



# CITY COUNCIL AGENDA STATEMENT



July 10, 2018

File ID: 18-0202

## ERRATA SHEET

**Replace the “Fiscal Impact Analysis (FIA)” Section beginning on page 8 with the following:**

### *Fiscal Impact Analysis (FIA)*

The Applicant’s proposal includes a revised Fiscal Impact Analysis (FIA) evaluating the proposed amendment (see Fiscal Impact Analysis, Attachment 4). This FIA has been prepared using the City’s new fiscal model which was first provided to the Applicant in October of last year. Staff worked with the Applicant who provided the necessary project-specific inputs to the plan needed to calculate the City’s maintenance costs.

It is important to note that the FIA presents a projection of the anticipated fiscal impacts of the development, based upon the best information currently available. Actual fiscal impacts as a result of development may vary from model outcomes.

The FIA evaluates the following scenarios:

1. Proposed Amendment Maximum Buildout - This scenario assumes development of the proposed maximum buildout, including 2,983 residential units and 3.324 million square feet of non-residential uses. The non-residential uses assumed include approximately 2.7 million square feet of office, 395,000 square feet of retail uses, 130,000 square feet of civic uses (school and fire station), and a single 135-room hotel (96,000 square feet).
2. 2009 Adopted Plan Maximum Buildout (assumes 500 hotel rooms) - This scenario assumes development of the adopted maximum building, including 2,983 residential units and 3.487 million square feet of non-residential uses. The non-residential uses assumed in the 2009 plan include approximately 2.0 million square feet of office, approximately 800,000 square feet of retail uses, 160,000 square feet of civic uses, and two hotels totaling 500 rooms (375,000 square feet).
3. 2009 Adopted Plan with reduced Hotel (assumes 135 hotel rooms) - In recognition of the fact that since the original Millenia entitlements were approved the City has approved three hotels in addition to the one approved in Millenia - this scenario looks at the 2009 full build scenario but includes only the 135-room hotel currently under construction (reduction of 365 hotel rooms).

Based on the FIA and the assumptions contained therein, all of the scenarios above are projected to generate a positive net fiscal impact to the City by year three (2020/2021). The relative fiscal performance of the three scenarios over a 30-year buildout term are compared in the table below.

| <b>Comparison of Modeled Fiscal Impact Scenarios (Annual Net Impact, Millions)</b> |                   |               |                |                |                |                |                |
|------------------------------------------------------------------------------------|-------------------|---------------|----------------|----------------|----------------|----------------|----------------|
|                                                                                    |                   | <b>Year 5</b> | <b>Year 10</b> | <b>Year 15</b> | <b>Year 20</b> | <b>Year 25</b> | <b>Year 30</b> |
| Proposed Amendment<br>(135 Hotel Rooms)                                            | Revenues          | \$4.1         | \$6.9          | \$7.8          | \$9.7          | \$11.1         | \$12.9         |
|                                                                                    | Expenses          | (\$3.1)       | (\$6.1)        | (\$6.9)        | (\$7.3)        | (\$7.4)        | (\$7.6)        |
|                                                                                    | <b>Net Impact</b> | <b>\$1.0</b>  | <b>\$0.7</b>   | <b>\$0.8</b>   | <b>\$2.4</b>   | <b>\$3.6</b>   | <b>\$5.3</b>   |
| 2009 Adopted Plan<br>(135 Hotel Rooms)                                             | Revenues          | \$2.4         | \$6.0          | \$9.9          | \$12.0         | \$13.8         | \$15.4         |
|                                                                                    | Expenses          | (\$2.1)       | (\$4.8)        | (\$7.2)        | (\$7.4)        | (\$7.6)        | (\$7.7)        |
|                                                                                    | <b>Net Impact</b> | <b>\$0.3</b>  | <b>\$1.1</b>   | <b>\$2.7</b>   | <b>\$4.6</b>   | <b>\$6.2</b>   | <b>\$7.7</b>   |
| 2009 Adopted Plan<br>(500 Hotel Rooms)                                             | Revenues          | \$2.4         | \$7.6          | \$11.7         | \$14.0         | \$15.9         | \$17.7         |
|                                                                                    | Expenses          | (\$2.0)       | (\$4.8)        | (\$7.2)        | (\$7.4)        | (\$7.6)        | (\$7.7)        |
|                                                                                    | <b>Net Impact</b> | <b>\$0.3</b>  | <b>\$2.8</b>   | <b>\$4.5</b>   | <b>\$6.5</b>   | <b>\$8.3</b>   | <b>\$10.0</b>  |

The Proposed Amendment (135 Hotel Room) scenario assumes development phasing as summarized in the table below.

| <b>Proposed Amendment Development Phasing Assumptions</b> |               |                |                |                |                |                |
|-----------------------------------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|
|                                                           | <b>Year 5</b> | <b>Year 10</b> | <b>Year 15</b> | <b>Year 20</b> | <b>Year 25</b> | <b>Year 30</b> |
| Residential Units                                         | 1,596         | 2,983          | 2,983          | 2,983          | 2,983          | 2,983          |
| Hotel Rooms                                               | 135           | 135            | 135            | 135            | 135            | 135            |
| Non-Residential SF                                        |               |                |                |                |                |                |
| Hotel SF                                                  | 96,148        | 96,148         | 96,148         | 96,148         | 96,148         | 96,148         |
| Retail SF                                                 | 189,600       | 221,200        | 221,200        | 395,000        | 395,000        | 395,000        |
| Office SF                                                 | 1,107,820     | 1,675,240      | 1,756,300      | 1,918,420      | 2,161,600      | 2,702,000      |
| Total Non-Residential SF                                  | 1,393,568     | 1,992,588      | 2,073,648      | 2,409,568      | 2,652,748      | 3,193,148      |

*\*Note: Civic uses are assumed to have no net fiscal impact and are therefore excluded.*

The Proposed Amendment phasing assumptions can be compared with the assumptions in the 2009 Adopted Plan fiscal analysis, summarized in the table below.

| <b>2009 Adopted Development Phasing Assumptions</b> |               |               |                |                |                |
|-----------------------------------------------------|---------------|---------------|----------------|----------------|----------------|
|                                                     | <b>Year 5</b> | <b>Year 7</b> | <b>Year 12</b> | <b>Year 17</b> | <b>Year 22</b> |
| Residential Units                                   | 1,245         | 1,743         | 2,983          | 2,983          | 2,983          |
| Hotel Rooms                                         | 250           | 500           | 500            | 500            | 500            |
| Non-Residential SF                                  |               |               |                |                |                |
| Hotel SF                                            | 187,500       | 375,000       | 375,000        | 375,000        | 375,000        |
| Retail SF                                           | 73,850        | 221,550       | 738,500        | 883,400        | 980,000        |
| Office SF                                           | 88,650        | 265,950       | 886,500        | 1,552,200      | 1,996,000      |
| Total Non-Residential SF                            | 350,000       | 862,500       | 2,000,000      | 2,810,600      | 3,351,000      |

Overall, comparing projected net annual fiscal impacts in year 30 for the 2009 Adopted Plan and the Proposed Amendment (\$10.0 million and \$5.3 million, respectively) indicates a \$4.7 million reduced annual positive fiscal impact. It is important to note that a key driver reducing the fiscal benefit to the City between the Proposed Amendment scenario and the 2009 Adopted Plan scenario is Transient Occupancy Taxes, and the fact that the City’s model attributes very little service costs to hotels. At year 30, approximately \$2.3 million of the projected net fiscal benefit associated with the 2009 Adopted Maximum Buildout Scenario is attributable to the 365 additional hotel rooms assumed under that scenario. This is a relevant comparison as it recognizes that the City has not lost the TOT revenues, but rather those revenues have been relocated to other locations in the Eastern Territories where hotels have been added since the entitlements for Millennia were approved in 2009.

**Replace #1 under the “Developer Agreement” Section on page 10 with the following:**

*Developer Agreement*

1. Net Revenue – The first benefit identified in the existing DA was annual net revenue over the cost of providing municipal services of approximately \$5.0 million in buildout year 22. As shown above, the updated fiscal impact analysis using a more current fiscal model shows that the original project could have resulted in estimated annual net revenues of \$10.0 million in year 30. Applying this new fiscal model to the proposed project amendment, including the reduced non-residential development, the estimated annual net revenue is projected to be approximately \$5.3 million in year 30. While this equates to a reduction of \$4.7 million annually from the approved plan, it still represents a significant positive fiscal impact to the City’s General Fund.

**Replace the “Ongoing Fiscal Impact” Section beginning on page 11 with the following:**

**ONGOING FISCAL IMPACT**

As discussed in the Fiscal Impact Analysis section of this report, the Proposed Amendment is projected to result in net positive fiscal impacts throughout the development period, ranging from \$1.0 million to \$5.3 million annually. Cumulative impacts of the Proposed Amendment buildout scenario during the term of the 30-year analysis are anticipated to total approximately \$57.8 million, with an annual average positive impact of \$1.9 million.

The table below summarizes the projected annual net fiscal impact for representative buildout years for the Proposed Amendment, the 2009 Adopted Plan as originally approved (assuming 500 hotel rooms), and the 2009 Adopted Plan (assuming only the 135 hotel rooms constructed to date).

| <b>Comparison of Modeled Fiscal Impact Scenarios (Annual Net Impact, Millions)</b> |                   | <b>Year 5</b> | <b>Year 10</b> | <b>Year 15</b> | <b>Year 20</b> | <b>Year 25</b> | <b>Year 30</b> |
|------------------------------------------------------------------------------------|-------------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Proposed Amendment<br>(135 Hotel Rooms)                                            | Revenues          | \$4.1         | \$6.9          | \$7.8          | \$9.7          | \$11.1         | \$12.9         |
|                                                                                    | Expenses          | \$(3.1)       | \$(6.1)        | \$(6.9)        | \$(7.3)        | \$(7.4)        | \$(7.6)        |
|                                                                                    | <b>Net Impact</b> | <b>\$1.0</b>  | <b>\$0.7</b>   | <b>\$0.8</b>   | <b>\$2.4</b>   | <b>\$3.6</b>   | <b>\$5.3</b>   |
| 2009 Adopted Plan<br>(135 Hotel Rooms)                                             | Revenues          | \$2.4         | \$6.0          | \$9.9          | \$12.0         | \$13.8         | \$15.4         |
|                                                                                    | Expenses          | \$(2.1)       | \$(4.8)        | \$(7.2)        | \$(7.4)        | \$(7.6)        | \$(7.7)        |
|                                                                                    | <b>Net Impact</b> | <b>\$0.3</b>  | <b>\$1.1</b>   | <b>\$2.7</b>   | <b>\$4.6</b>   | <b>\$6.2</b>   | <b>\$7.7</b>   |
| 2009 Adopted Plan<br>(500 Hotel Rooms)                                             | Revenues          | \$2.4         | \$7.6          | \$11.7         | \$14.0         | \$15.9         | \$17.7         |
|                                                                                    | Expenses          | \$(2.0)       | \$(4.8)        | \$(7.2)        | \$(7.4)        | \$(7.6)        | \$(7.7)        |
|                                                                                    | <b>Net Impact</b> | <b>\$0.3</b>  | <b>\$2.8</b>   | <b>\$4.5</b>   | <b>\$6.5</b>   | <b>\$8.3</b>   | <b>\$10.0</b>  |

As illustrated in the table above, reducing the hotel rooms assumed to be developed by 365 decreases the projected annual positive impact in year 30 by approximately \$2.3 million. This accounts for just under 50% of the total projected positive impact reduction in year 30 resulting from the Proposed Amendment. Additional adjustments to the development plan further reduce the year 30 projected net positive fiscal benefit from \$10.0 million (2009 Adopted Plan with 500 hotel rooms) to \$5.3 million.

While a comparison of the Proposed Amendment with the 2009 Adopted Plan (with 500 hotel rooms) indicates reduced positive impacts of approximately \$4.7 million annually in year 30, the plan continues to indicate significant net positive impacts to the City's General Fund as a result of the Millenia project.

When considering the above, it is important to note that the Fiscal Impact Analysis presents projections based upon the best information currently available. Actual fiscal impacts as a result of this development may vary from those indicated by the model.

Pursuant to Section 4.5 (Operating Deficit) of the Millenia Development Agreement, the Master Developer will cover the City's net operating deficit during the initial years of the project (excluding fire services), up to a cumulative maximum of \$500,000. The amount of the deficit is to be determined via a fiscal study to be prepared by the City at the Master Developer's cost. Per the Development Agreement, the first fiscal analysis "shall be conducted following the end of the fiscal year which is two (2) years following the first occupancy within the Property, and annually thereafter at the end of each fiscal year." The first Millenia certificate of occupancy was issued to Fairfield Residential, on October 23, 2015. Based upon this date, the first fiscal analysis shall be conducted after June 30, 2018. Initiation of the first fiscal analysis is expected in July of 2018.

**Replace Attachment 4 with the revised Fiscal Impact Analysis (FIA) attached.**

*Staff Contact: Stacey Kurz, Senior Project Coordinator*



Report for:

# Millenia Fiscal Impact Analysis

Chula Vista, CA

Prepared for: SLF IV - Millenia, LLC

Prepared by: Pro Forma Advisors, LLC, **re+ep**

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## **General Limiting Conditions**

Certain information included in this report contains forward-looking estimates, projections and/or statements. Pro Forma Advisors LLC has based these projections, estimates and/or statements on expected future events. These forward-looking items include statements that reflect our existing beliefs and knowledge regarding the operating environment, existing trends, existing plans, objectives, goals, expectations, anticipations, results of operations, future performance and business plans.

Further, statements that include the words "may," "could," "should," "would," "believe," "expect," "anticipate," "estimate," "intend," "plan," "project," or other words or expressions of similar meaning have been utilized. These statements reflect our judgment on the date they are made and we undertake no duty to update such statements in the future.

No warranty or representation is made by Pro Forma Advisors that any of the projected values or results contained in this study will actually be achieved.

Although we believe that the expectations in these reports are reasonable, any or all of the estimates or projections in this report may prove to be incorrect. To the extent possible, we have attempted to verify and confirm estimates and assumptions used in this analysis. However, some assumptions inevitably will not materialize as a result of inaccurate assumptions or as a consequence of known or unknown risks and uncertainties and unanticipated events and circumstances, which may occur. Consequently, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material. As such, Pro Forma Advisors accepts no liability in relation to the estimates provided herein.

In the production of this report, Pro Forma Advisors has served solely in the capacity of consultant and Pro Forma Advisors has not rendered any "expert" opinions and does not hold itself out as an "expert" (as the term "expert" is defined in Section 11 of the Securities Act of 1933).

This report is not to be used in conjunction with any public or private offering of securities, and may not be relied upon with the express written consent of Pro Forma Advisors.

This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions, and considerations.

## Introduction

SLF IV - Millenia, LLC (“Owner” or “Client”) retained Pro Forma Advisors to evaluate the fiscal impacts of several build out scenarios for the approved project commonly referred to as “Millenia” and previously referred to as the Eastern Urban Center (“EUC”), which is part of the Otay Ranch Master Planned Community located in the City of Chula Vista (“City”). These build-out scenarios include the following:

### Proposed Amendment

This scenario assumes the Millenia project continues to intensify over time and builds out to the maximum buildout under the proposed amendment which is 2,983 residential units and 3.32 million square feet of commercial uses. This scenario includes approximately 2.7 million square feet of office, 395,000 square feet of commercial, a 135-room hotel and approximately 130,000 square feet of civic uses.

### 2009 Adopted Plan

This scenario assumes the Millenia project builds out to the maximum buildout under the current entitlements of 2,983 residential units and 3.48 million square feet of commercial uses. This scenario includes approximately 2.0 million sf of office, 980,000 square feet of commercial (including 160,000 square feet of civic and recreational uses), and two, 250-room hotels (500 rooms total).

### 2009 Adopted Plan with Reduced Hotel

This scenario assumes the Millenia project builds out to the maximum buildout under the current entitlements but rather than two, 250-room hotels, the project includes a single 135-room hotel similar to the proposed project.

The approved entitlements allow a maximum buildout at 2,983 residential units and 3.48 million square feet of commercial uses. The prior fiscal impact study prepared as part of the approved public facilities financing plan (“PFFP”) for Millenia evaluated the **2009 Adopted Plan** scenario.

## Results

The following analysis evaluates the fiscal impact of the various scenarios across a 30-year period, including build out that is projected to occur prior to Fiscal Year (FY) 30. For the purposes of this analysis, net fiscal impacts refer to the fiscal revenues less the fiscal costs generated by the development. A positive net fiscal impact means that the fiscal revenues covers the costs generated by the development.

Using the City's FIA Framework, the **Proposed Amendment** scenario would have a net positive revenue annual impact of approximately **\$740,000** in Year 10 (FY 2027) that is expected to grow to approximately **\$2.4 million** in an illustrative Year 20 (FY 2037) and **\$5.4 million** in an illustrative Year 30 (FY 2047).



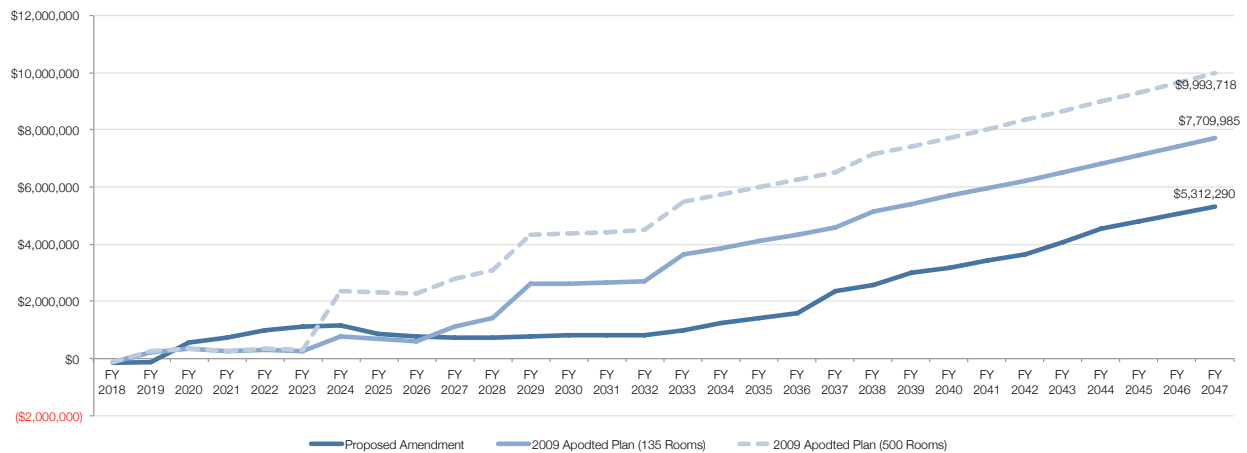
**Figure 1 - Net Fiscal Impact (Future Year Dollars)**

|                                    | Year 10<br>(FY 2027) | Year 20<br>(FY 2037) | Year 30<br>(FY 2047) | 30 Year Analysis |              |
|------------------------------------|----------------------|----------------------|----------------------|------------------|--------------|
|                                    |                      |                      |                      | Cumulative       | Average      |
| Total General Fund Revenues        | \$ 6,851,032         | \$ 9,652,886         | \$ 12,910,221        | \$ 235,258,848   | \$ 7,841,962 |
| Total General Fund Expenditures    | \$ 6,129,873         | \$ 7,273,249         | \$ 7,597,932         | \$ 177,466,660   | \$ 5,915,555 |
| Projected Net Revenues/(Shortfall) | \$ 738,501           | \$ 2,403,874         | \$ 5,354,145         | \$ 57,792,188    | \$ 1,926,406 |

Source: Pro Forma Advisors and City of Chula Vista

In 2009, Economic Research Associates conducted a FIA for the approved EUC Specific Plan Area (SPA) that estimated a range of positive net fiscal impacts of the project under a different development program. Using the City's current FIA model, the net fiscal impact associated with the **2009 Adopted Plan** scenario is presented below. A second analysis is also provided, for comparison purposes, with the **2009 Adopted Plan with Reduced Hotel**.

**Figure 2 - Net Fiscal Impact Comparison (Future Year Dollars)**



Source: Economics Research Associates; Pro Forma Advisors; City of Chula Vista

The purpose of including a scenario which assumes full buildout under the adopted plan but with a reduced number of hotel rooms was to illustrate the impact of the hotels and the Transient Occupancy Taxes (TOT) on the overall fiscal performance of the various alternatives. As noted by the Client, the single hotel currently planned is a direct consequence of City's decision to approve the construction of two new hotels, which total 300 rooms, in the Freeway Commercial SPA Plan amendment. If this direct competition, as well as the two new hotels being located in the Eastlake Business Park, were known at the time of Millenia's entitlement, then it is likely that no hotels, or perhaps a single smaller hotel would have been included and theoretically modeled in the fiscal study. Another way to look at this is that the net fiscal revenue associated with the hotel rooms were not lost, but rather transferred to another location in the City.

Consequently, due to the weight given to TOT in the City's current fiscal model as well as differences between the overall development program, specifically the additional reduction of housing and retail development, comparisons between the **Proposed Amendment** and either of the proposed plan scenarios are not appropriate. While still a different

development programs and assumptions regarding absorption, a comparison between the **Proposed Amendment** and the **2009 Adopted Plan with Reduced Hotel** is a more direct comparison.

**Figure 3 - Net Fiscal Impact of All Scenarios (Millions of Future Year Dollars)**

|                                                              | Year 5 | Year 10 | Year 15 | Year 20 | Year 25 | Year 30 |
|--------------------------------------------------------------|--------|---------|---------|---------|---------|---------|
| <b>Proposed Amendment (135 room hotel)</b>                   |        |         |         |         |         |         |
| Total General Fund Revenues                                  | \$4.1  | \$6.9   | \$7.8   | \$9.7   | \$11.1  | \$12.9  |
| Total General Fund Expenditures                              | \$3.1  | \$6.1   | \$6.9   | \$7.3   | \$7.4   | \$7.6   |
| Projected Net Revenues/(Shortfall)                           | \$1.0  | \$0.7   | \$0.8   | \$2.4   | \$3.6   | \$5.3   |
| <b>2009 Adopted Plan with Reduced Hotel (135 room hotel)</b> |        |         |         |         |         |         |
| Total General Fund Revenues                                  | \$2.4  | \$6.0   | \$9.9   | \$12.0  | \$13.8  | \$15.4  |
| Total General Fund Expenditures                              | \$2.1  | \$4.8   | \$7.2   | \$7.4   | \$7.6   | \$7.7   |
| Projected Net Revenues/(Shortfall)                           | \$0.3  | \$1.1   | \$2.7   | \$4.6   | \$6.2   | \$7.7   |
| <b>2009 Adopted Plan Maximum Buildout (500 hotel rooms)</b>  |        |         |         |         |         |         |
| Total General Fund Revenues                                  | \$2.4  | \$7.6   | \$11.7  | \$14.0  | \$15.9  | \$17.7  |
| Total General Fund Expenditures                              | \$2.0  | \$4.8   | \$7.2   | \$7.4   | \$7.6   | \$7.7   |
| Projected Net Revenues/(Shortfall)                           | \$0.3  | \$2.8   | \$4.5   | \$6.5   | \$8.3   | \$10.0  |

Source: Pro Forma Advisors and City of Chula Vista

## Project Description

The Client is currently developing the Millenia project in the eastern portion of the City on vacant land located south of Birch Road, west of the SR-125, north of Hunte Parkway, and east of Eastlake Parkway (“Project Site”). The Project Site includes multiple parcels totaling approximately 145 net developable acres (**Figure 4**). Millenia will serve as a new urban center for the Otay Ranch and eastern Chula Vista community. The area is planned to include a variety of land uses including office, retail, hotel, and residential uses. Millenia will create an iconic urban village with a mixture of uses similar to a downtown environment and is anticipated be denser relative to the City as a whole.

**Figure 4 - Site Map**



Source: ESRI Business Analyst; Pro Forma Advisors

**Figure 5** presents the land use program for the Proposed Amendment in comparison to the previously analyzed PFFP development program. The development program analyzed in the EUC SPA FIA<sup>1</sup> includes approximately 2 million square feet of office, 160,000 square feet of civic uses, 815,000 square feet of retail, 165,000 square feet of residential fitness center, 500 hotel rooms (two 250-room properties), and 2,983 medium to high density for-sale residential units. The absorption schedule used in that FIA was expected to extend for over a 20 year build out during which the projects land uses would intensify overtime, with early phase surface parking lots being replaced by taller buildings and structured parking.

**Figure 5 - Estimated Building Square Feet**

| Land Use            | Proposed Scenario | Approved SPA | Proposed vs. SPA Approved<br>(Percent of Approved) |
|---------------------|-------------------|--------------|----------------------------------------------------|
| Retail (SF)         | 395,000           | 815,000      | 48%                                                |
| Office (SF)         | 2,702,000         | 2,007,000    | 135%                                               |
| Civic (SF)          | 130,852           | 160,000      | 82%                                                |
| Hotel (Rooms)       | 135               | 500          | 27%                                                |
| Residential (Units) | 2,983             | 2,983        | 100%                                               |

Note: 5,532 square feet of the retail space includes 4,200 SF of dedicated retail, 282 square feet of outdoor seating/plaza space, and 1050 square feet of live work space. For the purposes of this analysis, these mixed-use retail space has been classified as "retail" for the purpose of the FIA.

Source: Economics Research Associates, Pro Forma Advisors

## Model Inputs

### Development Program Absorption

The information provided has been provided by the Client and reflects the actual plans of their merchant builders, a qualified real estate market research firm hired by the Client, consultations with local developers, as well as their own development expertise to provide guidance on a reasonable build out timeline for the residential units given current market conditions. The following absorption schedules for commercial development were based on input provided by the Clients merchant builders and a review of the historical absorption of commercial development in the City across the last decade.

*Please see delivered model for specific assumptions regarding project absorption.*

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<sup>1</sup> Memorandum "Eastern Urban Center Fiscal" dated March 31, 2009.

## Assessed Value

The capitalized value approach was used to estimate the market value of commercial properties. Pro Forma used an average office lease rent of \$2.60 (triple net or "NNN") per month and a cap rate for a Class A office product (6.0 percent) as reported for San Diego in the CBRE's Capitalization Rate Survey for the second-half of 2015.<sup>2</sup> The cap rate is applied to the net operating income after reductions have been made for operating expenses and structural vacancy. As it relates to the NNN rent structure, it is assumed that the development recovers the vast amount of expenses. The capitalized value approach provided an assessed value of \$400 per gross square foot of building area for the office space.

A similar methodology was used to estimate the market value of the proposed retail development. Pro Forma used an average retail lease rent of \$3.00 NNN per month and \$1.50 NNN per month for the small-format (neighborhood) retail and large-format (community) retail, respectively. A 5.5 percent cap rate was used to estimate the value of both the community and neighborhood retail after accounting for operating expenses and structural vacancy. The capitalized value approach provided an assessed value of \$532 and \$266 per gross square foot of building area of the small-format and large-format retail, respectively.

Currently, Chula Vista hotel accommodations have generally lower asking room rates than other submarkets in the larger San Diego market area. However, existing accommodations options include primarily economy level limited service hotels. The Client anticipates that the hotel developed at the Project Site will be of a higher quality and exceed the average daily room rate of many of the existing properties in the City. Based on information provided within the City model, PFA utilized a stabilized average daily rates of \$154.87 with 77.1 percent occupancy. Using standard industry operating margins and a current cap rate of approximate 7.5 percent, each hotel room is projected to have a value of approximately \$349,000 per room (key).

The for-sale residential assessed value was determined based on the average, unadjusted, sales price. For-rent residential units' assessed value was based on the assumed average asking rent along with the associated operating costs for multi-family residential development. The current multi-family for rent cap rate in San Diego (4.75 percent) was applied to estimate the total project value. In the FIA, for-sale residential were estimated to yield approximately \$459,000 per unit while for-rent development was estimated to yield approximately \$290,000 per unit.<sup>3</sup>

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<sup>2</sup> Released May 2016

<sup>3</sup> Assessed value assumptions on a per unit basis were utilized in the 2009 fiscal analysis.

**Figure 6 - Estimated Assessed Value by Land Use (2017 Dollars)**

| Development (Units)         | Units     | Value per Unit per Year | Building Efficiency | Occ. Rate | OpEx  | Cap Rate | Est. Value (MM) | Est. Value per Unit |
|-----------------------------|-----------|-------------------------|---------------------|-----------|-------|----------|-----------------|---------------------|
| Retail                      |           |                         |                     |           |       |          |                 |                     |
| Small-Format (SF)           | 72,634    | \$36                    | 90%                 | 95%       | 5.0%  | 5.50%    | \$39            | \$532               |
| Large-Format (SF)           | 322,366   | \$18                    | 90%                 | 95%       | 5.0%  | 5.50%    | \$86            | \$266               |
|                             |           |                         |                     |           |       |          |                 |                     |
| Office (SF)                 | 2,702,000 | \$31                    | 90%                 | 90%       | 5.0%  | 6.00%    | \$1,056         | \$391               |
|                             |           |                         |                     |           |       |          |                 |                     |
| Hotel (Rooms)               | 135       | \$56,575                |                     |           | 40.0% | 7.50%    | \$47            | \$349,000           |
|                             |           |                         |                     |           |       |          |                 |                     |
| Residential                 |           |                         |                     |           |       |          |                 |                     |
| For-Sale (Dwelling Units)   | 1,170     | \$459,300               |                     |           |       |          | \$537           | \$459,300           |
| For-Rent (Dwelling Units)   | 1,813     | \$23,232                |                     | 95%       | 37.5% | 4.75%    | \$526           | \$290,394           |
|                             |           |                         |                     |           |       |          |                 |                     |
| <b>Total Assessed Value</b> |           |                         |                     |           |       |          | <b>\$2,291</b>  |                     |

Source: Pro Forma Advisors

### **Maintenance Service Costs**

#### Public Works and Recreation Expenditures

In 2014 the City Council adopted a resolution to establish a community facilities district (“CFD”) for Millenia, which authorizes a special tax to fund all or a portion of the costs to maintain and service a variety of facilities including:

- ▶ Street Frontage Maintenance
- ▶ Park Maintenance
- ▶ Bio-Retention Maintenance
- ▶ Storm Water Maintenance

Maintenance includes, but is not limited to, the “furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing” within the CFD. The CFD tax also includes “Administrative Expenses” that represents the actual or estimated costs incurred by the City acting on behalf of the CFD area. As such, it is assumed that the CFD will cover the some of the costs associated with the new road network and urban parks.

The following distributes the costs inputted into the “Maintenance Service Costs” tabs less the 20 percent “Admin/Reserves” cost that is already included in the CFD for the park maintenance. Furthermore, the developer has formed a Master Community association in Millenia which will take over maintenance of a number of items normally covered by the City’s general fund including sidewalk maintenance, streetscape landscape maintenance and some lighting. As such, the estimates using the City’s fiscal model may overstate some of the costs associated with the project.

**Figure 8 - Maintenance Service Inputs**

|                             | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Streets and Lighting</b> |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Lane Miles (Cumulative)     | 3.4     | 7.1     | 7.1     | 8.2     | 8.2     | 8.2     | 8.2     | 8.2     | 8.2     | 8.2     | 8.2     | 8.2     | 8.2     |
|                             |         |         |         |         |         |         |         |         |         |         |         |         |         |
| <b>Parks</b>                |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Park Acres (Cumulative)     | 1.970   | 1.970   | 3.480   | 8.980   | 10.600  | 10.600  | 10.600  | 10.600  | 10.600  | 10.600  | 10.600  | 10.600  | 10.600  |

Source: Client

## Appendix

### Proposed Amendment FIA Tables

*(excel model available upon request)*

*The remainder of the page is intentionally blank*





Population

Table with columns for Year (1-17) and rows for Population (Single Family Residential, Multi-Family Residential, Subtotal (Per Capita), Employment Population, Totals), Number of Homes (Single Family Residential, Multi-Family Residential, Totals), and Transient Occupancy Tax (Project Specific) (Hotel 1 - # rooms, Hotel 2 - # rooms, Totals). Includes Average Hotel Daily Rate and Occupancy percentages.

General Fund Revenues

Table with columns for Year (1-17) and rows for Tax Revenues (Property Tax, Sales and Use Tax, Project Specific, Other Revenues, Licenses and Permits, Fines, forfeitures, penalties, Use of Money & Property, Charges for Services, Intergovernmental, Subtotal Other Revenues, Total General Fund Revenues).

General Fund Expenditures

Table with columns for Year (1-17) and rows for General Government (Community Development (20%), Public Works/Engineering, Maintenance Costs, Drainage Management System, Building Management System, Parks Management System, Open Space Management System, Fleet Management System, Pavement Annual (PMP), General Govt Management System, Urban Forestry Management System, Community Services (Library, Public Safety), Police Services, Fire Services, Animal Control Services, Total Public Safety, Total General Fund Expenditures, Projected Net Revenues/(Shortfall).



Population

| Year                                                 | 18           | 19           | 20           | 21           | 22           | 23           | 24           | 25           | 26           | 27           | 28           | 29           | 30           |
|------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Single Family Residential                            | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        | 3,276        |
| Multi-Family Residential                             | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        | 5,076        |
| Subtotal (Per Capita)                                | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        | 8,352        |
| Employment Population                                | 418          | 418          | 418          | 418          | 418          | 418          | 418          | 418          | 418          | 418          | 418          | 418          | 418          |
| <b>Totals</b>                                        | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> | <b>8,770</b> |
| <b>Number of Homes</b>                               |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Single Family Residential                            | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        | 1,170        |
| Multi-Family Residential                             | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        | 1,813        |
| <b>Totals</b>                                        | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> | <b>2,983</b> |
| <b>Transient Occupancy Tax (Project Specific)</b>    |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Hotel 1 - # rooms                                    | 135          | 135          | 135          | 135          | 135          | 135          | 135          | 135          | 135          | 135          | 135          | 135          | 135          |
| Hotel 2 - # rooms                                    | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            |
| <b>Totals</b>                                        | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   | <b>135</b>   |
| Average Hotel Daily Rate - San Diego County Average* | \$ 193.62    | \$ 196.53    | \$ 199.48    | \$ 202.47    | \$ 205.50    | \$ 208.59    | \$ 211.72    | \$ 214.89    | \$ 218.12    | \$ 221.39    | \$ 224.71    | \$ 228.08    | \$ 231.50    |
| Average Hotel Daily Rate - Developer Assigned*       | \$ 177.66    | \$ 180.32    | \$ 183.03    | \$ 185.77    | \$ 188.56    | \$ 191.39    | \$ 194.26    | \$ 197.17    | \$ 200.13    | \$ 203.13    | \$ 206.18    | \$ 209.27    | \$ 212.41    |
| Average Hotel Occupancy*                             | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        | 77.1%        |
| Developer Provided Hotel Occupancy*                  | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        | 70.0%        |
| Transient Occupancy Tax Rate (per room night)        | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          | 10%          |
| Absorption Rate                                      | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         | 100%         |

General Fund Revenues

| Year                                        | 18                  | 19                  | 20                  | 21                  | 22                   | 23                   | 24                   | 25                   | 26                   | 27                   | 28                   | 29                   | 30                   |
|---------------------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Tax Revenues</b>                         |                     |                     |                     |                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Property Tax                                | \$ 3,425,345        | \$ 3,493,851        | \$ 3,664,672        | \$ 3,737,966        | \$ 4,012,031         | \$ 4,092,272         | \$ 4,174,117         | \$ 4,257,600         | \$ 4,554,173         | \$ 4,869,708         | \$ 4,967,102         | \$ 5,066,444         | \$ 5,167,773         |
| Library (7% of AV)                          | \$ 188,799          | \$ 192,574          | \$ 201,990          | \$ 206,030          | \$ 221,136           | \$ 225,558           | \$ 230,069           | \$ 234,671           | \$ 251,017           | \$ 268,409           | \$ 273,777           | \$ 279,253           | \$ 284,838           |
| Sales and Use Tax                           | \$ 1,473,796        | \$ 1,518,010        | \$ 1,563,550        | \$ 1,610,456        | \$ 1,658,770         | \$ 1,708,533         | \$ 1,759,789         | \$ 1,812,593         | \$ 1,866,960         | \$ 1,922,969         | \$ 1,980,658         | \$ 2,040,078         | \$ 2,101,280         |
| <b>Sales and Use Tax - Project Specific</b> | <b>875,627</b>      | <b>893,140</b>      | <b>1,623,605</b>    | <b>1,656,077</b>    | <b>1,689,199</b>     | <b>1,722,983</b>     | <b>1,757,442</b>     | <b>1,792,591</b>     | <b>1,828,443</b>     | <b>1,865,012</b>     | <b>1,902,312</b>     | <b>1,940,358</b>     | <b>1,979,166</b>     |
| Transient Occupancy Tax                     | \$ 215,886          | \$ 222,362          | \$ 229,033          | \$ 235,904          | \$ 242,981           | \$ 250,271           | \$ 257,779           | \$ 265,512           | \$ 273,477           | \$ 281,682           | \$ 290,132           | \$ 298,836           | \$ 307,801           |
| Transient Occupancy Tax - Project           | \$ 612,787          | \$ 621,979          | \$ 631,308          | \$ 640,778          | \$ 650,390           | \$ 660,145           | \$ 670,048           | \$ 680,098           | \$ 690,300           | \$ 700,654           | \$ 711,164           | \$ 721,832           | \$ 732,659           |
| Motor Vehicle In-Lieu of VLF                | \$ 896,344          | \$ 923,234          | \$ 950,931          | \$ 978,459          | \$ 1,006,843         | \$ 1,035,108         | \$ 1,070,281         | \$ 1,102,290         | \$ 1,135,461         | \$ 1,169,525         | \$ 1,204,611         | \$ 1,240,749         | \$ 1,277,972         |
| Franchise Fees                              | \$ 441,812          | \$ 455,067          | \$ 468,719          | \$ 482,780          | \$ 497,264           | \$ 512,182           | \$ 527,547           | \$ 543,374           | \$ 559,675           | \$ 576,465           | \$ 593,759           | \$ 611,572           | \$ 629,919           |
| Other Taxes                                 | \$ 40,025           | \$ 41,226           | \$ 42,463           | \$ 43,737           | \$ 45,049            | \$ 46,400            | \$ 47,792            | \$ 49,226            | \$ 50,703            | \$ 52,224            | \$ 53,791            | \$ 55,404            | \$ 57,066            |
| <b>Subtotal Tax Revenues</b>                | <b>8,170,420</b>    | <b>8,361,443</b>    | <b>9,376,277</b>    | <b>9,593,187</b>    | <b>10,025,652</b>    | <b>10,257,452</b>    | <b>10,494,065</b>    | <b>10,730,044</b>    | <b>11,210,210</b>    | <b>11,706,640</b>    | <b>11,977,306</b>    | <b>12,254,526</b>    | <b>12,538,474</b>    |
| Other Revenues                              | \$ 57,569           | \$ 59,297           | \$ 61,075           | \$ 62,908           | \$ 64,795            | \$ 66,739            | \$ 68,741            | \$ 70,803            | \$ 72,927            | \$ 75,115            | \$ 77,369            | \$ 79,690            | \$ 82,080            |
| Licenses and Permits                        | \$ 54,557           | \$ 56,194           | \$ 57,880           | \$ 59,616           | \$ 61,405            | \$ 63,247            | \$ 65,144            | \$ 67,098            | \$ 69,111            | \$ 71,185            | \$ 73,320            | \$ 75,520            | \$ 77,785            |
| Fines, forfeitures, penalties               | \$ 43,177           | \$ 44,472           | \$ 45,807           | \$ 47,181           | \$ 48,596            | \$ 50,054            | \$ 51,556            | \$ 53,102            | \$ 54,695            | \$ 56,336            | \$ 58,026            | \$ 59,767            | \$ 61,560            |
| Use of Money & Property                     | \$ 88,697           | \$ 91,358           | \$ 94,099           | \$ 96,922           | \$ 99,829            | \$ 102,824           | \$ 105,909           | \$ 109,086           | \$ 112,359           | \$ 115,730           | \$ 119,202           | \$ 122,778           | \$ 126,461           |
| Charges for Services                        |                     |                     |                     |                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Intergovernmental                           | \$ 74,305           | \$ 76,534           | \$ 78,830           | \$ 81,195           | \$ 83,631            | \$ 86,140            | \$ 88,724            | \$ 91,386            | \$ 94,127            | \$ 96,951            | \$ 99,859            | \$ 102,855           | \$ 105,941           |
| <b>Subtotal Other Revenues</b>              | <b>260,736</b>      | <b>269,558</b>      | <b>276,615</b>      | <b>284,914</b>      | <b>293,461</b>       | <b>302,265</b>       | <b>311,333</b>       | <b>320,733</b>       | <b>330,393</b>       | <b>340,202</b>       | <b>350,268</b>       | <b>360,620</b>       | <b>371,248</b>       |
| <b>Total General Fund Revenues</b>          | <b>\$ 8,431,156</b> | <b>\$ 8,630,001</b> | <b>\$ 9,652,892</b> | <b>\$ 9,878,100</b> | <b>\$ 10,319,113</b> | <b>\$ 10,559,717</b> | <b>\$ 10,806,198</b> | <b>\$ 11,058,717</b> | <b>\$ 11,540,503</b> | <b>\$ 12,046,850</b> | <b>\$ 12,327,714</b> | <b>\$ 12,615,446</b> | <b>\$ 12,910,221</b> |

General Fund Expenditures

| Year                                      | 18                  | 19                  | 20                  | 21                  | 22                  | 23                  | 24                  | 25                  | 26                  | 27                  | 28                  | 29                  | 30                  |
|-------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>General Government</b>                 |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Community Development (20%)               | \$ 132,662          | \$ 135,936          | \$ 139,316          | \$ 142,798          | \$ 146,388          | \$ 150,061          | \$ 153,845          | \$ 157,740          | \$ 161,748          | \$ 165,878          | \$ 170,130          | \$ 174,480          | \$ 178,949          |
| Public Works/Engineering                  | \$ 25,284           | \$ 25,908           | \$ 26,553           | \$ 27,216           | \$ 27,900           | \$ 28,600           | \$ 29,322           | \$ 30,064           | \$ 30,828           | \$ 31,615           | \$ 32,426           | \$ 33,255           | \$ 34,106           |
| Maintenance Costs                         | \$ 120,266          | \$ 123,234          | \$ 126,298          | \$ 129,455          | \$ 132,709          | \$ 136,039          | \$ 139,470          | \$ 143,000          | \$ 146,634          | \$ 150,378          | \$ 154,233          | \$ 158,177          | \$ 162,228          |
| <b>PC/EMP Base</b>                        | <b>473,400</b>      | <b>482,868</b>      | <b>492,525</b>      | <b>502,375</b>      | <b>512,423</b>      | <b>522,671</b>      | <b>533,125</b>      | <b>543,787</b>      | <b>554,663</b>      | <b>565,756</b>      | <b>577,071</b>      | <b>588,613</b>      | <b>600,385</b>      |
| Drainage Management System                | \$ 26.50            | \$ 31.716           | \$ 32.350           | \$ 32.997           | \$ 33.657           | \$ 34.330           | \$ 35.017           | \$ 35.717           | \$ 36.431           | \$ 37.160           | \$ 37.903           | \$ 38.661           | \$ 39.435           |
| Building Management System                | \$ 4.10             | \$ 4.901            | \$ 4.999            | \$ 5.099            | \$ 5.201            | \$ 5.305            | \$ 5.411            | \$ 5.520            | \$ 5.630            | \$ 5.743            | \$ 5.858            | \$ 5.975            | \$ 6.094            |
| Parks Management System                   | \$ 15.68            | \$ 18.761           | \$ 19.137           | \$ 19.519           | \$ 19.910           | \$ 20.308           | \$ 20.714           | \$ 21.128           | \$ 21.551           | \$ 21.982           | \$ 22.422           | \$ 22.870           | \$ 23.327           |
| Open Space Management System              | \$ 6.72             | \$ 8.041            | \$ 8.201            | \$ 8.365            | \$ 8.533            | \$ 8.703            | \$ 8.877            | \$ 9.055            | \$ 9.236            | \$ 9.421            | \$ 9.609            | \$ 9.801            | \$ 9.997            |
| Fleet Management System                   | \$ 3.73             | \$ 4.467            | \$ 4.556            | \$ 4.647            | \$ 4.740            | \$ 4.835            | \$ 4.932            | \$ 5.031            | \$ 5.131            | \$ 5.234            | \$ 5.338            | \$ 5.445            | \$ 5.554            |
| Pavement Annual (PMP)                     | \$ 14.18            | \$ 16.975           | \$ 17.314           | \$ 17.660           | \$ 18.014           | \$ 18.374           | \$ 18.741           | \$ 19.116           | \$ 19.498           | \$ 19.888           | \$ 20.286           | \$ 20.692           | \$ 21.106           |
| General Govt Management System            | \$ 0.65             | \$ 7.92             | \$ 7.97             | \$ 8.13             | \$ 8.30             | \$ 8.46             | \$ 8.63             | \$ 8.80             | \$ 8.98             | \$ 9.16             | \$ 9.34             | \$ 9.53             | \$ 9.72             |
| Urban Forestry Management System          | \$ 6.72             | \$ 8.041            | \$ 8.201            | \$ 8.365            | \$ 8.533            | \$ 8.703            | \$ 8.877            | \$ 9.055            | \$ 9.236            | \$ 9.421            | \$ 9.609            | \$ 9.801            | \$ 9.997            |
| <b>Total Public Safety</b>                | <b>78.28</b>        | <b>93.683</b>       | <b>95.557</b>       | <b>97.468</b>       | <b>99.417</b>       | <b>101.406</b>      | <b>103.434</b>      | <b>105.502</b>      | <b>107.612</b>      | <b>109.765</b>      | <b>111.960</b>      | <b>114.199</b>      | <b>116.483</b>      |
| Community Services                        | \$ 182,046          | \$ 186,538          | \$ 191,176          | \$ 195,954          | \$ 200,880          | \$ 205,920          | \$ 211,113          | \$ 216,458          | \$ 221,959          | \$ 227,625          | \$ 233,460          | \$ 239,430          | \$ 245,563          |
| Library                                   | \$ 41,744           | \$ 42,360           | \$ 42,991           | \$ 43,638           | \$ 44,300           | \$ 44,972           | \$ 45,658           | \$ 46,359           | \$ 47,075           | \$ 47,809           | \$ 48,559           | \$ 49,316           | \$ 50,088           |
| Police Services                           | \$ 4,105,538        | \$ 4,105,538        | \$ 4,265,747        | \$ 4,265,747        | \$ 4,269,144        | \$ 4,269,144        | \$ 4,269,144        | \$ 4,269,144        | \$ 4,272,472        | \$ 4,275,937        | \$ 4,275,937        | \$ 4,275,937        | \$ 4,275,937        |
| Fire Services                             | \$ 1,710,015        | \$ 1,710,015        | \$ 1,758,098        | \$ 1,758,098        | \$ 1,759,040        | \$ 1,759,040        | \$ 1,759,040        | \$ 1,759,040        | \$ 1,759,964        | \$ 1,760,925        | \$ 1,760,925        | \$ 1,760,925        | \$ 1,760,925        |
| Animal Control Services                   | \$ 126,722          | \$ 129,850          | \$ 133,078          | \$ 136,404          | \$ 139,833          | \$ 143,342          | \$ 146,957          | \$ 150,677          | \$ 154,506          | \$ 158,451          | \$ 162,513          | \$ 166,668          | \$ 170,937          |
| <b>Total General Fund Expenditures</b>    | <b>\$ 7,011,360</b> | <b>\$ 7,037,803</b> | <b>\$ 7,273,249</b> | <b>\$ 7,301,102</b> | <b>\$ 7,334,022</b> | <b>\$ 7,363,223</b> | <b>\$ 7,393,176</b> | <b>\$ 7,423,881</b> | <b>\$ 7,459,615</b> | <b>\$ 7,496,335</b> | <b>\$ 7,529,452</b> | <b>\$ 7,563,284</b> | <b>\$ 7,597,932</b> |
| <b>Projected Net Revenues/(Shortfall)</b> | <b>\$ 1,419,796</b> | <b>\$ 1,592,198</b> | <b>\$ 2,379,637</b> | <b>\$ 2,576,998</b> | <b>\$ 2,985,101</b> | <b>\$ 3,196,494</b> | <b>\$ 3,413,022</b> | <b>\$ 3,634,836</b> | <b>\$ 4,080,888</b> | <b>\$ 4,550,515</b> | <b>\$ 4,798,262</b> | <b>\$ 5,052,162</b> | <b>\$ 5,312,290</b> |

Year



**Property Tax Analysis**

|                                                      | 1                   | 2                    | 3                    | 4                    | 5                      | 6                      | 7                      | 8                      | 9                      | 10                     | 11                     |
|------------------------------------------------------|---------------------|----------------------|----------------------|----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Residential Units</b>                             |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| <b>Multi-Family Residential - Attached Townhomes</b> |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Total Cumulative SFR Units                           | 1,170               | 36                   | 187                  | 427                  | 636                    | 899                    | 993                    | 1,170                  | 1,170                  | 1,170                  | 1,170                  |
| Total Cumulative Residents                           | 2.80                | 101                  | 524                  | 1,196                | 1,781                  | 2,489                  | 2,780                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  |
| Percentage Complete                                  | 0%                  | 4%                   | 19%                  | 43%                  | 64%                    | 89%                    | 99%                    | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$537,381,000       | \$0                  | \$19,345,716         | \$100,490,247        | \$229,461,687          | \$341,774,316          | \$477,731,709          | \$533,619,333          | \$537,381,000          | \$537,381,000          | \$537,381,000          |
| <b>Multi-Family Attached Apartments</b>              |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Total Cumulative MFR Units                           | 1,813               | 90                   | 270                  | 483                  | 603                    | 960                    | 1,333                  | 1,550                  | 1,813                  | 1,813                  | 1,813                  |
| Total Cumulative Residents                           | 2.80                | 252                  | 756                  | 1,352                | 1,688                  | 2,688                  | 3,732                  | 4,340                  | 5,076                  | 5,076                  | 5,076                  |
| Percentage Complete                                  | 5%                  | 15%                  | 27%                  | 33%                  | 53%                    | 74%                    | 85%                    | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$526,484,322       | \$26,135,460         | \$78,406,380         | \$140,260,302        | \$175,107,582          | \$278,778,240          | \$387,095,202          | \$450,110,700          | \$526,484,322          | \$526,484,322          | \$526,484,322          |
| <b>Total Cumulative Residents</b>                    |                     | 252                  | 857                  | 1,876                | 2,884                  | 4,469                  | 6,222                  | 7,120                  | 8,352                  | 8,352                  | 8,352                  |
| <b>Commercial</b>                                    |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 0%                  | 33%                  | 38%                  | 44%                  | 48%                    | 50%                    | 56%                    | 56%                    | 56%                    | 56%                    | 56%                    |
| Constructed Assessed Values                          | \$ 124,309,871      | \$ -                 | \$ 41,065,058        | \$ 47,633,969        | \$ 54,202,880          | \$ 60,029,394          | \$ 61,966,110          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          |
| <b>Industrial</b>                                    |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 0%                  | 0%                   | 0%                   | 0%                   | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     |
| Constructed Assessed Values                          | \$ -                | \$ -                 | \$ -                 | \$ -                 | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   |
| <b>Office</b>                                        |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 0%                  | 0%                   | 13%                  | 27%                  | 41%                    | 57%                    | 62%                    | 62%                    | 62%                    | 62%                    | 62%                    |
| Constructed Assessed Values                          | \$ 1,056,122,047    | \$ -                 | \$ 134,603,790       | \$ 283,703,373       | \$ 434,873,784         | \$ 598,241,369         | \$ 650,239,849         | \$ 650,239,849         | \$ 650,239,849         | \$ 650,239,849         | \$ 650,239,849         |
| <b>Hotel</b>                                         |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 0%                  | 100%                 | 100%                 | 100%                 | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$ 47,070,000       | \$ -                 | \$ 47,070,000        | \$ 47,070,000        | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          |
| <b>Constructed Assessed Values</b>                   |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Total Current Period Assessed Value Additions        | \$ 26,135,460       | \$ 185,887,154       | \$ 470,058,308       | \$ 789,545,523       | \$ 1,162,525,734       | \$ 1,572,104,390       | \$ 1,750,789,993       | \$ 1,830,925,282       | \$ 1,830,925,282       | \$ 1,830,925,282       | \$ 1,830,925,282       |
| Inflation Factor                                     | 2.00%               | 100.00%              | 102.00%              | 104.04%              | 106.12%                | 108.24%                | 110.41%                | 112.62%                | 114.87%                | 117.17%                | 119.51%                |
| Total AV - Inflated                                  | \$26,135,460        | \$189,604,897        | \$489,048,664        | \$837,872,025        | \$1,258,355,241        | \$1,735,730,278        | \$1,971,673,894        | \$2,103,157,630        | \$2,145,220,782        | \$2,188,125,198        | \$2,231,887,702        |
| Cumulative AV (w/o Prior Years Inflation)            | \$26,135,460        | \$189,604,897        | \$489,048,664        | \$837,872,025        | \$1,258,355,241        | \$1,735,730,278        | \$1,971,673,894        | \$2,103,157,630        | \$2,145,220,782        | \$2,188,125,198        | \$2,231,887,702        |
| Prior Years AV Inflation Factor                      | 2.00%               | 2.00%                | 2.00%                | 2.00%                | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  |
| Prior Years AV Inflation Amount                      | \$0                 | \$0                  | \$0                  | \$0                  | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    |
| <b>Cumulative Residential AV - Inflated</b>          | <b>\$26,135,460</b> | <b>\$189,604,897</b> | <b>\$489,048,664</b> | <b>\$837,872,025</b> | <b>\$1,258,355,241</b> | <b>\$1,735,730,278</b> | <b>\$1,971,673,894</b> | <b>\$2,103,157,630</b> | <b>\$2,145,220,782</b> | <b>\$2,188,125,198</b> | <b>\$2,231,887,702</b> |
| <b>Property Tax Revenue Estimate</b>                 |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Ad-Valorem                                           | 1.00%               | \$ 261,355           | \$ 1,896,049         | \$ 4,890,487         | \$ 8,378,720           | \$ 12,583,552          | \$ 17,357,303          | \$ 19,716,739          | \$ 21,031,576          | \$ 21,452,208          | \$ 21,881,252          |
| <b>Total AV Tax Due to City</b>                      | <b>12.70%</b>       | <b>\$33,192</b>      | <b>\$240,798</b>     | <b>\$621,092</b>     | <b>\$1,064,097</b>     | <b>\$1,598,111</b>     | <b>\$2,204,377</b>     | <b>\$2,504,026</b>     | <b>\$2,671,010</b>     | <b>\$2,724,430</b>     | <b>\$2,778,919</b>     |

| Year                                                 | 12                     | 13                     | 14                     | 15                     | 16                     | 17                     | 18                     | 19                     | 20                     | 21                     | 22                     | 23                     |
|------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Property Tax Analysis</b>                         |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| <b>Residential Units</b>                             |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| <b>Multi-Family Residential - Attached Townhomes</b> |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Total Cumulative SFR Units                           | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  |
| Total Cumulative Residents                           | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  |
| Percentage Complete                                  | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          |
| <b>Multi-Family Attached Apartments</b>              |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Total Cumulative MFR Units                           | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  | 1,813                  |
| Total Cumulative Residents                           | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  |
| Percentage Complete                                  | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          |
| <b>Total Cumulative Residents</b>                    | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           |
| <b>Commercial</b>                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 56%                    | 56%                    | 56%                    | 56%                    | 56%                    | 56%                    | 56%                    | 56%                    | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          | \$ 69,750,111          | \$ 124,309,871         | \$ 124,309,871         | \$ 124,309,871         | \$ 124,309,871         |
| <b>Industrial</b>                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     |
| Constructed Assessed Values                          | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   |
| <b>Office</b>                                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 65%                    | 65%                    | 65%                    | 65%                    | 65%                    | 71%                    | 71%                    | 71%                    | 71%                    | 71%                    | 80%                    | 80%                    |
| Constructed Assessed Values                          | \$ 683,373,089         | \$ 683,373,089         | \$ 683,373,089         | \$ 683,373,089         | \$ 683,373,089         | \$ 745,497,916         | \$ 745,497,916         | \$ 745,497,916         | \$ 745,497,916         | \$ 745,497,916         | \$ 849,039,293         | \$ 849,039,293         |
| <b>Hotel</b>                                         |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          |
| <b>Constructed Assessed Values</b>                   |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Total Current Period Assessed Value Additions        | \$ 1,864,058,522       | \$ 1,864,058,522       | \$ 1,864,058,522       | \$ 1,864,058,522       | \$ 1,864,058,522       | \$ 1,926,183,349       | \$ 1,926,183,349       | \$ 1,926,183,349       | \$ 1,980,743,108       | \$ 1,980,743,108       | \$ 2,084,284,486       | \$ 2,084,284,486       |
| Inflation Factor                                     | 124.34%                | 126.82%                | 129.36%                | 131.95%                | 134.59%                | 137.28%                | 140.02%                | 142.82%                | 145.68%                | 148.59%                | 151.57%                | 154.60%                |
| Total AV - Inflated                                  | \$2,317,722,476        | \$2,364,076,926        | \$2,411,358,464        | \$2,459,585,633        | \$2,508,777,346        | \$2,644,236,967        | \$2,697,121,706        | \$2,751,064,140        | \$2,885,568,690        | \$2,943,280,064        | \$3,159,079,846        | \$3,222,261,443        |
| Cumulative AV (w/o Prior Years Inflation)            | \$2,317,722,476        | \$2,364,076,926        | \$2,411,358,464        | \$2,459,585,633        | \$2,508,777,346        | \$2,644,236,967        | \$2,697,121,706        | \$2,751,064,140        | \$2,885,568,690        | \$2,943,280,064        | \$3,159,079,846        | \$3,222,261,443        |
| Prior Years AV Inflation Factor                      | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  |
| Prior Years AV Inflation Amount                      | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    |
| <b>Cumulative Residential AV - Inflated</b>          | <b>\$2,317,722,476</b> | <b>\$2,364,076,926</b> | <b>\$2,411,358,464</b> | <b>\$2,459,585,633</b> | <b>\$2,508,777,346</b> | <b>\$2,644,236,967</b> | <b>\$2,697,121,706</b> | <b>\$2,751,064,140</b> | <b>\$2,885,568,690</b> | <b>\$2,943,280,064</b> | <b>\$3,159,079,846</b> | <b>\$3,222,261,443</b> |
| <b>Property Tax Revenue Estimate</b>                 |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Ad-Valorem                                           | \$ 23,177,225          | \$ 23,640,769          | \$ 24,113,585          | \$ 24,595,856          | \$ 25,087,773          | \$ 26,442,370          | \$ 26,971,217          | \$ 27,510,641          | \$ 28,855,687          | \$ 29,432,801          | \$ 31,590,798          | \$ 32,222,614          |
| <b>Total AV Tax Due to City</b>                      | <b>\$2,943,508</b>     | <b>\$3,002,378</b>     | <b>\$3,062,425</b>     | <b>\$3,123,674</b>     | <b>\$3,186,147</b>     | <b>\$3,358,181</b>     | <b>\$3,425,345</b>     | <b>\$3,493,851</b>     | <b>\$3,664,672</b>     | <b>\$3,737,966</b>     | <b>\$4,012,031</b>     | <b>\$4,092,272</b>     |

| Year                                                 | 24                     | 25                     | 26                     | 27                     | 28                     | 29                     | 30                     |
|------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Property Tax Analysis</b>                         |                        |                        |                        |                        |                        |                        |                        |
| <b>Residential Units</b>                             |                        |                        |                        |                        |                        |                        |                        |
| <b>Multi-Family Residential - Attached Townhomes</b> |                        |                        |                        |                        |                        |                        |                        |
| Total Cumulative SFR Units                           | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  | 1,170                  |
| Total Cumulative Residents                           | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  | 3,276                  |
| Percentage Complete                                  | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          | \$537,381,000          |
| <b>Multi-Family Attached Apartments</b>              |                        |                        |                        |                        |                        |                        |                        |
| Total Cumulative MFR Units                           | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  | 5,076                  |
| Total Cumulative Residents                           | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Percentage Complete                                  | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          | \$526,484,322          |
| <b>Total Cumulative Residents</b>                    | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           |
| <b>Commercial</b>                                    |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$ 124,309,871         | \$ 124,309,871         | \$ 124,309,871         | \$ 124,309,871         | \$ 124,309,871         | \$ 124,309,871         | \$ 124,309,871         |
| <b>Industrial</b>                                    |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     | 0%                     |
| Constructed Assessed Values                          | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   |
| <b>Office</b>                                        |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 80%                    | 80%                    | 90%                    | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$ 849,039,293         | \$ 849,039,293         | \$ 950,509,842         | \$ 1,056,122,047       | \$ 1,056,122,047       | \$ 1,056,122,047       | \$ 1,056,122,047       |
| <b>Hotel</b>                                         |                        |                        |                        |                        |                        |                        |                        |
| Percentage Complete                                  | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   | 100%                   |
| Constructed Assessed Values                          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          | \$ 47,070,000          |
| <b>Constructed Assessed Values</b>                   |                        |                        |                        |                        |                        |                        |                        |
| Total Current Period Assessed Value Additions        | \$ 2,084,284,486       | \$ 2,084,284,486       | \$ 2,185,755,035       | \$ 2,291,367,240       | \$ 2,291,367,240       | \$ 2,291,367,240       | \$ 2,291,367,240       |
| Inflation Factor                                     | 157.69%                | 160.84%                | 164.06%                | 167.34%                | 170.69%                | 174.10%                | 177.58%                |
| Total AV - Inflated                                  | \$3,286,706,672        | \$3,352,440,805        | \$3,585,962,813        | \$3,834,415,446        | \$3,911,103,755        | \$3,989,325,830        | \$4,069,112,346        |
| Cumulative AV (w/o Prior Years Inflation)            | \$3,286,706,672        | \$3,352,440,805        | \$3,585,962,813        | \$3,834,415,446        | \$3,911,103,755        | \$3,989,325,830        | \$4,069,112,346        |
| Prior Years AV Inflation Factor                      | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  | 2.00%                  |
| Prior Years AV Inflation Amount                      | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    | \$0                    |
| <b>Cumulative Residential AV - Inflated</b>          | <b>\$3,286,706,672</b> | <b>\$3,352,440,805</b> | <b>\$3,585,962,813</b> | <b>\$3,834,415,446</b> | <b>\$3,911,103,755</b> | <b>\$3,989,325,830</b> | <b>\$4,069,112,346</b> |
| <b>Property Tax Revenue Estimate</b>                 |                        |                        |                        |                        |                        |                        |                        |
| Ad-Valorem                                           | \$ 32,867,067          | \$ 33,524,408          | \$ 35,859,628          | \$ 38,344,154          | \$ 39,111,038          | \$ 39,893,258          | \$ 40,691,123          |
| <b>Total AV Tax Due to City</b>                      | <b>\$4,174,117</b>     | <b>\$4,257,600</b>     | <b>\$4,554,173</b>     | <b>\$4,869,708</b>     | <b>\$4,967,102</b>     | <b>\$5,066,444</b>     | <b>\$5,167,773</b>     |



|                          | 1       | 2       | 3       | 4       | 5       | 6       | 7       | 8       | 9       | 10      | 11      | 12      | 13      | 14      | 15      | 16      | 17      | 18      | 19      |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| POPULATION               | 272,736 | 277,555 | 282,375 | 287,195 | 292,015 | 296,835 | 301,655 | 306,475 | 311,295 | 316,115 | 320,935 | 325,755 | 330,575 | 335,395 | 340,215 | 342,066 | 343,844 | 345,651 | 347,440 |
| CHANGE IN POPULATION     | 4,819   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 4,820   | 1,851   | 1,778   | 1,807   | 1,789   |         |
| # of DU                  | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 1,721   | 661     | 635     | 645     | 639     |
| SFR                      | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 306     | 117     | 113     | 115     | 114     |
| MFR                      | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 1,415   | 544     | 522     | 530     | 525     |
| DEVELOPER SFR (UNITS)    | -       | 36      | 187     | 427     | 636     | 889     | 993     | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   |
| DEVELOPER MFR (UNITS)    | 90      | 270     | 483     | 603     | 960     | 1,333   | 1,550   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   |
| 62.90 COMMERCIAL (ACRES) | -       | 20.78   | 24.10   | 27.43   | 30.37   | 31.35   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   | 35.29   |
| 27.69 OFFICE (ACRES)     | -       | -       | 3.53    | 7.44    | 11.40   | 15.69   | 17.05   | 17.05   | 17.05   | 17.05   | 17.05   | 17.92   | 17.92   | 17.92   | 17.92   | 19.55   | 19.55   | 19.55   |         |
| 5.66 HOTEL (ACRES)       | -       | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    |         |

| EXISTING DU |                     |        |        |           |           |           |           |           |           |             |             |             |             |             |             |             |             |             |             |             |             |             |
|-------------|---------------------|--------|--------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| POLICE      | Single Family Units | 36,084 | PER DU | \$ 798.08 | \$ 798.08 | \$ 850.52 | \$ 839.71 | \$ 870.79 | \$ 903.71 | \$ 937.05   | \$ 971.88   | \$ 1,008.63 | \$ 1,046.74 | \$ 1,086.28 | \$ 1,113.44 | \$ 1,141.28 | \$ 1,169.81 | \$ 1,199.05 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 |
| POLICE      | Multi-Family Units  | 27,814 | PER DU | \$ 861.56 | \$ 861.56 | \$ 918.17 | \$ 906.49 | \$ 940.05 | \$ 975.59 | \$ 1,011.58 | \$ 1,049.18 | \$ 1,088.85 | \$ 1,130.00 | \$ 1,172.68 | \$ 1,202.00 | \$ 1,232.05 | \$ 1,262.85 | \$ 1,294.42 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 |

| EXISTING ACRES                  |                  |     |          |             |             |             |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
|---------------------------------|------------------|-----|----------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| POLICE                          | Commercial Acres | 936 | PER ACRE | \$ 3,768.38 | \$ 3,768.38 | \$ 4,016.02 | \$ 3,964.93  | \$ 4,111.71  | \$ 4,267.17  | \$ 4,424.58  | \$ 4,589.04  | \$ 4,762.56  | \$ 4,942.53  | \$ 5,129.23  | \$ 5,257.46  | \$ 5,388.89  | \$ 5,523.62  | \$ 5,661.71  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  |
| POLICE                          | Industrial Acres | 834 | PER ACRE | \$ 812.45   | \$ 812.45   | \$ 865.84   | \$ 854.83    | \$ 886.47    | \$ 919.99    | \$ 953.93    | \$ 989.38    | \$ 1,026.79  | \$ 1,065.59  | \$ 1,105.85  | \$ 1,133.49  | \$ 1,161.83  | \$ 1,190.87  | \$ 1,220.65  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  |
| POLICE COSTS - PROJECT SPECIFIC |                  |     |          | \$ 77,540   | \$ 384,703  | \$ 715,884  | \$ 1,081,313 | \$ 1,675,586 | \$ 2,360,214 | \$ 2,796,110 | \$ 3,366,729 | \$ 3,493,954 | \$ 3,625,935 | \$ 3,716,584 | \$ 3,810,507 | \$ 3,905,770 | \$ 4,003,414 | \$ 4,103,500 | \$ 4,103,500 | \$ 4,105,538 | \$ 4,105,538 | \$ 4,105,538 |

| EXISTING DU |                     |        |        |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
|-------------|---------------------|--------|--------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| FIRE        | Single Family Units | 36,084 | PER DU | \$ 467.29 | \$ 467.29 | \$ 485.74 | \$ 495.42 | \$ 505.23 | \$ 515.22 | \$ 525.49 | \$ 535.96 | \$ 546.64 | \$ 557.53 | \$ 568.68 | \$ 585.74 | \$ 603.32 | \$ 621.42 | \$ 640.06 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 |
| FIRE        | Multi-Family Units  | 27,814 | PER DU | \$ 336.44 | \$ 336.44 | \$ 349.73 | \$ 356.70 | \$ 363.76 | \$ 370.96 | \$ 378.35 | \$ 385.89 | \$ 393.58 | \$ 401.42 | \$ 409.45 | \$ 421.73 | \$ 434.38 | \$ 447.42 | \$ 460.84 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 |

| EXISTING ACRES                |                  |     |          |             |             |             |             |             |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
|-------------------------------|------------------|-----|----------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| FIRE                          | Commercial Acres | 936 | PER ACRE | \$ 1,234.54 | \$ 1,234.54 | \$ 1,283.28 | \$ 1,308.86 | \$ 1,334.77 | \$ 1,361.18  | \$ 1,388.30  | \$ 1,415.97  | \$ 1,444.18  | \$ 1,472.96  | \$ 1,502.42  | \$ 1,547.49  | \$ 1,593.92  | \$ 1,641.73  | \$ 1,690.99  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  |
| FIRE                          | Industrial Acres | 834 | PER ACRE | \$ 246.05   | \$ 246.05   | \$ 255.76   | \$ 260.86   | \$ 266.03   | \$ 271.29    | \$ 276.70    | \$ 282.21    | \$ 287.83    | \$ 293.57    | \$ 299.44    | \$ 308.42    | \$ 317.68    | \$ 327.21    | \$ 337.02    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    |
| FIRE COSTS - PROJECT SPECIFIC |                  |     |          | \$ 30,280   | \$ 145,841  | \$ 304,804  | \$ 481,219  | \$ 735,944  | \$ 1,027,229 | \$ 1,193,138 | \$ 1,417,179 | \$ 1,445,417 | \$ 1,474,326 | \$ 1,518,556 | \$ 1,564,388 | \$ 1,611,320 | \$ 1,659,659 | \$ 1,709,449 | \$ 1,709,449 | \$ 1,710,015 | \$ 1,710,015 | \$ 1,710,015 |



|                          | 20      | 21      | 22      | 23      | 24      | 25      | 26      | 27      | 28      | 29      | 30      |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| POPULATION               | 349,185 | 350,894 | 352,560 | 354,241 | 355,895 | 357,524 | 359,126 | 360,683 | 362,220 | 363,786 | 365,344 |
| CHANGE IN POPULATION     | 1,746   | 1,708   | 1,667   | 1,681   | 1,654   | 1,629   | 1,601   | 1,557   | 1,537   | 1,567   | 1,558   |
| # of DU                  | 623     | 610     | 595     | 600     | 591     | 582     | 572     | 556     | 549     | 559     | 556     |
| SFR                      | 111     | 108     | 106     | 107     | 105     | 103     | 102     | 99      | 98      | 99      | 99      |
| MFR                      | 512     | 502     | 489     | 493     | 486     | 479     | 470     | 457     | 451     | 460     | 457     |
| DEVELOPER SFR (UNITS)    | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   | 1,170   |
| DEVELOPER MFR (UNITS)    | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   | 1,813   |
| 62.90 COMMERCIAL (ACRES) | 62.90   | 62.90   | 62.90   | 62.90   | 62.90   | 62.90   | 62.90   | 62.90   | 62.90   | 62.90   | 62.90   |
| 27.69 OFFICE (ACRES)     | 19.55   | 19.55   | 22.26   | 22.26   | 22.26   | 22.26   | 24.92   | 27.69   | 27.69   | 27.69   | 27.69   |
| 5.66 HOTEL (ACRES)       | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    | 5.66    |

|        |                     | EXISTING DU |        |           |             |             |             |             |             |             |             |             |             |             |             |
|--------|---------------------|-------------|--------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| POLICE | Single Family Units | 36,084      | PER DU | \$ 798.08 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 | \$ 1,229.03 |
| POLICE | Multi-Family Units  | 27,814      | PER DU | \$ 861.56 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 | \$ 1,326.78 |

|                                 |                  | EXISTING ACRES |          |              |              |              |              |              |              |              |              |              |              |              |             |
|---------------------------------|------------------|----------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| POLICE                          | Commercial Acres | 936            | PER ACRE | \$ 3,768.38  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25  | \$ 5,803.25 |
| POLICE                          | Industrial Acres | 834            | PER ACRE | \$ 812.45    | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16  | \$ 1,251.16 |
| POLICE COSTS - PROJECT SPECIFIC |                  |                |          | \$ 4,265,747 | \$ 4,265,747 | \$ 4,269,144 | \$ 4,269,144 | \$ 4,269,144 | \$ 4,269,144 | \$ 4,272,472 | \$ 4,275,937 | \$ 4,275,937 | \$ 4,275,937 | \$ 4,275,937 |             |

|      |                     | EXISTING DU |        |           |           |           |           |           |           |           |           |           |           |           |           |
|------|---------------------|-------------|--------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| FIRE | Single Family Units | 36,084      | PER DU | \$ 467.29 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 | \$ 659.26 |
| FIRE | Multi-Family Units  | 27,814      | PER DU | \$ 336.44 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 | \$ 474.66 |

|                               |                  | EXISTING ACRES |          |              |              |              |              |              |              |              |              |              |              |              |             |
|-------------------------------|------------------|----------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| FIRE                          | Commercial Acres | 936            | PER ACRE | \$ 1,234.54  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72  | \$ 1,741.72 |
| FIRE                          | Industrial Acres | 834            | PER ACRE | \$ 246.05    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13    | \$ 347.13   |
| FIRE COSTS - PROJECT SPECIFIC |                  |                |          | \$ 1,758,098 | \$ 1,758,098 | \$ 1,759,040 | \$ 1,759,040 | \$ 1,759,040 | \$ 1,759,040 | \$ 1,759,964 | \$ 1,760,925 | \$ 1,760,925 | \$ 1,760,925 | \$ 1,760,925 |             |



CITY OF CHULA VISTA

| Year                                              | 1         | 2       | 3             | 4             | 5             | 6             | 7             | 8             | 9             | 10            | 11            | 12            | 13            | 14            | 15            | 16            | 17            | 18            |               |
|---------------------------------------------------|-----------|---------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Sales Tax Analysis - Project Specific</b>      |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| <b>Total (Square Feet)</b>                        |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| Small Format                                      | -         | -       | 20,873        | 41,746        | 41,746        | 47,900        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        | 72,634        |
| Large Format                                      | -         | 130,486 | 130,486       | 130,486       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       | 149,000       |
| <b>Totals</b>                                     | -         | 130,486 | 151,359       | 172,232       | 190,746       | 196,900       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       | 221,634       |
| <b>Gross Leasable Area (Square Feet)</b>          |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| Small Format                                      | -         | -       | 18,786        | 37,571        | 37,571        | 43,110        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        | 65,371        |
| Large Format                                      | -         | 117,437 | 117,437       | 117,437       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       | 134,100       |
| <b>Occupied Gross Leasable Area (Square Feet)</b> |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| Small Format                                      | -         | -       | 17,846        | 35,693        | 35,693        | 40,955        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        | 62,102        |
| Large Format                                      | -         | -       | 111,566       | 111,566       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       | 127,395       |
| <b>Taxable Sales Projected (Estimate)</b>         |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| Small Format                                      | \$ 330    | \$ 337  | \$ 343        | \$ 350        | \$ 357        | \$ 364        | \$ 372        | \$ 379        | \$ 387        | \$ 394        | \$ 402        | \$ 410        | \$ 419        | \$ 427        | \$ 435        | \$ 444        | \$ 453        | \$ 462        | \$ 471        |
| Large Format                                      | \$ 350.00 | \$ -    | \$ 6,127,245  | \$ 12,499,501 | \$ 12,749,572 | \$ 14,921,635 | \$ 23,079,216 | \$ 23,540,800 | \$ 24,011,616 | \$ 24,491,848 | \$ 24,981,685 | \$ 25,481,319 | \$ 25,990,945 | \$ 26,510,764 | \$ 27,040,980 | \$ 27,581,799 | \$ 28,133,435 | \$ 28,696,104 | \$ 29,270,000 |
| <b>Total Taxable Retail Sales Estimated</b>       | \$ -      | \$ -    | \$ 44,431,262 | \$ 51,509,677 | \$ 58,255,399 | \$ 61,337,579 | \$ 70,423,478 | \$ 71,831,948 | \$ 73,268,587 | \$ 74,733,958 | \$ 76,228,637 | \$ 77,753,210 | \$ 79,308,274 | \$ 80,894,440 | \$ 82,512,329 | \$ 84,162,575 | \$ 85,845,827 | \$ 87,562,743 | \$ 89,315,000 |
| <b>Annual Sales Taxes to the City</b>             |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| Small Format                                      | 1.00%     | \$ -    | \$ 61,272     | \$ 124,996    | \$ 127,496    | \$ 149,216    | \$ 230,792    | \$ 235,408    | \$ 240,116    | \$ 244,918    | \$ 249,817    | \$ 254,813    | \$ 259,909    | \$ 265,108    | \$ 270,410    | \$ 275,818    | \$ 281,334    | \$ 286,961    | \$ 292,700    |
| Large Format                                      | 1.00%     | \$ -    | \$ 383,040    | \$ 390,701    | \$ 455,058    | \$ 464,159    | \$ 473,443    | \$ 482,911    | \$ 492,570    | \$ 502,421    | \$ 512,470    | \$ 522,719    | \$ 533,173    | \$ 543,837    | \$ 554,713    | \$ 565,808    | \$ 577,124    | \$ 588,666    | \$ 600,266    |
| Growth Percentage - Estimated                     |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| <b>Total Annual Sales Taxes to the City</b>       | \$ -      | \$ -    | \$ 444,313    | \$ 515,697    | \$ 582,554    | \$ 613,376    | \$ 704,235    | \$ 718,319    | \$ 732,686    | \$ 747,340    | \$ 762,286    | \$ 777,532    | \$ 793,083    | \$ 808,944    | \$ 825,123    | \$ 841,626    | \$ 858,458    | \$ 875,627    | \$ 892,966    |





CITY OF  
CHULA VISTA

| Year                                              | 19            | 20             | 21             | 22             | 23             | 24             | 25             | 26             | 27             | 28             | 29             | 30             |
|---------------------------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Sales Tax Analysis - Project Specific</b>      |               |                |                |                |                |                |                |                |                |                |                |                |
| <b>Total (Square Feet)</b>                        |               |                |                |                |                |                |                |                |                |                |                |                |
| Small Format                                      | 72,634        | 72,634         | 72,634         | 72,634         | 72,634         | 72,634         | 72,634         | 72,634         | 72,634         | 72,634         | 72,634         | 72,634         |
| Large Format                                      | 149,000       | 322,366        | 322,366        | 322,366        | 322,366        | 322,366        | 322,366        | 322,366        | 322,366        | 322,366        | 322,366        | 322,366        |
| <b>Totals</b>                                     | 221,634       | 395,000        | 395,000        | 395,000        | 395,000        | 395,000        | 395,000        | 395,000        | 395,000        | 395,000        | 395,000        | 395,000        |
| <b>Gross Leasable Area (Square Feet)</b>          |               |                |                |                |                |                |                |                |                |                |                |                |
| <b>Absorption</b>                                 |               |                |                |                |                |                |                |                |                |                |                |                |
| 90%                                               | 65,371        | 65,371         | 65,371         | 65,371         | 65,371         | 65,371         | 65,371         | 65,371         | 65,371         | 65,371         | 65,371         | 65,371         |
| 90%                                               | 134,100       | 290,129        | 290,129        | 290,129        | 290,129        | 290,129        | 290,129        | 290,129        | 290,129        | 290,129        | 290,129        | 290,129        |
| <b>Occupied Gross Leasable Area (Square Feet)</b> |               |                |                |                |                |                |                |                |                |                |                |                |
| <b>Occupancy Rate</b>                             |               |                |                |                |                |                |                |                |                |                |                |                |
| 95%                                               | 62,102        | 62,102         | 62,102         | 62,102         | 62,102         | 62,102         | 62,102         | 62,102         | 62,102         | 62,102         | 62,102         | 62,102         |
| 95%                                               | 127,395       | 275,623        | 275,623        | 275,623        | 275,623        | 275,623        | 275,623        | 275,623        | 275,623        | 275,623        | 275,623        | 275,623        |
| <b>Taxable Sales Projected (Estimate)</b>         |               |                |                |                |                |                |                |                |                |                |                |                |
| <b>Sales PSF</b>                                  | \$ 471        | \$ 481         | \$ 490         | \$ 500         | \$ 510         | \$ 520         | \$ 531         | \$ 541         | \$ 552         | \$ 563         | \$ 575         | \$ 586         |
| Small Format                                      | \$ 29,270,026 | \$ 29,855,427  | \$ 30,452,535  | \$ 31,061,586  | \$ 31,682,817  | \$ 32,316,474  | \$ 32,962,803  | \$ 33,622,059  | \$ 34,294,501  | \$ 34,980,391  | \$ 35,679,998  | \$ 36,393,598  |
| Large Format                                      | \$ 60,043,972 | \$ 132,505,086 | \$ 135,155,188 | \$ 137,858,292 | \$ 140,615,457 | \$ 143,427,767 | \$ 146,296,322 | \$ 149,222,248 | \$ 152,206,693 | \$ 155,250,827 | \$ 158,355,844 | \$ 161,522,961 |
| <b>Total Taxable Retail Sales Estimated</b>       | \$ 89,313,998 | \$ 162,360,513 | \$ 165,607,723 | \$ 168,919,877 | \$ 172,298,275 | \$ 175,744,240 | \$ 179,259,125 | \$ 182,844,308 | \$ 186,501,194 | \$ 190,231,218 | \$ 194,035,842 | \$ 197,916,559 |
| <b>Annual Sales Taxes to the City</b>             |               |                |                |                |                |                |                |                |                |                |                |                |
| 1.00%                                             | \$ 292,700    | \$ 298,554     | \$ 304,525     | \$ 310,616     | \$ 316,828     | \$ 323,165     | \$ 329,628     | \$ 336,221     | \$ 342,945     | \$ 349,804     | \$ 356,880     | \$ 363,936     |
| 1.00%                                             | 600,440       | 1,325,051      | 1,351,552      | 1,378,583      | 1,406,155      | 1,434,278      | 1,462,963      | 1,492,222      | 1,522,067      | 1,552,508      | 1,583,558      | 1,615,230      |
| <b>Growth Percentage - Estimated</b>              |               |                |                |                |                |                |                |                |                |                |                |                |
| <b>Total Annual Sales Taxes to the City</b>       | \$ 893,140    | \$ 1,623,605   | \$ 1,656,077   | \$ 1,689,199   | \$ 1,722,983   | \$ 1,757,442   | \$ 1,792,591   | \$ 1,828,443   | \$ 1,865,012   | \$ 1,902,312   | \$ 1,940,358   | \$ 1,979,166   |

| Description                               | 1          | 2          | 3          | 4          | 5          | 6          | 7          |
|-------------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| <b>POLICE COSTS - BASE MODEL</b>          | 56,965,945 | 59,949,430 | 58,327,199 | 59,606,056 | 60,916,106 | 62,175,703 | 63,461,731 |
| <i>Police Officer Funding (5/yr)</i>      | -          | 760,000    | 1,610,000  | 2,550,000  | 3,590,000  | 4,710,000  | 5,910,000  |
| Updated POLICE COSTS                      | 56,965,945 | 60,709,430 | 59,937,199 | 62,156,056 | 64,506,106 | 66,885,703 | 69,371,731 |
| <b>FIRE COSTS - BASE MODEL</b>            | 27,580,234 | 28,669,066 | 29,240,512 | 29,819,340 | 30,409,445 | 31,015,435 | 31,633,479 |
| <i>4.0 Truck Staffing for Millenia</i>    | -          | -          | 985,000    | 1,040,000  | 2,190,000  | 2,300,000  | 2,410,000  |
| <i>Fire Station Supplies and Services</i> | -          | -          | 160,000    | 160,000    | 320,000    | 320,000    | 320,000    |
| Updated Fire Costs                        | 27,580,234 | 28,669,066 | 30,385,512 | 31,019,340 | 32,919,445 | 33,635,435 | 34,363,479 |

| Description                               | 8                | 9                | 10                | 11                | 12                | 13                | 14                |
|-------------------------------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>POLICE COSTS - BASE MODEL</b>          | 64,774,754       | 66,115,351       | 67,437,658        | 69,460,788        | 71,544,612        | 73,690,950        | 75,901,679        |
| <i>Police Officer Funding (5/yr)</i>      | <i>7,220,000</i> | <i>8,600,000</i> | <i>10,100,000</i> | <i>10,403,000</i> | <i>10,715,090</i> | <i>11,036,543</i> | <i>11,367,639</i> |
| Updated POLICE COSTS                      | 71,994,754       | 74,715,351       | 77,537,658        | 79,863,788        | 82,259,702        | 84,727,493        | 87,269,318        |
| <b>FIRE COSTS - BASE MODEL</b>            | 32,263,817       | 32,906,691       | 33,564,824        | 34,571,769        | 35,608,922        | 36,677,190        | 37,777,506        |
| <i>4.0 Truck Staffing for Millenia</i>    | <i>2,525,000</i> | <i>2,635,000</i> | <i>2,755,000</i>  | <i>2,837,650</i>  | <i>2,922,780</i>  | <i>3,010,463</i>  | <i>3,100,777</i>  |
| <i>Fire Station Supplies and Services</i> | <i>320,000</i>   | <i>320,000</i>   | <i>320,000</i>    | <i>329,600</i>    | <i>339,488</i>    | <i>349,673</i>    | <i>360,163</i>    |
| Updated Fire Costs                        | 35,108,817       | 35,861,691       | 36,639,824        | 37,739,019        | 38,871,190        | 40,037,325        | 41,238,445        |

| Description                               | 15                | 16                | 17                | 18                | 19                | 20                | 21                |
|-------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>POLICE COSTS - BASE MODEL</b>          | 78,178,729        | 80,524,091        | 82,939,814        | 85,428,008        | 87,990,848        | 90,630,574        | 93,349,491        |
| <i>Police Officer Funding (5/yr)</i>      | <i>11,708,668</i> | <i>12,059,928</i> | <i>12,421,726</i> | <i>12,794,378</i> | <i>13,178,209</i> | <i>13,573,555</i> | <i>13,980,762</i> |
| Updated POLICE COSTS                      | 89,887,397        | 92,584,019        | 95,361,540        | 98,222,386        | 101,169,057       | 104,204,129       | 107,330,253       |
| <b>FIRE COSTS - BASE MODEL</b>            | 38,910,831        | 40,078,156        | 41,280,500        | 42,518,915        | 43,794,483        | 45,108,317        | 46,461,567        |
| <i>4.0 Truck Staffing for Millenia</i>    | <i>3,193,800</i>  | <i>3,289,614</i>  | <i>3,388,302</i>  | <i>3,489,952</i>  | <i>3,594,650</i>  | <i>3,702,490</i>  | <i>3,813,564</i>  |
| <i>Fire Station Supplies and Services</i> | <i>370,968</i>    | <i>382,097</i>    | <i>393,560</i>    | <i>405,366</i>    | <i>417,527</i>    | <i>430,053</i>    | <i>442,955</i>    |
| Updated Fire Costs                        | 42,475,599        | 43,749,866        | 45,062,362        | 46,414,233        | 47,806,660        | 49,240,860        | 50,718,086        |

| Description                               | 22                | 23                | 24                | 25                | 26                | 27                | 28                | 29                |
|-------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>POLICE COSTS - BASE MODEL</b>          | 96,149,976        | 99,034,475        | 102,005,509       | 105,065,674       | 108,217,645       | 111,464,174       | 114,808,099       | 118,252,342       |
| <i>Police Officer Funding (5/yr)</i>      | <i>14,400,185</i> | <i>14,832,191</i> | <i>15,277,156</i> | <i>15,735,471</i> | <i>16,207,535</i> | <i>16,693,761</i> | <i>17,194,574</i> | <i>17,710,411</i> |
| Updated POLICE COSTS                      | 110,550,160       | 113,866,665       | 117,282,665       | 120,801,145       | 124,425,180       | 128,157,935       | 132,002,673       | 135,962,753       |
| <b>FIRE COSTS - BASE MODEL</b>            | 47,855,414        | 49,291,076        | 50,769,808        | 52,292,903        | 53,861,690        | 55,477,541        | 57,141,867        | 58,856,123        |
| <i>4.0 Truck Staffing for Millenia</i>    | <i>3,927,971</i>  | <i>4,045,810</i>  | <i>4,167,185</i>  | <i>4,292,200</i>  | <i>4,420,966</i>  | <i>4,553,595</i>  | <i>4,690,203</i>  | <i>4,830,909</i>  |
| <i>Fire Station Supplies and Services</i> | <i>456,243</i>    | <i>469,931</i>    | <i>484,029</i>    | <i>498,550</i>    | <i>513,506</i>    | <i>528,911</i>    | <i>544,779</i>    | <i>561,122</i>    |
| Updated Fire Costs                        | 52,239,629        | 53,806,817        | 55,421,022        | 57,083,653        | 58,796,162        | 60,560,047        | 62,376,848        | 64,248,154        |

| Description                               | 30                 |
|-------------------------------------------|--------------------|
| <b>POLICE COSTS - BASE MODEL</b>          | 121,799,912        |
| <i>Police Officer Funding (5/yr)</i>      | <u>18,241,723</u>  |
| Updated POLICE COSTS                      | <u>140,041,636</u> |
| <b>FIRE COSTS - BASE MODEL</b>            | 60,621,806         |
| <i>4.0 Truck Staffing for Millenia</i>    | 4,975,836          |
| <i>Fire Station Supplies and Services</i> | <u>577,956</u>     |
| <i>Updated Fire Costs</i>                 | <u>66,175,598</u>  |

**Table - Public Safety Costs by Land Use**

| <b>Police Calls for Service by Land Use</b> |                                        |                               |                    |                             |                      |                           |               |             |               |
|---------------------------------------------|----------------------------------------|-------------------------------|--------------------|-----------------------------|----------------------|---------------------------|---------------|-------------|---------------|
| Dwelling Type                               | Call Volume (CV) <sup>(1)</sup>        | Existing EDUs <sup>(2)</sup>  | Existing CV / DU   | Future EDUs <sup>(3)</sup>  | Projected Future CV  | Future SDF <sup>(4)</sup> | % OF CV       | COSTS       | COST PER EDU  |
| Single Family Units                         | 123,906,773                            | 36,084                        | 3,434              | 4,854                       | 16,667,871           | 14.957%                   | \$ 56,965,945 | \$ 798      |               |
| Multi-Family Units                          | 103,105,371                            | 27,814                        | 3,707              | 22,467                      | 83,283,023           | 74.735%                   | \$ 28,797,864 | \$ 862      |               |
|                                             |                                        |                               |                    |                             |                      |                           | \$ 23,963,294 |             |               |
| Land Use                                    | Call Volume (CV) <sup>(1)</sup>        | Existing Acres <sup>(2)</sup> | Existing CV / Acre | Future Acres <sup>(3)</sup> | Projected Future CV  | Future SDF <sup>(4)</sup> | % OF CV       | COSTS       | COST PER ACRE |
| Commercial Acres                            | 15,176,274                             | 936                           | 16,214             | 518                         | 8,405,596            | 7.543%                    | \$ 3,527,202  | \$ 3,768    |               |
| Industrial Acres                            | 2,915,398                              | 834                           | 3,496              | 882                         | 3,081,488            | 2.765%                    | \$ 677,584    | \$ 812      |               |
| Citywide Total                              | <u>245,103,815</u>                     |                               |                    |                             |                      |                           |               |             |               |
| <b>Fire Calls for Service by Land Use</b>   |                                        |                               |                    |                             |                      |                           |               |             |               |
| Dwelling Type                               | Calls for Service (CFS) <sup>(1)</sup> | Existing EDUs <sup>(2)</sup>  | Existing CFS / DU  | Future EDUs <sup>(3)</sup>  | Projected Future CFS | Future SDF <sup>(4)</sup> | % OF CV       | COSTS       | COST PER EDU  |
| Single Family Units                         | 3,893                                  | 36,084                        | 0.10789218         | 4,854                       | 523,708,639          | 21.230%                   | \$ 27,580,234 | \$ 467.29   |               |
| Multi-Family Units                          | 2,161                                  | 27,814                        | 0.07768169         | 22,466.6667                 | 1745,248,693         | 70.749%                   | \$ 9,357,870  | \$ 336.44   |               |
|                                             | <u>6,054</u>                           |                               |                    |                             |                      |                           |               |             |               |
| Land Use                                    | Call Volume (CV) <sup>(1)</sup>        | Existing Acres <sup>(2)</sup> | Existing CV / Acre | Future Acres <sup>(3)</sup> | Projected Future CV  | Future SDF <sup>(4)</sup> | % OF CV       | COSTS       | COST PER ACRE |
| Commercial Acres                            | 267                                    | 936                           | 0.28504274         | 518.417                     | 147,770,9996         | 5.990%                    | \$ 1,155,529  | \$ 1,234.54 |               |
| Industrial Acres                            | 47                                     | 834                           | 0.05681055         | 881.513                     | 50,079,23974         | 2.030%                    | \$ 205,206    | \$ 246.05   |               |
|                                             | <u>314</u>                             |                               |                    |                             |                      |                           |               |             |               |
|                                             | <u>6,368</u>                           |                               |                    |                             |                      |                           |               |             |               |

<sup>(1)</sup> Calls for Service include all calls for service responded to by the Fire Department during a one-year period.

<sup>(2)</sup> Existing development data is per General Plan Update Fiscal Model.

<sup>(3)</sup> Future development data is per March 2006 PFDIF Update - Development Forecast.

<sup>(4)</sup> SDF - Service Demand Factor



**Maintenance Costs -  
Project Specific**

| YEAR                           | 1          | 2          | 3          | 4          | 5          | 6          | 7          | 8          | 9          | 10         | 11         | 12         | 13         | 14         | 15         | 16         | 17         |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Streets &amp; Lighting</b>  |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Lane miles                     | 3.4        | 7.1        | 7.1        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        | 8.2        |
| Cost per unit                  | \$ 22,720  | \$ 23,174  | \$ 23,638  | \$ 24,111  | \$ 24,593  | \$ 25,085  | \$ 25,586  | \$ 26,098  | \$ 26,620  | \$ 27,153  | \$ 27,696  | \$ 28,249  | \$ 28,814  | \$ 29,391  | \$ 29,979  | \$ 30,578  | \$ 31,190  |
| Growth Factor                  | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      |
| Extended Cost                  | \$ 77,248  | \$ 164,538 | \$ 167,829 | \$ 197,707 | \$ 201,661 | \$ 205,695 | \$ 209,809 | \$ 214,005 | \$ 218,285 | \$ 222,651 | \$ 227,104 | \$ 231,646 | \$ 236,279 | \$ 241,004 | \$ 245,824 | \$ 250,741 | \$ 255,755 |
| <b>Parks</b>                   |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Acres                          | 2.90       | 2.90       | 5.13       | 13.24      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      | 15.63      |
| Less: Acres by CFD             | 1.97       | 1.97       | 3.48       | 8.98       | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      | 10.60      |
| Net Acres                      | 0.93       | 0.93       | 1.65       | 4.26       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       | 5.03       |
| Cost per unit                  | \$ 30,175  | \$ 30,779  | \$ 31,394  | \$ 32,022  | \$ 32,662  | \$ 33,316  | \$ 33,982  | \$ 34,662  | \$ 35,355  | \$ 36,062  | \$ 36,783  | \$ 37,519  | \$ 38,269  | \$ 39,035  | \$ 39,815  | \$ 40,612  | \$ 41,424  |
| Growth Factor                  | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      | 2.00%      |
| Extended Cost                  | \$ 28,208  | \$ 28,772  | \$ 51,843  | \$ 136,454 | \$ 164,292 | \$ 167,578 | \$ 170,929 | \$ 174,348 | \$ 177,835 | \$ 181,391 | \$ 185,019 | \$ 188,720 | \$ 192,494 | \$ 196,344 | \$ 200,271 | \$ 204,276 | \$ 208,362 |
| <b>Total Maintenance Costs</b> | \$ 105,456 | \$ 193,311 | \$ 219,672 | \$ 334,161 | \$ 365,953 | \$ 373,272 | \$ 380,738 | \$ 388,353 | \$ 396,120 | \$ 404,042 | \$ 412,123 | \$ 420,365 | \$ 428,773 | \$ 437,348 | \$ 446,095 | \$ 455,017 | \$ 464,117 |





**Maintenance Costs -  
Project Specific**

| YEAR                           | 18                | 19                | 20                | 21                | 22                | 23                | 24                | 25                | 26                | 27                | 28                | 29                | 30                |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Streets &amp; Lighting</b>  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Lane miles                     | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               | 8.2               |
| Cost per unit                  | \$ 31,813         | \$ 32,450         | \$ 33,099         | \$ 33,761         | \$ 34,436         | \$ 35,125         | \$ 35,827         | \$ 36,544         | \$ 37,275         | \$ 38,020         | \$ 38,780         | \$ 39,556         | \$ 40,347         |
| Growth Factor                  | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             |
| Extended Cost                  | \$ 260,871        | \$ 266,088        | \$ 271,410        | \$ 276,838        | \$ 282,375        | \$ 288,022        | \$ 293,783        | \$ 299,658        | \$ 305,651        | \$ 311,764        | \$ 318,000        | \$ 324,360        | \$ 330,847        |
| <b>Parks</b>                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Acres                          | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             | 15.63             |
| Less: Acres by CFD             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             | 10.60             |
| Net Acres                      | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              | 5.03              |
| Cost per unit                  | \$ 42,252         | \$ 43,097         | \$ 43,959         | \$ 44,838         | \$ 45,735         | \$ 46,650         | \$ 47,583         | \$ 48,535         | \$ 49,505         | \$ 50,495         | \$ 51,505         | \$ 52,535         | \$ 53,586         |
| Growth Factor                  | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             | 2.00%             |
| Extended Cost                  | \$ 212,529        | \$ 216,780        | \$ 221,115        | \$ 225,537        | \$ 230,048        | \$ 234,649        | \$ 239,342        | \$ 244,129        | \$ 249,012        | \$ 253,992        | \$ 259,072        | \$ 264,253        | \$ 269,538        |
| <b>Total Maintenance Costs</b> | <b>\$ 473,400</b> | <b>\$ 482,868</b> | <b>\$ 492,525</b> | <b>\$ 502,375</b> | <b>\$ 512,423</b> | <b>\$ 522,671</b> | <b>\$ 533,125</b> | <b>\$ 543,787</b> | <b>\$ 554,663</b> | <b>\$ 565,756</b> | <b>\$ 577,071</b> | <b>\$ 588,613</b> | <b>\$ 600,385</b> |



Existing Library Square Feet 102,000  
 Current Budget \$ 3,916,621  
 Cost Per Square Foot \$ 38.40

**Library - Project Specific Costs**

| YEAR                     | 1            | 2            | 3            | 4            | 5            | 6            | 7            | 8            | 9            | 10           | 11           | 12           | 13           | 14           | 15           | 16           | 17           |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Library (Project)</b> |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Square Feet              | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       |
| Percentage               | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      |
| Cost per unit            | \$ 38.40     | \$ 39.17     | \$ 39.95     | \$ 40.75     | \$ 41.56     | \$ 42.39     | \$ 43.24     | \$ 44.11     | \$ 44.99     | \$ 45.89     | \$ 46.81     | \$ 47.74     | \$ 48.70     | \$ 49.67     | \$ 50.67     | \$ 51.68     | \$ 52.71     |
| Cost                     | \$ 1,151,947 | \$ 1,174,986 | \$ 1,198,486 | \$ 1,222,456 | \$ 1,246,905 | \$ 1,271,843 | \$ 1,297,280 | \$ 1,323,225 | \$ 1,349,690 | \$ 1,376,684 | \$ 1,404,217 | \$ 1,432,302 | \$ 1,460,948 | \$ 1,490,167 | \$ 1,519,970 | \$ 1,550,369 | \$ 1,581,377 |
| Growth Factor            | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
| Extended Cost            | \$ 1,174,986 | \$ 1,198,486 | \$ 1,222,456 | \$ 1,246,905 | \$ 1,271,843 | \$ 1,297,280 | \$ 1,323,225 | \$ 1,349,690 | \$ 1,376,684 | \$ 1,404,217 | \$ 1,432,302 | \$ 1,460,948 | \$ 1,490,167 | \$ 1,519,970 | \$ 1,550,369 | \$ 1,581,377 | \$ 1,613,004 |
| Population               | 272,736      | 277,555      | 282,375      | 287,195      | 292,015      | 296,835      | 301,655      | 306,475      | 311,295      | 316,115      | 320,935      | 325,755      | 330,575      | 335,395      | 340,215      | 342,066      | 343,844      |
| Per Capita Unit Cost     | \$ 4.31      | \$ 4.32      | \$ 4.33      | \$ 4.34      | \$ 4.36      | \$ 4.37      | \$ 4.39      | \$ 4.40      | \$ 4.42      | \$ 4.44      | \$ 4.46      | \$ 4.48      | \$ 4.51      | \$ 4.53      | \$ 4.56      | \$ 4.62      | \$ 4.69      |



Existing Library Square Feet 102,000  
 Current Budget \$ 3,916,621  
 Cost Per Square Foot \$ 38.40

**Library - Project Specific Costs**

| YEAR                     | 18           | 19           | 20           | 21           | 22           | 23           | 24           | 25           | 26           | 27           | 28           | 29           | 30           |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Library (Project)</b> |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Square Feet              | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       | 30,000       |
| Percentage               | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      |
| Cost per unit            | \$ 53.77     | \$ 54.84     | \$ 55.94     | \$ 57.06     | \$ 58.20     | \$ 59.36     | \$ 60.55     | \$ 61.76     | \$ 63.00     | \$ 64.26     | \$ 65.54     | \$ 66.85     | \$ 68.19     |
| Cost                     | \$ 1,613,004 | \$ 1,645,264 | \$ 1,678,170 | \$ 1,711,733 | \$ 1,745,968 | \$ 1,780,887 | \$ 1,816,505 | \$ 1,852,835 | \$ 1,889,892 | \$ 1,927,690 | \$ 1,966,243 | \$ 2,005,568 | \$ 2,045,680 |
| Growth Factor            | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
| Extended Cost            | \$ 1,645,264 | \$ 1,678,170 | \$ 1,711,733 | \$ 1,745,968 | \$ 1,780,887 | \$ 1,816,505 | \$ 1,852,835 | \$ 1,889,892 | \$ 1,927,690 | \$ 1,966,243 | \$ 2,005,568 | \$ 2,045,680 | \$ 2,086,593 |
| Population               | 345,651      | 347,440      | 349,185      | 350,894      | 352,560      | 354,241      | 355,895      | 357,524      | 359,126      | 360,683      | 362,220      | 363,786      | 365,344      |
| Per Capita Unit Cost     | \$ 4.76      | \$ 4.83      | \$ 4.90      | \$ 4.98      | \$ 5.05      | \$ 5.13      | \$ 5.21      | \$ 5.29      | \$ 5.37      | \$ 5.45      | \$ 5.54      | \$ 5.62      | \$ 5.71      |


construction “best practices,” that would reduce GHG emissions. These “best practices” represent an improvement above conventional construction practices, and thus are an improvement above “business as usual.” Therefore, impacts would be less than significant.

#### ***Analysis of the Proposed SPA Plan Amendment***

The proposed project would not expand or increase the development footprint as previously evaluated in the EIR. The proposed plan amendment involves changes to the statistics on the Site Utilization Plan. The proposed amendment would reduce the maximum development level by approximately 163,000 square feet. Due to the reduction in total development and average daily trips compared to the approved project, energy usage and water demand would be reduced under the proposed project. Therefore, GHG emissions would be reduced under the proposed project. The GHG reducing project features contained in the EUC SPA Plan’s Sustainability Element would still be applicable to the proposed project. No additional global climate change impacts would occur and the conclusions and mitigation measures identified in the previously-certified Final EIR remain accurate and applicable to the proposed project.

## **V. CONCLUSION**

Based on the findings and information contained in the previously-certified EIR, the analysis above, the CEQA statute and State CEQA Guidelines, including Sections 15164 and 15162, the proposed modifications will not result in any new, increased, or substantially different impacts, other than those previously considered and addressed in the Project EIR. The proposed project will result in only minor technical changes or additions which are necessary to make the Environmental Impact Report adequate under CEQA. No changes or additions to the previously-certified EIR analyses are necessary, nor is there a need for any additional mitigation measures. Therefore, a Supplemental EIR is not required. This Addendum to the EIR is the appropriate environmental documentation for the proposed modifications to the project.

  
\_\_\_\_\_  
Jeff Steichen  
Associate Planner

**City:**

CITY OF CHULA VISTA, a chartered  
California municipal corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

**Master Developer:**

SLF IV - MILLENIA, LLC,  
a Delaware limited liability company

BY: SLF IV Millenia Investor, LLC,  
a Texas limited liability company,  
its sole and managing member

BY: Stratford Land Fund IV, L.P.,  
a Delaware limited partnership,  
its co-managing member

BY: Stratford Fund IV GP, LLC,  
a Texas limited liability  
company,  
its general partner

By: Kimberly Barnes  
Name: Kimberly Barnes  
Title: Vice President

**ATTEST:**

\_\_\_\_\_

By \_\_\_\_\_

**APPROVED AS TO FORM:**

CITY ATTORNEY

By \_\_\_\_\_

**APPROVED AS TO FORM:**

HECHT SOLBERG ROBINSON  
GOLDBERG & BAGLEY LLP

By \_\_\_\_\_  
Richard A. Schulman, Attorneys for  
Master Developer SLF IV -  
MILLENIA, LLC

[notary page to First Amendment to Development Agreement]

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF TEXAS            )  
                                          )ss.  
COUNTY OF DALLAS        )

On July 9, 2018, before me, PAIGE ATKINSON, Notary Public, personally appeared KIMBERLY BARNES, personally known to me (~~or who proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Texas that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Paige Atkinson (Seal)

