

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 3.1 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).

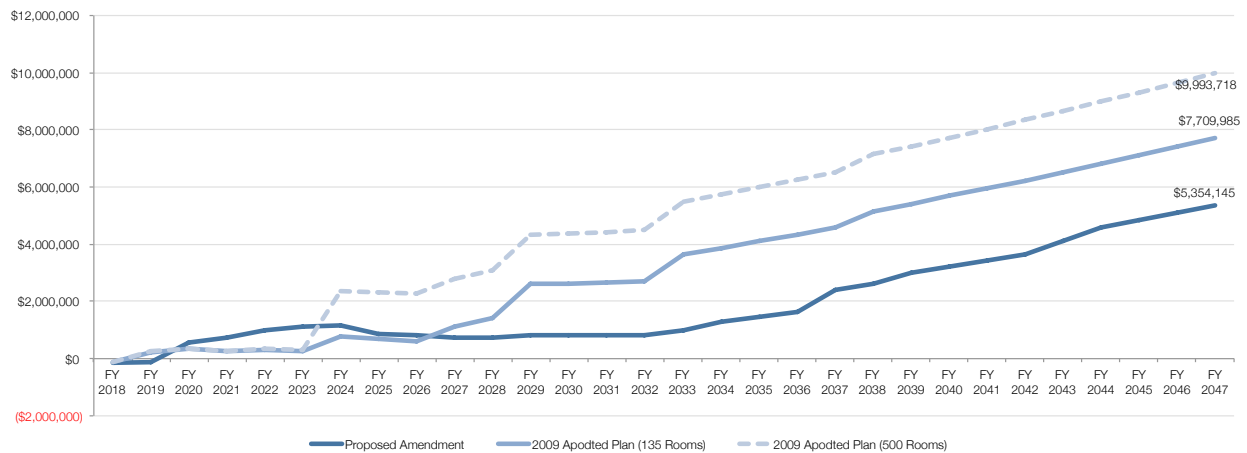
**Figure 1 - Net Fiscal Impact (Future Year Dollars)**

|                                    | Year 10<br>(FY 2027) | Year 20<br>(FY 2037) | Year 30<br>(FY 2047) | 30 Year Analysis |              |
|------------------------------------|----------------------|----------------------|----------------------|------------------|--------------|
|                                    |                      |                      |                      | Cumulative       | Average      |
| Total General Fund Revenues        | \$ 6,868,374         | \$ 9,677,123         | \$ 12,952,077        | \$ 235,912,249   | \$ 7,863,742 |
| 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         | \$ 58,445,589    | \$ 1,948,186 |

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  | \$13.0  |
| 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   | \$3.7   | \$5.4   |
| <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)         | 2,747,000         | 2,007,000    | 137%                                               |
| 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)                 | 2,747,000 | \$31                    | 90%                 | 90%       | 5.0%  | 6.00%    | \$1,099         | \$400               |
|                             |           |                         |                     |           |       |          |                 |                     |
| 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>\$2,334</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)*

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| Year                                                 | 1                   | 2                    | 3                    | 4                    | 5                      | 6                      | 7                      | 8                      | 9                      | 10                     | 11                     |
|------------------------------------------------------|---------------------|----------------------|----------------------|----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Property Tax Analysis</b>                         |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| <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>                    | <b>252</b>          | <b>857</b>           | <b>1,876</b>         | <b>2,884</b>         | <b>4,469</b>           | <b>6,222</b>           | <b>7,120</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           | <b>8,352</b>           |
| <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                          | \$ 1,073,711,052    | \$ -                 | \$ 136,845,526       | \$ 288,428,263       | \$ 442,116,316         | \$ 608,204,678         | \$ 661,069,158         | \$ 661,069,158         | \$ 661,069,158         | \$ 661,069,158         | \$ 661,069,158         |
| <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       | \$ 472,300,044       | \$ 794,270,412       | \$ 1,169,768,266       | \$ 1,582,067,699       | \$ 1,761,619,302       | \$ 1,841,754,591       | \$ 1,841,754,591       | \$ 1,841,754,591       | \$ 1,841,754,591       |
| 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        | \$491,380,966        | \$842,886,116        | \$1,266,194,790        | \$1,746,730,576        | \$1,983,869,455        | \$2,115,597,102        | \$2,157,909,044        | \$2,201,067,225        | \$2,245,088,569        |
| Cumulative AV (w/o Prior Years Inflation)            | \$26,135,460        | \$189,604,897        | \$491,380,966        | \$842,886,116        | \$1,266,194,790        | \$1,746,730,576        | \$1,983,869,455        | \$2,115,597,102        | \$2,157,909,044        | \$2,201,067,225        | \$2,245,088,569        |
| Prior Years AV Inflation Factor                      | 2.00%               | 0.00%                | 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>\$491,380,966</b> | <b>\$842,886,116</b> | <b>\$1,266,194,790</b> | <b>\$1,746,730,576</b> | <b>\$1,983,869,455</b> | <b>\$2,115,597,102</b> | <b>\$2,157,909,044</b> | <b>\$2,201,067,225</b> | <b>\$2,245,088,569</b> |
| <b>Property Tax Revenue Estimate</b>                 |                     |                      |                      |                      |                        |                        |                        |                        |                        |                        |                        |
| Ad-Valorem                                           | 1.00%               | \$ 261,355           | \$ 1,896,049         | \$ 4,913,810         | \$ 8,428,861           | \$ 12,661,948          | \$ 17,467,306          | \$ 19,838,695          | \$ 21,155,971          | \$ 21,579,090          | \$ 22,010,672          |
| <b>Total AV Tax Due to City</b>                      | <b>12.70%</b>       | <b>\$33,192</b>      | <b>\$240,798</b>     | <b>\$624,054</b>     | <b>\$1,070,465</b>     | <b>\$1,608,067</b>     | <b>\$2,218,348</b>     | <b>\$2,519,514</b>     | <b>\$2,686,808</b>     | <b>\$2,740,544</b>     | <b>\$2,795,355</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                          | \$ 694,754,210         | \$ 694,754,210         | \$ 694,754,210         | \$ 694,754,210         | \$ 694,754,210         | \$ 757,913,684         | \$ 757,913,684         | \$ 757,913,684         | \$ 757,913,684         | \$ 757,913,684         | \$ 863,179,473         | \$ 863,179,473         |
| <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        | \$ 1,875,439,643       | \$ 1,875,439,643       | \$ 1,875,439,643       | \$ 1,875,439,643       | \$ 1,875,439,643       | \$ 1,938,599,117       | \$ 1,938,599,117       | \$ 1,938,599,117       | \$ 1,993,158,877       | \$ 1,993,158,877       | \$ 2,098,424,666       | \$ 2,098,424,666       |
| 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                                  | \$2,331,873,469        | \$2,378,510,939        | \$2,426,081,158        | \$2,474,602,781        | \$2,524,094,836        | \$2,661,281,156        | \$2,714,506,779        | \$2,768,796,914        | \$2,903,656,120        | \$2,961,729,243        | \$3,180,511,642        | \$3,244,121,874        |
| Cumulative AV (w/o Prior Years Inflation)            | \$2,331,873,469        | \$2,378,510,939        | \$2,426,081,158        | \$2,474,602,781        | \$2,524,094,836        | \$2,661,281,156        | \$2,714,506,779        | \$2,768,796,914        | \$2,903,656,120        | \$2,961,729,243        | \$3,180,511,642        | \$3,244,121,874        |
| 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>\$2,331,873,469</b> | <b>\$2,378,510,939</b> | <b>\$2,426,081,158</b> | <b>\$2,474,602,781</b> | <b>\$2,524,094,836</b> | <b>\$2,661,281,156</b> | <b>\$2,714,506,779</b> | <b>\$2,768,796,914</b> | <b>\$2,903,656,120</b> | <b>\$2,961,729,243</b> | <b>\$3,180,511,642</b> | <b>\$3,244,121,874</b> |
| <b>Property Tax Revenue Estimate</b>                 |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Ad-Valorem                                           | \$ 23,318,735          | \$ 23,785,109          | \$ 24,260,812          | \$ 24,746,028          | \$ 25,240,948          | \$ 26,612,812          | \$ 27,145,068          | \$ 27,687,969          | \$ 29,036,561          | \$ 29,617,292          | \$ 31,805,116          | \$ 32,441,219          |
| <b>Total AV Tax Due to City</b>                      | <b>\$2,961,479</b>     | <b>\$3,020,709</b>     | <b>\$3,081,123</b>     | <b>\$3,142,746</b>     | <b>\$3,205,600</b>     | <b>\$3,379,827</b>     | <b>\$3,447,424</b>     | <b>\$3,516,372</b>     | <b>\$3,687,643</b>     | <b>\$3,761,396</b>     | <b>\$4,039,250</b>     | <b>\$4,120,035</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                           | 10,000                 | 10,000                 | 10,000                 | 10,000                 | 10,000                 | 10,000                 | 10,000                 |
| 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                          | \$ 863,179,473         | \$ 863,179,473         | \$ 966,339,947         | \$ 1,073,711,052       | \$ 1,073,711,052       | \$ 1,073,711,052       | \$ 1,073,711,052       |
| <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        | \$ 2,098,424,666       | \$ 2,098,424,666       | \$ 2,201,585,140       | \$ 2,308,956,245       | \$ 2,308,956,245       | \$ 2,308,956,245       | \$ 2,308,956,245       |
| Inflation Factor                                     | 157.69%                | 160.84%                | 164.06%                | 167.34%                | 170.69%                | 174.10%                | 177.58%                |
| Total AV - Inflated                                  | \$3,309,004,312        | \$3,375,184,398        | \$3,611,933,778        | \$3,863,849,205        | \$3,941,126,190        | \$4,019,948,713        | \$4,100,347,688        |
| Cumulative AV (w/o Prior Years Inflation)            | \$3,309,004,312        | \$3,375,184,398        | \$3,611,933,778        | \$3,863,849,205        | \$3,941,126,190        | \$4,019,948,713        | \$4,100,347,688        |
| 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>\$3,309,004,312</b> | <b>\$3,375,184,398</b> | <b>\$3,611,933,778</b> | <b>\$3,863,849,205</b> | <b>\$3,941,126,190</b> | <b>\$4,019,948,713</b> | <b>\$4,100,347,688</b> |
| <b>Property Tax Revenue Estimate</b>                 |                        |                        |                        |                        |                        |                        |                        |
| Ad-Valorem                                           | \$ 33,090,043          | \$ 33,751,844          | \$ 36,119,338          | \$ 38,638,492          | \$ 39,411,262          | \$ 40,199,487          | \$ 41,003,477          |
| <b>Total AV Tax Due to City</b>                      | <b>\$4,202,435</b>     | <b>\$4,286,484</b>     | <b>\$4,587,156</b>     | <b>\$4,907,088</b>     | <b>\$5,005,230</b>     | <b>\$5,105,335</b>     | <b>\$5,207,442</b>     |



| 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 | \$ 29,269,814 |
| <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 | \$ 89,314,557 |
| <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    |
| 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    |
| <b>Growth Percentage - Estimated</b>              |           |         |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| <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    | \$ 893,217    |



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>                                     | <b>221,634</b>       | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        | <b>395,000</b>        |
| <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>                                  | <b>\$ 471</b>        | <b>\$ 481</b>         | <b>\$ 490</b>         | <b>\$ 500</b>         | <b>\$ 510</b>         | <b>\$ 520</b>         | <b>\$ 531</b>         | <b>\$ 541</b>         | <b>\$ 552</b>         | <b>\$ 563</b>         | <b>\$ 575</b>         | <b>\$ 586</b>         |
| 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>       | <b>\$ 89,313,998</b> | <b>\$ 162,360,513</b> | <b>\$ 165,607,723</b> | <b>\$ 168,919,877</b> | <b>\$ 172,298,275</b> | <b>\$ 175,744,240</b> | <b>\$ 179,259,125</b> | <b>\$ 182,844,308</b> | <b>\$ 186,501,194</b> | <b>\$ 190,231,218</b> | <b>\$ 194,035,842</b> | <b>\$ 197,916,559</b> |
| <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>       | <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>   |



|                          | 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   | 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   | 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    | 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 | \$ 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 | \$ 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  | \$ 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  | \$ 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 | \$ 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 | \$ 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 | \$ 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  | \$ 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    | \$ 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 | \$ 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 | \$ 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 | \$ 1,760,925 |

| 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>      | 11,708,668 | 12,059,928 | 12,421,726 | 12,794,378 | 13,178,209  | 13,573,555  | 13,980,762  |
| 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>    | 3,193,800  | 3,289,614  | 3,388,302  | 3,489,952  | 3,594,650   | 3,702,490   | 3,813,564   |
| <i>Fire Station Supplies and Services</i> | 370,968    | 382,097    | 393,560    | 405,366    | 417,527     | 430,053     | 442,955     |
| 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      |