

**APPENDIX D:
2030 REVENUE FORECASTS FOR TRANSPORTATION CAPITAL PROJECTS**

TO: Tom Noguchi – Fehr & Peers
FROM: Randy Young
DATE: September 19, 2011
RE: Initial Research for Tukwila Transportation Funding

In preparation for our meeting with City staff on September 26th I have reviewed the City's funding of transportation capital improvements during the past 5 years (2006-2010), and their planned funding in the City's CIP for 2011-2016.

Attached to this memo is a compilation of my initial research. It contains the following information that may be useful for our discussions with City staff:

Page	Initial Research
1	Transportation project expenditure "capacity"
2	2006-2010 expenditures on transportation projects
3-4	2011-2016 CIP for transportation projects
5	List of existing and potential transportation funding sources and amounts that would be received 2010-2030 if annual revenue = the same as the average of 2006-2010 actual expenditures from each source of funding
6	Bond proceeds 2006-2016 and 20-year projection
7	Grants 2006-2016 and 20-year projection
8	Sales tax 2006-2016 and 20-year projection
9	REET 2006-2016 and 20-year projection
10	Development payments 2006-2016 and 20-year projection
11	Interest and other earnings 2006-2016 and 20-year projection
12	Parking tax 2006-2016 and 20-year projection
13	Motor vehicle tax 2006-2016 and 20-year projection
14	City operating revenue 2006-2016 and 20-year projection

Please keep in mind that THIS INITIAL RESEARCH IS NOT OUR ESTIMATE OF LIKELY REVENUE FOR TRANSPORTATION CAPITAL IMPROVEMENTS. We will prepare our estimates after meeting with City staff during which we will discuss assumptions I should use. Two important questions for discussion are:

1. Which sources of revenue should be included in the initial estimates?
2. What basis and/or assumptions should be used for each estimate?

Feel free to share this memo and initial research compilation with City staff prior to the September 26th meeting, or we can distribute it at the meeting.

Tukwila Transportation Project Expenditure "Capacity"

Tukwila's transportation project expenditure "capacity" is not a forecast of future expenditures, nor is it a forecast of future revenues. The "capacity" indicates how much Tukwila's 20-year Transportation Plan could cost if it continued to incur expenditures in the future that are similar to the level of expenditures in the recent past and/or the planned level of expenditures in the most recently adopted CIP.

The "capacity" calculation begins by determining the annual average expenditures for transportation projects. Three averages are calculated.

The first annual average is based on the actual expenditures during 2006 - 2010.

The second annual average is based on the adopted CIP for 2011 - 2106.

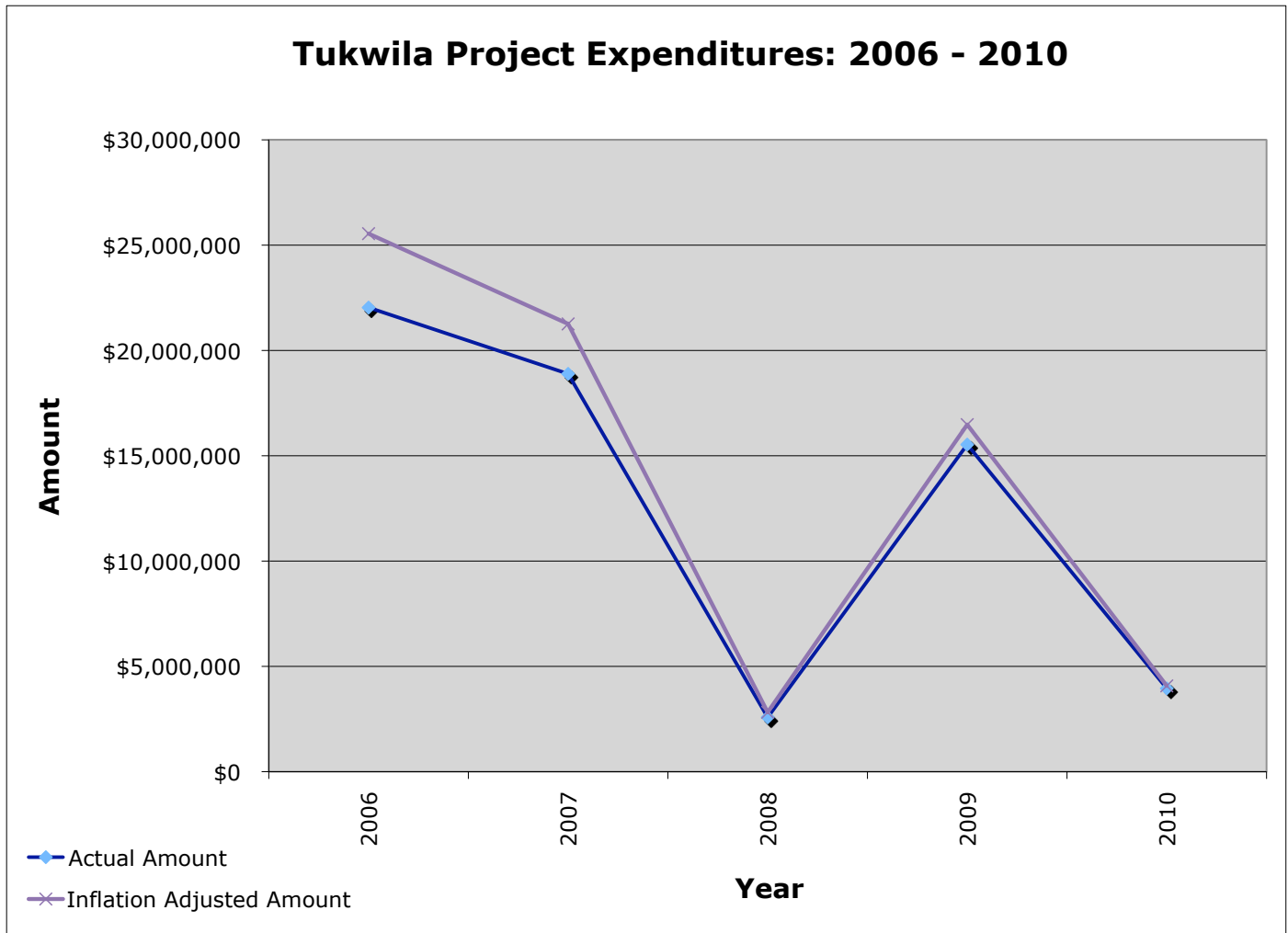
The third annual average is based on the combined data for 2006 - 2106.

Each annual average is multiplied times the 20-year period covered by the Transportation Plan. The result is the amount that Tukwila would spend in the next 20 years if it continued spending at the same annual rate as the recent past and/or near future.

Conclusion: Tukwila has the "capacity" to manage and construct transportation projects during the next 20 years in the range of \$280 - \$306 million.

Year	2006-2010 Actual Amount	Multiplier for 3% Inflation	Inflation Adjusted Amount	2011-2016 CIP	2006-2016 Combined
2006	22,036,352	1.16	25,546,172		25,546,172
2007	18,889,825	1.13	21,260,664		21,260,664
2008	2,580,491	1.09	2,819,772		2,819,772
2009	15,532,035	1.06	16,477,936		16,477,936
2010	3,954,925	1.03	4,073,573		4,073,573
2011				37,623,000	37,623,000
2012				5,869,000	5,869,000
2013				5,147,000	5,147,000
2014				16,072,000	16,072,000
2015				22,272,000	22,272,000
2016				4,830,000	4,830,000
Total	62,993,628		70,178,117	91,813,000	161,991,117
Annual Average	12,598,726		14,035,623	15,302,167	14,726,465
"Capacity" = 20 years @ Annual Average			280,712,468	306,043,333	294,529,303

Tukwila Transportation Project Expenditures: 2006-2010



Year	Actual Amount	Multiplier for 3% Inflation	Inflation Adjusted Amount
2006	22,036,352	1.16	25,546,172
2007	18,889,825	1.13	21,260,664
2008	2,580,491	1.09	2,819,772
2009	15,532,035	1.06	16,477,936
2010	3,954,925	1.03	4,073,573
Total	62,993,628		70,178,117

Annual Average	12,598,726	14,035,623
Average Annual % Increase	-29.07%	-30.73%

Estimate = 20 years @ Annual Average

280,712,468

Tukwila CIP Project Funding During 2011-2016

(excludes prior to 2011 and after 2016)

All amounts are \$ x 1,000

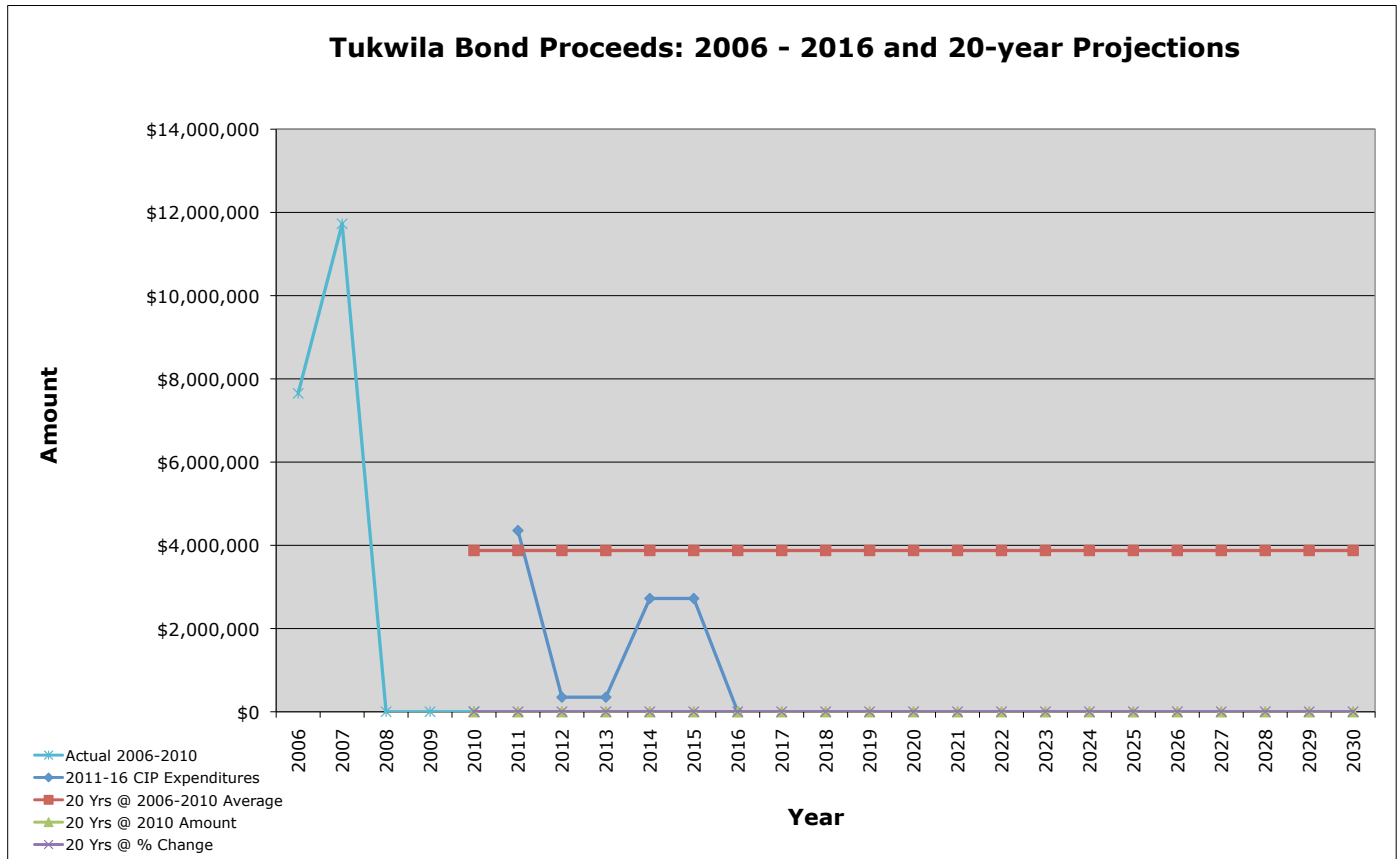
Project	Total	2011	2012	2013	2014	2015	2016
Awarded Grant							
Southcenter Pkwy	6,442	6,442					
Tukwila Urban Center Access	8,250	8,250					
Tukwila Urban Center Ped/Bike	517	517					
Tukwila Urban Center - Transit	468		468				
<i>Total: Awarded Grant</i>	15,677	15,209	468	0	0	0	0
Proposed Grant							
Tukwila Urban Center Ped/Bike	5,200					5,200	
Tukwila Urban Center - Transit	1,035			1,035			
Boeing Access Rd	24,588		1,400	1,400	10,894	10,894	
<i>Total: Proposed Grant</i>	30,823	0	1,400	2,435	10,894	16,094	0
Awarded + Proposed Grant	46,500	15,209	1,868	2,435	10,894	16,094	0
LID							
Tukwila Urban Center Access	11,545	11,545					
Bond							
Southcenter Pkwy	4,356	4,356					
Boeing Access Rd	6,146		350	350	2,723	2,723	
<i>Total: Bond</i>	10,502	4,356	350	350	2,723	2,723	0
Impact Fees							
S 144 St Phase II	68	68					
Andover Park West	981		981				
Macadam Rd & S 144th St	1	1					
Andover Park E/Minkler Blvd	55	55					
West Valley Hwy/S 156 St	75	75					
Andover Park E/Industry Dr	75	75					
S 133 St/SR 599	20	20					
E Marginal Way	50		50				
<i>Total: City Oper Revenue</i>	1,325	294	1,031	0	0	0	0
Park Impact Fees							
Tukwila Urban Center Ped/Bike	1,600				80	1,520	
Mitigation Expected							
Southcenter Pkwy	3,458	3,458					
Impact Fees + Mitigation	6,383	3,752	1,031	0	80	1,520	0

Project	Total	2011	2012	2013	2014	2015	2016
City Oper. Revenue							
Tukwila Urban Center Ped/Bike	820				20	800	
Tukwila Int'l Blvd Phase III	0						
Interurban Ave S	0						
Tukwila Urban Center - Transit	797	682	115				
Tukwila Int'l Blvd Phase II	25	25					
Strander Blvd Extension to SW	0						
Andover Park West	603	123	480				
Macadam Rd & S 144th St	16	16					
Andover Park E/Minkler Blvd	667	20	45	602			
Andover Park East/Industry Dr	525		25		500		
Annual Overlay & Repair	8,660	1,250	1,350	1,450	1,500	1,550	1,560
Annual Traffic Signal Program	525	100	100	105	105	115	
Walk & Roll Program	0						
Transp Element of Comp Plan	250	250					
40-42 Ave South	3,450	150	300				3,000
Annual Bridge Insp & Rep	1,365	145	205	205	270	270	270
<i>Total: City Oper Revenue</i>	16,883	2,761	2,620	2,362	2,375	1,935	4,830
Grand Total	91,813	37,623	5,869	5,147	16,072	22,272	4,830

Tukwila Transportation Revenues 2010 - 2030

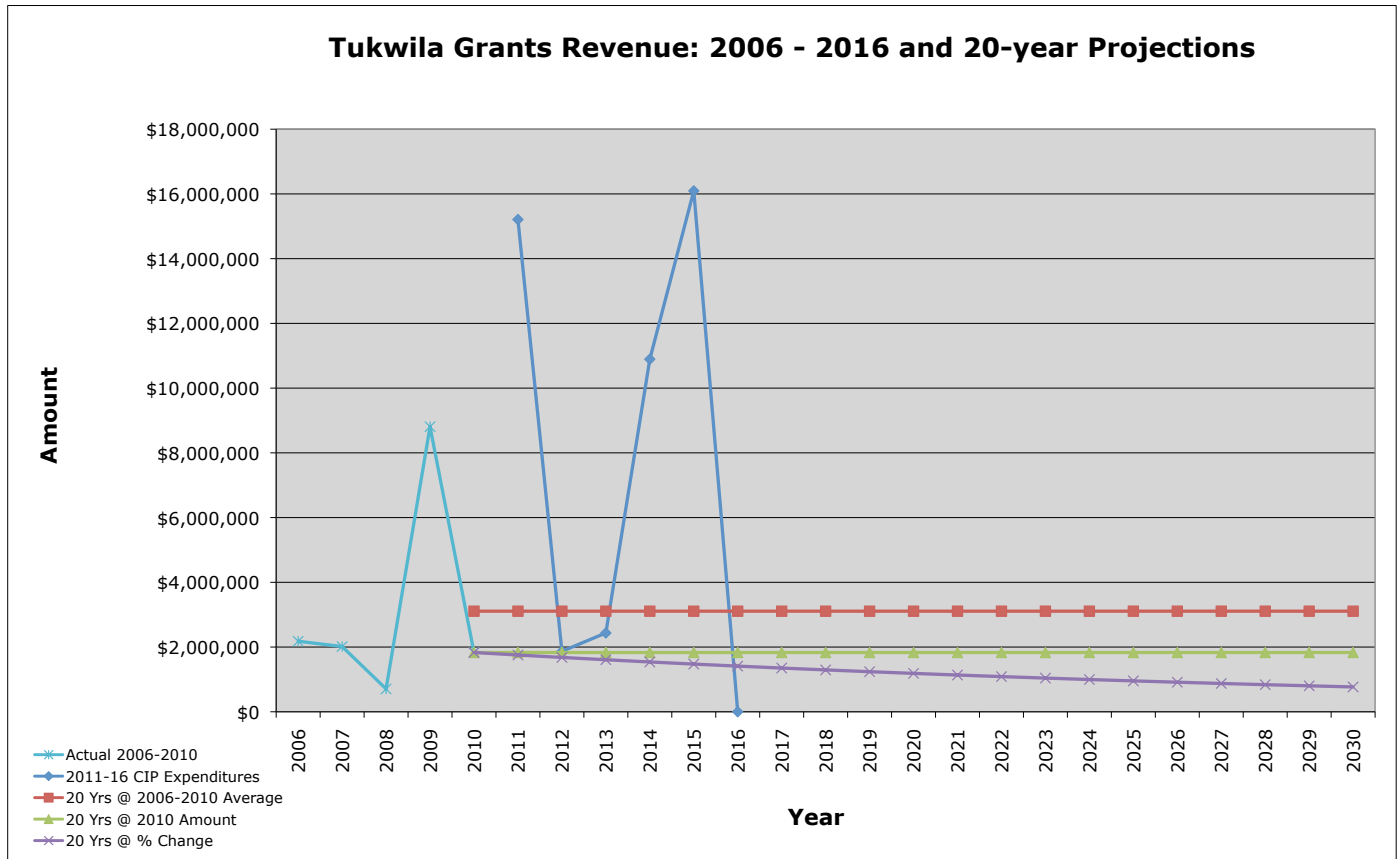
<u>Source of Revenue</u>	<u>Average</u>	<u>Low Estimate</u>	<u>High Estimate</u>
<u>Existing Revenue Sources for Capital</u>			
Page			
6 Bond Proceeds for Transportation	81,384,269		
7 Grants for Transportation	65,269,743		
8 Sales Tax for Transportation	41,466,466		
9 Real Estate Excise Tax for Transportation	13,164,774		
10 Development Payments for Transportation	10,490,189		
11 Interest & Other Earnings for Transportation	4,146,421		
12 Parking Tax	2,740,042		
13 Motor Vehicle Tax	2,410,582		
14 City Operating Revenue			
? Head Tax			
?			
Total: Existing Revenue for Capital	<u>221,072,485</u>	<u>0</u>	<u>0</u>
<u>Potential Additional Revenue Sources for Capital</u>			
A. Impact Fees - Reciprocal from King County			
B. Business License Fee for Transportation			
C. Voted General Obligation Bonds			
D. Business and Occupations Tax			
E. Transportation Benefit District			
F.			
G.			
Total: Potential Additional Revenue for Capital	<u>0</u>	<u>0</u>	<u>0</u>
Combined Total for Capital: Existing + Potential	<u><u>221,072,485</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

Tukwila Bond Proceeds



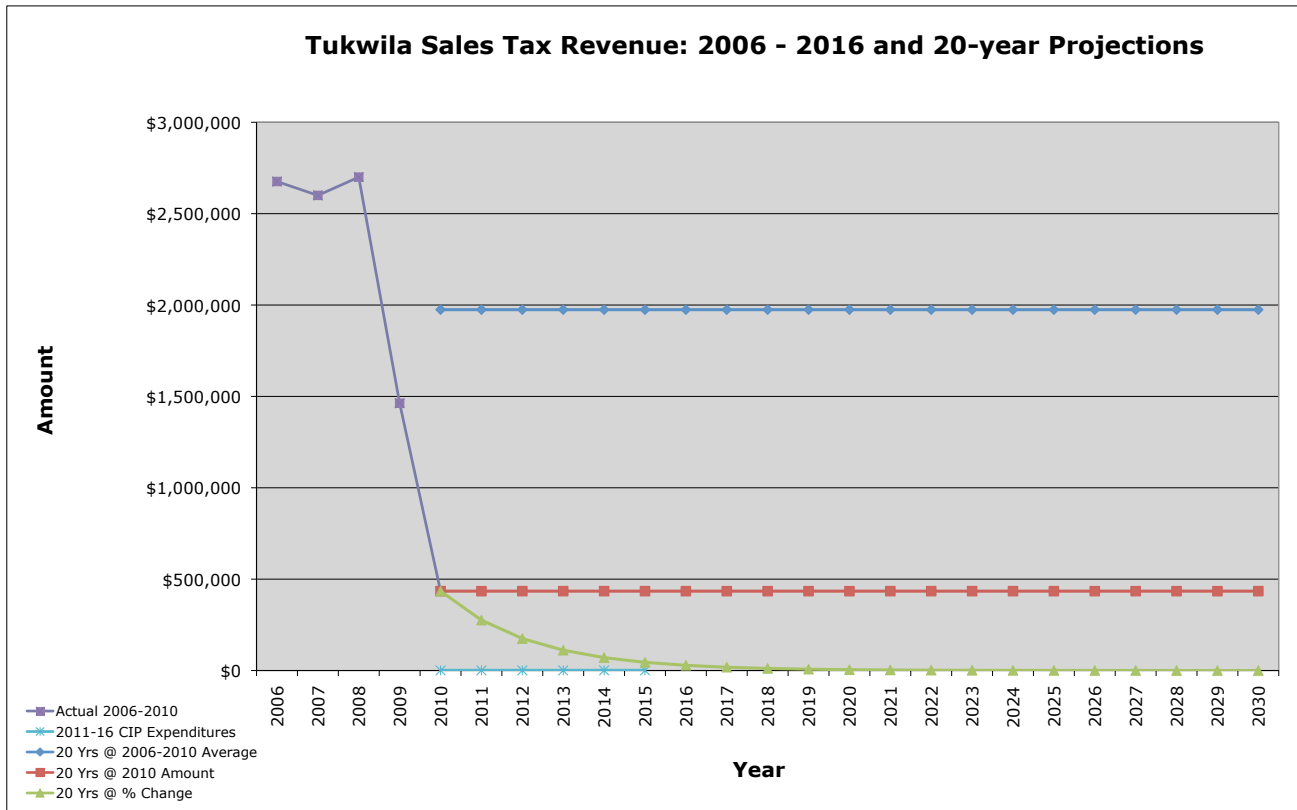
Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	7,651,932				
2007	11,725,275				
2008	0				
2009	0				
2010	0				
2011		4,356,000	3,875,441	0	0
2012		350,000	3,875,441	0	0
2013		350,000	3,875,441	0	0
2014		2,723,000	3,875,441	0	0
2015		2,723,000	3,875,441	0	0
2016		0	3,875,441	0	0
2017			3,875,441	0	0
2018			3,875,441	0	0
2019			3,875,441	0	0
2020			3,875,441	0	0
2021			3,875,441	0	0
2022			3,875,441	0	0
2023			3,875,441	0	0
2024			3,875,441	0	0
2025			3,875,441	0	0
2026			3,875,441	0	0
2027			3,875,441	0	0
2028			3,875,441	0	0
2029			3,875,441	0	0
2030			3,875,441	0	0
			81,384,269	0	0
2006-2010 Annual Average		3,875,441			
2006-2010 Average Annual % Increase		-100.00%			

Tukwila Grants Revenue



Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	2,179,145				
2007	2,015,737				
2008	706,390				
2009	8,807,788				
2010	1,831,355		3,108,083	1,831,355	1,831,355
2011		15,209,000	3,108,083	1,831,355	1,753,453
2012		1,868,000	3,108,083	1,831,355	1,678,865
2013		2,435,000	3,108,083	1,831,355	1,607,450
2014		10,894,000	3,108,083	1,831,355	1,539,072
2015		16,094,000	3,108,083	1,831,355	1,473,603
2016		0	3,108,083	1,831,355	1,410,919
2017			3,108,083	1,831,355	1,350,902
2018			3,108,083	1,831,355	1,293,437
2019			3,108,083	1,831,355	1,238,417
2020			3,108,083	1,831,355	1,185,738
2021			3,108,083	1,831,355	1,135,299
2022			3,108,083	1,831,355	1,087,006
2023			3,108,083	1,831,355	1,040,767
2024			3,108,083	1,831,355	996,495
2025			3,108,083	1,831,355	954,106
2026			3,108,083	1,831,355	913,520
2027			3,108,083	1,831,355	874,661
2028			3,108,083	1,831,355	837,455
2029			3,108,083	1,831,355	801,831
2030			3,108,083	1,831,355	767,723
			65,269,743	38,458,455	25,772,072
2006-2010 Annual Average		3,108,083			
2006-2010 Average Annual % Increase		-4.25%			

Tukwila Sales Tax Revenue

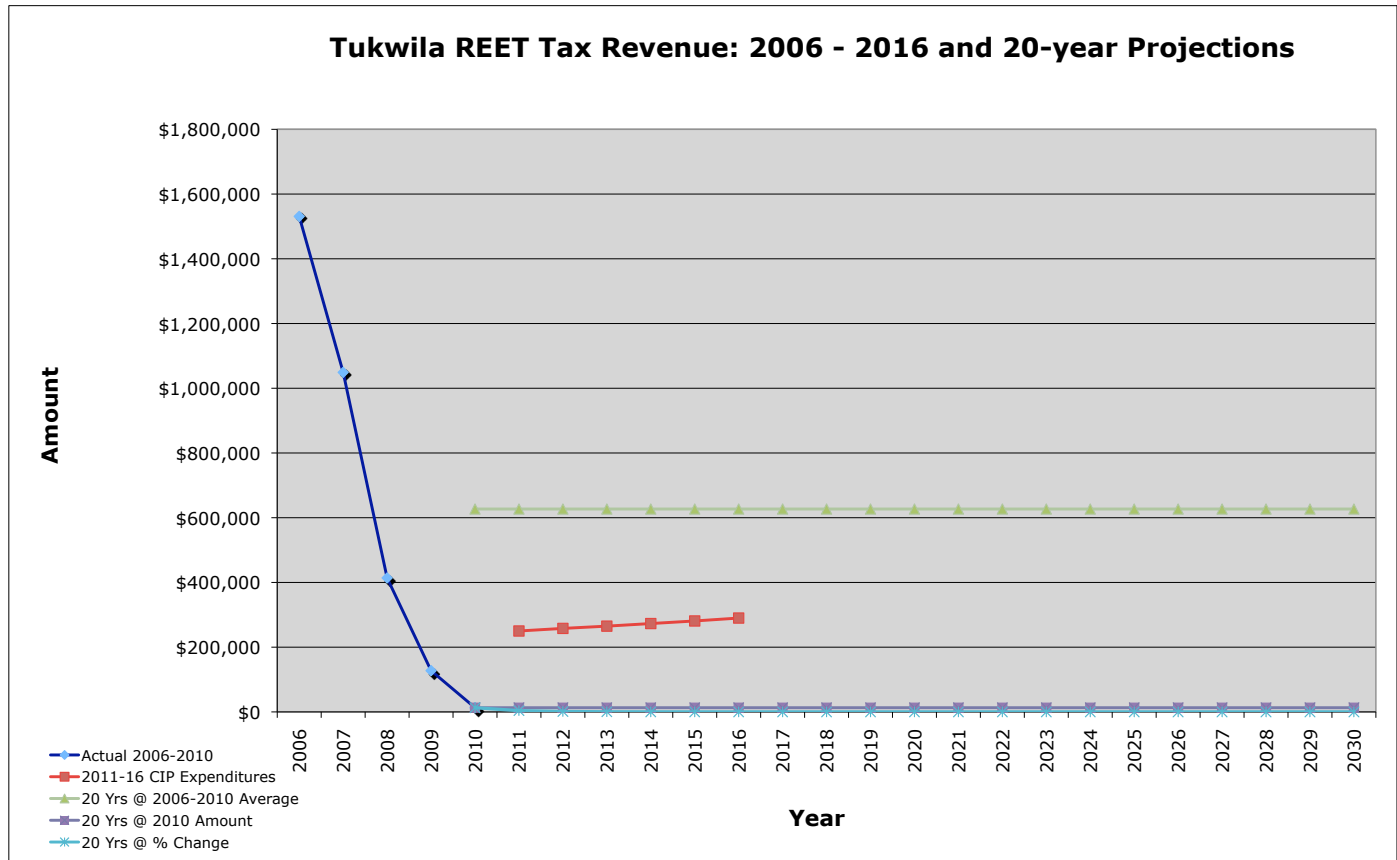


Year	Actual 2006-2010	2011-16 CIP Expenditures	2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	2,675,938				
2007	2,600,000				
2008	2,700,000				
2009	1,462,616				
2010	434,414	1,000	1,974,594	434,414	434,414
2011		1,000	1,974,594	434,414	275,747
2012		1,000	1,974,594	434,414	175,032
2013		1,000	1,974,594	434,414	111,103
2014		1,000	1,974,594	434,414	70,523
2015		1,000	1,974,594	434,414	44,765
2016			1,974,594	434,414	28,415
2017			1,974,594	434,414	18,037
2018			1,974,594	434,414	11,449
2019			1,974,594	434,414	7,267
2020			1,974,594	434,414	4,613
2021			1,974,594	434,414	2,928
2022			1,974,594	434,414	1,859
2023			1,974,594	434,414	1,180
2024			1,974,594	434,414	749
2025			1,974,594	434,414	475
2026			1,974,594	434,414	302
2027			1,974,594	434,414	192
2028			1,974,594	434,414	122
2029			1,974,594	434,414	77
2030			1,974,594	434,414	49

2006-2010 Annual Average 1,974,594
 2006-2010 Average Annual % Increase -36.52%

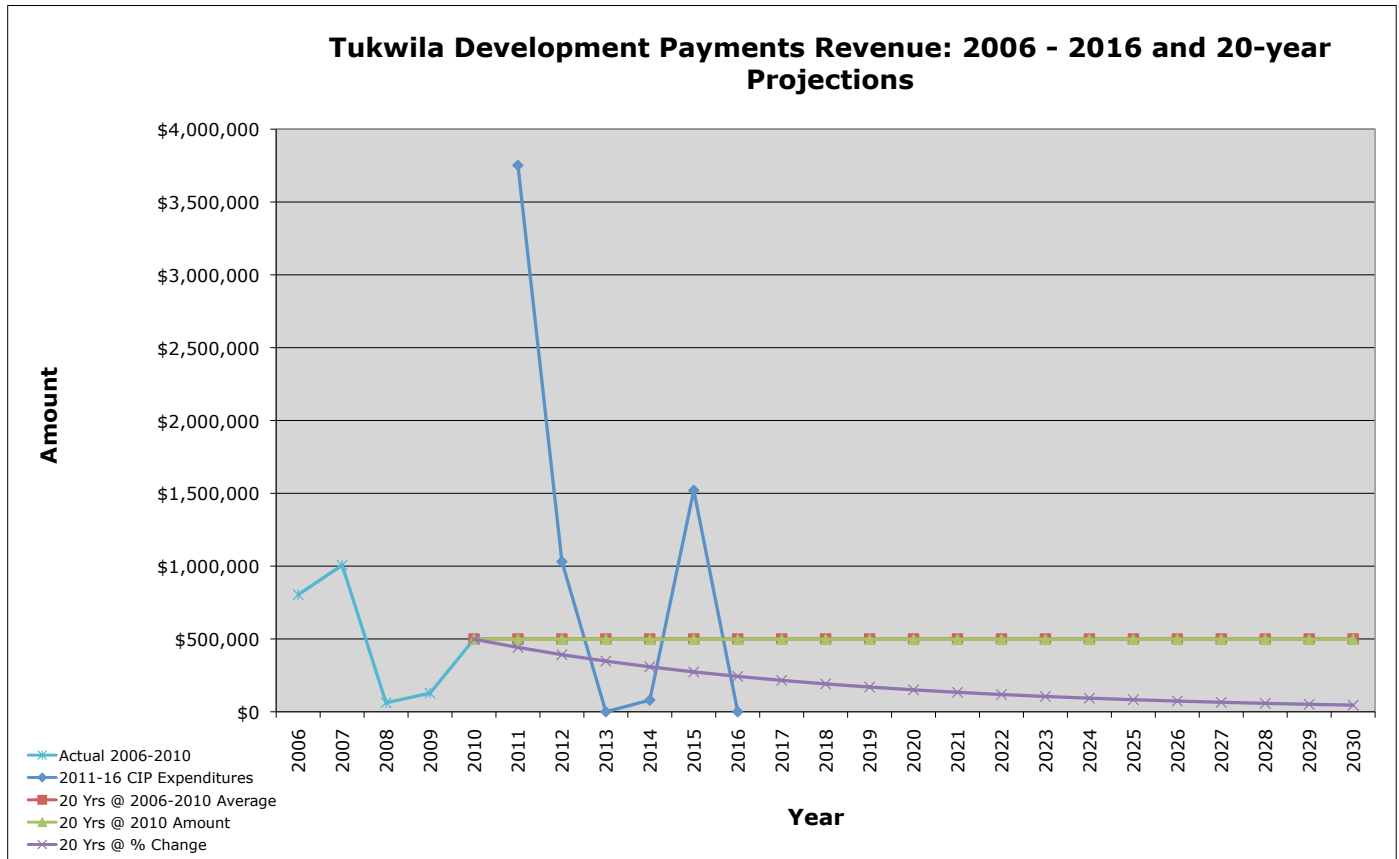
41,466,466 9,122,694 1,189,296

Tukwila Real Estate Excise Tax Revenue



Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	1,530,994				
2007	1,049,090				
2008	413,928				
2009	127,493				
2010	12,965		626,894	12,965	12,965
2011		250,000	626,894	12,965	3,933
2012		258,000	626,894	12,965	1,193
2013		265,000	626,894	12,965	362
2014		273,000	626,894	12,965	110
2015		281,000	626,894	12,965	33
2016		290,000	626,894	12,965	10
2017			626,894	12,965	3
2018			626,894	12,965	1
2019			626,894	12,965	0
2020			626,894	12,965	0
2021			626,894	12,965	0
2022			626,894	12,965	0
2023			626,894	12,965	0
2024			626,894	12,965	0
2025			626,894	12,965	0
2026			626,894	12,965	0
2027			626,894	12,965	0
2028			626,894	12,965	0
2029			626,894	12,965	0
2030			626,894	12,965	0
			13,164,774	272,265	18,611
2006-2010 Annual Average		626,894			
2006-2010 Average Annual % Increase		-69.66%			

Tukwila Development Payments Revenue

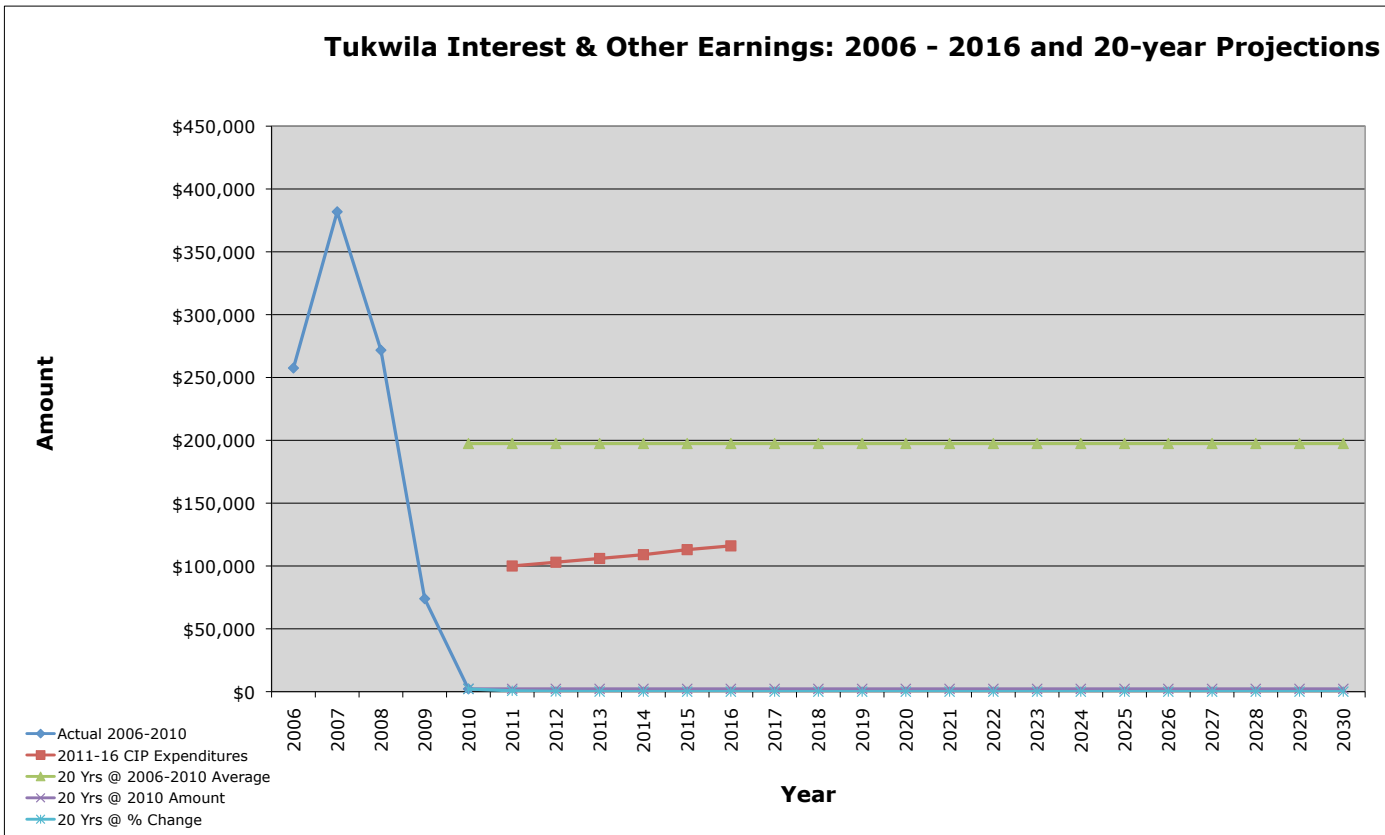


Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	803,541				
2007	1,006,649				
2008	61,844				
2009	127,622				
2010	498,008		499,533	498,008	498,008
2011		3,752,000	499,533	498,008	441,869
2012		1,031,000	499,533	498,008	392,058
2013		0	499,533	498,008	347,862
2014		80,000	499,533	498,008	308,649
2015		1,520,000	499,533	498,008	273,856
2016		0	499,533	498,008	242,985
2017			499,533	498,008	215,594
2018			499,533	498,008	191,290
2019			499,533	498,008	169,727
2020			499,533	498,008	150,594
2021			499,533	498,008	133,618
2022			499,533	498,008	118,555
2023			499,533	498,008	105,191
2024			499,533	498,008	93,333
2025			499,533	498,008	82,812
2026			499,533	498,008	73,477
2027			499,533	498,008	65,194
2028			499,533	498,008	57,845
2029			499,533	498,008	51,324
2030			499,533	498,008	45,538
			10,490,189	10,458,168	4,059,377

2006-2010 Annual Average 499,533
 2006-2010 Average Annual % Increase -11.27%

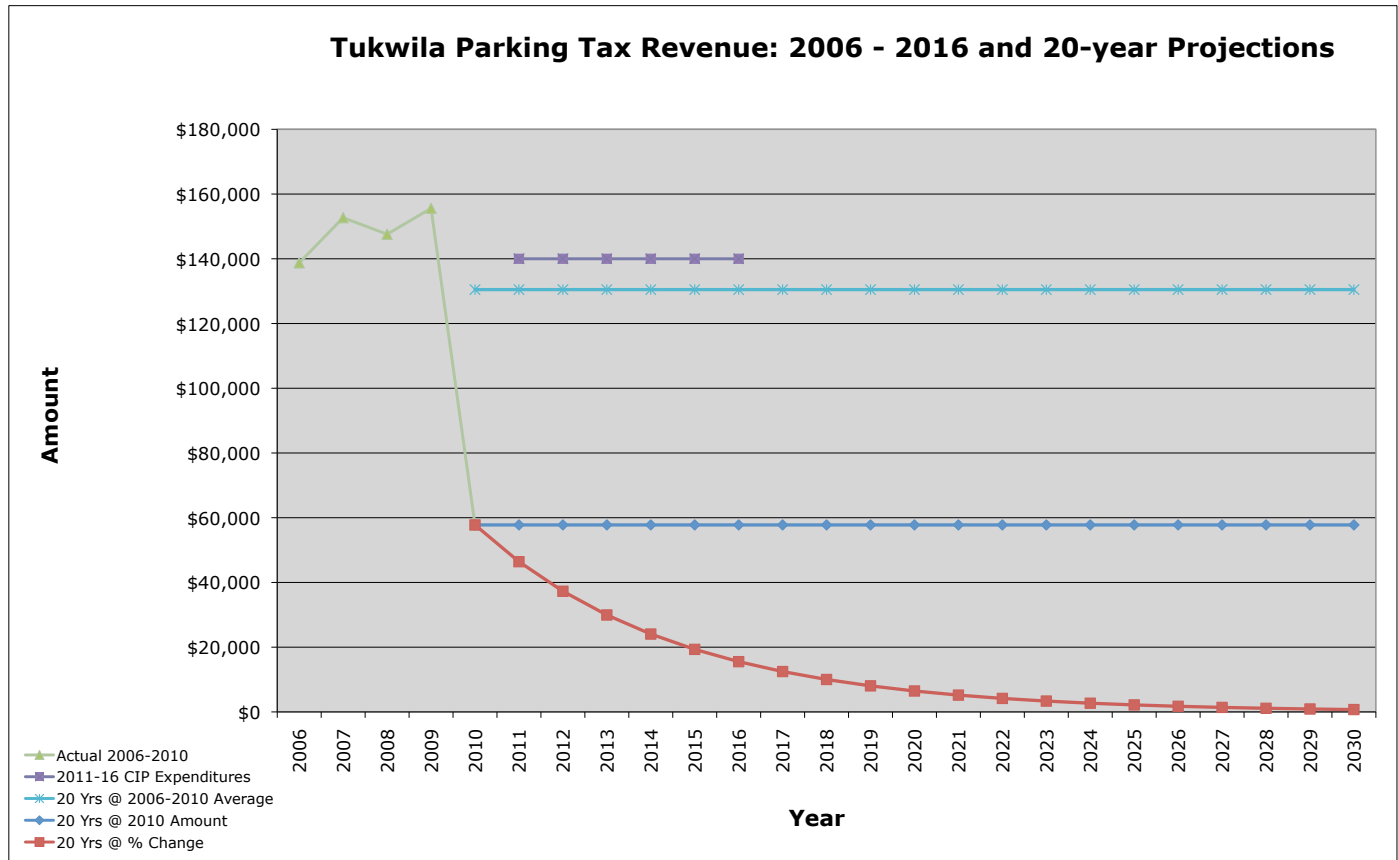
Tukwila Interest & Other Earnings

Tukwila Interest & Other Earnings: 2006 - 2016 and 20-year Projections



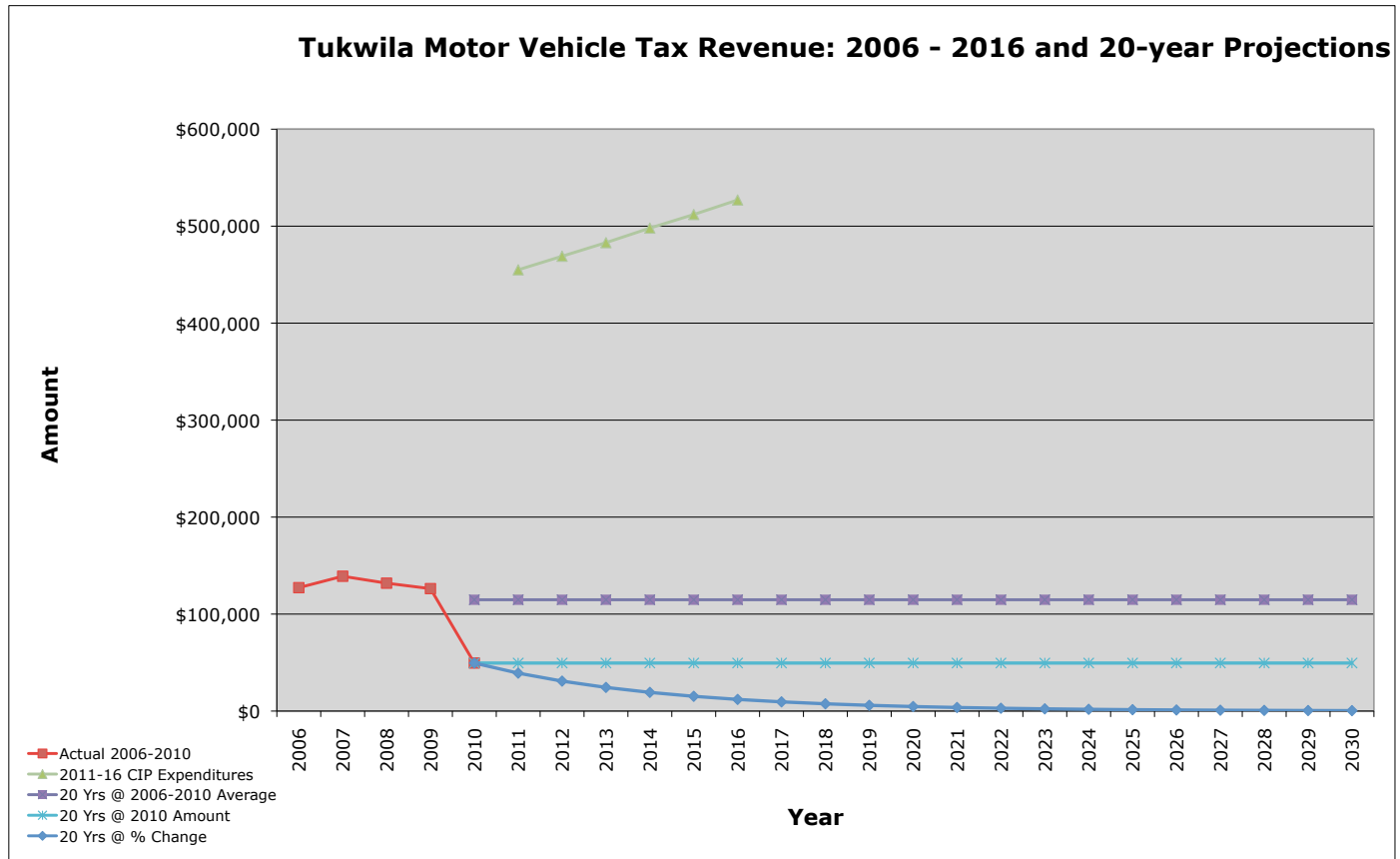
Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	257,527				
2007	381,874				
2008	271,729				
2009	73,958				
2010	2,155		197,449	2,155	2,155
2011		100,000	197,449	2,155	652
2012		103,000	197,449	2,155	197
2013		106,000	197,449	2,155	60
2014		109,000	197,449	2,155	18
2015		113,000	197,449	2,155	5
2016		116,000	197,449	2,155	2
2017			197,449	2,155	0
2018			197,449	2,155	0
2019			197,449	2,155	0
2020			197,449	2,155	0
2021			197,449	2,155	0
2022			197,449	2,155	0
2023			197,449	2,155	0
2024			197,449	2,155	0
2025			197,449	2,155	0
2026			197,449	2,155	0
2027			197,449	2,155	0
2028			197,449	2,155	0
2029			197,449	2,155	0
2030			197,449	2,155	0
			4,146,421	45,255	3,089
2006-2010 Annual Average	197,449				
2006-2010 Average Annual % Increase	-69.75%				

Tukwila Parking Tax Revenue



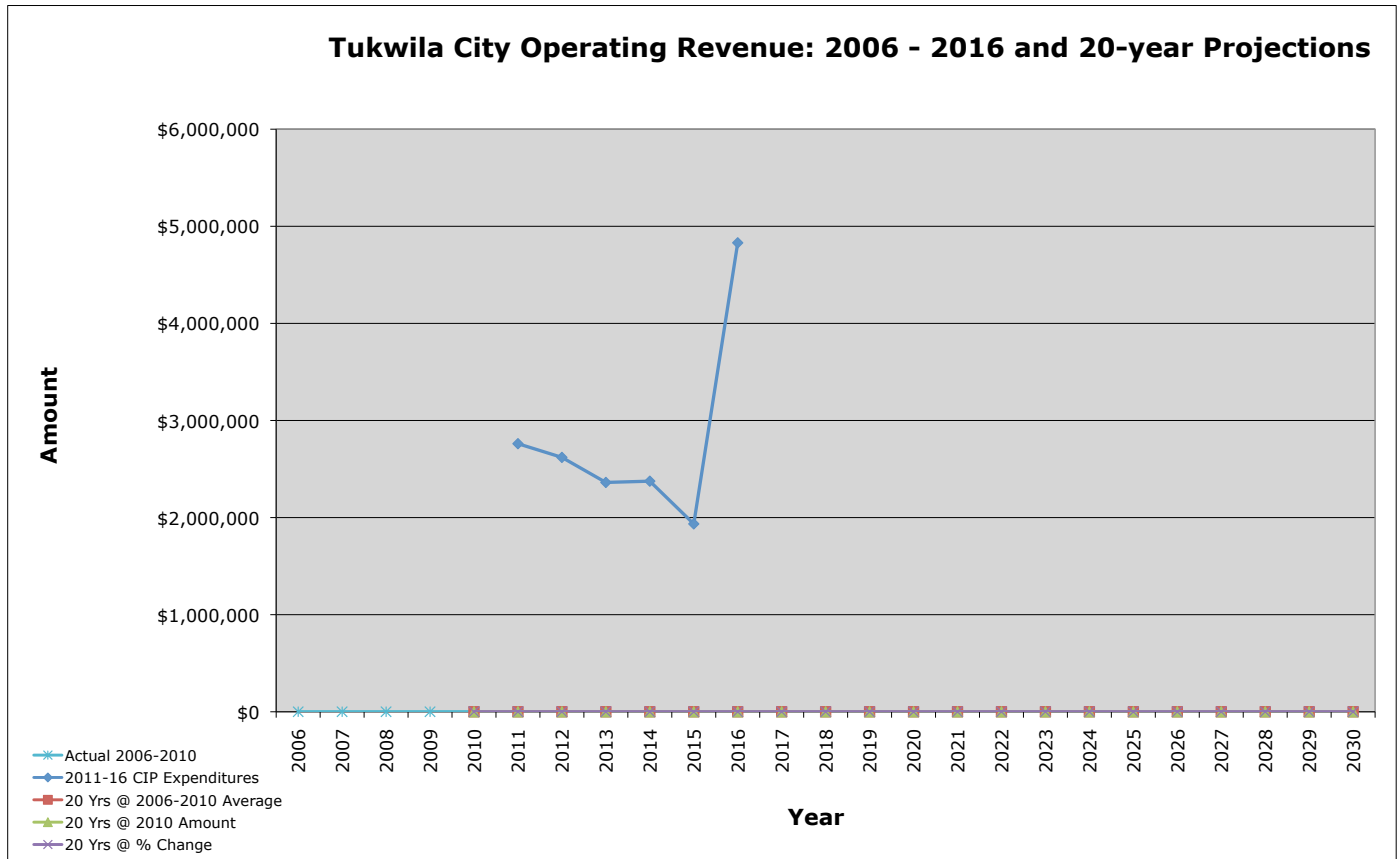
Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	138,744				
2007	152,701				
2008	147,588				
2009	155,585				
2010	57,773		130,478	57,773	57,773
2011		140,000	130,478	57,773	46,409
2012		140,000	130,478	57,773	37,280
2013		140,000	130,478	57,773	29,947
2014		140,000	130,478	57,773	24,057
2015		140,000	130,478	57,773	19,325
2016		140,000	130,478	57,773	15,524
2017			130,478	57,773	12,470
2018			130,478	57,773	10,017
2019			130,478	57,773	8,047
2020			130,478	57,773	6,464
2021			130,478	57,773	5,193
2022			130,478	57,773	4,171
2023			130,478	57,773	3,351
2024			130,478	57,773	2,692
2025			130,478	57,773	2,162
2026			130,478	57,773	1,737
2027			130,478	57,773	1,395
2028			130,478	57,773	1,121
2029			130,478	57,773	900
2030			130,478	57,773	723
			2,740,042	1,213,233	290,757
2006-2010 Annual Average		130,478			
2006-2010 Average Annual % Increase		-19.67%			

Tukwila Motor Vehicle Tax Revenue



Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	127,255				
2007	139,024				
2008	131,882				
2009	126,259				
2010	49,528		114,790	49,528	49,528
2011		455,000	114,790	49,528	39,120
2012		469,000	114,790	49,528	30,899
2013		483,000	114,790	49,528	24,405
2014		498,000	114,790	49,528	19,276
2015		512,000	114,790	49,528	15,225
2016		527,000	114,790	49,528	12,026
2017			114,790	49,528	9,499
2018			114,790	49,528	7,502
2019			114,790	49,528	5,926
2020			114,790	49,528	4,680
2021			114,790	49,528	3,697
2022			114,790	49,528	2,920
2023			114,790	49,528	2,306
2024			114,790	49,528	1,822
2025			114,790	49,528	1,439
2026			114,790	49,528	1,136
2027			114,790	49,528	898
2028			114,790	49,528	709
2029			114,790	49,528	560
2030			114,790	49,528	442
			2,410,582	1,040,088	234,016
2006-2010 Annual Average	114,790				
2006-2010 Average Annual % Increase	-21.02%				

Tukwila City Operating Revenue



Year	Actual 2006-2010	2011-16 CIP Expenditures	20 Yrs @ 2006-2010 Average	20 Yrs @ 2010 Amount	20 Yrs @ % Change
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0
2011	0	2,761,000	0	0	#NUM!
2012	0	2,620,000	0	0	#NUM!
2013	0	2,362,000	0	0	#NUM!
2014	0	2,375,000	0	0	#NUM!
2015	0	1,935,000	0	0	#NUM!
2016	0	4,830,000	0	0	#NUM!
2017	0	0	0	0	#NUM!
2018	0	0	0	0	#NUM!
2019	0	0	0	0	#NUM!
2020	0	0	0	0	#NUM!
2021	0	0	0	0	#NUM!
2022	0	0	0	0	#NUM!
2023	0	0	0	0	#NUM!
2024	0	0	0	0	#NUM!
2025	0	0	0	0	#NUM!
2026	0	0	0	0	#NUM!
2027	0	0	0	0	#NUM!
2028	0	0	0	0	#NUM!
2029	0	0	0	0	#NUM!
2030	0	0	0	0	#NUM!
2006-2010 Annual Average			0	0	#NUM!
2006-2010 Average Annual % Increase			#NUM!		