by the PBCE Department and actual collections on this tax, Construction Excise Tax collections are projected to total \$70.0 million over the five-year forecast period, with annual expected proceeds of \$13 million throughout the forecast period. This collection level also represents an increase of \$5 million (8%) from the 2013-2017 Adopted CIP. A comparison of the five-year forecast with actual collections in previous years for the Construction Excise Tax is shown on the following page.

CONSTRUCTION EXCISE TAX

CONSTRUCTION EXCISE TAX REVENUES



MUNICIPAL WATER SYSTEM FEES

Various Municipal Water System fees are charged for connecting to the City's water system. These fees include the Advance System Design Fee, Major Facilities Fee, Meter Installation Fee, and Service Connection Fee. Advance System Design Fees are charged to developers to cover engineering and inspection costs for water facilities required in new developments. Major Facilities Fees are charged based on average daily water use for new or expanded developments. Meter Installation Fees are charged to developers to recover costs based on the size of the meter and/or fire hydrant installation necessary. Service Connection Fees are charged to developers to recover the actual costs associated with the construction of water main or fire hydrant installations when improvements are constructed by the City.

Individual fee collections for the Municipal Water System in 2012-2013 are tracking either at or near budgeted estimates. This level of activity is expected to continue in the near term and \$750,000 in revenue is expected over the five-year period of this Forecast for the fees detailed in the chart below.

MUNICIPAL WATER SYSTEM FEES

(\$ in Thousands)

	2013-2017 CIP	2014-2018 Forecast	Difference	Change
Advance System Design Fee	250	250	0	0%
Meter Installation Fee	250	250	0	0%
Service Connection Fee	250	250	0	0%
TOTAL	750	750	0	0%

MUNICIPAL WATER SYSTEM FEES

The forecast for Municipal Water System fees remains unchanged from the 2013-2017 Adopted CIP, reflecting a relatively steady pace of the combined development activity in the Municipal Water System service areas, which include North San José, Evergreen, Alviso, Edenvale, and Coyote Valley areas, over the period. As noted in the previous Forecast, because of the volatility of Major Facilities Fee revenue, this fee revenue will be allocated for projects as actual collections occur rather than being allocated based on an estimate.

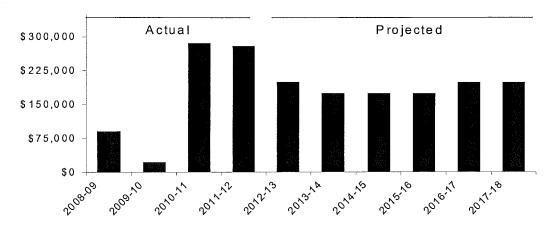
RESIDENTIAL CONSTRUCTION TAX

The Residential Construction Tax is imposed upon the construction of residential dwelling units and mobile home lots in the City. The rates are imposed on each dwelling unit and differ according to the number of units located in the building. Rates vary from \$99 for each dwelling unit in a multiple dwelling of at least 20 units to \$180 for a single-family residence.

This tax is collected and placed in the Residential Construction Tax Contribution Fund and is used to reimburse developers that have constructed a wider arterial street than their residential development required. The funds are also used to construct median island landscaping and other street improvements.

Collections for this tax in 2012-2013 are tracking at \$200,000 by year end, exceeding the budgeted estimate. Based upon construction estimates by the PBCE Department and the actual collection pattern for this tax, \$925,000 in revenue is expected over the five-year period of this Forecast. This level of collection is an 85% increase from the 2013-2017 Adopted CIP revenue estimates of \$500,000, and reflects expectations that development activity will continue to remain strong over the period.

RESIDENTIAL CONSTRUCTION TAX REVENUES

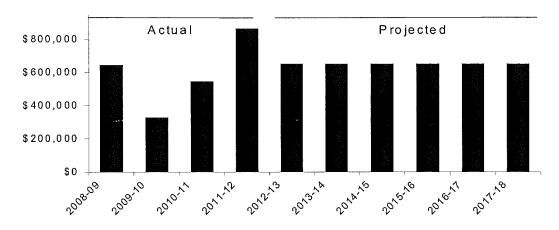


SANITARY SEWER CONNECTION FEE

The Sanitary Sewer Connection Fee is charged for connecting undeveloped parcels to the City's sewer system. The fees collected may only be used for the construction and reconstruction, including land acquisition, of the San José sanitary sewer system. The fee is based on the number of single and multi-family residential units built and the acres developed on commercial and industrial properties.

Fee collections in 2012-2013 are tracking to end the year at \$650,000, slightly exceeding the budgeted estimate. The 2014-2018 Forecast projection for this fee is \$3.3 million, which is a 7% increase from the 2013-2017 Adopted CIP estimate of \$3.0 million. This estimate is based on the assumptions that development activity will continue to remain strong over the period.

SANITARY SEWER CONNECTION FEE REVENUES



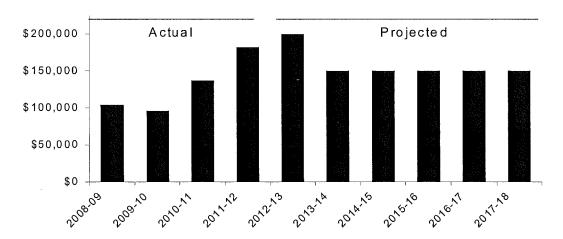
STORM DRAINAGE CONNECTION FEE

The Storm Drainage Connection Fee is charged to the owner of any land that discharges storm water, surface water or ground water runoff into the City's storm drainage system. The fees are charged by acreage or lot and vary by land use and by the number of units located in the development. Storm Drainage Connection Fees may only be used for the construction, reconstruction, land acquisition, and maintenance of the San José storm drainage system.

Fee collections in 2012-2013 are tracking to end the year at \$200,000, exceeding the budgeted estimate. The five-year forecast for Storm Drainage Connection Fees is \$750,000, which is a 7% increase from the estimate of \$500,000 included in the 2013-2017 Adopted CIP.

STORM DRAINAGE CONNECTION FEE

STORM DRAINAGE CONNECTION FEE REVENUES



ATTACHMENT A

CONSTRUCTION-RELATED REVENUE FORECAST 2014-2018

(in \$ thousands)

	Actual							indrinanta desiringo en tractitivo e e e e como
	2011-12	2012-13	2013-14	2014-15	2015-16 2	2016-2017 2	2017-2018	5 Yr Total
Construction and Conveyance Ta		24 000	22 000	22 000	22 000	22 000	37/4	100.000
2013-2017 Adopted CIP	25,383	21,000	22,000	22,000	22,000	22,000	N/A	109,000
2014-2018 FORECAST		30,000	30,000	30,000	30,000	30,000	30,000 N/A	150,000
Difference		9,000	8,000	8,000	8,000	8,000	IN/A	41,000
Building and Structure Construct	tion Tax							
2013-2017 Adopted CIP	12,593	10,000	10,000	10,000	10,000	10,000	N/A	50,000
2014-2018 FORECAST		11,000	11,000	11,000	11,000	11,000	11,000	55,000
Difference		1,000	1,000	1,000	1,000	1,000	N/A	5,000
Construction Excise Tax								
2013-2017 Adopted CIP	18,029	13,000	13,000	13,000	13,000	13,000	N/A	65,000
2014-2018 FORECAST		14,000	14,000	14,000	14,000	14,000	14,000	70,000
Difference		1,000	1,000	1,000	1,000	1,000	N/A	5,000
Municipal Water Advance Syster	n Design Fee							
2013-2017 Adopted CIP	66	50	50	50	50	50	N/A	250
2014-2018 FORECAST		50	50	50	50	50	50	250
Difference			_		~	_	N/A	-
N. P. C. S.	T						•	
Municipal Water Meter Installati		F0	F0	50	E0.	E0.	NT / A	250
2013-2017 Adopted CIP 2014-2018 FORECAST	70	50 50	50 50	50 50	50 50	50 50	N/A 50	250 250
Difference		- 30	- 50	- 30	- 50	- 30		
		_	_	_	_	_	IN/ A	_
Municipal Water Service Connec		5 0	50	50	=0	=0	3.T / A	250
2013-2017 Adopted CIP	38	50	50	50	50	50	N/A	250
2014-2018 FORECAST		50	50	50	50	50	50	250
Difference		-	-	-	-	-	N/A	-
Residential Construction Tax								
2013-2017 Adopted CIP	280	100	100	100	100	100	N/A	500
2014-2018 FORECAST		200	175	175	175	200	200	925
Difference		100	75	75	<i>7</i> 5	100	N/A	425
Sanitary Sewer Connection Fee								
2013-2017 Adopted CIP	863	600	600	600	600	600	N/A	3,000
2014-2018 FORECAST		650	650	650	650	650	650	3,250
Difference		50	50	50	50	50	N/A	250
Storm Drainage Connection Fee								
2013-2017 Adopted CIP	182	140	140	140	140	140	140	700
2014-2018 FORECAST		200	150	150	150	150	150	750
Difference		60	10	10	10	10	N/A	50
							,	
TOTAL								
2013-2017 Adopted CIP	57,504	44,990	45,990	45,990	45,990	45,990	N/A	228,950
2014-2018 FORECAST		56,200	56,125	56,125	56,125	56,150	56,150	280,675
Difference		11,210	10,135	10,135	10,135	10,160	N/A	51,725
% Change from 2013-2017 C	ΙΡ	25%	22%	22%	22%	22%	N/A	23%
70 Change Hom 2013-2017 C.	TT	2370	ZZ 70	ZZ 70	2270	2270	IN/A	2570

