DRAFT TECHNICAL MEMORANDUM

To: Natalie Porter, El Dorado County

From: Amy Lapin

Subject: Technical Memorandum 1-9: Missouri Flat Master Circulation and Financing Plan (MC&FP) Phase II Fiscal Impact Analysis; EPS #142101

Date: September 10, 2019

The Economics of Land Use

Introduction

As part of a series of technical analyses required to support the evaluation of the second phase of the Missouri Flat Master Circulation and Financing Plan (MC&FP), the County of El Dorado (County) retained Economic & Planning Systems, Inc. (EPS) to conduct a fiscal impact analysis (Analysis) of the area surrounding the Missouri Flat Road and United States Highway 50 (Hwy 50) interchange identified as the Missouri Flat Project Area (Project). See **Map 1** for the Project boundary.

This memorandum and the attached technical appendices describe the background of MC&FP and the methodology, assumptions, and results of the Analysis. The Analysis estimates the overall fiscal impacts to the County's **General Fund** and **Road Fund**, based on projected incremental, new development in the Project through 2040. The objectives of the Analysis are twofold.

The **first objective** of the Analysis is to determine whether the Project will generate adequate revenues to meet the cost of providing new development with County municipal services (e.g., general government, public protection).

The **second objective** of the Analysis is to quantify the net fiscal impacts to the County's General Fund *net of a maximum percentage of property tax and sales tax revenues* generated by retail/commercial uses. These revenues *may* be used to help fund requisite capital improvements to support new development.

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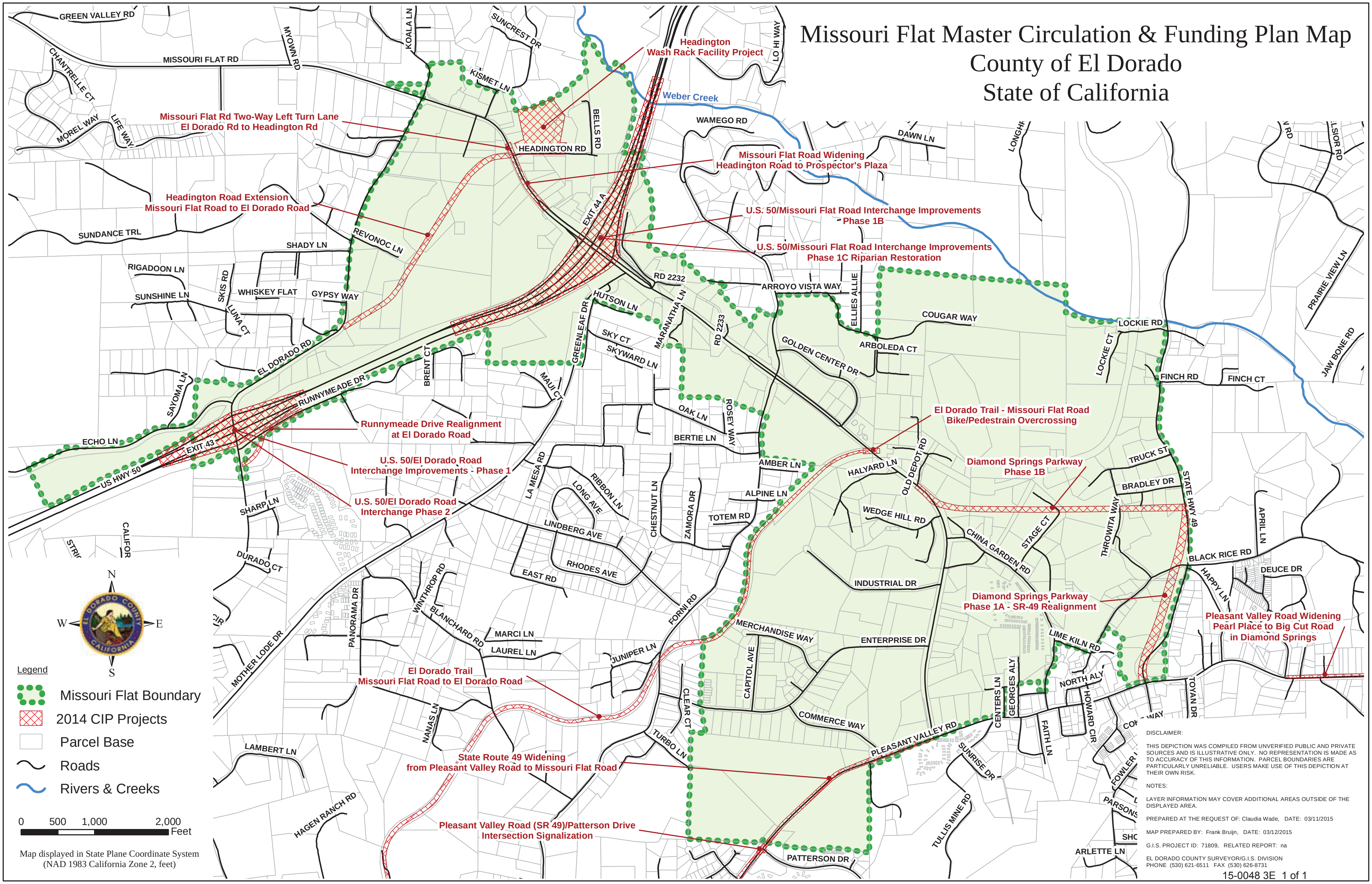
Map 1



Missouri Flat Master Circulation & Funding Plan Map
County of El Dorado
State of California
Headington Wash Rack Facility Project
Missouri Flat Rd Two-Way Left Turn Lane El Dorado Rd to Headington Rd
Missouri Flat Road Widening Headington Road to Prospector's Plaza
Headington Road Extension Missouri Flat Road to El Dorado Road
U.S. 50/Missouri Flat Road Interchange Improvements Phase 1B
U.S. 50/Missouri Flat Road Interchange Improvements Phase 1C Riparian Restoration
Runnymeade Drive Realignment at El Dorado Road
U.S. 50/El Dorado Road Interchange Improvements - Phase 1
U.S. 50/El Dorado Road Interchange Phase 2
El Dorado Trail - Missouri Flat Road Bike/Pedestrain Overcrossing
Diamond Springs Parkway Phase 1B
Diamond Springs Parkway Phase 1A - SR-49 Realignment
Pleasant Valley Road Widening Pearl Place to Big Cut Road in Diamond Springs
El Dorado Trail Missouri Flat Road to El Dorado Road
State Route 49 Widening from Pleasant Valley Road to Missouri Flat Road
Pleasant Valley Road (SR 49)/Patterson Drive Intersection Signalization
Weber Creek
GREEN VALLEY RD
MISSOURI FLAT RD
HEADINGTON RD
EL DORADO RD
RUNNYMEADE DR
US HWY 50
EXIT 43
EXIT 44 A
STATE HWY 49
PLEASANT VALLEY RD
PATTERSON DR
Legend
Missouri Flat Boundary
2014 CIP Projects
Parcel Base
Roads
Rivers & Creeks
0 500 1,000 2,000 Feet
Map displayed in State Plane Coordinate System (NAD 1983 California Zone 2, feet)
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PREPARED AT THE REQUEST OF: Claudia Wade, DATE: 03/11/2015
MAP PREPARED BY: Frank Bruijn, DATE: 03/12/2015
G.I.S. PROJECT ID: 71809, RELATED REPORT: na
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As part of the first phase of the MC&FP approved by the County BOS in 1998, the County agreed to divert 85 percent of incremental property and sales tax revenues from the County's General Fund to a special reserve fund (MC&FP Fund) to pay for portion of roadway infrastructure costs.

This analysis evaluates the impact on the County's General Fund assuming a maximum of 100 percent of property and sales tax revenues generated by retail/commercial uses diverted from the County General Fund to the MC&FP Fund in an effort to understand the impacts of the most conservative allocation scenario. The actual percentage used as part of MC&FP Phase II may be a continuation of the current percentage (85 percent) or may vary from the current percentage (including choosing not to use any portion of General Fund revenues). This percentage, if any, will be determined as part of the subsequent Public Facilities Financing Strategy analysis (forthcoming).

Project Background

The County Board of Supervisors (Board) approved Phase I of the MC&FP in December 1998. The MC&FP established a policy and action framework intended to relieve existing road deficiencies and create additional capacity for planned commercial development in the Project Area. The MC&FP identified the following objectives:

- Alleviate existing traffic congestion.
- Create adequate capacity to meet County General Plan Level of Service (LOS) policy.
- Establish a vital commercial center in the County.
- Improve the County's fiscal well-being.
- Establish the framework for revenue collection that would fund specific improvements identified in the Project Area.
- Widen portions of Missouri Flat Road.

Originally envisioned as one funding plan, the MC&FP was divided into two phases after the November 1998 passage of Measure Y, which excluded certain improvements contained in the funding plan.[1] Phase I of the MC&FP ultimately included six specific roadway improvement projects, most of which have been completed or are in progress at the time of this report. Of the Phase I improvements, the Missouri Flat/U.S. 50 interchange improvements represented nearly half of total infrastructure costs, although these improvements were considered an interim solution to the ultimate interchange improvement for the Project.

[1] Measure Y, also known as the "Control Traffic Congestion Initiative," enacted the following policies: a prohibition against residential development projects of five or more units causing, or worsening, Level of Service (LOS) F traffic congestion during weekday, peak-hour periods; a prohibition against adding roads to the list of roads allowed to operate at LOS F without voter approval; a requirement that developers pay fees to mitigate traffic impacts of new development; and a prohibition against County tax revenues being used to mitigate such impacts without voter approval.

Funding for Phase I improvements comprised several different sources, including: a bond issuance through a new Missouri Flat Community Facilities District (CFD), TIM fees, grant funding from the State of California (State), and incremental property and sales tax revenue generated by new retail/commercial development in the Project. In 2001, a special reserve fund for Missouri Flat (MC&FP Fund) was established to account for revenues and expenditures associated with 85 percent of incremental new property and sales tax revenues stemming from retail/commercial development. In 2002, the Missouri Flat CFD was established and, to date, no bonds have been issued and no special taxes have been set. Instead, the County received substantial grant funding to cover much of the Phase I improvement costs.

Approval of MC&FP Phase I coincided with the approval of several commercial projects proposed for the Project Area, including Wal-Mart, the El Dorado Villages Shopping Center, and Sundance Plaza. Since approval of these projects in 1998, several retail projects have been constructed in the Project Area, including the Wal-Mart and the El Dorado Villages Shopping Center projects.

MC&FP Phase I limits commercial development in the Project Area to about 730,000 square feet. With approximately 500,000 commercial square feet constructed in the Project Area to date, current approved and proposed commercial projects in the Project Area exceed remaining capacity in Phase I. Additional development in the Project Area—beyond the Phase I threshold—have required an updated evaluation of requisite transportation improvements, including the need for an ultimate highway interchange solution at Missouri Flat Road. These two factors triggered the need for additional analyses supporting the potential implementation of MC&FP Phase II.

In 2014, the County BOS approved the EPS-led consulting team's (EPS Team) technical analysis scope of work, which included the following analyses: retail market and initial financial feasibility analysis; traffic analysis, determination of required infrastructure, and cost estimates; California Environmental Quality Act (CEQA) review; a fiscal impact analysis; and a public facilities financing plan (Financing Plan). The scope of work also included public outreach to key stakeholder groups and study sessions with the BOS. The EPS Team's contract was extended in 2018, following a lengthy hiatus, primarily stemming from the County's priority to adopt an updated Traffic Impact Mitigation (TIM) Fee and the passage of voter initiative, Measure E.

To date, the following analyses supporting MC&FP Phase II have been prepared:

Analysis	Date Prepared
Retail Market and Initial Feasibility Analysis	October 2015
Traffic Analysis Locations, Methodology & Assumptions	April 2016
Existing Traffic Analysis Results and Findings for the MC&FP Phase II Study Area	May 2016 (Revised August 2018)
Missouri Flat Road Interchange Capacity Threshold Phasing Analysis and Alternative Screening Evaluation	January 2018
Draft Fiscal Impact Analysis Technical Analysis Table Set	May 2018

(table continued on next page)

Analysis	Date Prepared
Future Traffic Analysis Results	June 2018
Draft MC&FP Screencheck Checklist (Environmental Review)	July 2019

As shown in the table above, EPS prepared the fiscal impact analysis technical analysis table set in May 2018 and submitted to the County for review and comment. Following a lengthy review period, the County provided comments and authorized EPS to finalize the analysis in July 2019, without updating the County Fiscal Year (FY) Budget or other assumptions used in the initial table set. This memorandum reflects those assumptions, which are described in further detail in the following sections.

Following this Analysis, EPS will prepare a Financing Plan that identifies requisite Phase II infrastructure improvements, their associated costs, and recommended funding sources. One of the funding sources may include all or a portion of incremental property and sales tax revenue generated by new retail/commercial development in the Project.

Estimated Land Use Development

The land use assumptions used in this Analysis are an estimate of incremental new land use development (present through 2040) derived from a baseline of existing land uses and projected, future land use development in the Project. EPS obtained existing land use data (residential units, nonresidential building square feet) for the Project from the County Geographic Information Systems (GIS) and Assessor's Office departments in April 2018. Projected new residential and nonresidential development through 2040 was calculated by applying the average annual growth rate of the County's General Plan projections from 2010 through 2035 to the existing baseline land uses for each residential and nonresidential land use category.[2] Although the County General Plan covers a study period through 2035, the traffic analysis completed for MC&FP Phase II indicated the ultimate Missouri Flat interchange improvement was not necessary until additional development occurred through 2040. Thus, this Analysis estimates additional growth in the Project beyond 2035 by extrapolating the average annual growth rate of the County's General Plan projections through 2040.

The Analysis analyzes the net fiscal impacts of the incremental, new development in the Project across 3 time periods: the initial phase includes development growth through 2020, the second phase includes development in years 2021 through 2030, and the final phase includes development in years 2031 through 2040.

[2] Derived from the El Dorado County General Plan land use projections, amended June 2015.

Proposed Retail Centers in Project

Based on information from County staff and stakeholder interviews, the Project area contains four proposed retail centers: three proposed community centers; and, one proposed regional center.

One of the three community retail centers located south of the Missouri Flat Road/Hwy 50 interchange - the Diamond Dorado Retail Center - has received development approval and will include approximately 241,500 square feet of community retail space. The other two proposed community retail centers have not received development approval. These centers include: Creekside Plaza, located at the intersection of Missouri Flat Road and Forni Road and proposed for 30,500 square feet of retail; and the El Mirage Plaza, located in the southeastern quadrant of the El Dorado Road interchange and Runnymeade Drive (specific proposed square footage is unknown at the time of this study).

The proposed regional retail center consists of The Crossings at El Dorado (formerly Sundance Plaza), which is bordered by Missouri Flat Road and Prospector's Plaza to the east and Hwy 50 to the south and is approved for 535,000 square feet of commercial development. The project applicant indicates planned retail development will total 375,000 square feet, with remaining development capacity reserved for hotels or other non-retail uses.

In total, approximately 647,000 square feet of new nonresidential space is approved and proposed in the Project, not including the amount of development anticipated as part of the El Mirage Plaza (unknown at the time of this study). Of this amount, approximately 522,000 square feet is envisioned to comprise retail development.

Incremental New Development Estimated in Project

Cumulative incremental new development in the Project by 2040 is anticipated to comprise over 200 residential units, primarily renter-occupied, and nearly 548,000 square feet of nonresidential building square feet. Of this amount of nonresidential space, nearly 70 percent (about 378,000 building square feet) is anticipated to comprise retail space; nearly 20 percent (about 106,000 building square feet) is anticipated to comprise industrial space; and, about 10 percent (nearly 64,000 building square feet) is anticipated to comprise office space. The incremental new land use development totals used in this Analysis represent about 85 percent of total proposed retail/commercial development, not including the amount of development anticipated as part of El Mirage Plaza (unknown at the time of this study). Refer to **Table A-2** and **Table A-3** for a summary of *incremental new* and *cumulative incremental new* development, respectively.

Summary of Results

This Analysis concludes that Project development, both including and excluding all estimated property and sales tax revenues generated by Project development, is estimated to <u>result in an annual net fiscal surplus for the County General Fund</u>.

Table 1 summarizes the cumulative fiscal impacts of the Project, as well as the impact to the County General Fund assuming a diversion of 100 percent of property and sales tax revenues generated by retail/commercial uses diverted from the County General Fund to the MC&FP Fund.

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Table 1
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Fiscal Impact Summary (2017$)

Item	Net Fiscal Impact [1] Through 2020	2021-2030	2031-2040
County General Fund [2]			
Annual Revenues	$209,000	$994,000	$1,937,000
Annual Expenditures	$70,000	$345,000	$684,000
Annual County General Fund Surplus/(Deficit)	**$139,000**	**$649,000**	**$1,253,000**
County General Fund Revenues Alloc. to MC&FP Fund [3]			
Annual Property Tax	$27,000	$125,000	$240,000
Annual Sales Tax	$102,000	$481,000	$933,000
Total Property and Sales Tax Revenues	**$129,000**	**$606,000**	**$1,173,000**
Max. Percentage Allocated to MC&FP	100%	100%	100%
Revenues Used for MC&FP	**$129,000**	**$606,000**	**$1,173,000**
Annual County General Fund Surplus/(Deficit) Incl. Revenues Used for MC&FP	**$10,000**	**$43,000**	**$80,000**
County Road Fund			
Annual Revenues	$11,000	$53,000	$104,000
Annual Expenditures	$10,000	$46,000	$90,000
Annual County Road Fund Surplus/(Deficit)	**$1,000**	**$7,000**	**$14,000**

sum

Source: EPS.

[1] Values rounded to the nearest $1,000.
[2] Reflects the annual fiscal impacts to the County's General Fund assuming **all proposed residential and nonresidential land uses** anticipated in the Project area. Refer to Appendices A-D for detailed revenue and expenditure estimates.
[3] Reflects the potential maximum amount (100%) of property and sales tax revenue from **retail/commercial uses only** that could be used to fund infrastructure (diverted from the County General Fund to the Missouri Flat Circulation and Financing Plan (MC&FP) Fund. The actual percentage will be determined as part of subsequent analysis. Refer to **Appendix E** for revenue calculations.

Table 2 shows the detailed cumulative estimated fiscal impacts of the Project by phase; this table excludes the impact of a potential diversion of property and sales tax revenues.

As shown in **Table 1**, based on development projected to occur through 2040, the Project is estimated to generate an *annual net fiscal surplus* of approximately **$1.25 million** for the **County's General Fund** and **$14,000** for the **County's Road Fund**.

Assuming 100 percent of property and sales tax revenues generated by projected retail/commercial uses are allocated from the County General Fund to the MC&FP Fund, the County will incur *a small, annual net fiscal surplus* of about $80,000 at buildout (2040) for the **County General Fund**. In other words, if the County chooses to divert a maximum percentage of incremental new property and sales tax revenues to the MC&FP Fund to fund MC&FP Phase II improvements, the County's General Fund is not estimated to incur an annual deficit. The net fiscal impact to the County's Road Fund would remain the same as described above because there are no changes to revenue or expenditure estimates.

In each of the two initial development phases evaluated in this Analysis (development projected through 2020 and development projected between 2021-2030), the Project will generate small annual, net fiscal surpluses for the County's General Fund both before and after a maximum allocation (100 percent) of property and sales tax revenues from the General Fund to the MC&FP Fund.

As described previously, this analysis evaluates the impact on the County's General Fund assuming a maximum of 100 percent of property and sales tax revenues generated by retail/commercial uses diverted from the County General Fund to the MC&FP Fund in an effort to understand the impacts of the most conservative allocation scenario. The actual percentage used as part of MC&FP Phase II may be a continuation of the current percentage (85 percent) or may vary from the current percentage (including choosing not to use any portion of General Fund revenues). This percentage, if any, will be determined as part of the subsequent Public Facilities Financing Strategy analysis (forthcoming).

Memorandum Overview

This memorandum describes the land use development associated with the Project, the net fiscal impacts to the County's General Fund and Road Fund, and concisely describes the assumptions and methodology used to estimate the net fiscal impacts of the Project.

The data, assumptions, and detailed calculations underlying the Base Development Program are shown in **Appendices A** through **E** (**Tables A-1** through **E-3**) of this memorandum:

- **Appendix A** identifies the estimated, incremental, net land uses and general assumptions used in this Analysis.
- **Appendix B** identifies the projected annual revenues that will be generated by development in the Project for the County's General and Road Fund.

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Table 2
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Revenue and Expenditure Summary (2017$)

Item	Net Fiscal Impact [1]		
	Through 2020	2021-2030	2031-2040
County General Fund			
County Annual General Fund Revenues [2]			
Property Tax	$39,000	$188,000	$370,000
Property Tax in Lieu of VLF	$12,000	$57,000	$113,000
Property Transfer Tax	$1,000	$5,000	$10,000
Sales and Use Tax	$103,000	$488,000	$946,000
Prop. 172 Public Safety Sales Tax	$48,000	$226,000	$438,000
Licenses, Permits & Franchises	$1,000	$6,000	$12,000
Fines, Forfeitures, & Penalties	$0	$1,000	$2,000
Charges for Services	$5,000	$23,000	$46,000
Total County Annual General Fund Revenues	**$209,000**	**$994,000**	**$1,937,000**
County Annual General Fund Expenditures [3]			
General Government	$21,000	$99,000	$196,000
Public Protection (Serving Countywide Res/Emp)	$31,000	$150,000	$296,000
Public Protection (Serving Countywide Residents)	$1,000	$7,000	$14,000
Public Protection (Sheriff Patrol - Unincorp. Only)	$15,000	$71,000	$140,000
Health and Sanitation	$0	$0	$0
Public Assistance	$1,000	$6,000	$12,000
Education	$0	$2,000	$4,000
Subtotal County Annual General Fund Expenditures	**$69,000**	**$335,000**	**$662,000**
Annual Non-Departmental Expenditures			
General Fund Contingency	$1,000	$7,000	$15,000
Human Services - Area Agency on Aging Problems	$0	$2,000	$5,000
El Dorado Water & Power Authority (EDWPA)	$0	$1,000	$2,000
Road Fund (General Fund Contribution)	$0	$0	$0
Subtotal Annual Non-Departmental Expenditures	**$1,000**	**$10,000**	**$22,000**
Total Annual County General Fund Expenditures	**$70,000**	**$345,000**	**$684,000**
Annual County General Fund Surplus/(Deficit)	**$139,000**	**$649,000**	**$1,253,000**
County Road Fund			
Annual Revenues [2]	$11,000	$53,000	$104,000
Annual Expenditures [3]	$10,000	$46,000	$90,000
Annual County Road Fund Surplus/(Deficit)	**$1,000**	**$7,000**	**$14,000**

det sum

Source: EPS.

[1] Values rounded to the nearest $1,000.
[2] Refer to Table B-1 for details pertaining to revenue estimating procedures.
[3] Refer to Table C-1 for details pertaining to expenditure estimating procedures.

Prepared by EPS 8/16/2019

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- **Appendix C** details the estimated annual expenditures for the County to provide General and Road Fund services to development in the Project.
- **Appendix D** provides supporting revenue calculations. Specifically, this appendix includes details on the estimated property tax rate for the County General and Road Fund; assessed values of future anticipated development within the Project, which serve as the basis for calculating property tax revenues; and estimated household income, which is used to derive sales tax revenue from existing and future households within the Project area.
- **Appendix E** summarizes estimated annual property and sales tax revenues derived from proposed retail uses only.

Methodology and Assumptions

This section details the underlying methodology and assumptions used to estimate the net fiscal impacts of proposed development in the Project on the County's General and Road Funds. Specifically, this section details the methodology used to forecast the Project's General and Road Fund revenues and expenditures based on development anticipated through 2040. In addition, this section describes assumptions concerning municipal service delivery, land use development, and General Fund budgeting.

Countywide Services

This Analysis examines the Project's ability to generate adequate revenues to fund the County's costs of providing public services to the proposed Project. The services analyzed in this study comprise County General Fund services (e.g., public protection, general government) and County Road Fund maintenance.

This Analysis does not address activities budgeted in other Governmental Funds or Proprietary Funds (e.g., Water Fund, Sewer Fund, Storm Sewer Fund), nor does it include an evaluation of capital facilities or funding of capital facilities needed to serve new development.

General Assumptions

The Analysis is based on the County's FY 2017–18 County BOS Adopted Budget, tax regulations and statutes current as of May 2018, and other general assumptions discussed herein. Each revenue and expenditure item is estimated based on current State of California (State) legislation and current County practices. Future changes by State legislation or County practices can affect the revenues and expenditures estimated in this Analysis. All revenues and expenditures are shown in constant 2017 dollars, and general fiscal and demographic assumptions are detailed in **Table A-1**.

EPS consulted the County's budget documents to develop forecasting methodologies for specific revenues and expenditures affected by new development in the proposed Project. In addition, EPS consulted with the County Chief Administrative Office (CAO) to clarify budget data and review assumptions and Analysis results related to revenue and expenditure estimates. This Analysis also uses information from the following sources: County Geographic Information Systems (GIS) Department; County Assessor and Auditor-Controller; County General Plan, amended June 2015; State Department of Finance (DOF); State Board of Equalization (BOE); the U.S. Bureau of Labor Statistics (BLS); the U.S. Census; and subscription-based data sources (e.g., CoStar).

The actual fiscal impacts of new development in the Project will vary from those presented in this study if development or other assumptions (e.g., assessed valuations, sales tax revenue assumptions) vary from those on which this Analysis is based.

Development Assumptions

The following list documents land use and other development-related assumptions used in the Analysis, as summarized in **Tables A-2** through **A-6**:

- **Total and Occupied Incremental New Land Uses**. **Table A-2** and **Table A-3** provides incremental new and cumulative incremental new, respectively, residential and nonresidential land uses estimated to be developed in the Project area. **Table A-4** summarizes occupied cumulative incremental new dwelling units and nonresidential building square feet, assuming an average vacancy rate of 5 percent.

- **Estimated Residential, Employee, and Persons Served Population**. Projections of future residents are calculated using average persons per household (population in occupied housing units in structure) for the El Dorado Hills area as reported in the US Census 2009-2013 American Community Survey 5-year average, per County direction. Projections of future employees are calculated based on occupied square footage and employment density (square feet per employee) derived from the March 2002 El Dorado County land use forecasts for the draft County General Plan, prepared by EPS. EPS uses a factor of 0.5 employees plus all residents to derive the Project's "persons served" population. The "persons served" population is used to approximate the impacts of an employee in the Project relative to a Project resident. Estimated residential, employment, and persons served populations are provided in **Table A-5**.

- **Analysis Assumptions**. The Analysis is based on key assumptions including average assessed value per residential unit and building square foot and property turnover rates, as shown in **Table A-6**.

  - **Assessed Values.** Owner occupied residential assessed values based on recent sales data for comparable homes in the 95667 ZIP code (Placerville). Renter occupied assessed value assumption is based on data pertaining to recently constructed multifamily housing in western El Dorado County obtained for Costar. Nonresidential assessed values based on data obtained from Costar pertaining to sale of similar recently constructed properties in the County and greater Sacramento Region.

  - **Property Turnover Rates.** The Analysis is based on the assumption that a for-sale residential unit would turn over once every 10 years, and nonresidential properties, including rental residential units, would turn over once every 20 years. These assumptions are based on EPS research on real property turnover rates in the Sacramento Region.

Revenue-Estimating Methods and Assumptions

EPS uses either an average-revenue approach or a marginal-revenue case study approach to estimate Project-related annual General and Road Fund revenues.

- The **average-revenue approach** uses the County's FY 2017–18 budgeted revenues on a Countywide per capita or per-persons-served basis to forecast revenues derived from estimated future residents and employees of the Project.[3]
- The **marginal-revenue case study approach** simulates estimated revenue generation resulting from new development. The case-study approach for estimating property tax revenues, for instance, forecasts the increase in assessed valuation of Project property as well as the share of property taxes that would be allocated to the County's General Fund. Case studies used in this Analysis are discussed in detail later in this section.

This Analysis excludes revenue sources that are *not* expected to increase because of new development. These sources of revenue are assumed to be unaffected by development because they are either one-time revenue sources not guaranteed to be available in the future or there is no direct relationship between new Project development and increased revenue.

A listing of all County General Fund and Road Fund revenue sources and the corresponding estimating procedure used to forecast future Project revenues is shown in **Table B-1** in **Appendix B**.

A summary of estimated annual General Fund and Road Fund revenues generated by the Project at buildout is provided in **Table B-2**. As shown, the Project is estimated to generate about $1.9 million in annual General Fund revenues and about $104,000 in Road Fund revenues at buildout of development estimated through 2040.

Revenues associated with the marginal-revenue case study approach are detailed in the next sections.

County General Fund: Property Tax

Estimated annual property tax revenue resulting from incremental, new Project development is shown in **Table B-3**. The Project is contained in one Tax Rate Area (TRA) located in the unincorporated County.

The property taxes the County will receive from the Project are derived from the total assessed value of the Project, as shown in **Table D-2**, and the County's General and Fund post-annexation, post-Educational Revenue Augmentation Fund (ERAF) share of the 1 percent ad valorem property tax in the tax rate areas (TRA) comprising the Project, as shown in **Table D-1**. Note that all proposed residential and commercial development, with the exception of estimated commercial public/nonprofit land uses, are assumed to pay property tax.

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[3] A *per capita* basis of estimating revenues assumes that only residents have a fiscal impact on County revenues. A *per-persons-served* basis of estimating revenues is used to take into account that businesses (and their employees) have a fiscal impact on many County revenues but at a lower level than residential development's impact.

County General Fund: Property Tax in Lieu of Vehicle License Fee

The Analysis uses a formula provided by the California State Controller's Office to forecast Property Tax in Lieu of Vehicle License Fee (PTIL VLF). PTIL VLF is calculated by taking the percentage increase in the County's assessed value resulting from the Project and applying that percentage increase to the County's current State allocation of PTIL VLF revenue, as shown in the County's FY 2015-16 budget. This calculation is shown in **Table B-3**.

County General Fund: Real Property Transfer Tax

Real property transfer tax is based on the assessed value of the proposed Project land uses and the anticipated turnover of residential and nonresidential property over time. This Analysis is based on the assumption that the proposed Project's residential owner-occupied property will turn over 10 percent per year (or once every 10 years) and residential renter-occupied and nonresidential property will turn over 5 percent per year (or once every 20 years). Real property transfer tax revenue projections are identified in **Table B-4**.

County General Fund: Sales Tax

The sales tax in this Analysis was estimated based on the Bradley-Burns local 1-percent rate. Estimated annual sales tax revenues to the County are summarized in **Table B-5**.

EPS uses a combination of methodologies to account for taxable sales generated by the Project. EPS also typically estimates a small amount per building square foot to represent **Business-to-Business Taxable Sales** that can be generated by non-retail, nonresidential development (e.g., office, industrial space)**.** As a conservative approach, this Analysis omits any taxable sales generated by non-retail development in the Project. The methodology used in this Analysis is summarized below and described in further detail in the following sections.

1. **Market Support Method.** This methodology measures taxable sales generated from new Project households and employees spending money within the County's boundaries.

2. **Retail Space Method.** This methodology estimates taxable sales from new retail uses in the Project.

<u>Market Support Method</u>

This methodology measures taxable retail expenditures by future Project residents and employees (excluding residents estimated to be employed onsite) and the portion of expenditures that would be captured in the County (i.e., sales in the County's retail establishments).

New residents are estimated to spend approximately 25 to 34 percent of their household income on taxable retail expenditures. Household income, based on estimated residential values, and associated income spent on taxable retail expenditures are detailed in **Table D-3**. The Analysis estimates the County will capture about 90 percent of Project households' taxable retail expenditures. That is, 10 percent of the taxable retail expenditures of Project households are estimated to occur in competing retail outlets in incorporated cities in the County or outside of the County.

New employees (excluding residents estimated to be employed onsite) are estimated to spend an average of $11 in taxable retail expenditures per day for each of the 240 workdays annually.

This Analysis estimates the County will capture approximately 90 percent of taxable sales from the Project's new employees.

EPS developed the capture rates based on the Retail Market Analysis EPS prepared in October 2015, which included an evaluation of existing retail leakage and a qualitative appraisal of existing shopping opportunities in the County. Of the amount estimated to be captured within the County, EPS estimates 70 percent of household and employee expenditures will be captured by existing and new retail outlets in the Project. The remainder will be captured at other retail outlets in the County, outside of the Project.

Refer to **Table B-5A** for estimated annual taxable sales from market support at buildout of the Project.

Retail Space Method

The new retail land uses in the Project will generate taxable retail sales in excess of taxable sales generated from Project residents and employees (market support). That is, other consumers outside of the Project will purchase taxable goods and services from the Project's retail development. All new retail development in the Project is assumed to be community-serving retail, similar to the type of retail tenants that exist in the Project area currently.

EPS derived annual total (taxable and nontaxable sales) retail sales per square foot figures for major retail categories from several sources, including BizMiner data from 2016, RetailSails data from 2011, eMarketer data from 2017 and 2018, and annual 10-K reports (spanning from 2010 to 2017) for a sampling of retailers in each retail category and allocated these figures by retail center type. All total retail sales per square foot assumptions were escalated to 2017 dollars, allocated by retail center type (neighborhood-, community-, regional-serving centers), and converted to taxable sales per square foot based on information provided in Urban Land Institute's Dollars and Cents of Shopping Centers: 2008. Refer to **Table D-3** for details regarding the assumptions and method underpinning the taxable sales per square foot by retail center-type figures.

Annual taxable sales generated by retail businesses are estimated net of market support captured within the Project. New retail development in the Project is not anticipated to cause a sales shift from existing retail outlets in the County (e.g., all sales are assumed to be net new sales revenues in the County). This assumption is based on findings regarding the extent of retail sales leakage described in EPS's 2015 Retail Market Study for the Project. All new retail development is assumed to be complementary and not competitive with existing retail uses in the County.

Refer to **Table B-5B** for estimated annual taxable sales from onsite retail development at buildout of the Project.

County General Fund: Proposition 172 Public Safety Sales Tax

Public safety sales tax is a half-cent tax collected on a countywide basis and allocated principally to the County, with a small portion of revenues allocated to incorporated cities in the County. This General Fund revenue source is used to fund police and fire services in the County. In FY 2017-18, the County received approximately 92.7 percent of the gross Proposition 172 Public Safety Sales Tax rate of 0.5 percent on annual taxable sales. See **Table B-5** for the estimated annual Proposition 172 sales tax revenue generated by incremental new development in the Project.

County Road Fund Revenues

The County receives various revenue sources to fund street maintenance in the County. Through discussions with the CAO, this Analysis includes only those revenues that will increase based on new development, including property tax revenue (Road District Tax), gas tax revenue, and licenses and permits revenue.

Expenditure-Estimating Methods and Assumptions

Expenditure estimates are based on the County's FY 2017–18 BOS Adopted Budget and supplemental information from County and Public Safety Department staff. All County General Fund and Road Fund expenditure items are listed on **Table C-1** in **Appendix C**.

A summary of estimated annual General Fund and Road Fund expenditures generated by the Project at buildout is provided in **Table C-2**. As shown, the Project is estimated to generate about $684,000 in annual General Fund expenditures and about $90,000 in Road Fund expenditures at buildout of development estimated through 2040.

County General Fund and Road Fund department expenditures, net of offsetting revenues, which are expected to be affected by the proposed Project, are forecasted using an average-cost approach.

Expenditures affected by residents and employees are projected using a *per-person-served* average expenditure multiplier and include the department functions listed below:

- General Government
- Public Protection (countywide resident and employee services)
- Public Protection (Sheriff patrol)
- Health and Sanitation
- County Road Fund

Expenditures affected by residents only are projected using a *per-capita* average expenditure multiplier and include the department functions listed below:

- Public Protection (countywide resident services)
- Public Assistance
- Education (library)

APPENDICES:

Appendix A: General Assumptions

Appendix B: Revenue-Estimating Tables

Appendix C: Expenditure-Estimating Tables

Appendix D: Supporting Assumptions Tables

Appendix E: Property and Sales Tax Revenue Estimates from Retail/Commercial Uses Only

APPENDIX A:

General Assumptions

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Table A-1
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
General Assumptions

Item	Assumption
General Assumptions	
Base Fiscal Year [1]	FY 2017-18
General Demographic Characteristics	
Total Countywide	
El Dorado County Residential Population [2]	185,062
El Dorado County Employee Population [3]	58,000
El Dorado County Persons Served [4]	**214,062**
Unincorporated County	
El Dorado County Unincorporated Residential Population [2]	153,295
El Dorado County Unincorporated Employee Population [3]	36,100
El Dorado County Unincorporated Persons Served [4]	**171,345**

gen assump

Source: California Department of Finance; California EDD; ESRI Business Analyst Online;

[1] Reflects El Dorado County budget adopted by the Board of Supervisors. Revenues and expenditures are in 2017 dollars. This Analysis does not reflect changes in values resulting from inflation or appreciation.
[2] Based on population estimates from the California Department of Finance (DOF) data for January 1, 2017.
[3] US Census Onthemap.ces.census.gov estimated a total of 49,992 jobs in El Dorado County in 2015 and 31,098 in the Unincorporated El Dorado County. California EDD reports an annual average growth rate of 2.68% since 2015 for the Sacramento MSA. EPS escalated 2015 employment figure to arrive at 2017 employment estimate, increased by an additional 10% to account for self-employed workers as the EDD data does not reflect self employed workers. Value rounded to the nearest hundred employees.
[4] Persons Served is defined as total residents plus 50% of total employees. This figure is used to estimate specific revenues and expenditures that are assumed to be impacted by growth in both residential and employment populations combined. The percentage of 50% of employees assumes that an employee has half the impact on service demands as a resident (e.g., generally, a resident is home for 16 hours/day while an employee is at work for 8 hours/day).

Table A-2
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Missouri Flat Project Area Incremental Land Uses (2020-2040)

Land Use	Incremental Dwelling Units/Building Square Feet			
	Through 2020	2021-2030	2031-2040	Total
Residential Land Uses	*Dwelling Units*			
Owner Occupied Residential	1	3	4	8
Renter Occupied Residential	20	80	106	206
Total All Residential	**21**	**83**	**110**	**214**
Nonresidential Land Uses	*Building Square Feet*			
Retail	41,134	153,721	182,962	377,817
Office	7,164	26,254	30,335	63,753
Industrial	13,387	45,547	47,003	105,937
Total Nonresidential Land Uses	**61,685**	**225,522**	**260,300**	**547,508**

lu

Source: El Dorado County Assessor data, dated April 2, 2018; El Dorado County General Plan projections, amended June 2015, El Dorado County; Kittelson Associates, Inc.; EPS.

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Table A-3
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Missouri Flat Project Area Cumulative, Incremental Land Uses (2020-2040)

Land Use	Cumulative Dwelling Units/Building Square Feet Through 2020	2021-2030	2031-2040
Residential Land Uses		*Dwelling Units*	
Owner Occupied Residential	1	4	8
Renter Occupied Residential	20	100	206
Total All Residential	**21**	**104**	**214**
Nonresidential Land Uses		*Building Square Feet*	
Retail	41,134	194,855	377,817
Office	7,164	33,418	63,753
Industrial	13,387	58,934	105,937
Total Nonresidential Land Uses	**61,685**	**287,208**	**547,508**

cumul

Source: El Dorado County Assessor Data, Dated April 2, 2018; El Dorado County General Plan projections, amended June 2015, El Dorado County; Kittelson Associates, Inc.; EPS.

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Table A-4
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Missouri Flat Project Area Occupied Land Uses (2020-2040)

Land Use	Vacancy Rate	Occupied Dwelling Units/Building Square Feet		
		Through 2020	2021-2030	2031-2040
Residential Land Uses			*Dwelling Units*	
Owner Occupied Residential	5%	1	4	8
Renter Occupied Residential	5%	19	95	195
Total All Residential		**20**	**99**	**203**
Nonresidential Land Uses			*Building Square Feet*	
Retail	5%	39,077	185,112	358,926
Office	5%	6,806	31,747	60,566
Industrial	5%	12,718	55,988	100,641
Total Nonresidential Land Uses		**58,601**	**272,847**	**520,132**

occupied

Source: El Dorado County Assessor Data, Dated April 2, 2018; El Dorado County General Plan projections, amended June 2015, El Dorado County; Kittelson Associates, Inc.; EPS.

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Table A-5
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Missouri Flat Project Area Estimated Residents and Employees (2020-2040)

Land Use	Persons per Household/ Square Feet per Employee [1]	Estimated Project Populations		
		Through 2020	2021-2030	2031-2040
Residential Land Uses	*PPH*		*Residents*	
Owner Occupied Residential	3.06	3	12	24
Renter Occupied Residential	2.49	47	237	486
Total All Residential		**50**	**249**	**510**
Nonresidential Land Uses	*Sq. Ft. per Emp.*		*Employees*	
Retail	400	98	463	897
Office	330	21	96	184
Industrial	600	21	93	168
Total Nonresidential Land Uses		**140**	**652**	**1,249**
			Persons Served	
Persons Served [2]		**120**	**575**	**1,135**

PS

Source: El Dorado County Assessor Data, Dated April 2, 2018; El Dorado County General Plan projections, amended June 2015, El Dorado County; Kittelson Associates, Inc.; EPS.

[1] Refer to Table A-6 for more details regarding assumption sources.
[2] The Persons Served population includes all residents and 50% of all employees. Refer to Table A-1 for details pertaining to the Person Served assumptions.

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Table A-6
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Land Use Assumptions

Land Use	Estimated Assessed Value [1]	Turnover Rate [2]	Persons per Dwelling Unit [3]	Square Feet per Employee [4]
Residential Land Uses	*per Unit*			
Owner Occupied Residential	$475,000	10.0%	3.06	N/A
Renter Occupied Residential	$290,000	5.0%	2.49	N/A
Nonresidential Land Uses	*per Sq. Ft.*			
Retail	$250	5.0%	N/A	400
Office	$200	5.0%	N/A	330
Industrial	$100	5.0%	N/A	600

lu assump

Source: El Dorado County General Plan 2013-2021 Housing Element; Engineering-News Record; Costar; EPS.

[1] Owner occupied residential assessed values based on recent sales data for comparable homes in the 95667 ZIP code (Placerville). Renter occupied assessed value assumption is based on data pertaining to recently constructed multifamily housing in western El Dorado County obtained for Costar. Nonresidential assessed values based on data obtained from Costar pertaining to sale of similar recently constructed properties in the County and greater Sacramento Region.
[2] Property turnover rates based on EPS research.
[3] Based on average persons per household (population in occupied housing units in structure) for the El Dorado Hills area as reported in the US Census 2009-2013 American Community Survey 5 year averages, per County direction.
[4] Assumptions based on the March 2002 El Dorado County land use forecasts for the draft County General Plan, prepared by EPS.

Appendix B:

Revenue-Estimating Tables

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Table B-1
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Revenue-Estimating Procedures (2017$)

Item	Estimating Procedure	Case Study Reference	BOS Approved FY 2017-18 Revenues	Offsetting Revenues [1]	Net Annual General Fund Revenues	Service Population [2]	Revenue Multiplier
County General Fund Revenues							
Property Tax	Case Study	Table B-3	$66,873,000	($123,000)	$66,750,000	NA	-
Property Tax in Lieu of VLF	Case Study	Table B-3	$19,779,000	$0	$19,779,000	NA	-
Property Transfer Tax	Case Study	Table B-4	$2,478,000	$0	$2,478,000	NA	-
Sales and Use Tax	Case Study	Table B-5	$12,040,000	$0	$12,040,000	NA	-
Transient Occupancy Tax	[4]	-	$3,431,000	($343,000)	$3,088,000	NA	-
Other Taxes	[4]	-	$2,903,000	$0	$2,903,000	NA	-
Prop. 172 Public Safety Sales Tax	Case Study	Table B-5	$9,767,000	$0	$9,767,000	NA	-
Licenses, Permits and Franchises	Unincorp. Persons Served	-	$10,844,000	($9,034,000)	$1,810,000	171,345	$10.56
Fines, Forfeitures, & Penalties	County Persons Served	-	$832,000	($532,000)	$300,000	214,062	$1.40
Use of Money & Property	[4]	-	$348,000	($28,000)	$320,000	NA	-
Charges for Services	County Persons Served	-	$21,640,000	($12,968,000)	$8,672,000	214,062	$40.51
Intergovernmental Revenues [3]	[4]	-	$56,274,000	($56,297,000)	($23,000)	NA	-
Miscellaneous Revenues	[4]	-	$2,811,000	($2,811,000)	$0	NA	-
Operating Transfers In	[4]	-	$41,337,000	($40,550,000)	$787,000	NA	-
Subtotal County General Fund Revenues			**$251,357,000**	**($122,686,000)**	**$128,671,000**		
Fund Balance	[4]	-	$45,626,000	-	-	-	-
Total County General Fund Revenues			**$296,983,000**	-	-	-	-
County Road Fund Revenues [5]							
Taxes	[4]	-	$5,000	($5,000)	$0	NA	-
Licenses and Permits	County Persons Served	-	$765,000	$0	$765,000	214,062	$3.57
Charges for Services	[4]	-	$4,627,000	($4,627,000)	$0	NA	-
Use of Money and Property	[4]	-	$39,000	($39,000)	$0	NA	-
State Highway Users (Gas) Tax	Unincorp. Co. Per Capita	-	$7,008,000	$0	$7,008,000	153,295	$45.72
Intergovernmental	[4]	-	$40,038,000	($40,038,000)	$0	NA	-
Miscellaneous Revenues	[4]	-	$958,000	($958,000)	$0	NA	-
Road District Tax	Case Study	Table B-3	$6,445,000	$0	$6,445,000	NA	-
Operating Transfers In	[4]	-	$16,593,000	($16,593,000)	$0	NA	-
Subtotal County Road Fund Revenues			**$76,478,000**	**($62,260,000)**	**$14,218,000**		
Fund Balance	[4]	-	$2,829,000	-	-	-	-
Total County Road Fund Revenues			**$79,307,000**	-	-	-	-

rev pro

Source: El Dorado County FY 2017-18 BOS Adopted Budget; El Dorado County CAO; EPS.

[1] Represents revenues dedicated to specific department functions. These revenues are deducted from corresponding General Fund departments, reflected in the Net County Cost figures shown in Table C-1.
[2] Calculated in Table A-1.
[3] Does not include Public Safety Sales Tax or State Highway Users Tax revenues, as these are analyzed separately in this analysis.
[4] This revenue source is not expected to be affected by the Project and therefore is not evaluated in this analysis.
[5] Offsetting revenues related to Licenses and Permits, Gas Tax, and the Road District Tax were excluded in order to estimate revenues based on Project development. These offsetting revenues were not deducted from Road Fund expenditures, as shown in Table C-1.

Table B-2
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Revenues (2017$)

Revenues	Case Study Reference	Annual Revenues Through 2020	2021-2030	2031-2040
County General Fund Revenues				
Property Tax	Table B-3	$39,266	$187,916	$369,964
Property Tax in Lieu of VLF	Table B-3	$11,965	$57,262	$112,735
Property Transfer Tax	Table B-4	$1,085	$5,170	$10,183
Sales and Use Tax	Table B-5	$102,988	$487,715	$946,217
Prop. 172 Public Safety Sales Tax	Table B-5	$47,709	$225,934	$438,335
Licenses, Permits and Franchises	-	$1,267	$6,072	$11,986
Fines, Forfeitures, & Penalties	-	$168	$805	$1,589
Charges for Services	-	$4,861	$23,293	$45,979
Total County General Fund Revenues		**$209,310**	**$994,167**	**$1,936,988**
County Road Fund Revenues				
Licenses and Permits	-	$428	$2,053	$4,052
State Highway Users (Gas) Tax	-	$5,486	$26,289	$51,892
Road District Tax	Table B-3	$5,053	$24,183	$47,612
Total County Road Fund Revenues		**$10,968**	**$52,525**	**$103,556**

rev

Source: EPS.

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Table B-3
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Property Tax Revenue (2017$)

Item	Assumptions/ Source	Formula	Annual Revenue Through 2020	Annual Revenue 2021-2030	Annual Revenue 2031-2040
Property Tax Revenue (1% of Assessed Value)					
Assessed Value (2017$)	Table D-2	*a*	$19,246,497	$92,107,296	$181,338,667
Property Tax Revenue (1% of Assessed Value)	1.0000%	*b = a * 1.00%*	$192,465	$921,073	$1,813,387
Estimated Property Tax Allocation [1]					
County General Fund	**20.4018%**	***c = b * 20.40%***	**$39,266**	**$187,916**	**$369,964**
County Road District Tax	**2.6256%**	***d = b * 2.63%***	**$5,053**	**$24,183**	**$47,612**
Other Agencies/ERAF	76.9726%	*e = b * 76.97%*	$148,145	$708,974	$1,395,811
Property Tax In-Lieu of Motor Vehicle In-Lieu Fee Revenue (VLF)					
Total Countywide Assessed Value [2]		*f*	$31,815,185,131	$31,815,185,131	$31,815,185,131
Total Assessed Value of Project		*a*	$19,246,497	$92,107,296	$181,338,667
Total Assessed Value		*g = a + f*	**$31,834,431,628**	**$31,907,292,427**	**$31,996,523,798**
Percent Change in AV		*h = a / f*	0.0605%	0.2895%	0.5700%
Property Tax In-Lieu of VLF [3]	**$19,779,000**	***i = h * $19,779,000***	**$11,965**	**$57,262**	**$112,735**

prop tax

Source: El Dorado County Auditor-Controller; El Dorado County; EPS.

[1] For assumptions and calculation of the estimated property tax allocation, refer to Table D-1.
[2] Reflects Fiscal Year 2017-18 Assessed Valuation. Includes Countywide secured, unsecured, homeowner exemption, and public utility roll.
[3] Property tax in-lieu of VLF amount of $19.8 million taken from FY 2017-18 BOS Approved County Budget. See Table B-1.

Prepared by EPS 8/16/2019

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Table B-4
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Real Property Transfer Tax Revenue (2017$)

Description	Source/ Assumption	Through 2020		2021-2030		2031-2040	
		Assessed Value [1]	Annual Transfer Tax Revenue [2]	Assessed Value [1]	Annual Transfer Tax Revenue [2]	Assessed Value [1]	Annual Transfer Tax Revenue [2]
Rate per $1,000 of AV	$1.10						
Turnover Rate							
Residential Owner-Occupied	10.0%						
Residential Renter-Occupied	5.0%						
Nonresidential	5.0%						
Annual Transfer Tax Revenue							
Residential							
Owner-Occupied		$475,000	$52	$1,900,000	$209	$3,800,000	$418
Renter-Occupied		$5,716,428	$314	$28,916,428	$1,590	$59,740,000	$3,286
Total Residential		**$6,191,428**	**$367**	**$30,816,428**	**$1,799**	**$63,540,000**	**$3,704**
Nonresidential							
Retail		$10,283,500	$566	$48,713,750	$2,679	$94,454,250	$5,195
Office		$1,432,869	$79	$6,683,669	$368	$12,750,669	$701
Industrial		$1,338,700	$74	$5,893,449	$324	$10,593,749	$583
Total Nonresidential		**$13,055,069**	**$718**	**$61,290,867**	**$3,371**	**$117,798,667**	**$6,479**
Total Annual Transfer Tax Revenue			**$1,085**		**$5,170**		**$10,183**

transfer

Source: El Dorado County Recorder-Clerk; EPS.

[1] Assessed Values (AV) derived in Table D-2. Note that assessed values are expressed in 2017$ and include no real AV growth.
[2] Formula for Transfer Tax = Assessed Value/$1000 * Rate per $1,000 of Assessed Value * Turnover rate.

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Table B-5
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Sales and Use Tax Revenue (2017$)

Item	Formula	Source/ Assumptions	Annual Revenue Through 2020	2021-2030	2031-2040
Estimated Annual Taxable Sales					
Annual County Taxable Sales from Market Support (New HH/Employees)	*a*	**Table B-5A**	$462,420	$2,141,100	$4,336,380
Annual County Taxable Sales from Onsite Commercial Uses	*b*	**Table B-5B**	$9,836,404	$46,630,415	$90,285,333
Annual Taxable Sales from Total County Net New Development	***c = a + b***		**$10,298,824**	**$48,771,515**	**$94,621,713**
Annual Sales Tax Revenue					
Total Bradley Burns Sales Tax Revenue	***d = c * 1.00%***	**1.0000%**	**$102,988**	**$487,715**	**$946,217**
Gross Prop 172 Public Safety Sales Tax Revenue	*e = c * 0.5000%*	0.5000%	$51,494	$243,858	$473,109
El Dorado County Allocation [1]	***f = e * 92.6500%***	**92.6500%**	**$47,709**	**$225,934**	**$438,335**

sales

Source: El Dorado County, California State Board of Equalization, and EPS.

[1] According to El Dorado County, the County receives 92.7 percent of all Prop. 172 Sales Tax revenues generated in the County as of Fiscal Year 2017-18.

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Table B-5A
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Taxable Sales from Market Support (2017$)

Annual Taxable Sales from Market Support	Assumption	Annual Taxable Sales Through 2020	 2021-2030	 2031-2040
Annual Taxable Sales from New Households				
Residential Development				
Owner Occupied Residential Units (Households)		1	4	8
Renter Occupied Residential Units (Households)		19	95	195
Total All Residential Units				**203**
Taxable Retail Expenditures [1]	*per Household*			
Owner Occupied Residential	$25,000	$25,000	$100,000	$200,000
Renter Occupied Residential	$16,000	$304,000	$1,520,000	$3,120,000
Total Taxable Retail Expenditures from New Households		**$329,000**	**$1,620,000**	**$3,320,000**
Estimated Countywide Capture from New Households [2]	**90%**	**$296,100**	**$1,458,000**	**$2,988,000**
Estimated Taxable Sales inside Project Area	70%	$207,270	$1,020,600	$2,091,600
Estimated Taxable Sales outside Project Area	30%	$88,830	$437,400	$896,400
Annual Taxable Sales from New Employees				
Taxable Sales From New Employment				
New Employees		140	575	1,135
Average Daily Taxable Sales per New Employee [3]	$11			
Work Days per Year	240			
Taxable Sales from New Employees [4]	50%			
Total County Taxable Sales from New Employees		**$184,800**	**$759,000**	**$1,498,200**
Estimated Countywide Capture from New Employees [2]	**90%**	**$166,320**	**$683,100**	**$1,348,380**
Estimated Taxable Sales inside Project Area	70%	$116,424	$478,170	$943,866
Estimated Taxable Sales outside Project Area	30%	$49,896	$204,930	$404,514
Total Annual County Taxable Sales from Market Support		**$462,420**	**$2,141,100**	**$4,336,380**
Taxable County Sales inside Project Area		$323,694	$1,498,770	$3,035,466
Taxable County Sales outside Project Area		$138,726	$642,330	$1,300,914

sales a

Source: U.S. Bureau of Labor Statistics; International Council of Shopping Centers; 2016 Consumer Expenditure Survey; EPS.

[1] See Table D-3 for the calculation of taxable retail expenditures per household.
[2] Estimated Countywide retail capture rate is based on EPS's qualitative appraisal of retail establishments within the County.
[3] Average daily taxable sales per employee estimate is spending estimates provided in the International Council of Shopping Centers 2012 report Office Worker Spending in the Digital Age for employees in suburban area with limited retail access.
[4] Taxable sales from employees discounted by 50 percent to account for employees who are also residents.

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Table B-5B
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Taxable Sales from Onsite Nonresidential Development (2017$)

Annual Taxable Sales from Market Support	Annual Taxable Sales/Sq. Ft. [1]	Through 2020 Occupied Sq. Ft.	Through 2020 Total Annual Taxable Sales	2021-2030 Occupied Sq. Ft.	2021-2030 Total Annual Taxable Sales	2031-2040 Occupied Sq. Ft.	2031-2040 Total Annual Taxable Sales
Annual Taxable Sales from Onsite Commercial Development							
Nonresidential Land Uses							
Retail	$260	39,077	$10,160,098	185,112	$48,129,185	358,926	$93,320,799
Office	$0	6,806	$0	31,747	$0	60,566	$0
Industrial	$0	12,718	$0	55,988	$0	100,641	$0
Total		**58,601**	**$10,160,098**	**272,847**	**$48,129,185**	**520,132**	**$93,320,799**
Less Total Annual Taxable Sales from Market Support (within the Project) [2]			$323,694		$1,498,770		$3,035,466
Annual Sales Less Market Support			**$9,836,404**		**$46,630,415**		**$90,285,333**
	Shift from Existing Retail [3]						
Less Shift of Sales from Existing Retail	*0%*		$0		$0		$0
Subtotal Nonresidential Taxable Sales			**$9,836,404**		**$46,630,415**		**$90,285,333**

sales b

Source: 2016 BizMiner; 2008 ULI Dollars and Cents of Shopping Centers; U.S. Department of Labor Bureau of Labor Statistics; State of California Board of Equalization; EPS.

[1] Reflects estimated annual taxable sales per square foot for community-serving retail centers, based on the type of retail tenants likely to locate in future retail centers in the project. The assumption is based on 2016 total retail sales per square foot data purchased from BizMiner and escalated to 2017 dollars using the CPI for the West urban region, All Urban Consumers. Total retail sales were determined for community-serving centers and converted to taxable sales based on assumptions detailed in ULI's 2008 Dollars & Cents of Shopping Centers and provided by the State Board of Equalization (Publication 61: Sales and Use Taxes: Exemptions and Exclusions, March 2018). Although taxable sales may be generated through business-to-business transactions associated with future office and industrial development, this analysis conservatively assumes none will be generated by these uses.
[2] Estimated in Table B-5A.
[3] Based on findings regarding the extent of retail sales leakage described in the EPS 2015 Market Study for the project, it is assumed that future retail land uses will be complementary and not competitive with existing retail uses in the County. As such, this analysis does not assume any shift of retail sales from existing retail outlets.

Appendix C:

Expenditure-Estimating Tables

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Table C-1
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Expenditure-Estimating Procedures (2017$)

Function/Category	Estimating Procedure/ Case Study Table Reference	BOS Approved FY 2017-18 Expenditures	Offsetting Revenues	FY 2017-18 Net County Expenditures [1]	Population or Persons Served [2]	FY 2017-18 Avg. Cost
County General Fund Expenditures						
General Government						
Legislative and Administrative [3]	County Persons Served	$14,764,000	($3,000,000)	$11,765,000	-	-
Finance [4]	County Persons Served	$11,048,000	($3,707,000)	$7,341,000	-	-
Counsel	County Persons Served	$3,270,000	($474,000)	$2,796,000	-	-
Human Resources	County Persons Served	$1,804,000	$0	$1,804,000	-	-
Housing, Community, and Economic Development	County Persons Served	$0	$0	$0	-	-
Other General [5]	County Persons Served	$13,810,000	($1,858,000)	$11,951,000	-	-
Health & Human Services Agency	County Persons Served	$5,346,000	($3,977,000)	$1,369,000	-	-
General Gov. Total		**$50,042,000**	**($13,016,000)**	**$37,026,000**	**214,062**	**$172.97**
Public Protection (Serving Countywide Res/Emp)						
Judicial [6]	County Persons Served	$20,976,000	($9,355,000)	$11,621,000	-	-
Police Protection/Detention [7]	County Persons Served	$40,304,000	($9,419,000)	$30,885,000	-	-
Detention and Correction	County Persons Served	$18,489,000	($6,208,000)	$12,281,000	-	-
Other Protection	County Persons Served	$3,064,000	($2,048,000)	$1,016,000	-	-
Public Protection Total		**$82,833,000**	**($27,030,000)**	**$55,803,000**	**214,062**	**$260.69**
Public Protection (Serving Countywide Residents)						
Protection Inspection [8]	County Per Capita	$19,782,000	($14,694,000)	$5,088,000	-	-
Public Protection Total		**$19,782,000**	**($14,694,000)**	**$5,088,000**	**185,062**	**$27.49**
Public Protection (Sheriff Patrol - Unincorp. Only)						
Police Protection/Detention [9]	Unincorp. Persons Served	$27,483,000	($6,423,000)	$21,060,000	-	-
Public Protection Total		**$27,483,000**	**($6,423,000)**	**$21,060,000**	**171,345**	**$122.91**
Health and Sanitation						
Environmental Management	County Persons Served	$2,649,000	($2,649,000)	$0	-	-
Health and Sanitization Total		**$2,649,000**	**($2,649,000)**	**$0**	**214,062**	**$0.00**
Public Assistance						
Veterans Services	County Per Capita	$509,000	($85,000)	$424,000	-	-
Human Services	County Per Capita	$60,724,000	($56,692,000)	$4,031,000	-	-
Public Assistance Total		**$61,233,000**	**($56,777,000)**	**$4,455,000**	**185,062**	**$24.07**
Education						
Library	County Per Capita	$3,667,000	($2,097,000)	$1,569,000	-	-
Education Total		**$3,667,000**	**($2,097,000)**	**$1,569,000**	**185,062**	**$8.48**
Fund Balance	[10]	**$1,192,000**	-	**$1,192,000**	-	-
Subtotal County General Fund Expenditures		**$248,881,000**	**($122,686,000)**	**$126,193,000**	-	**-**

Table C-1
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Expenditure-Estimating Procedures (2017$)

Function/Category	Estimating Procedure/ Case Study Table Reference	BOS Approved FY 2017-18 Expenditures	Offsetting Revenues	FY 2017-18 Net County Expenditures [1]	Population or Persons Served [2]	FY 2017-18 Avg. Cost
Non-Departmental (Dept. 15)						
General Fund Contingency	County Per Capita	$5,375,000	$0	$5,375,000	185,062	$29.04
Human Services - Area Agency on Aging Programs	County Per Capita	$1,724,000	$0	$1,724,000	185,062	$9.32
El Dorado Water & Power Authority (EDWPA)	County Persons Served	$300,000	$0	$300,000	214,062	$1.40
Road Fund (General Fund Contribution)	County Persons Served	$7,000	$0	$7,000	214,062	$0.03
Other Non-Departmental	[10]	$24,641,000	$0	$24,641,000	-	-
Changes in Reserves	[10]	$0	$0	$0	-	-
Total Non-Departmental		**$32,047,000**	**$0**	**$32,047,000**	-	-
Total County General Fund Expenditures		**$280,928,000**	**($122,686,000)**	**$158,240,000**	-	-
County Road Fund Expenditures [11]	County Persons Served	**$79,309,000**	**($62,260,000)**	**$17,049,000**	**214,050**	**$79.65**

exp pro

Source: El Dorado County FY 2017-18 BOS Adopted Budget; El Dorado County CAO; EPS.

[1] Includes the General Fund portion allocated to General Fund Departments. Based on Net County Costs in the FY 2017-18 BOS Adopted Budget.
[2] Derived in Table A-1.
[3] Includes Board of Supervisors and Administration expenditures.
[4] Includes Auditor-Controller, Treasurer-Tax Collector, and Assessor expenditures.
[5] Includes Information Technologies, Surveyor, and County Engineer expenditures.
[6] Includes Grand Jury, Superior Court, District Attorney, Public Defender, and Child Support Services expenditures.
[7] Includes Sheriff expenditures that serve the entire countywide population.
[8] Includes Agricultural Commissioner, Development Services, and Animal Services expenditures.
[9] Includes Sheriff expenditures that serve the unincorporated population only. Based on total Patrol Service expenditures (includes staffing and administrative costs for Patrol, Detective Units, and Specialty Units) as provided in the El Dorado County 2017-18 BOS Adopted Budget.
[10] This expenditure category is not expected to be affected by the Project and therefore is not evaluated in this analysis.
[11] Does not include 100% of offsetting revenues per County CAO. Excludes offsetting revenues related to: Licenses and Permits; Gas Tax; and the Road District Tax.

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Table C-2
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Expenditures (2017$)

Expenditures	Annual Expenditures Through 2020	Annual Expenditures 2021-2030	Annual Expenditures 2031-2040
County General Fund Expenditures [1]			
General Government	$20,756	$99,458	$196,321
Public Protection (Serving Countywide Res/Emp) [2]	$31,283	$149,897	$295,883
Public Protection (Serving Countywide Residents) [3]	$1,375	$6,845	$14,020
Public Protection (Sheriff Patrol - Unincorp. Only) [4]	$14,749	$70,673	$139,503
Health and Sanitation	$0	$0	$0
Public Assistance	$1,204	$5,993	$12,276
Education	$424	$2,112	$4,325
Subtotal County General Fund Expenditures	**$69,790**	**$334,978**	**$662,327**
Non-Departmental Expenditures			
General Fund Contingency	$1,452	$7,232	$14,813
Human Services - Area Agency on Aging Problems	$466	$2,320	$4,751
El Dorado Water & Power Authority (EDWPA)	$168	$806	$1,591
Road Fund (General Fund Contribution)	$4	$19	$37
Subtotal Non-Departmental Expenditures	**$2,090**	**$10,376**	**$21,191**
Total County General Fund Expenditures	**$71,881**	**$345,354**	**$683,519**
County Road Fund Expenditures	**$9,558**	**$45,799**	**$90,403**

exp

Source: EPS.

[1] Refer to Table C-1 for details regarding expenditure categories.
[2] Includes Judicial, Sherriff expenditures (services provided to residents and employees countywide), Detention and Correction and Other Protection expenditures.
[3] Includes Agricultural Commissioner, Development Services, and Animal Services expenditures serving County residents.
[4] Includes Sheriff expenditures that serve the unincorporated population only. Based on total Patrol Service expenditures (includes staffing and administrative costs for Patrol, Detective Units, and Specialty Units) as provided in the El Dorado County 2017-18 BOS Adopted Budget.

APPENDIX D:

Supporting Tables for Revenue Estimates

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Table D-1
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Preliminary Property Tax Allocations

Fund/Agency	Pre-ERAF Distribution [1] TRA 078-100	% of Shift to ERAF [2]	Post ERAF Distribution Factors
Taxing Entities for Analysis			
County General Fund	28.2364%	27.7463%	20.4018%
Road District Tax	2.8335%	7.3384%	2.6256%
Subtotal	**31.0699%**		**23.0274%**
Other Taxing Entities			
Accum Capital Outlay	0.5856%	25.9008%	0.4339%
County Water Agency	0.9246%	9.9489%	0.8326%
CSA #7	1.9021%	26.1943%	1.4039%
EID	6.3033%	0.0000%	6.3033%
Diamond Springs Fire	21.7679%	9.8420%	19.6255%
Mother Lode Elementary	17.9733%	0.0000%	17.9733%
El Dorado High	13.1296%	0.0000%	13.1296%
Los Rios Community	4.6916%	0.0000%	4.6916%
County School Services	1.6521%	0.0000%	1.6521%
Subtotal Other Taxing Agencies	**68.9301%**		**66.0458%**
Subtotal Property Tax Pre-ERAF	**100.0000%**		**89.0732%**
Educational Revenue Relief Fund (ERAF)	0.0000%		10.9268%
Total Gross Property Tax	**100.0000%**		**100.0000%**

TRA

Source: El Dorado County Auditor-Controller; EPS.

[1] Represents the percentage allocation of the 1% ad valorem property tax rate for the Tax Rate Area (TRA) in the Project.
[2] Estimated by EPS based on data provided by the County Auditor-Controller.

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Table D-2
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Assessed Valuation (2017$)

Land Use	Assessed Value per Unit/Sq. Ft. [1]	Through 2020 Units/Building Square Feet [2]	Through 2020 Total Assessed Value [3]	2021-2030 Units/Building Square Feet [2]	2021-2030 Total Assessed Value [3]	2031-2040 Units/Building Square Feet [2]	2031-2040 Total Assessed Value [3]
Residential Land Uses	*per Unit*					*Units*	
Owner Occupied Residential	$475,000	1	$475,000	4	$1,900,000	8	$3,800,000
Renter Occupied Residential	$290,000	20	$5,716,428	100	$28,916,428	206	$59,740,000
Total All Residential		**21**	**$6,191,428**	**104**	**$30,816,428**	**214**	**$63,540,000**
Nonresidential Land Uses	*per Sq. Ft.*					*Bld. Sq. Ft.*	
Retail	$250	41,134	$10,283,500	194,855	$48,713,750	377,817	$94,454,250
Office	$200	7,164	$1,432,869	33,418	$6,683,669	63,753	$12,750,669
Industrial	$100	13,387	$1,338,700	58,934	$5,893,449	105,937	$10,593,749
Total Nonresidential Land Uses		**61,685**	**$13,055,069**	**287,208**	**$61,290,867**	**547,508**	**$117,798,667**
Total Project Assessed Value			**$19,246,497**		**$92,107,296**		**$181,338,667**

av

Source: El Dorado County; EPS.

[1] Refer to Table A-6 for details.
[2] Refer to Table A-2 for details.
[3] Note that assessed values (AV)s are expressed in 2017$ and include no real AV growth.

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Table D-3
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Average Income and Retail Expenditures for Residential Units (2017$)

Residential Land Use	Estimated Assessed Value per Unit [1]	Estimated Annual Housing Costs [2]	Estimated Household Income [3]	Taxable Expenditures as a Percent of Income [4]	Annual Taxable Expenditures per Household (Rounded)
Owner Occupied Residential	$475,000	$33,979	$97,000	25%	$25,000
Renter Occupied Residential	$290,000	$16,200	$46,000	34%	$16,000

income

Source: U.S. Bureau of Labor Statistics; 2016 Consumer Expenditure Survey; U.S. Census; Gregory Group; EPS.

[1] See Table A-6 for detail on estimated values for owner-occupied units.
[2] Owner Occupied annual costs per unit based on a 5%, 30-year fixed-rate mortgage with a 20% down payment and 2% annual taxes and insurance. Renter Occupied annual costs per unit are based on estimated monthly rent of $1,200 and an additional $150 per month for common area maintenance expenditures.
[3] Assumes 35% of income dedicated to housing costs (mortgage, taxes, insurance or rent). Rounded to the nearest $1,000.
[4] Based on household expenditures data from the Bureau of Labor Statistics, 2016 Consumer Expenditure Survey.

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Table D-4
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Total and Taxable Retail Sales per Square Foot (2017$)

Item	Original Data (2016$)	Escalated Data (2017$) [1]	BizMiner Retail Sales by Shopping Center Type: Neighborhood % [2]	Neighborhood No.	Community % [2]	Community No.	Regional % [2]	Regional No.
Total Retail Sales per Square Foot								
Motor Vehicle and Parts Dealers [3]	$250	$257	1%	$3	1%	$3	1%	$3
Home Furnishings and Appliance Stores	$525	$540	0%	$0	5%	$27	1%	$5
Bldg. Matrl. and Garden Equip. and Supplies	$356	$366	0%	$0	7%	$26	1%	$4
Food and Beverage Stores	$730	$750	64%	$480	45%	$338	5%	$38
Gasoline Stations [4]	$1,321	$1,532	2%	$31	2%	$31	1%	$15
Clothing and Clothing Accessories Stores	$370	$381	1%	$4	5%	$19	7%	$27
General Merchandise Stores	$360	$370	0%	$0	10%	$37	13%	$48
Food Services and Drinking Places	$492	$506	10%	$52	10%	$51	46%	$233
Other Retail	$209	$215	12%	$26	5%	$11	15%	$32
Nonretail [5]	NA	NA	10%	NA	10%	NA	10%	NA
Total			**100%**	**$600**	**100%**	**$540**	**100%**	**$400**
Taxable Retail Sales per Square Foot by Retail Center Type								
Percent Taxable by Shopping Center Type [6]				44%		54%		98%
Taxable Sales per Square Foot (Rounded)				**$260**		**$290**		**$390**

retail sales

Source: BizMiner 2016; ULI Dollars & Cents 2008; State of California Board of Equalization (BOE) Publication 61; Bureau of Labor Statistics, "CPI-All Urban Consumers (Current Series) - West Urban"; RetailSails http://retailsails.files.wordpress.com/2011/09/rs_spsf.pdf; EPS.

[1] Sales adjusted to 2017 based on the Consumer Price Index, All items in West urban, all urban consumers, not seasonally adjusted:

Year	CPI	Adjustment to 2017$
2008	219.65	16.0%
2011	227.49	12.0%
2016	247.71	2.8%
2017	254.74	-

[2] Reflects percentage of total square footage by retail category by retail center type, estimated based on ULI's Dollars & Cents 2008.
[3] Reflects motor vehicle parts only; excludes taxable sales per square foot for dealerships.
[4] Estimated using ULI's Dollars & Cents, 2008, escalated to 2017$.
[5] Included to account for non-taxable retail space occupants, such as services.
[6] Based on BOE Publication 61, March 2018.

APPENDIX E:

Property and Sales Tax Revenue Estimates from Retail/Commercial Uses Only

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Table E-1
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Property Tax Revenue from Retail/Commercial Uses (2017$)

Item	Assumptions/ Source	Formula	Annual Fiscal Impact		
			Through 2020	2021-2030	2031-2040
Property Tax Revenue (1% of Assessed Value)					
Assessed Value of Commercial Uses (2017$)	Table D-2	*a*	$13,055,069	$61,290,867	$117,798,667
Property Tax Revenue (1% of Assessed Value)	1.0000%	*b = a * 1.00%*	$130,551	$612,909	$1,177,987
Estimated Property Tax Allocation [1]					
County General Fund	**20.4018%**	***c = b * 20.40%***	**$26,635**	**$125,045**	**$240,331**
County Road District Tax	**2.6256%**	***d = b * 2.63%***	**$3,428**	**$16,092**	**$30,929**
Other Agencies/ERAF	76.9726%	*e = b * 76.97%*	$100,488	$471,772	$906,727

prop tax retail

Source: El Dorado County Auditor-Controller; El Dorado County; EPS.

[1] For assumptions and calculation of the estimated property tax allocation, refer to Table D-1.

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Table E-2
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Taxable Sales and Use Tax Revenue from Retail/Commercial Uses (2017$)

Item	Formula	Source/ Assumptions	Estimated Annual Revenues Through 2020	2021-2030	2031-2040
Estimated Annual Taxable Sales					
Annual County Taxable Sales from Onsite Commercial Uses	*a*	**Table E-3**	$10,160,098	$48,129,185	$93,320,799
Total Bradley Burns Sales Tax Revenue	***b = a * 1.00%***	**1.0000%**	**$101,601**	**$481,292**	**$933,208**

sales retail

Source: El Dorado County, California State Board of Equalization, and EPS.

Prepared by EPS 8/16/2019

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Table E-3
Missouri Flat Master Circulation and Financing Plan Phase II
Fiscal Impact Analysis
Estimated Annual Taxable Sales from Retail/Commercial Uses (2017$)

Annual Taxable Sales from Market Support	Annual Taxable Sales/Sq. Ft. [1]	Through 2020		2021-2030		2031-2040	
		Occupied Sq. Ft.	Total Annual Taxable Sales	Occupied Sq. Ft.	Total Annual Taxable Sales	Occupied Sq. Ft.	Total Annual Taxable Sales
Annual Taxable Sales from Onsite Commercial Development							
Nonresidential Land Uses							
Retail	$260	39,077	$10,160,098	185,112	$48,129,185	358,926	$93,320,799
Office	$0	6,806	$0	31,747	$0	60,566	$0
Industrial	$0	12,718	$0	55,988	$0	100,641	$0
Total		**58,601**	**$10,160,098**	**272,847**	**$48,129,185**	**520,132**	**$93,320,799**

sales b retail

Source: 2016 BizMiner; 2008 ULI Dollars and Cents of Shopping Centers; U.S. Department of Labor Bureau of Labor Statistics; State of California Board of Equalization; EPS.

[1] Reflects estimated annual taxable sales per square foot for community-serving retail centers, based on the type of retail tenants likely to locate in future retail centers in the project The assumption is based on 2016 total retail sales per square foot data purchased from BizMiner and escalated to 2017 dollars using the CPI for the West urban region, All Urban Consumers. Total retail sales were determined for community-serving centers and converted to taxable sales based on assumptions detailed in ULI's 2008 Dollars & Cents of Shopping Centers and provided by the State Board of Equalization (Publication 61: Sales and Use Taxes: Exemptions and Exclusions, March 2018). Although taxable sales may be generated through business-to-business transactions associated with future office and industrial development, this analysis conservatively assumes none will be generated by these uses.