

**Civic Center Modernization Project**  
**Existing City Assets and Estimated Revenues**  
**Preliminary Financing Plan**

Description	Potential Revenue (in \$ Millions)
<p><b>Existing Revenue to be used for Debt Service</b></p> <ul style="list-style-type: none"> <li>• Infrastructure Fund - \$1.5 M/year currently set a side – unallocated</li> <li>• Facilities Fund ~ \$400 K /year for Civic Center repairs. A new or renovated Civic Center would reduce the need for repairs</li> <li>• NOVA Space rental – currently \$352 K/year</li> </ul> <p>Assume from the three sources above an annual revenue stream of \$2.3 M is pledged for debt service. Assume a 4% interest rate and 30-year term.</p>	\$40 M
<p><b>Land Sales</b></p> <ul style="list-style-type: none"> <li>• Former Onizuka Air Force Station (2 parcels 5.02 acres)      \$21 M</li> <li>• 1484 Kifer Road (4.74 acres)      \$33 M</li> <li>• Downtown Charles Street (9 Gen. Fund parcels 1.44 acres)      <u>\$9 M</u></li> </ul> <p style="text-align: right;">Total      \$63 M</p>	\$63 M
<p><b>Use of Current General Fund Reserves</b></p> <ul style="list-style-type: none"> <li>• Capital Projects reserve \$3.3 M currently unallocated</li> <li>• Infrastructure Fund \$11.5 M current balance at end of FY 2018/19 + \$1.5 M FY 2019/20 and 2020/21 allocation = \$14.5 total</li> <li>• Facilities Fund balance at end of FY 2018/19 = \$2.0 M + \$384 K for FY 2019/20 and \$423 K in 2019-20 = \$2.8 M</li> </ul>	\$21 M
<p><b>Other Funding Sources</b></p> <ul style="list-style-type: none"> <li>• Park Dedication Fees – Phase 1 of Civic Center Improvements include approximately 10 acres of open space. Assume 80% of open areas are eligible for park dedication fees and 20% are for building access. Site improvement costs (not including parking) are \$31.3 M.</li> <li>• Enterprise Funds – This funding source would be available to fund a portion of City Hall. Staff dedicated to providing utility services or development review services are funded by separate enterprise funds. Enterprise funds should pay a fair share of costs related to office space to support those services. Costs will be recovered as annual rent which will apply towards debt service. <ul style="list-style-type: none"> <li>○ Based on a cost allocation study 53% of the City Hall building is the responsibility of various enterprise and internal service funds. Total City hall square footage = 101,993. Annual rent payments of \$5 million are estimated starting in 2023. Assuming 4% interest on debt, and a 30-year financing term.</li> </ul> </li> <li>• PEG (TV Broadcasting) – PEG funds are a revenue from cable TV providers for local television broadcasting and can be used to fund capital facilities and equipment.</li> </ul>	<p>\$25 M</p> <p>\$85 M</p> <p>\$2 M</p>
<b>Total Estimated Revenue</b>	<b>\$236 M</b>

Note: Other potential funding sources could include utility cost savings and public benefit contributions.