Final Report

City of Sacramento

Fiscal Impact Analysis of 2035 General Plan Land Uses at Buildout

Prepared for:
City of Sacramento
Office of the City Auditor - Research and Analysis Division

Prepared by:
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In association with:
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The Economics of Land Use

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1. EXECUTIVE SUMMARY

Introduction

Economic & Planning Systems, Inc. (EPS) and Cascadia Partners (CP) (collectively, the EPS Team) were retained by the City of Sacramento (City) Auditor's Office to develop a mapping and modeling tool to evaluate the annual net fiscal impacts to the City's General Fund at buildout of the City's 2035 General Plan. The tool, referred to as the **Envision Tomorrow/Fiscal Impact Analysis Model** (Model), consists of an Excel-based model linked to an open-source Geographic Information Systems (GIS) mapping desktop application called Envision Tomorrow (ET). ET also features a web-based application that does not include the fiscal impact portion of the Model. The Model was developed as an interactive and modifiable tool to be used by City staff to evaluate the fiscal impacts of buildout of the 2035 General Plan (referred to as the **Base Land Use Scenario** or **Project**). In addition, the Model can be used to evaluate alternative General Plan land use scenarios and large planning growth areas containing multiple land uses, as modified by City staff.

The Model will be used as a tool to inform the City Council and City management and staff regarding future land use decisions and prioritization of investment and reinvestment to perpetuate the economic sustainability of the City. The EPS Team envisions the Model can be used by City staff with other long-term and near-term economic development efforts:

- Economic development strategies and projects.
- Mayor Steinberg's Sacramento Capital Equity Fund Investment Strategy (e.g., garnering support for and prioritizing investment selection).
- Investment in City-designated Opportunity Areas (OAs).
- Evaluation of major multiple economic development proposals with regards to their fiscal sustainability.

The EPS Team collaborated closely with City staff to review and inform assumptions contained in this Model, including the Auditor's Office, Mayor's Office, Councilmember Steve Hansen's Office, Finance, Community Development, Police, Fire, Economic Development, and Information Technology departments. The Model was developed to reflect current market and financial conditions and is based on the 2035 General Plan buildout land uses (estimated net new development between 2016 and 2035), Fiscal Year (FY) 2018–19 Adopted General Fund and Measure U budgets, 2018 citywide population figures for fiscal multipliers, and existing 2018 market conditions. All Model results are reported in 2018 dollars.

Because the Model is based on existing fiscal, market, and 2035 General Plan buildout conditions, actual net fiscal impacts and development totals may differ from what is documented in this report. Actual available resources are only created on an incremental basis as development occurs and operational costs are realized. Therefore, the projected benefits of the buildout of the City's 2035 General Plan should not be used for the City's budget development until revenues and expenditures are confirmed and realized. This is consistent with Council

adopted policy. Doing so will provide the City Council with protection from changing circumstances and the ability to respond to opportunities and challenges as they arise. While this fiscal analysis may have limitations on its applicability to current City budget development, the model may be useful for evaluating specific economic development projects relative to their costs and potential revenues. The Model may require modifications in the future to reflect changing fiscal, market, and development conditions.

What is a Fiscal Impact Analysis?

A fiscal impact analysis is a widely used tool to help public agencies and private-sector project proponents consider the potential municipal net revenue benefits from proposed land use development. Fiscal impact analysis models estimate tax and other operating public revenues generated by new development, as well as the cost of public services required to serve the new development, focusing on revenues and costs in a jurisdiction's General Fund. These studies commonly help fine-tune land use programs and identify appropriate mitigations for negative fiscal impacts.

The Model developed for the City and described in this report estimates the overall fiscal impacts to the City's General Fund, based on incremental new development through buildout of the 2035 General Plan. The objective of the analysis is to determine the extent to which the General Plan will generate adequate revenues to meet the costs of providing new development with City services (e.g., police protection, fire protection). Further, the objective is to understand how planned development in different areas of the City may result in varying levels of net fiscal impacts.

It is important to note that the net fiscal impacts of individual General Plan land uses should not drive land use decisions in the City. Rather, examining the net fiscal impacts of projected land use development is one of many metrics that should be evaluated when contemplating discretionary decisions on specific development projects or long-range planning scenarios, such as the City's General Plan. Other important metrics that should be evaluated may include: an evaluation of requisite infrastructure to serve new development and the cost of ongoing operations and maintenance for said infrastructure; jobs-housing balance; housing affordability; vehicle miles traveled; greenhouse gas emissions; impacts to habitat and farmland; impacts to public health and walkability; and other factors identified by the City. Furthermore, the net fiscal impacts of individual General Plan land uses should not be evaluated in isolation. Cities require a wide range of land uses to achieve economic sustainability; prioritizing only those land use where net fiscal revenues exceed expenditures may preclude development of other land uses that are estimated to generate net fiscal deficits but serve important roles in meeting the needs of the City's diverse residents and businesses.

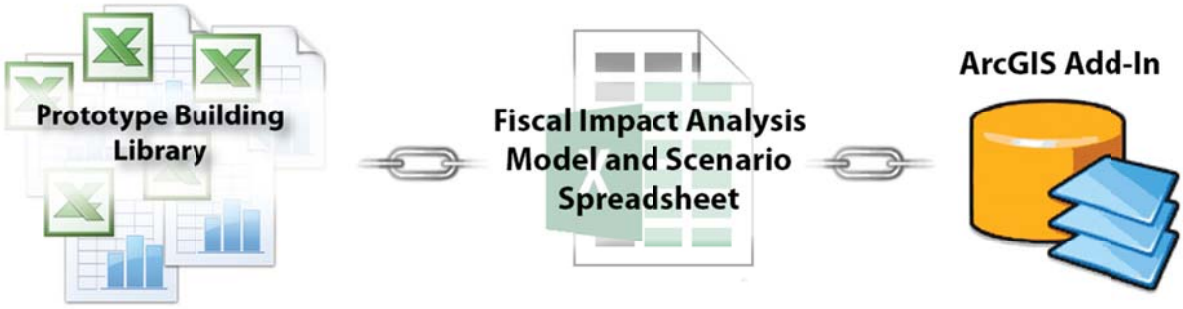
What is Envision Tomorrow?

ET is an open-source suite of urban and regional planning tools that can be used to model development feasibility on a site-by-site basis, as well as to create and evaluate multiple land use scenarios, test and refine transportation plans, produce small-area concept plans, and model complex regional issues. The software also provides a real-time evaluation of relevant indicators such as land use, energy consumption, and financial impacts that measure a scenario's performance.

ET has been in use and under steady development for more than 15 years. Currently, it is being used by the Sacramento Area Council of Governments (SACOG) to develop their 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). In addition to robust use and development by SACOG, a growing national community of users has established ET as a national platform for scenario planning and an open-source platform that will continue to innovate and evolve. By incorporating a proven open-source tool into a locally calibrated fiscal impact model, the City of Sacramento is leveraging significant regional work already in progress. In addition to opportunities for further collaboration with SACOG and other regional stakeholders, interoperability between the Model and the regional MTP/SCS means that there will be further opportunities to use the Model in the future.

The ET suite consists of an add-in for ArcGIS for Desktop and two primary spreadsheet tools: the Prototype Builder, a pro-forma spreadsheet tool; and the Model (see **Figure 1-1**). The Prototype Builder can be used to model buildings and test the physical and financial feasibility of development. The Model includes a compilation of "place types," which represent the City's General Plan land use and urban form designations. It also adds scenario-building functionality for creating unique land use scenarios and allows real-time evaluation of each scenario through a set of user-defined benchmarks or indicators.

Figure 1-1
Envision Tomorrow Technical Framework

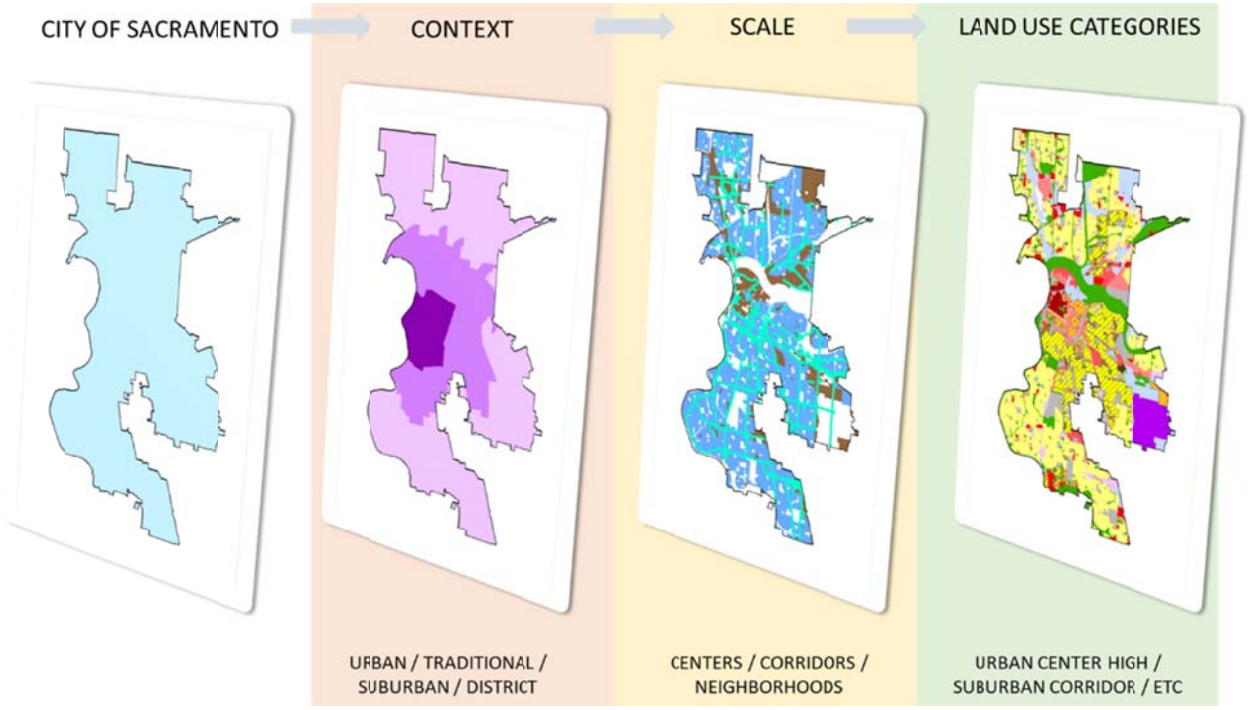


Base Land Use Scenario: 2035 General Plan Buildout

To develop the set of land uses that formulate incremental new growth representing buildout of the 2035 General Plan, the EPS Team relied on information contained in the Land Use and Urban Design Element of the City's 2035 General Plan, growth projections in OAs by Community Plan Area (CPA), and review and input from the City's Community Development Department. The Model organizes fiscal impact analysis results by geography, defined as **Suburban**, **Traditional**, **Urban**, and **Districts**. These geographies are further differentiated in the General Plan by the following subgeographies: **Neighborhoods**, **Centers**, and **Corridors**. Finally, the General Plan identifies the types of residential and nonresidential land uses and urban forms allowable in each geography and subgeography and defines urban form characteristics and a range of minimum to maximum density standards (units per acre for residential uses and floor area ratios [FAR] for nonresidential uses) for each land use/urban form (land use categories). See **Figure 1-2** for a visual representation of the varying levels of scale related to the General Plan geographies, subgeographies, and General Plan Land Uses and Urban Forms. A detailed description of the

methodology and assumptions used to derive the Base Land Use Scenario is presented in **Chapter 2**.

Figure 1-2
2035 General Plan Scales of Development



Incremental new development representing buildout of the 2035 General Plan (the Base Land Use Scenario) is summarized in **Table 1-1**. As shown, the Base Land Use Scenario is based on the assumed development of more than 71,000 additional housing units, most of which are anticipated to comprise multifamily residential development. The City anticipates adding nearly 74.0 million square feet of nonresidential development. This level of development will result in about 170,000 new residents and almost 172,000 new jobs citywide. **Figure 1-3** and **Figure 1-4** depict the estimated new development and populations, respectively, by geography.

Please note that this Model does not evaluate the reasonableness or probability of the development totals provided in the 2035 General Plan buildout. The City's General Plan is updated every 5 years and growth projections may be refined over time.

Table 1-1
City of Sacramento
General Plan Fiscal Impact Analysis
City General Fund Buildout Land Use Composition (Incremental New Growth, 2016 - 2035)

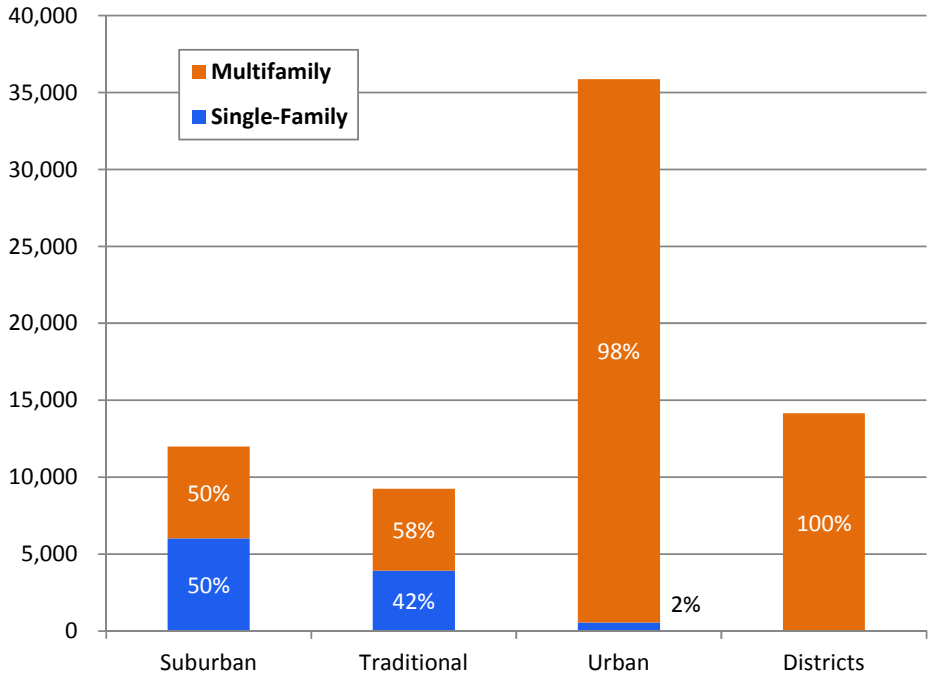
2035 General Plan Buildout Land Use Composition (Includes Measure U Revenues and Expenditures)

Item	Land Use Composition at Buildout (Rounded)					
	Suburban	Traditional	Urban	Districts	Total	% of Total
ACREAGE						
Developable Acreage	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	
Residential	1,010	407	226	122	1,765	38%
Nonresidential	410	13	699	1,762	2,885	62%
Total Developable Acreage	**1,421**	**420**	**925**	**1,884**	**4,651**	**100%**
Percentage of Acreage by Geography						
Residential	57%	23%	13%	7%	100%	-
Nonresidential	14%	0%	24%	61%	100%	-
Total Acreage	**31%**	**9%**	**20%**	**41%**	**100%**	-
RESIDENTIAL UNITS						
Gross Residential Units	*Units*	*Units*	*Units*	*Units*	*Units*	
Single Family Units	6,019	3,914	555	0	10,488	15%
Multifamily Units	5,967	5,337	35,317	14,152	60,773	85%
Total Gross Units	**11,986**	**9,251**	**35,872**	**14,152**	**71,260**	**100%**
Average Annual Absorption (2016-2035)	631	487	1,888	745	3,751	-
Gross Units/Acre	11.9	22.7	158.7	116.3	40.4	-
Percentage of Gross Units by Geography						
Single Family Units	57%	37%	5%	0%	100%	-
Multifamily Units	10%	9%	58%	23%	100%	-
Total Gross Units	**17%**	**13%**	**50%**	**20%**	**100%**	-
NONRESIDENTIAL SQ. FT						
Gross Nonresidential Sq. Ft	*Bldg. Sq. Ft.*	*Bldg. Sq. Ft.*	*Bldg. Sq. Ft.*	*Bldg. Sq. Ft.*	*Bldg. Sq. Ft.*	
Retail	2,197,213	143,888	7,384,038	10,554,195	20,279,335	27%
Office	2,762,345	51,358	27,958,802	4,458,507	35,231,012	48%
R&D/Flex	0	0	0	3,064,019	3,064,019	4%
Industrial	0	0	0	12,489,208	12,489,208	17%
Hotel	185,122	0	1,511,000	1,073,715	2,769,837	4%
Total Gross Nonresidential Sq. Ft	**5,144,679**	**195,246**	**36,853,841**	**31,639,645**	**73,833,411**	**100%**
Average Annual Absorption (2016-2035)	270,773	10,276	1,939,676	1,665,244	3,885,969	-
Gross Nonresidential Floor Area Ratio	0.29	0.34	1.21	0.41	0.59	-
Percentage of Gross Sq. Ft by Geography						
Retail	11%	1%	36%	52%	100%	-
Office	8%	0%	79%	13%	100%	-
R&D/Flex	0%	0%	0%	100%	100%	-
Industrial	0%	0%	0%	100%	100%	-
Hotel	7%	0%	55%	39%	100%	-
Total Gross Sq. Ft	**7%**	**0%**	**50%**	**43%**	**100%**	-
POPULATION						
Total Population						
Residents	29,700	22,745	84,621	33,330	170,396	-
Employees	12,957	424	104,166	54,041	171,589	-
Percentage of Population by Geography						
Residents	17%	13%	50%	20%	100%	-
Employees	8%	0%	61%	31%	100%	-
Percentage Increase Above Existing Population						
Residents	10%	18%	449%	1,163%	37%	-
Employees	33%	2%	85%	79%	69%	-

lu buildout

Source: EPS.

Figure 1-3
2035 General Plan Buildout Gross Development Totals



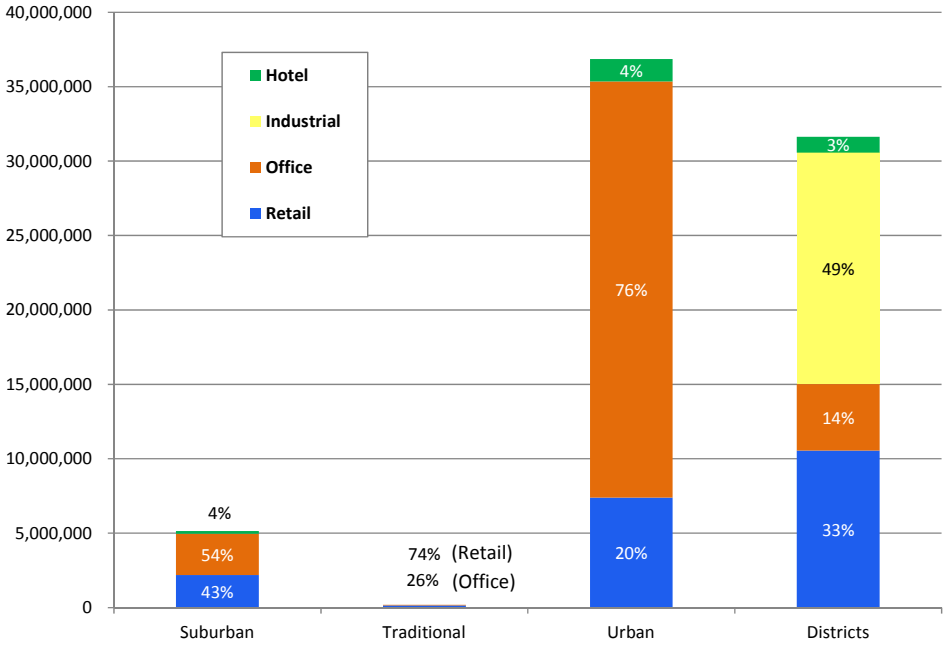


Figure 1-4
2035 General Plan Buildout Resident and Employee Populations

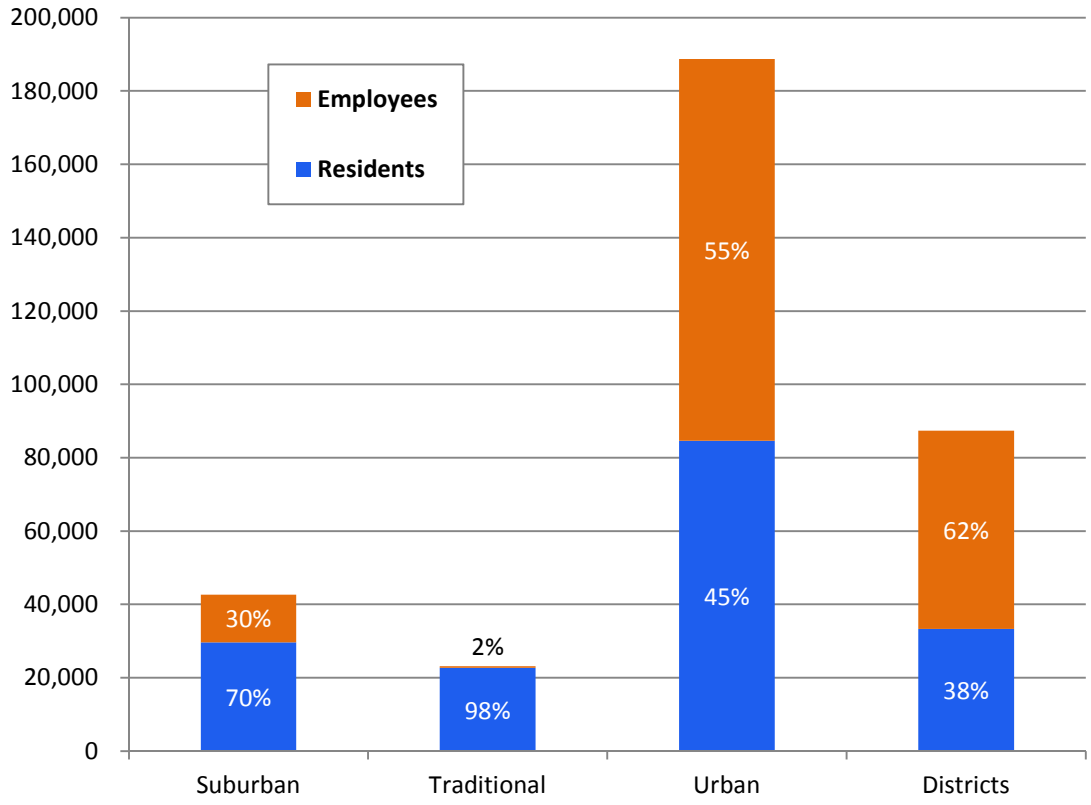


Figure 1-5 and **Figure 1-6** illustrate how residential and employment densities are anticipated to change through buildout of the 2035 General Plan.

Figure 1-5
Existing and 2035 General Plan Buildout Housing Unit Density

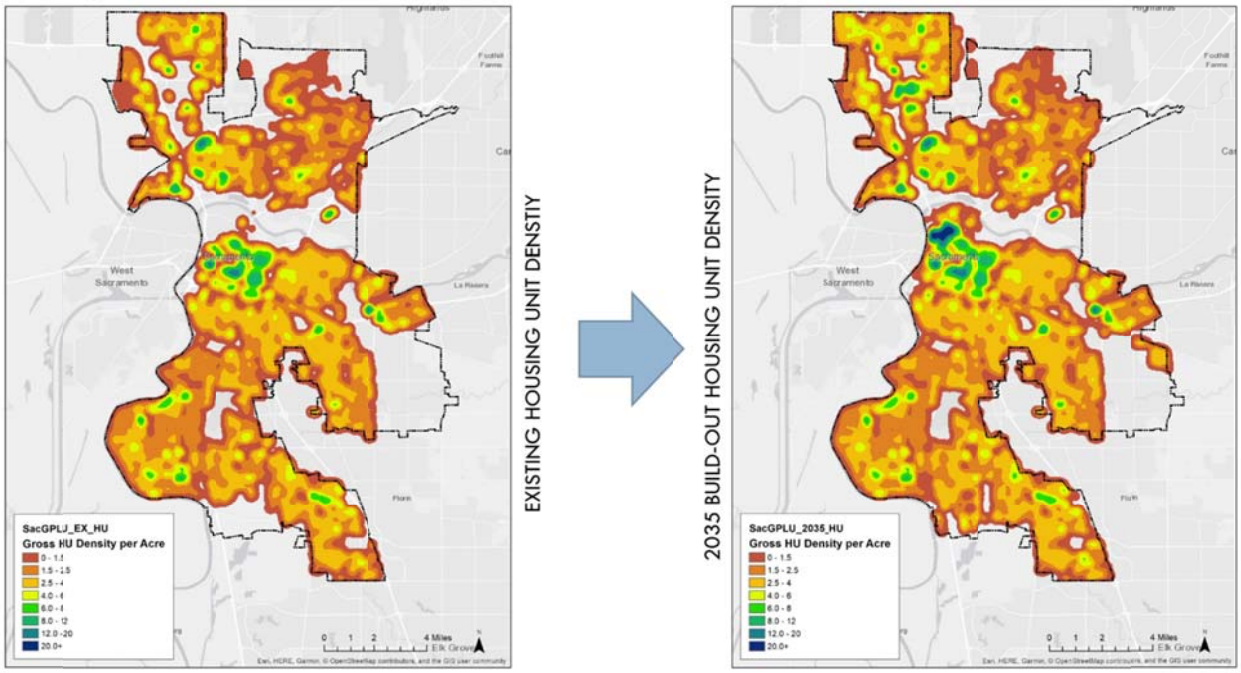
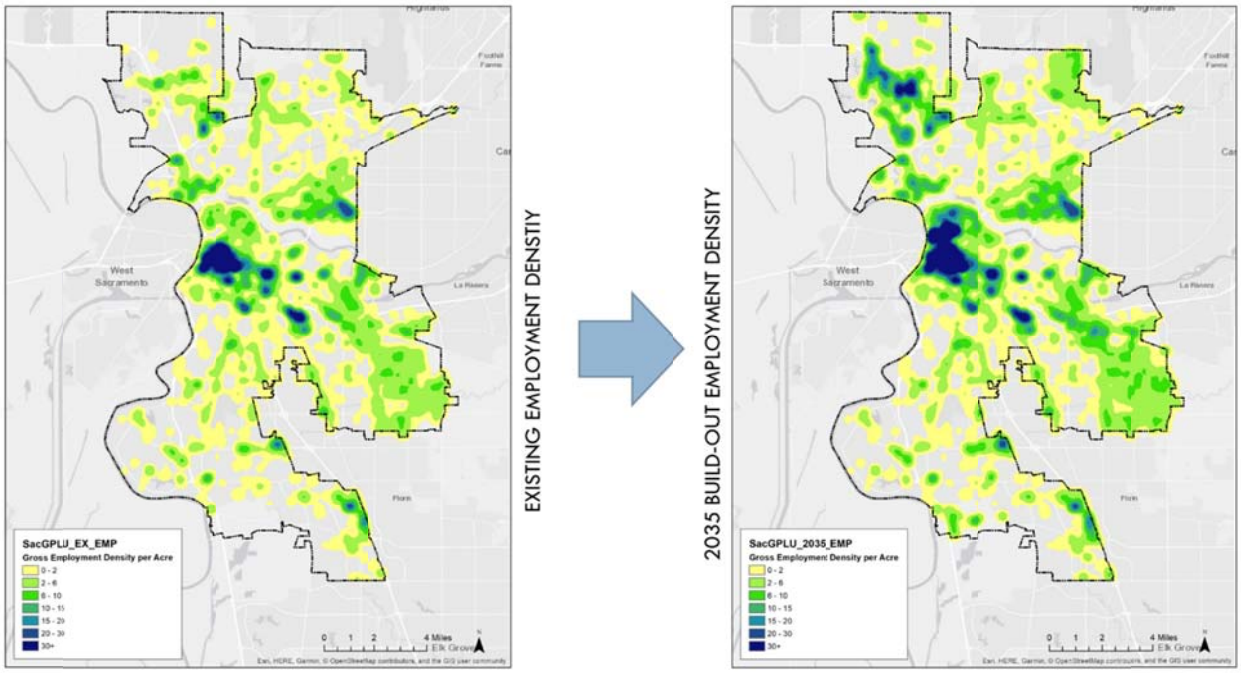


Figure 1-6
Existing and 2035 General Plan Buildout Employment Density



Summary of Fiscal Impact Analysis Results

The EPS Team consulted the City's budget documents to develop forecasting methodologies for specific revenues and expenditures affected by new development under the Base Land Use Scenario. In addition, the EPS Team consulted with City staff, as documented throughout this report, to clarify budget data and review General Plan buildout and other fiscal assumptions on which this analysis is based. A summary of annual, net fiscal impact analysis results is provided in tabular format in **Table 1-2** and spatially depicted in **Figure 1-7**. A detailed summary of Project revenues and expenditures at buildout is provided in **Table 1-3**.

The Project is estimated to generate about $164.0 million in annual General Fund revenues in total. More than half of this General Fund revenue will be generated by new development in the Urban geography ($87.5 million), almost one-quarter will be generated by new development in the Districts geography ($37.5 million), with remaining revenue generated by new development in the Suburban geography ($24.6 million) and Traditional geography ($14.5 million). The largest revenue sources generated are property tax, sales tax, and utility tax revenue.

The Project is estimated to result in about $134.0 million in annual General Fund costs at buildout. Close to 60 percent of these General Fund expenditures will serve new development in the Urban geography ($77.9 million), 23 percent of expenditures will serve new development in the Districts geography ($30.4 million), with remaining expenditures serving new development in the Suburban geography ($14.7 million) and Traditional geography ($10.9 million). The largest General Fund expenditures are Police; Fire; and Youth, Parks, and Community Enrichment expenditures.

Under current development and market assumptions, net fiscal revenues from new development exceed expenditures for the City's General Fund of about $30.0 million annually. Approximately 33 percent of net revenues will be derived from new development in the Suburban geography, development in the Districts geography will generate about 24 percent of net revenues, development in the Traditional geography will generate about 12 percent of net revenues, and development in the Urban geography will generate about 32 percent of net revenues. Note that the net fiscal impacts documented in this report will occur incrementally over time as development occurs.

These results are based on an assumed geography-based adjustment applied to Police and Fire costs, described in greater detail in **Chapter 4**. Omitting the geography-based adjustment yields significantly different results. If average annual Police and Fire costs are applied to each geography equally (no cost adjustment), the total net fiscal revenues at buildout of the 2035 General Plan continue to exceed expenditures (about $30.0 million annually), but development in the Urban geography yields the greatest percentage of these net revenues (55 percent). Development in the Districts geography is estimated to generate about 22 percent of annual net revenues, development in the Suburban geography is estimated to generate about 17 percent of annual net revenues, and development in the Traditional geography is estimated to generate about 6 percent of annual net revenues. A summary of the results of this sensitivity scenario can be found in **Appendix F**.

Table 1-2
City of Sacramento
General Plan Fiscal Impact Analysis
City General Fund Net Fiscal Impact Analysis Summary at Buildout (2018$)

2035 General Plan Buildout Summary (Includes Measure U Revenues and Expenditures [1])

Item	Annual Fiscal Impact Summary at Buildout (Rounded)				
	Suburban	Traditional	Urban	Districts	Total
City General Fund Net Fiscal Impacts					
Annual Revenues	$24,582,000	$14,470,000	$87,497,000	$37,501,000	$164,050,000
Annual Expenditures	$14,736,000	$10,931,000	$77,924,000	$30,428,000	$134,019,000
Annual Net General Fund Surplus/(Deficit)	**$9,846,000**	**$3,539,000**	**$9,573,000**	**$7,073,000**	**$30,031,000**
Percentage of General Fund Impacts by Geography					
Annual Revenues	15%	9%	53%	23%	100%
Annual Expenditures	11%	8%	58%	23%	100%
Total Net General Fund Impacts	**33%**	**12%**	**32%**	**24%**	**100%**
Revenue-to-Expenditure Ratio	**167%**	**132%**	**112%**	**123%**	
City General Fund Net Fiscal Impact Metrics					
per Capita	$332	$156	$113	$212	$176
per Person Served	$272	$154	$70	$117	$117
per Residential Unit	$821	$383	$267	$500	$421
per Developable Acre	$6,931	$8,419	$10,344	$3,754	$6,458

buildout

Source: EPS.

[1] If the User chooses to includes Measure U Revenues, the value is set at the half-cent rate used in the FY 2018-19 Adopted Budget.

Figure 1-7
Spatial Representation of Annual, Net Fiscal Impacts at Buildout (2018$)

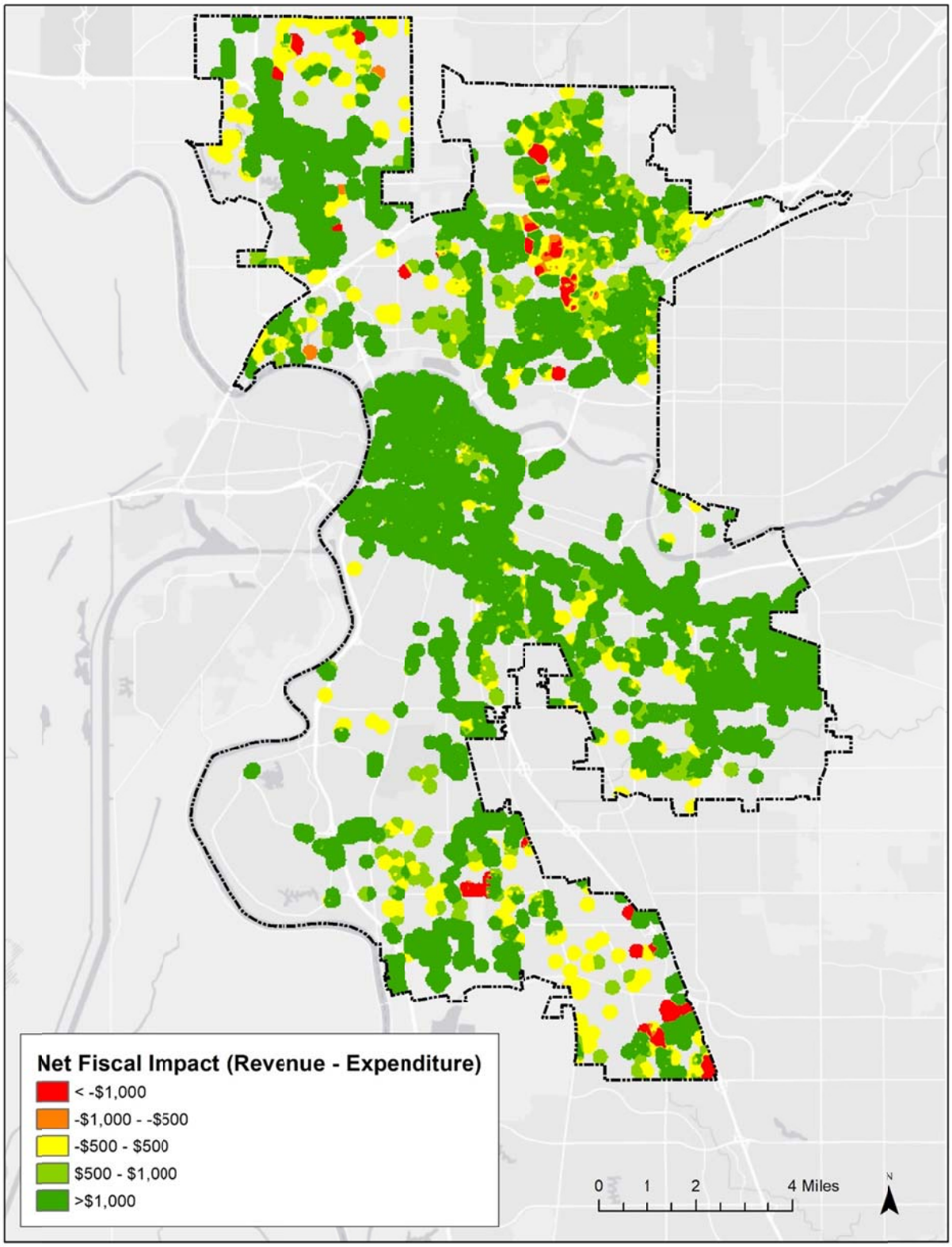


Table 1-3
City of Sacramento
General Plan Fiscal Impact Analysis
City General Fund Detailed Net Fiscal Impact Analysis at Buildout (2018$)

2035 General Plan Buildout Detail (Includes Measure U Revenues and Expenditures [1])

Item	Annual Detailed Fiscal Impacts at Buildout (Rounded)				
	Suburban	Traditional	Urban	Districts	Total
City General Fund					
Annual Revenues [2]					
Property Tax	$10,212,000	$7,401,000	$41,169,000	$18,005,000	$76,787,000
Property Tax in lieu of VLF	$3,761,000	$2,726,000	$15,162,000	$6,631,000	$28,280,000
Real Property Transfer Tax	$937,000	$727,000	$2,485,000	$1,059,000	$5,208,000
Sales Tax	$6,755,000	$2,043,000	$16,640,000	$6,331,000	$31,769,000
Sales Tax - Prop. 172 (Public Safety)	$282,000	$85,000	$695,000	$264,000	$1,326,000
Transient Occupancy Tax (TOT)	$303,000	$169,000	$1,398,000	$653,000	$2,523,000
Utility Taxes	$1,667,000	$1,058,000	$6,301,000	$2,782,000	$11,808,000
Business Operations Tax	$267,000	$9,000	$2,144,000	$1,112,000	$3,532,000
Licenses and Permits	$398,000	$252,000	$1,503,000	$664,000	$2,817,000
Remaining Revenues [3]	$0	$0	$0	$0	$0
Total Annual General Fund Revenues	**$24,582,000**	**$14,470,000**	**$87,497,000**	**$37,501,000**	**$164,050,000**
Annual Expenditures [4]					
General Government	$1,034,000	$656,000	$3,906,000	$1,725,000	$7,321,000
Convention, Culture, and Leisure	$127,000	$97,000	$360,000	$142,000	$726,000
Utilities	$0	$0	$0	$0	$0
Police	$5,935,000	$4,181,000	$34,955,000	$14,095,000	$59,166,000
Fire	$4,344,000	$3,529,000	$28,915,000	$10,534,000	$47,322,000
Youth, Parks, & Community Enrichment	$1,506,000	$1,153,000	$4,290,000	$1,690,000	$8,639,000
Citywide and Community Support	$1,363,000	$1,044,000	$3,883,000	$1,529,000	$7,819,000
Community Development	$427,000	$271,000	$1,615,000	$713,000	$3,026,000
Public Works	$0	$0	$0	$0	$0
Total Annual General Fund Expenditures	**$14,736,000**	**$10,931,000**	**$77,924,000**	**$30,428,000**	**$134,019,000**
Annual General Fund Surplus/(Deficit)	**$9,846,000**	**$3,539,000**	**$9,573,000**	**$7,073,000**	**$30,031,000**

summary

Source: EPS.

Note: All values (except per unit values) are rounded to the nearest $1,000.

[1] If the User chooses to include Measure U Revenues, the value is set at the half-cent rate used in the FY 2018-19 Adopted Budget.
[2] See Table B-1 for details on revenue estimating procedures.
[3] Remaining revenues include: residential development property tax; medical marijuana business operations tax; fines and forfeitures; use of money; intergovernmental revenue; charges for services; miscellaneous revenues; and contributions from other funds.
[4] See Table C-1 for details on expenditure estimating procedures.

Figure 1-8 illustrates the net fiscal impacts (represented by deriving a revenue-to-expenditure ratio) of specific General Plan Land Use and Urban Form designations.[1] As shown, there are specific land use designations (comprising one or more Building Prototypes, as documented in **Appendix E**), that result in estimated revenues that exceed estimated expenditures for the City (e.g., Regional Commercial, Urban Neighborhood Low-Density housing, Traditional Neighborhood Low-Density housing, Industrial). Conversely, there are land uses that result in estimated expenditures that exceed estimated revenues for the City (e.g., Suburban Neighborhood High-Density housing, Traditional Center development). Each individual land uses' revenue-to-expenditure ratio is dependent upon a variety of assumptions related to its potential to generate General Fund revenue (e.g., property tax revenue, sales tax revenue) and its municipal service requirements (e.g., the cost of providing General Fund-funded services such as public safety services). Model users can view this revenue-to-expenditure chart in the Model and view real-time changes as land uses or other Model assumptions are modified. Revenue and expenditure assumptions that can be modified are discussed in greater detail in **Chapter 2** and the User Guide in **Chapter 5**.

While the fiscal analysis currently projects City General Fund revenues to exceed expenditures at buildout of the 2035 General Plan, actual development, revenues, and expenditures may differ from what is documented in this report. Actual available resources are only created on an incremental basis as development occurs and operational costs are realized. Therefore, the projected benefits of the buildout of the City's 2035 General Plan should not be used for the City's budget development until revenues and expenditures are confirmed and realized. This is consistent with Council adopted policy. Doing so will provide the City Council with protection from changing circumstances and the ability to respond to opportunities and challenges as they arise. While this fiscal analysis may have limitations on its applicability to current City budget development, the model may be useful for evaluating specific economic development projects relative to their costs and potential revenues. The Model may require modifications in the future to reflect changing fiscal, market, and development conditions.

User Guide

A step-by-step guide on how to use both the Excel-based portion of the Model, as well as how to install and use the desktop-based version of ET is found in **Chapter 5**.

Organization of Report and Appendices

This report contains 5 chapters. Following this initial introductory chapter and summary of findings, **Chapter 2** and **Appendix A** provide an overview and evaluation of the Project and the methodology and assumptions used to build the analysis. **Chapter 3** and **Appendix B** assess existing General Fund revenues and then estimate revenues associated with the Project. **Chapter 4** and **Appendix C** estimate existing General Fund expenditures and then project expenditures created by the Project. **Chapter 5** provides a user's guide for both the Model and ET mapping application.

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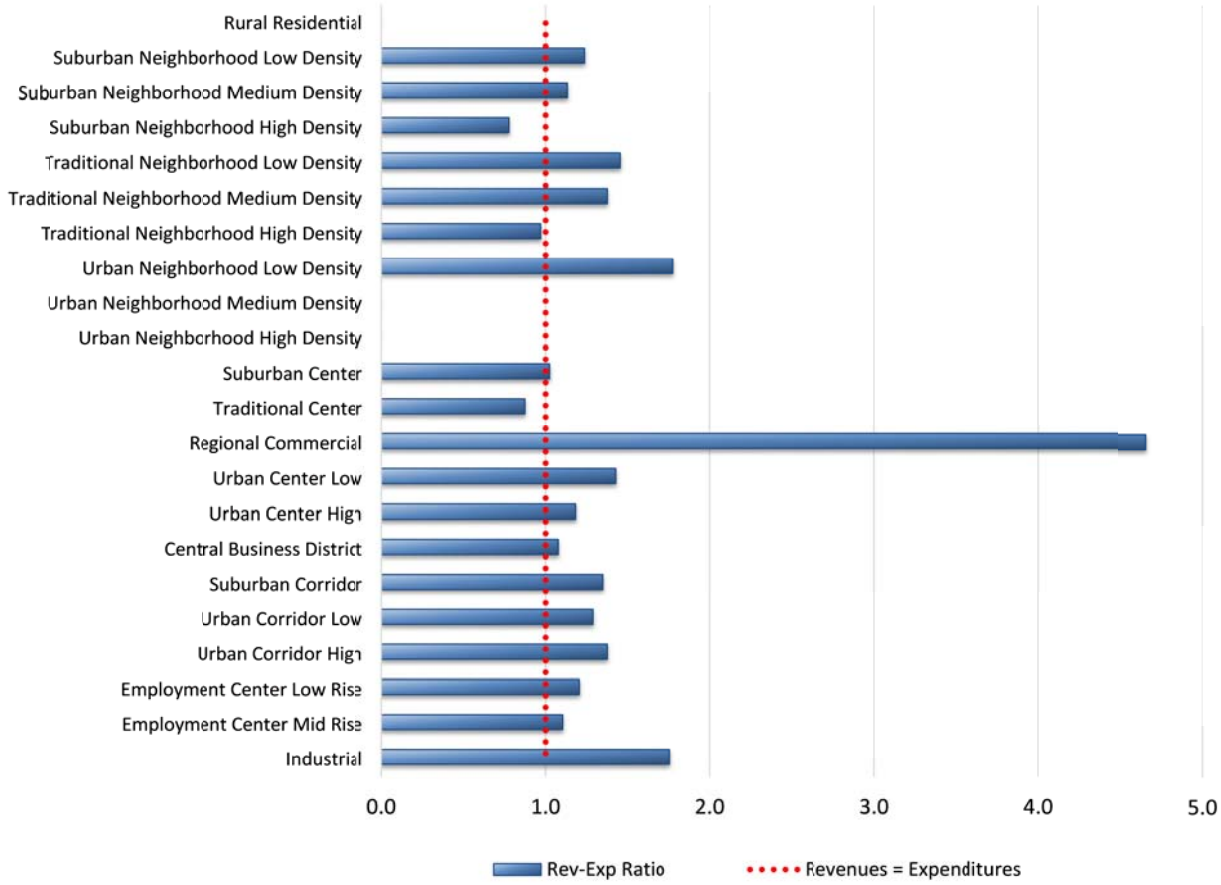
[1] This figure is based on the assumption the geography adjustment is applied to annual Police and Fire costs. The results shown in this figure significantly change when the geography adjustment is omitted.

The following technical appendices are included as described in detail below:

- **Appendix A** indicates the proposed land uses and general assumptions used in this analysis.
- **Appendix B** identifies the projected revenues that will be generated by the Project for the City's General Fund.
- **Appendix C** details the estimated expenditures for the City to provide General Fund services to the Project. It also shows the offsetting revenue analysis, which allocates dedicated General Fund revenues to General Fund department functions.
- **Appendix D** shows the projected assessed value of the Project, which serves as the basis for calculating property tax revenues. In addition, this appendix includes the calculation of estimated average household income and the total and taxable retail sales-per-square-foot assumptions derived from BizMiner.
- **Appendix E** details assumptions related to Building Prototypes and a breakdown of allowable uses in each General Plan Land Use/Urban Form category used to develop the Base Land Use Scenario.
- **Appendix F** provides the summary-level results of a sensitivity scenario in which geographic adjustment factors, applied to annual Police and Fire costs, are omitted. Please see **Chapter 4** for a discussion regarding the rationale for including this sensitivity scenario.

Figure 1-8
Revenue-to-Expenditure Ratio by General Plan Land Use/Urban Form



***NOTE**: The Base Land Use Scenario (2035 General Plan Buildout) excludes vacant or underutilized land, and thus, new development, for three General Plan land use categories: Rural Residential; Urban Neighborhood Medium Density; and Urban Neighborhood High Density. Thus, these General Plan categories do not have a calculated revenue-to-expenditure ratio. For more information regarding the building prototypes assigned to each General Plan land use designation, refer to **Table E-2** and **Table E-3** in **Appendix E**. These three General Plan land use categories are retained in the Model to support inclusion in alternative land use scenarios, if desired.*

2. METHODOLOGY AND ASSUMPTIONS

This section details the underlying methodology and assumptions used to estimate the annual net fiscal impacts of buildout of the Base Land Use Scenario on the City's General Fund.

Base Land Use Scenario: 2035 General Plan Buildout

The Land Use and Urban Design Element (Element) of the City's 2035 General Plan outlines a pattern of future residential and nonresidential development that advances the City's desire for a higher quality of life and a more sustainable future.[2] In developing the Base Land Use Scenario, the EPS Team used the land use and urban forms designated in the Element (illustrated in the City's 2035 General Plan Land Use and Urban Form Diagram shown in **Figure 2-1**) and planned growth totals, concentrated in OAs in CPAs, to determine incremental new growth (between 2016 [the most recent year for which EPS could obtain existing development totals in the City] and 2035) representing buildout of the General Plan.

The Base Land Use Scenario and Model results are composed of Building Prototypes representing land uses and urban forms allowable in categories of geographies and subgeographies throughout the City. These components are described in detail in the following sections.

Geographies, Subgeographies, and Land Uses/Urban Forms Hierarchy

The General Plan organizes existing and projected land use development in the City into 4 geographic areas (context): **Suburban**, **Traditional**, **Urban**, and **Districts**.[3] These geographies are further differentiated in the General Plan by the following subgeographies (scale): **Neighborhoods**, **Centers**, and **Corridors**. Finally, the General Plan identifies the types of residential and nonresidential land uses and urban forms allowable in each geography and subgeography and defines urban form characteristics and a range of minimum to maximum density standards (units per acre for residential uses and FAR for nonresidential uses) for each land use/urban form (land use categories). **Figure 2-2** illustrates the varying levels of scale related to the General Plan geographies, subgeographies, and land uses/urban forms.

[2] City, 2035 General Plan.

[3] Although designated on the City's Land Use and Urban Form Diagram, this analysis excludes any development in the Rural geography. Following discussions with Community Development Department staff, the EPS Team determined that development in this geography would be minimal if not nonexistent.

Figure 2-1
City of Sacramento Land Use and Urban Form Diagram

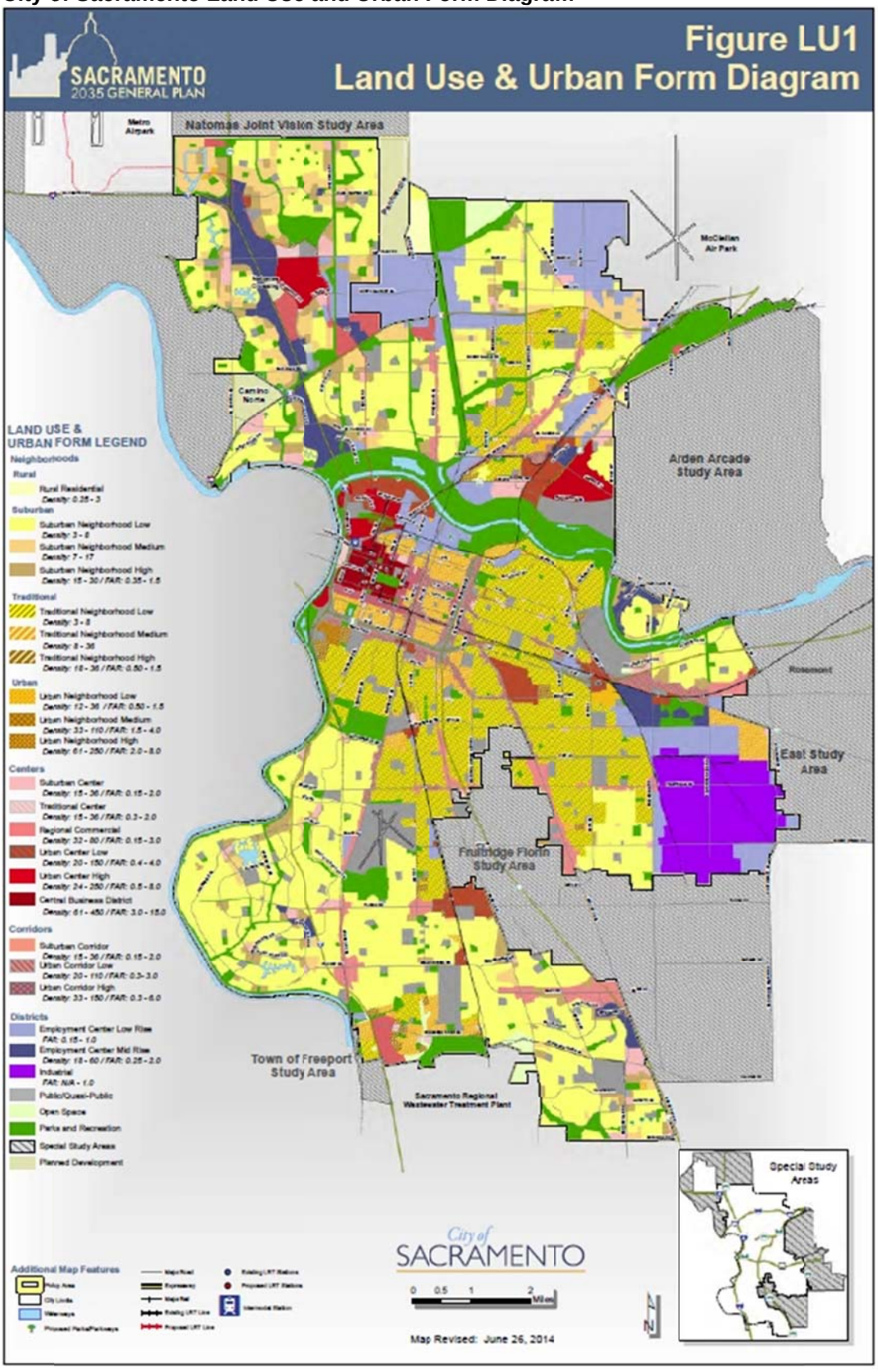
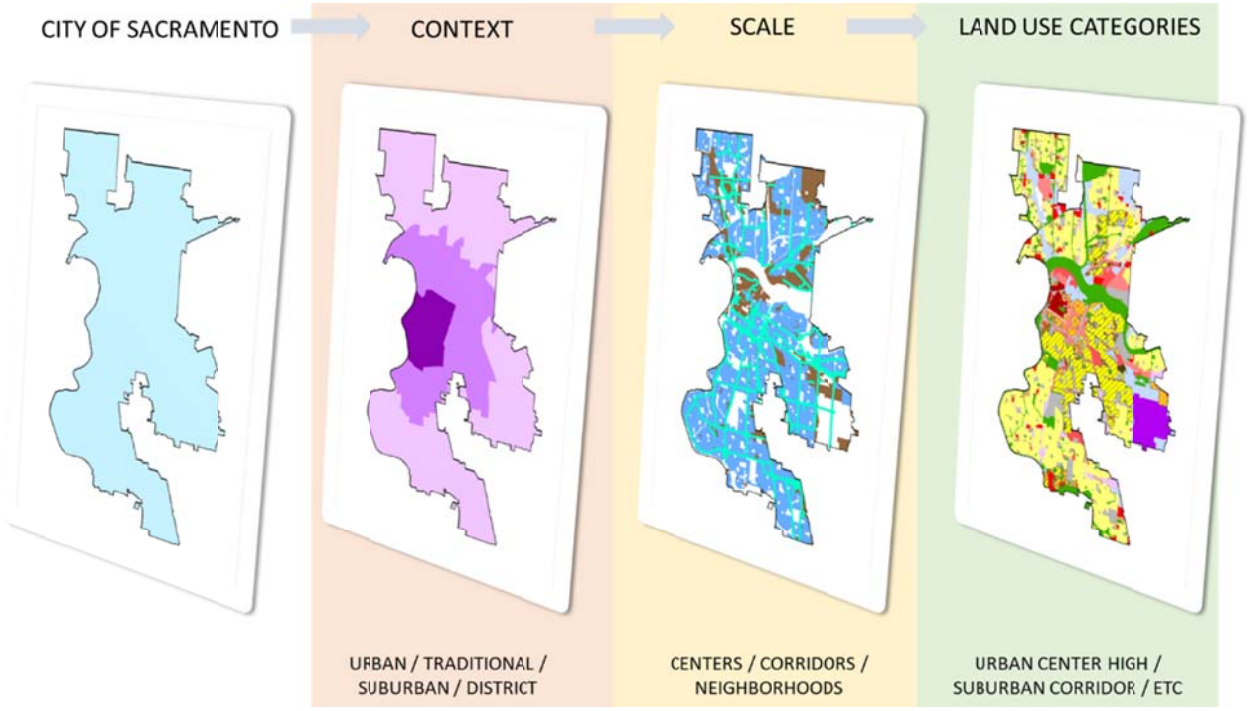


Figure 2-2
2035 General Plan Scales of Development



Building Prototypes

The General Plan permits a wide range of land uses and urban forms for a majority of its designations. Based on extensive discussions with City Community Development Department staff, the EPS Team identified Building Prototypes that represent the future built environment in each geography, subgeography, and land use/urban form.

Cities typically have land uses that encompass a range of urban forms and density characteristics. For example, single-family residential can be constructed as a low-density, single-story dwelling unit in a suburban tract-home setting with a density of 5 units to the acre. Or single-family residential can be constructed as a 3-story, zero-lot-line townhome at a density of 20 units to the acre. Similar ranges exist for other types of residential (e.g., multifamily) and nonresidential (e.g., retail, office, industrial) uses.

To represent a reasonable range of new construction occurring in the City, the EPS Team developed a library containing 35 Building Prototypes, including single-family and multifamily residential, different types of retail centers, office, research and development (R&D)/flex space, industrial, and hotel uses.[4] These prototypes are based on local examples and calibrated to the allowable use standards from the 2035 General Plan. In addition, each building prototype is calibrated to local market conditions. This ensures that the building type assumptions included

[4] Note that vertical mixed-use development is not a distinct prototype. However, this analysis is based on the assumption that vertical mixed-use development will occur and is represented by separate development components (i.e., high-density residential units, office space, retail) in high-density areas where this type of development is most likely to occur (e.g., Urban geography).

in the Model are market-feasible. Note that these Building Prototypes represent the most likely uses to be developed and do not represent all possible building types that may be constructed through buildout of the General Plan.[5]

Incremental New Development Totals

The location of incremental new development is based on growth in OAs in CPAs identified in the 2035 General Plan (see **Figure 2-3**). The General Plan defines these as subareas that have been identified for future greenfield development, infill development, or redevelopment. These areas are located in the 4 geographies described previously. Descriptions of these geographies offer context regarding how the EPS Team, in collaboration with Community Development Department staff, identified the primary Building Prototypes that will be constructed in each General Plan Land Use/Urban Form designation.

Figure 2-4 illustrates the Building Prototypes assumed to occur in each General Plan Land Use/Urban Form designation, as used in this Model.[6] **Appendix E** provides a full listing of Building Prototypes and their urban form characteristics, as well as a breakdown of allowable uses in each General Plan Land Use/Urban Form category. A narrative of Building Prototypes by geography and subgeography is provided below.

Suburban

The Suburban geography is located farthest from the City's core and comprises development with lower densities. The Suburban geography includes areas zoned as Suburban Neighborhood Low, Suburban Neighborhood Medium, Suburban Neighborhood High, Suburban Center, Suburban Corridor, and Regional Commercial Center. Examples of Building Prototypes in the Suburban geography include single-family low-density homes; multifamily low-rise; neighborhood-, community-, and regional-serving retail; Class A and Class B offices; and mid-scale hotels.

Traditional

The Traditional geography is located adjacent to Urban areas and typically comprises medium-density development. The Traditional geography comprises areas zoned as Traditional Neighborhood Low, Traditional Neighborhood Medium, Traditional Neighborhood High, Traditional Center, and Regional Commercial Center. Examples of Building Prototypes in the Traditional geography include single-family homes, multifamily homes, neighborhood- and community-serving retail, Class A and Class B offices, and mid-scale hotels.

Urban

The Urban geography comprises the City core and areas being planned to comprise higher density development. The Urban geography includes areas zoned as Urban Neighborhood Low, Urban Neighborhood Medium, Urban Neighborhood High, Urban Center Low, Urban Center High, Urban Corridor Low, Urban Corridor High, and Central Business District. Examples of Building

---

[5] Additional Building Prototypes may be added in future iterations of the Model. See **Chapter 5** for more details.

[6] General Plan land use designations may allow other Building Prototypes not identified in this matrix. However, based on discussions with Community Development Department staff, the EPS Team identified these Building Prototypes as most likely to occur in each land use designation.

Figure 2-3
Map of 2035 General Plan Opportunity Areas within Community Plan Areas

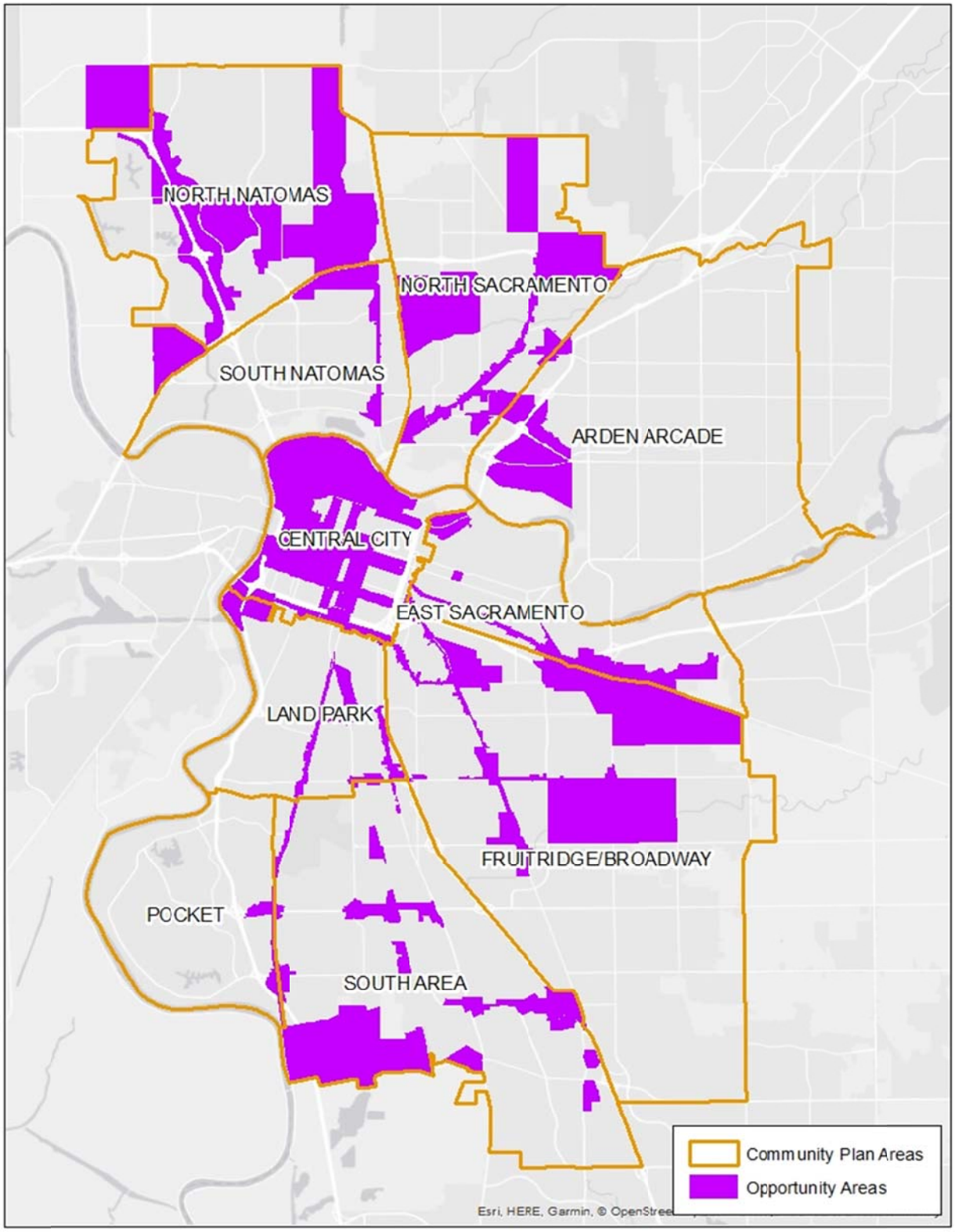


Figure 2-4
Matrix of Building Prototypes by General Plan Land Use/Urban Form Category

General Plan Land Use/Urban Form	RESIDENTIAL					NONRESIDENTIAL											
	Single-Family			Multifamily		Retail			Office		R&D Flex	Industrial		Hotel		Mixed Use	Other Allowable Uses [1]
	Low	Med.	High	Low	High	Neigh. Serv.	Comm. Serv.	Reg. Serv.	Class A	Class B		Sm. Light	Lg. Heavy	Mid-Scale	Up-Scale		
Suburban																	
Suburban Neighborhood Low																	P/QP
Suburban Neighborhood Medium																	P/QP
Suburban Neighborhood High																	P/QP
Suburban Center																	
Regional Commercial Center																	
Suburban Corridor																	
Traditional																	
Traditional Neighborhood Low																	P/QP
Traditional Neighborhood Medium																	P/QP
Traditional Neighborhood High																	P/QP
Traditional Center																	
Regional Commercial Center																	
Urban																	
Urban Neighborhood Low																	P/QP
Urban Neighborhood Medium																	P/QP
Urban Neighborhood High																	P/QP
Urban Center Low																	
Urban Center High																	
Urban Corridor Low																	
Urban Corridor High																	
Central Business District																	
Districts																	
Employment Center Low Rise																	
Employment Center Mid Rise																	
Industrial																	

Source: City of Sacramento 2035 General Plan; EPS.

[1] MU = Mixed-Use; P/QP = Public; Quasi-Public; and Special Uses.

Prototypes in the Urban geography include single-family medium- and high-density homes; multifamily homes; neighborhood-, community-, and regional-serving retail; Class A offices, and upscale hotels.

Districts

The Districts geography reflects areas zoned as Employment Center Low Rise, Employment Center Mid Rise, and Industrial. These areas comprise several discrete boundaries throughout the City. Examples of building types in the District geography include multifamily homes, neighborhood- and regional-serving retail, Class A and Class B offices, R&D/flex, industrial, and hotels.

Methodology

Using the General Plan land use and urban form designations, CPAs growth forecasts, and OAs geographies, the Base Land Use Scenario was developed spatially in the ET mapping application. Dwelling unit and employment totals were controlled by CPAs to within +/- 10 percent, as depicted in **Figure 2-5**.

Figure 2-5
2035 General Plan Control Totals by CPA

Community Plan Area	Sacramento General Plan Build-Out		Envision Tomorrow Build-Out		Percent Difference	
	2035 Employment	2035 Dwellings	2035 Employment	2035 Dwellings	Employment	Dwellings
Arden Arcade	29,044	9,158	29,099	9,220	0.2%	0.7%
Central City	139,328	44,501	138,194	44,385	-0.8%	-0.3%
East Sacramento	27,403	18,493	26,575	18,876	-3.0%	2.1%
Fruitridge/Broadway	63,321	29,585	65,684	29,659	3.7%	0.2%
Land Park	13,691	15,431	13,254	15,357	-3.2%	-0.5%
North Natomas	43,184	36,242	42,853	36,446	-0.8%	0.6%
North Sacramento	20,947	23,349	20,575	23,571	-1.8%	1.0%
Pocket	5,918	21,552	5,332	22,116	-9.9%	2.6%
South Area	26,516	43,115	27,018	40,915	1.9%	-5.1%
South Natomas	16,862	19,273	16,301	19,618	-3.3%	1.8%
Total	386,215	260,699	384,884	260,162	-0.3%	-0.2%

The ET mapping application works by applying General Plan Land Use/Urban Form designations to individual parcels and uses the area of those parcels to calculate information, including density, number of units, and jobs. These parcels represent areas where new development and redevelopment are assumed to occur. For the Base Land Use Scenario, Sacramento County (County) tax assessor's data, augmented with information required by Envision Tomorrow, was received from SACOG who are using the same dataset for their MTP/SCS. SACOG staff routinely update County assessor data with ET-specific fields and General Plan land use designations on a schedule dictated by their MTP/SCS schedule. For more information regarding updates to parcel data for Envision Tomorrow, see www.EnvisionTomorrow.org/project-setup-calibration.

Based on General Plan land use designations, existing land use, parcel value, and existing FAR, General Plan Land Use/Urban Form designations were applied to parcels until CPAs-level control totals were reached. The parcel data coded with General Plan land use information and the

resulting future development parcels are depicted in the **Figure 2-6**.[7] ET outputs can be summarized in the Model, as well as spatially in the ET mapping tool at the parcel scale.

A summary of the resulting gross development totals representing buildout of the General Plan is provided in **Table 1-3** in **Chapter 1**. In this analysis, gross development totals are defined as new development planned to occur on vacant, underutilized, and redevelopment parcels, net of acreage dedicated to public and quasi-public uses (e.g., right-of-way, parks, civic uses).[8]

Fiscal Impact Analysis Approach and Key Assumptions

The Fiscal Impact Analysis examines the Project's ability to generate adequate revenues to fund the City's costs of providing public services to the proposed Project. The services analyzed in this study comprise City General Fund services only (e.g., police, fire, general government).

This analysis does not address activities budgeted in other Governmental Funds or Enterprise 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. In addition, this analysis excludes the ongoing operations and maintenance of Project facilities that are proposed to be funded through private sources (e.g., lighting and landscape districts, Mello-Ross Community Facilities Districts [CFD] for services).

General Fiscal Impact Analysis Assumptions

The analysis is based on the City's approved budget for FY 2018–19, estimated citywide residential and employment populations as of 2018, tax regulations and statutes current as of January 2019, and other general assumptions discussed herein. Each revenue item is estimated based on current State of California (State) legislation and current City practices. Future changes by either State or City legislation or practices may affect the revenues and expenditures estimated in this analysis. All costs and revenues are shown in constant 2018 dollars. General fiscal and citywide demographic assumptions are detailed in **Table A-1** in **Appendix A**.

---

[7] The EPS Team identified development that could occur on vacant and underutilized sites based on zoning designations and solving for General Plan development totals by Opportunity Area within Community Plan Areas. Actual development may occur on different parcels than those identified for this study. However, the precise location of new development does not impact the fiscal results unless development shifts from one geography to another (there are slightly different revenue and expenditure assumptions for each geography) or development totals change. If the visual representation of 2035 General Plan buildout does not comport with information regarding specific parcel-level data, City staff have the opportunity to repaint parcels in Envision Tomorrow in order to shift planned development from one parcel to another.

[8] Gross development totals do not deduct any existing residents and employees housed on redevelopment parcels because existing population information was difficult to obtain at the parcel level. Thus, gross development totals likely include some portion of existing residents and employees that, when a parcel is redeveloped, may choose to continue to reside or work in the City.

Figure 2-6
General Plan Land Use Categories and Parcels Representing Future Development

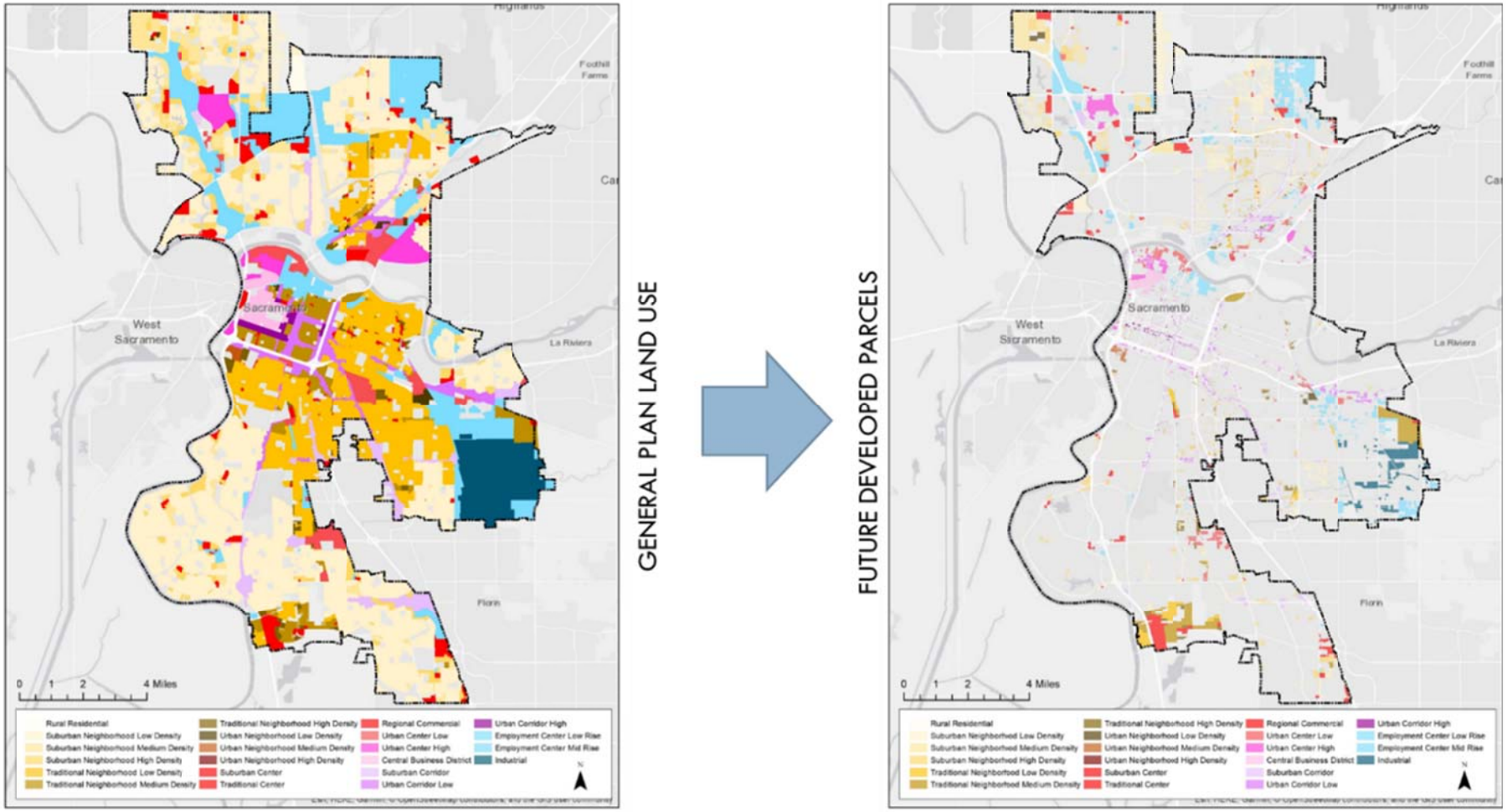


Table 2-1
Existing FY 2018-19 City General Plan Revenue and Expenditure Summary (2018$)

Budget Department / Category	Description	% of Net General Fund (FY 2018-19) [1]	Estimating Methodology
General Fund Revenues			
Property Tax	Ad valorem tax imposed on real property	33%	Case Study
Property Tax in lieu of VLF	Based on the growth in assessed value backfilled by the State	12%	Case Study
Real Property Transfer Tax	Charge imposed by the City upon the passing of title	4%	Case Study
Sales Tax	1% portion of total sales tax imposed on all retailers (excludes Measure U)	24%	Case Study
Sales Tax - Prop. 172 (Public Safety)	Public safety sales tax	1%	Case Study
Transient Occupancy Tax (TOT)	Charge imposed by the City upon people occupying hotels	1%	Case Study
Utility Taxes	Charge imposed on customers by the City for gas, electric, cable, communication service, and prepaid wireless services	18%	Average Revenue Multiplier
Business Operations Tax	Charge imposed by the City to run a business operation	2%	Average Revenue Multiplier
Franchise Fees	Charge imposed by City on utility companies	2%	Average Revenue Multiplier
Residential Development Property Tax	Charge imposed by the City on residential developers	0%	NA
Medical Marijuana Business Operations Tax	Charge imposed by the City to run a medical marijuana business	1%	NA
Total General Fund Revenues		**100%**	
General Fund Expenditures			
Police	Public safety (excludes Measure U)	39%	Case Study
Fire	Fire protection and emergency medical services (excludes Measure U)	25%	Case Study
Youth, Parks, and Community Enrichment	Provides residents with parks and community programs (excludes Measure U)	5%	Case Study
General Government	Includes Mayor/Council, City Manager, City Attorney, City Clerk, City Treasurer, Finance, IT, and HR	11%	Average Cost Multiplier
Convention, Culture, and Leisure	Provides residents with cultural, artistic, and leisure opportunities	1%	Average Cost Multiplier
Citywide and Community Support	Costs for general citywide programs	7%	Average Cost Multiplier
Community Development	Includes planning, building, and code enforcement	3%	Average Cost Multiplier
Public Works	Includes engineering, fleet management, parking services, transportation, facilities and real property management, maintenance services, and recycling and solid waste	0%	Average Cost Multiplier
Debt Service	Finances cost of capital improvements	8%	NA
Total General Fund Expenditures		**100%**	

rev / exp

Source: City of Sacramento; EPS.

[1] Represents the percentage of the City's General Fund budget net of offsetting revenues and debt service expenditures.

The EPS Team consulted the City's budget documents to develop forecasting methodologies for specific revenues and expenditures affected by new development under the Base Land Use Scenario. In addition, the EPS Team consulted with City staff, as documented throughout this report, to clarify budget data and review General Plan buildout and other fiscal assumptions on which this analysis is based. A description of the existing General Fund budget categories, proportion of total General Fund revenues and expenditures, and the estimating methodology developed for this analysis is illustrated in **Table 2-1**.

The results of the analysis are in current 2018 dollars and are based on the 2035 General Plan buildout land uses (estimated net new development between 2016 and 2035), FY 2018-19 adopted General Fund and Measure U budgets, 2018 citywide population figures for fiscal multipliers, and existing 2018 market conditions. This analysis also uses information from the following sources: County Assessor and Auditor-Controller, State Department of Finance (DOF), State Board of Equalization (BOE), the U.S. Bureau of Labor Statistics (BLS), and subscription-based data sources (e.g., CoStar; BizMiner).

The actual fiscal impacts of new development in the Project will vary from those presented in this analysis if the average characteristics of land use development or other average assumptions (e.g., assessed valuations, sales tax revenue assumptions) differ from those presented in this analysis. In addition, the actual fiscal impacts of new development in the Project will vary if the structure and percentage allocation of General Fund revenues and costs differ from the City's FY 2018–19 approved budget. For example, this Model does not account for a variety of potential changes to the market and City's fiscal outlook, including increased General Fund expenditures related to employee pension obligations and annual salaries and benefits for City General Fund- or Measure U-funded staffing positions, recessionary market conditions or structural changes to major markets (i.e., the retail sector) which may result in reductions to General Fund revenues or development totals, and other trends that may impact the proportion of specific operating costs and revenues.

Development Assumptions

The following list documents land use and other development-related assumptions used to estimate the annual net fiscal impacts of the Base Land Use Scenario. All assumptions are intended to reflect averages for the range of development likely to occur in different geographies and sub-geographies. This range of development includes market-rate, affordable, and age-restricted homes of varying densities in each General Plan Land Use/Urban Form residential category; and a range of densities, building finishes and amenities, and industry segment for nonresidential uses. Model modifications may be required to the extent the City desires to evaluate Building Prototypes that deviate from these average assumptions:

- **Gross Development Totals.** The 2035 General Plan buildout gross development totals are summarized in **Table A-2** in **Appendix A**. In this analysis, gross development totals are defined as new development planned to occur on vacant, underutilized, and redevelopment parcels, net of acreage dedicated to public and quasi-public uses (e.g., right-of-way, parks,

civic uses).[10] The land uses are classified by residential and nonresidential building types, General Plan Land Use/Urban Forms, and geography. This table provides the total acreage, land use density (dwelling units per acre or FAR), total development (dwelling units or nonresidential square feet), and the estimated average assessed value per unit or building square foot for residential and nonresidential land uses, respectively.

- **Property Turnover, Vacancy Rate, and Population Density Assumptions. Table A-3** documents the property turnover, vacancy rate, and population density assumptions used to estimate fiscal impacts in the analysis. Property turnover rates, used to calculate property transfer tax revenues, include a 10 percent turnover rate for single-family owner-occupied homes and a 5 percent turnover rate for all other residential and nonresidential uses. Turnover rates are based on data findings for the Sacramento Region over a period of several decades. The residential vacancy rate assumption is derived from the 2035 General Plan Housing Element, and the nonresidential vacancy rate reflects a 10-year weighted average using nonresidential data for the City from CoStar. Vacancy rates are applied to gross development totals to determine occupied development totals. Population density assumptions (persons per dwelling unit and square feet per employee) are used to calculate new residents and employees based on occupied new land uses. The persons-per-household figures reflect average household size for owner-occupied and renter-occupied households according to the 2035 General Plan Housing Element, and the square-feet-per-employee assumptions are consistent with SACOG employment density assumptions.

- **Occupied Development and Estimated Population.** Based on the residential and nonresidential density assumptions, development totals, and vacancy rate assumptions described above, **Table A-4** provides estimated occupied development totals and new residents and employees added to the City through buildout of the 2035 General Plan. For purpose of estimating certain annual revenues and expenditures related to the Project, the EPS Team developed a "persons-served" population estimate to approximate the impacts of an employee in the Project relative to a Project resident. The EPS Team used a factor of 0.5 employees plus all residents to derive the Project's persons-served population.

[10] Gross development totals do not deduct any existing residents and employees housed on redevelopment parcels because existing population information was difficult to obtain at the parcel level. Thus, development totals likely include some portion of existing residents and employees that, when a parcel is redeveloped, may choose to continue to reside or work in the City.

3. GENERAL FUND REVENUES

This analysis uses the City's FY 2018-19 General Fund Budget to develop methodologies for estimating future General Fund revenues based on new residential and commercial development representing buildout of the 2035 General Plan. The City's existing General Fund budget shows property taxes (23 percent of General Fund revenues), sales taxes (17 percent of General Fund revenues), and utility taxes (13 percent of General Fund revenues) as the City's largest three sources of revenue. In addition, this analysis accounts for sales tax revenue generated by the half-cent Measure U sales tax rate in place during FY 2018-19.[11] The City's FY 2018-19 Budget includes revenues from the half-cent Measure U sales tax rate to fund General Fund expenditures, including the Police; Fire; and Youth, Parks, and Community Enrichment departments, as described further in **Chapter 4**.

This chapter provides a detailed description of General Fund revenues projected in the analysis. Based on a review and understanding of the City's budgeted General Fund revenues, the EPS Team, in conjunction with City Finance Department staff review and input, developed methodologies for estimating annual General Fund revenues. These methodologies comprise either an average-revenue approach or a marginal-revenue case-study approach.

- The **average-revenue approach** used the City's FY 2018-19 budgeted revenue amounts on a citywide per capita, per-employee, or per-persons-served basis to forecast revenues derived from estimated, new Project residents, employees, or persons served.[12]
- The **marginal-revenue case-study approach** simulates actual revenue generation resulting from new development. The case-study approach for estimating sales and use tax revenues, for instance, forecasts market demand and taxable spending from the Project's new residents and employees. Case studies used in this analysis are discussed in greater detail later in this section.

The analysis only includes discretionary General Fund revenues generated by new land uses. Offsetting revenues, which are General Fund revenues dedicated to offset the costs of specific General Fund department functions, are excluded. Correspondingly, departmental costs funded by offsetting revenues or those not expected to increase because of new development are

[11] This analysis reflects the half-cent sales tax rate (and associated Measure U-funded expenditures) reflected in the City's FY 2018-19 budget, the budget on which this analysis is based. The full-cent rate, approved by voters in November 2018, took effect on April 1, 2019. The background and assumptions regarding the City's Measure U sales tax rate is discussed in more detail in the Sales Tax section of this chapter and in the expenditure discussion in **Chapter 4**.

[12] A *per capita* basis of estimating revenues is based on the assumption only residents have a fiscal impact on City revenues. A *per-employee* basis of estimating revenues is based on the assumption only employees have a fiscal impact on City 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 City revenues but at a lower level than residential development's impact. Note, based on conversations with City Finance Department staff, this analysis does not estimate any revenue source on a *per capita* basis.

excluded from this analysis, as discussed in **Chapter 4**. Offsetting revenues by revenue and cost categories are shown in **Table B-1** in **Appendix B** and **Table C-1** in **Appendix C**, respectively.

In addition, 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 relation between new Project development and increased revenue.

A listing of all City General Fund revenue sources, offsetting revenues, and the methodology used to forecast future Project revenues is shown in **Table B-1** in **Appendix B**. A summary of estimated annual General Fund revenues generated by new development by geography is provided in **Table B-2**. The Project is estimated to generate about $164.0 million in annual General Fund revenues in total. More than half of this General Fund revenue will be generated by new development in the Urban geography ($87.5 million), almost one-quarter will be generated by new development in the Districts geography ($37.5 million), with remaining revenue generated by new development in the Suburban geography ($24.6 million) and Traditional geography ($14.5 million). **Figure 3-1** illustrates primary General Fund revenues by geography. A spatial representation of total revenues is provided in **Figure 3-2**.

Figure 3-1
Summary of Primary Sources of General Fund Revenue by Geography (2018$)

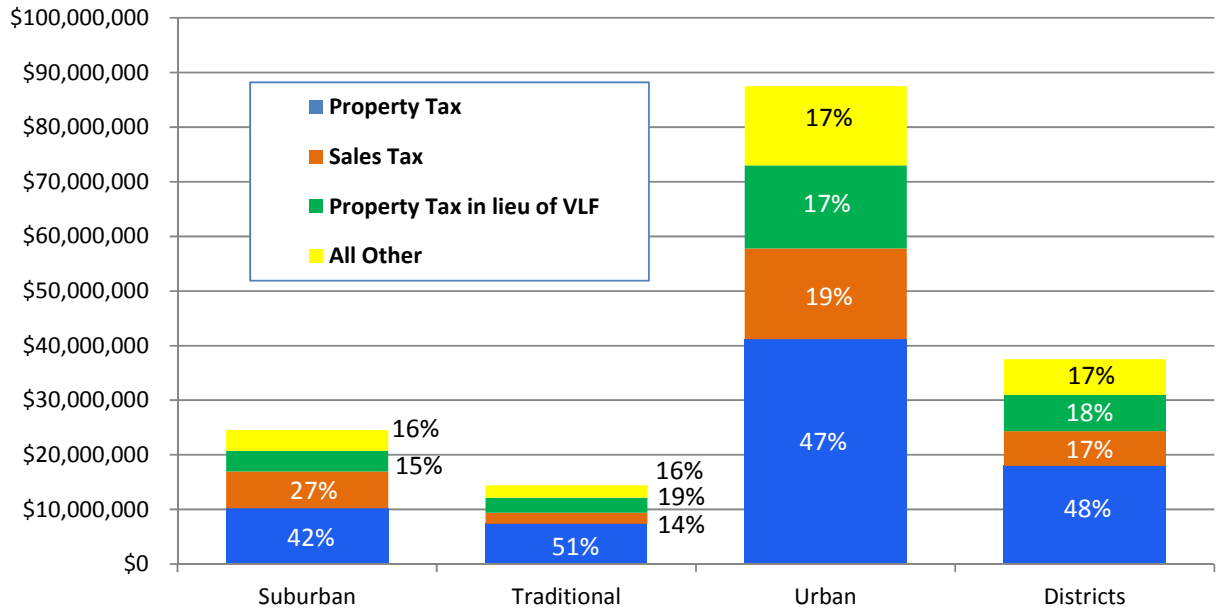
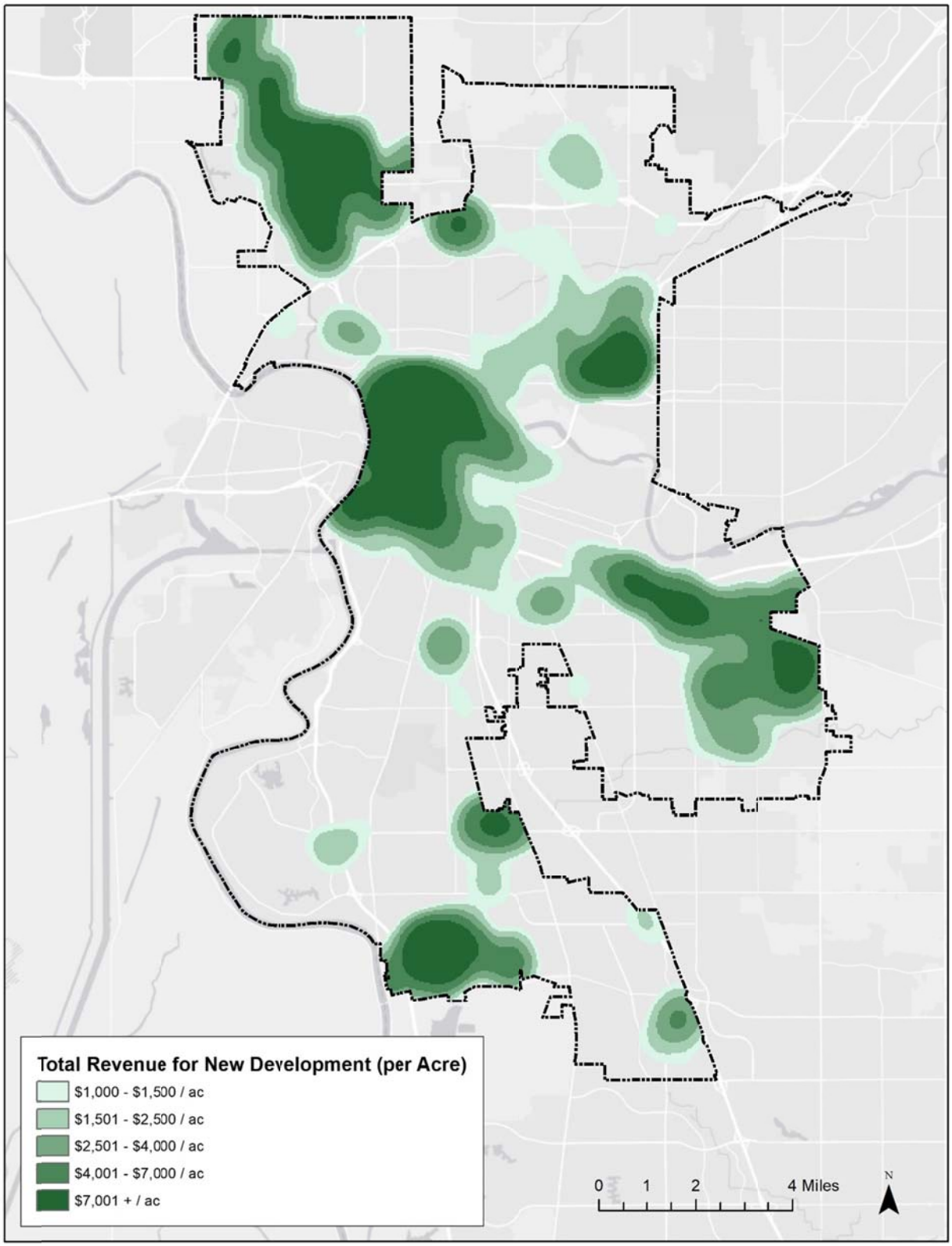


Figure 3-2
Total Revenue for New Development per Acre (2018$)



Revenues associated with the average revenue and marginal revenue case study approaches are detailed in the following sections.

Average Revenue Categories

An average revenue multiplier was derived to estimate several General Fund revenue sources, including utility taxes, business operations taxes, franchise fees, and other license and permit fees. All sources were estimated using a per-persons-served revenue multiplier, except business operations tax revenue, which was estimated based on a per-employee revenue multiplier. The average revenue methodologies used in this analysis are based on EPS's previous experience in forecasting these revenue sources and conversations with City Finance Department staff to determine specific circumstances related to these City General Fund revenues. Estimating franchise fees and other license and permit fees were straightforward; estimating utility taxes and business operations taxes were discussed and resolved as documented below.

Utility Taxes

Based on City Finance Department staff input, the average revenue multiplier used to estimate future utility tax revenues includes an adjustment factor. The adjustment factor was applied to account for the unpredictable, historical ebbs and flows of this revenue source. Thus, as a conservative approach to prevent potentially overestimating revenues from new development, this analysis discounts projected utility tax revenues by 50 percent.[13]

Business Operations Taxes

The manner in which the City collects business operations tax revenues is not an easily replicated linear calculation as there are many variables that determine annual revenue collected from businesses (e.g., size of business, years in operation, amount of gross receipts). These variables would be difficult to apply to projected new development in this analysis. After discussion with the City's Finance Department staff, it was agreed that estimating this revenue source on a per-employee basis was a reasonable method for estimating future incremental new revenue. That is, the current average revenue per employee multiplier accounts for these varying conditions. This analysis is based on the assumption that future businesses would resemble existing conditions and thus employing a per-employee revenue multiplier would result in future employment to also account for these varying conditions.

Marginal Revenue Categories

This section describes the marginal revenue case studies developed to estimate several City General Fund revenue sources, including property tax, property tax in lieu of vehicle license fees, real property transfer tax, sales tax, and transient occupancy tax (TOT).

Property Tax

Estimated annual property tax revenue resulting from Project development is shown in **Table B-3** in **Appendix B**. The property taxes the City will receive from the Project were

[13] As of the date of this report, there is pending litigation regarding the City's utility tax, which may impact this revenue source in the future.

derived from the total assessed value of the Project, as shown in **Table D-1** in **Appendix D**, and the City's average post-Educational Revenue Augmentation Fund (ERAF) share of the 1 percent ad valorem property tax rate, provided by City Finance Department staff.

Buildout of the General Plan will occur throughout the City boundaries in numerous Tax Rate Areas (TRAs). However, TRAs do not have a uniform allocation of the 1 percent property tax rate to the City's General Fund. After discussions with City Finance Department staff, this analysis uses a citywide average of 22.6 percent for the General Fund allocation of the 1 percent property tax rate. The City General Fund's allocation of each TRA in which new development is expected to occur was not available and would have been onerous to collect from the County and apply in the structure of this analysis. Note that all proposed private residential and commercial development is assumed to pay property taxes.

Property Tax in Lieu of Vehicle License Fee

The analysis uses a formula provided by the 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 City's assessed value resulting from the Project and applying that percentage increase to the City's current State allocation of PTIL VLF revenue, as shown in the City's FY 2018-19 Budget. This calculation is shown in **Table B-3** in **Appendix B**.

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 10 percent of the Project's residential owner-occupied units, represented by single-family residential units in this analysis, will turn over each year (a turnover rate of once every 10 years) and 5 percent of residential renter-occupied units, represented by multifamily residential units, and nonresidential property, will turn over each year (a turnover rate of once every 20 years). This analysis is based on the assumption hotel properties will not experience turnover. Real property transfer tax revenue projections are identified in **Table B-4**.

Sales Tax

Sales tax revenue is based on estimated taxable sales, the Bradley-Burns local 1 percent Uniform Local Sales Tax rate, and the City's Measure U 0.5 percent rate, as summarized in **Table B-5**.

Measure U was a supplemental half-cent sales tax rate approved by voters in 2012 as a temporary tax. In November 2018, Sacramento voters approved a new version of the City's Measure U sales tax, extending it and raising it from a half-cent to a full cent. The FY 2018-19 budget, on which this analysis is based, reflects the original half-cent tax rate. Further, upon passage of Measure U in November 2018, the City formed a Measure U Community Advisory

Committee to make nonbinding recommendations regarding the use of funds. Because the full cent rate and Advisory Committee were not in place during the FY 2018-19 budget, the half-cent Measure U rate is reflected in the Model.[14]

EPS used a combination of three methodologies to estimate taxable sales generated by new residential and nonresidential development, as described below:

1. **Market Support Method.** This methodology estimates taxable sales generated from new Project households and employees spending money within the City's boundaries.
2. **Retail Space Method.** This methodology estimates taxable sales from new retail uses located in the City, net of market support.
3. **Business-to-Business Taxable Sales.** This methodology estimates taxable sales generated by nonretail businesses located in the Project.

Market Support Method

Refer to **Table B-5A** in **Appendix B** for estimated annual taxable sales from market support at General Plan buildout.

New Households

This analysis estimated taxable retail expenditures of future residents and the share of retail expenditures estimated to be captured by retail outlets in the City. Data for this analysis are based on estimated Project resident incomes, household spending patterns, and a qualitative assessment of retail demand and supply market conditions in the City, as reviewed by the City's sales tax consultant.

Specifically, this analysis estimates retail expenditures of Project residents by:

- Estimating the total income of new households, based on projected sales prices for new single-family units and rental rates for new multifamily units, housing costs, and estimated household income, as shown in **Table D-2** in **Appendix D**. New residents are estimated to spend approximately 23 percent to 31 percent of their household income on taxable retail expenditures.
- Evaluating Consumer Expenditure Survey (CES) data from the U.S. BLS, which reports the proportion of income spent on various household goods and services by income group.
- Translating the U.S. BLS data on household expenditures into retail store categories by North American Industry Classification System (NAICS) code.[15]

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[14] Users have the ability to amend the Measure U sales tax rate (i.e., changing the rate to 0 percent or the full 1 percent rate). However, users must keep in mind that General Fund costs (Police; Fire; and Youth, Parks, and Community Enrichment) are funded by the half-cent rate assumed in the Model. Changing the revenue assumption without making corresponding changes in cost assumptions would result in imbalanced Model results.

[15] The NAICS classifies retail stores into 12 categories. Although not classified under retail trade, Food Services and Drinking Places typically are considered part of retail in retail market analyses.

The analysis estimates the City will capture 70 percent of Project households' taxable retail expenditures. Conversely, 30 percent of the taxable retail expenditures of Project households are estimated to occur in competing retail outlets outside of the City. EPS estimated this capture rate based on a qualitative appraisal of existing shopping opportunities near the Project.

New Employees

New nonresidential development in the City will generate new employment. A portion of these new employees also may be residents. Thus, this analysis discounts total employment by 50 percent to avoid double-counting the taxable expenditures of employees who were already accounted for in estimating the taxable expenditures of new households.

Taxable employee spending is based on estimates gleaned from the 2012 International Council of Shopping Centers' Office-Worker Spending in a Digital Age report. New employees are estimated to spend an average of $10 in taxable retail expenditures per day and assumed to work about 240 days annually.

This analysis estimates retail outlets in the City will capture 75 percent of taxable expenditures from the Project's employees. This capture rate is slightly higher than the capture rate of residents under the assumption that many of the expenditures will likely occur during an employee break in which an employee has limited time and is likely to remain close to their place of employment in the City.

Retail Space Method

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 new residents and employees in the City will purchase taxable goods and services from new retail development in the City. These consumers include existing residents and employees and residents from outside the City.

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 2018 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*.[16] Refer to **Table D-3** in **Appendix D** for details regarding the assumptions and method underpinning the taxable sales per square foot by retail center-type figures.

Taking into consideration the magnitude of new development at buildout, the long-term timeframe of General Plan buildout, and uncertain market conditions over the long term, EPS made adjustments to avoid overestimating sales tax revenue. This analysis is based on the

[16] The allocation of retail categories for neighborhood centers used in this analysis likely will not match the categories of retail tenants found in the Project. However, the resulting taxable sales per square foot offer a reasonable and conservative approximation of potential taxable sales generated by retail space in the Project.

assumption that 100 percent of taxable retail sales from the neighborhood-serving retail, half (50 percent) of taxable retail sales from community-serving retail, and one-quarter (25 percent) of taxable retail sales from regional-serving retail would be captured by new residents and employees estimated through market support calculations (**Table B-5A** in **Appendix B**). Thus, as shown in **Table B-5B**, the estimated annual taxable sales from each retail center are adjusted to avoid double-counting taxable retail sales generated by market support. This analysis is based on the assumption there will *not* be a shift in taxable expenditures from existing to new retail establishments in the City.

Business-to-Business Taxable Sales

In addition to taxable sales generated by retail uses in the Project, other nonresidential uses in the Project (office, R&D/flex, and industrial) have the potential to generate significant annual sales tax revenue. EPS consulted with City Finance Department staff and the City's sales tax consultant to determine an average, annual taxable sales-per-square-foot assumption of $10 per square foot of office, R&D/flex, and industrial space. Note, that actual taxable sales generated by business-to-business transactions have the potential to range between $5 and upwards of $100 per square foot. However, without specific tenant information, this analysis intended to maintain a conservative estimate and chose an assumption at the low end of the range. The estimated annual business-to-business taxable sales from new nonresidential development at buildout are shown in **Table B-5B**.

Proposition 172 Public Safety Sales Tax

Public safety sales tax is 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 revenue source is used to fund Police and Fire services in the City. The analysis estimates these tax revenues using the current FY 2018-19 relation between total sales tax revenue and Proposition 172 public safety sales tax revenue. This relationship may vary in the future because actual revenues received by the City are affected by several factors in the rest of the County. The relation is based on the City's current sales tax rate of 1.5 percent, which will increase to 2.0 percent following voter approval of the increased Measure U sales tax rate. The estimated FY 2018-19 revenues shown in this analysis reflect existing fiscal conditions. Estimated revenues from the City's share of the half-cent sales tax for public safety are shown in **Table B-5**.

Transient Occupancy Tax

This analysis uses a case-study methodology to estimate TOT revenues generated by future hotels anticipated to be developed through buildout of the General Plan. The amount of space allocated to hotel uses in the Project is assumed to comprise 2,271 midscale hotel rooms in the Suburban geography, 3,021 upscale hotel rooms in the Urban geography, and 2,147 midscale hotels rooms in the Districts geography.

TOT revenue is estimated based on the number of lodging units (hotel rooms) available annually, an annual average occupancy rate of 74 percent, a weighted average daily room rate based on geography and class of the hotel, the City's TOT rate of 12 percent, and the City General Fund's allocation of TOT revenue (2 percent of the 12 percent TOT rate). The occupancy rate and average daily room rate assumptions were derived based on discussions with City Finance Department staff.

In addition to TOT revenue generated by new Project hotels, new residents and employees will create market support for existing hotels. TOT revenue from new residents and employees was estimated using an average revenue multiplier per person derived from the FY 2018-19 Adopted Budget and existing persons served. Refer to **Table B-6** for estimated TOT revenue generated by new land uses in the Project.

4. GENERAL FUND EXPENDITURES

This analysis uses the City's FY 2018-19 General Fund Budget to develop methodologies for estimating future General Fund expenditures based on new residential and commercial development representing buildout of the 2035 General Plan. The City's existing General Fund budget shows Police (31 percent of total General Fund expenditures), Fire (25 percent of total General Fund expenditures), and Citywide and Community Support (13 percent of total General Fund expenditures) as the City's largest three outlays. In addition, this analysis accounts for Police; Fire; and Youth, Parks, and Community Enrichment department expenditures funded through the half-cent Measure U sales tax measure in place during FY 2018-19.

The actual fiscal impacts of new development in the Project will vary from those presented in this analysis if the average characteristics of land use development or other average expenditure assumptions differ from those presented in this analysis. In addition, the actual fiscal impacts of new development in the Project will vary if the structure and percentage allocation of General Fund costs differ from the City's FY 2018–19 approved budget. For example, this Model does not account for a variety of potential changes to the market and City's fiscal outlook, including increased General Fund expenditures related to employee pension obligations and annual salaries and benefits for City General Fund- or Measure U-funded staffing positions, recessionary market conditions or structural changes to major markets (i.e., the retail sector) which may result in reductions to General Fund revenues or development totals, and other trends that may impact the proportion of specific operating costs.

This analysis estimates General Fund expenditures related to providing municipal services to new residential and commercial development in the Project. General Fund department expenditures that are expected to be affected by the Project are forecasted using either an average-cost approach or a marginal-cost case study approach.

- The **average-cost approach** uses the City's FY 2018-19 budgeted expenditures on a citywide per-persons-served or per capita basis to forecast expenditures required to serve new development.
- The **marginal-cost case study approach** simulates estimated expenditures required to serve new development. Fire; Police; and Youth, Parks, and Community Enrichment expenditures are estimated using a case study approach and are described later in this section.

A listing of all City General Fund expenditures, offsetting revenues, and the methodology used to forecast future Project expenditures is shown in **Table C-1** in **Appendix C**. An adjustment factor is applied to expenditures, net of offsetting revenues, based on input from the City Finance Department to reflect the portion of costs that are subject to increase based on new development in the City, also referred to as variable costs.

This analysis excludes expenditures that are *not* expected to increase because of new development. These expenditures are assumed to be unaffected by development because they are either one-time costs or there is no direct relation between new Project development and increased expenditures.

A summary of estimated annual General Fund expenditures required to serve the Project at buildout is provided in **Table C-2**. As shown, the Project is estimated to result in about $134.0 million in annual General Fund costs at buildout. Close to 60 percent of these General Fund expenditures will serve new development in the Urban geography ($77.9 million), 23 percent of expenditures will serve new development in the Districts geography ($30.4 million), with remaining expenditures serving new development in the Suburban geography ($14.7 million) and Traditional geography ($30.4 million). **Figure 4-1** illustrates General Fund expenditures by geography, highlighting the largest three sources of expenditures for each. A spatial representation of total expenditures is provided in **Figure 4-2**.

Figure 4-1
Summary of Primary General Fund Expenditures by Geography (2018$)

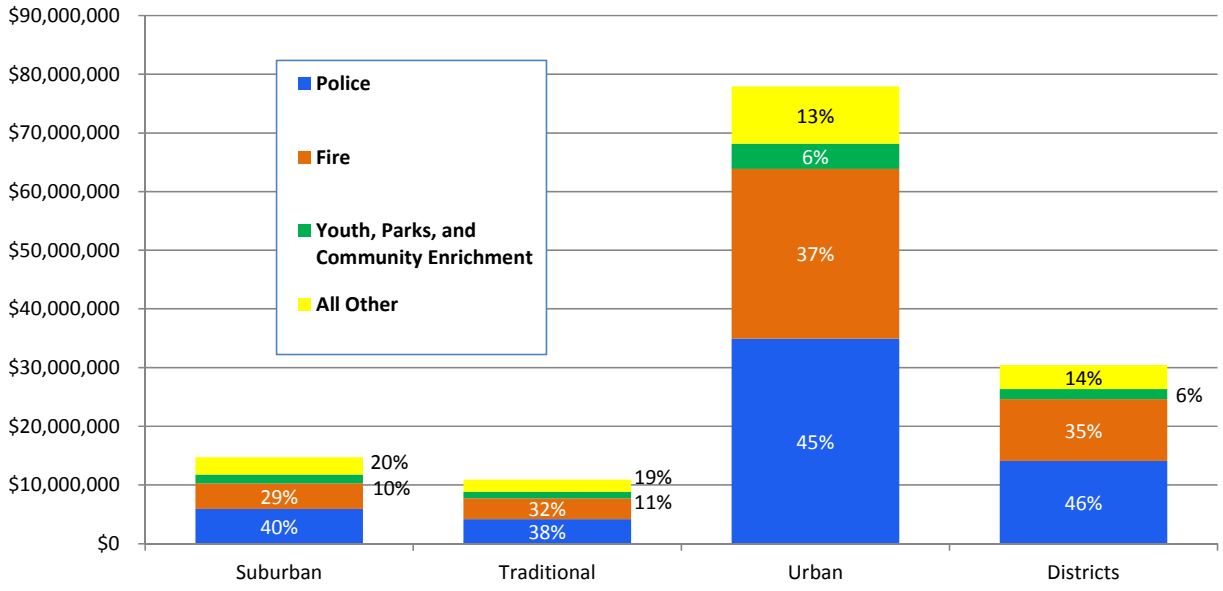
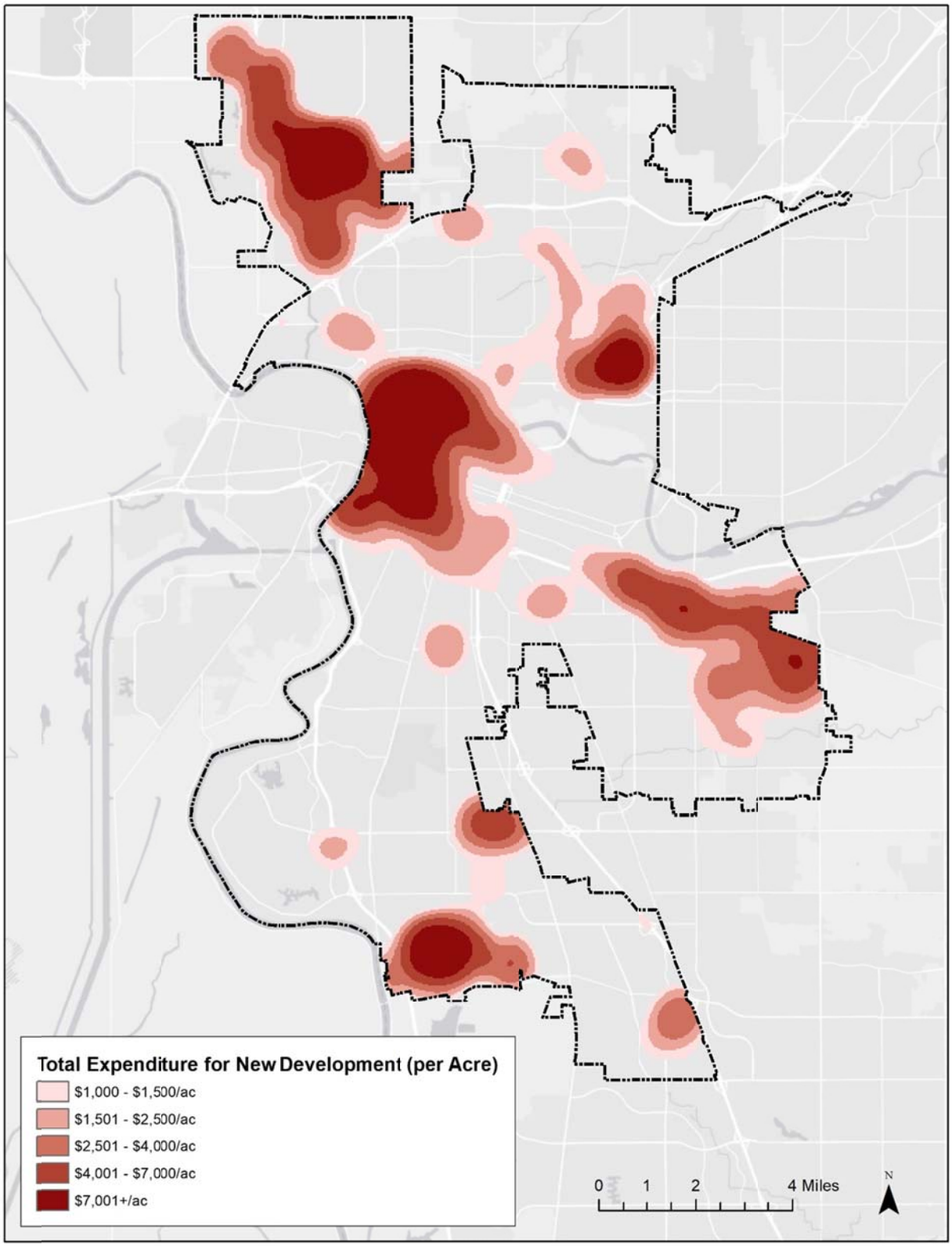


Figure 4-2
Total Expenditures for New Development per Acre (2018$)



Expenditures associated with the average cost and marginal cost case study approaches are detailed in the following sections.

Average Cost Expenditures

Expenditures that are affected by residents and employees are projected using *per capita* or *per-persons-served* average cost multipliers.

Convention and Cultural Services and Citywide and Community Support expenditures are estimated using a per capita average cost multiplier because this service generally is demanded by residents only.

Expenditures that are affected by residents *and* employees are projected using a per-persons-served average cost multiplier. These expenditures include General Government, Community Development, and Public Works expenditures.

An adjustment factor was applied to the average cost multipliers for all departments to reflect the percentage of variable expenditures subject to increase based on new development in the City. These adjustment factors were based on discussions with the City Finance Department staff. General Government and Convention and Cultural Services expenditures reflect a 50 percent adjustment, indicating half of these departments' expenditures are fixed and half are variable (subject to increase with new development in the City). Citywide and Community Support, Community Development, and Public Works expenditures reflect a 90 percent adjustment, indicating 10 percent of these departments' expenditures are fixed and 90 percent are variable.

Marginal Cost Case Studies

Police Department

EPS reviewed City Police Department General Fund and Measure U budgets and corresponded with City Police and Finance Department staff in December 2018 to estimate annual Police Department operations and maintenance expenditures to serve the Project's new residents and employees.

Table C-3 in **Appendix C** shows the estimated total annual Police Department costs serving new development at buildout of the General Plan. The 2-page case study is divided into 2 sections. The first section identifies existing conditions related to sworn and non-sworn personnel, personnel compensation, and ongoing operations and maintenance expenditures. Personnel totals reflect General Fund and Measure U-funded Full Time Equivalent (FTE) employees net of those FTEs that will not be duplicated to serve new development (e.g., Police Chief). Personnel compensation reflects average compensation for sworn and non-sworn personnel through both General Fund and Measure U allocations. Ongoing operations and maintenance expenditures reflect General Fund and Measure U-funded expenditures net of compensation, offsetting revenues, and the percentage of ongoing fixed costs. The second section applies these existing condition assumptions to the Project on a persons-served population basis to derive annual Police Department costs to serve new development.

The Police Department case study adjusts annual Police Department costs serving new development to account for differing rates of calls for service and corresponding differences in

service costs by geography. Based on feedback and geolocated call data provided by the City Police Department, the EPS Team determined rates of calls for service per total existing residential and employee populations for each geography (residents and employees were equally weighted for this calculation to reflect calls for service at residential and nonresidential uses at all times of the day). The EPS Team applied a 20-percent reduction to the total number of calls in the Urban geography to reflect an assumption that about 1 in every 5 calls are linked to visitors from other parts of the City or from residents outside of the City rather than existing residents or employees within the Urban geography. Thus, these calls should be excluded from estimated calls related to future residential and employment growth. The EPS Team consulted with the Police Department to solicit input regarding the percentage reduction. Without considerable analytical efforts related to the call data, the Police Department was unable to provide the requested input. The 20-percent reduction was based on the EPS Team's estimate of visitor- and other non-resident/employee-related calls relative to the type and concentration of uses and prevalence of events in the Urban geography and existing residential and employee populations.

Applying these rates of calls to new growth yielded adjustment factors to apply in the Police case study. As shown in **Table C-3** in **Appendix C**, because much of the City's new growth is projected to occur in the Urban geography (55 percent of new growth) and calls for service data indicate higher rates per total residential and employee population (0.55 calls for service relative to 0.47 citywide), new development in the Urban geography is allocated 59 percent of incremental new Police costs. Similarly, adjustment factors were calculated for all other geographies, and total Police costs were reallocated accordingly: 10 percent allocated to new development in the Suburban geography, 7 percent allocated to new development in the Traditional geography, and 24 percent allocated to new development in the Districts geography. Projected annual Police costs reflect a citywide average of $231 per person served. The geography adjustment results in varying costs per new resident/employee added in each geography, ranging from $164 per person served in the Suburban geography to $256 per person served in the Urban geography.

It is possible that the geography adjustment used in this Model does not accurately reflect future Police costs for service per person served. That is, the future ratio of calls per total residential and employee population may not align with existing ratios. Removing the geography adjustment from the Model (i.e., applying an average Police cost per person served across all geographies instead of adjusted Police calls per person served based on differing calls for service rates by geography) results in significantly different net fiscal results, as provided in **Appendix F**.[17] As shown, the total annual net fiscal impact results Citywide remain the same but are reallocated among each geography (i.e., the annual net fiscal revenues exceeding expenditures of projected development in the Urban geography increases, while the annual net fiscal revenues exceeding expenditures of projected development in all other geographies decreases).

[17] **Appendix F** provides summary-level annual net fiscal impact analysis results after removing the geography adjustment applied to Police and Fire costs. Users have the option of including or excluding the geography adjustment in the Model. See the User Guide (**Chapter 5**) for more details.

Fire Department

The EPS Team reviewed City Fire Department General Fund and Measure U budgets and corresponded with City Fire and Finance Department staff in December 2018 to estimate annual Fire Department operations and maintenance expenditures to serve the Project's new residents and employees.

Table C-4 in **Appendix C** shows the estimated total annual Fire Department costs serving new development at buildout of the General Plan. Similar to the Police Department case study, the Fire Department case study is divided into 2 sections. The first section identifies existing conditions related to sworn and non-sworn personnel, personnel compensation, and ongoing operations and maintenance expenditures. Personnel totals reflect General Fund and Measure U-funded FTE employees net of those FTEs that will not be duplicated to serve new development (e.g., Fire Chief). Personnel compensation reflects average compensation for sworn and non-sworn personnel through both General Fund and Measure U allocations. Ongoing operations and maintenance expenditures reflect General Fund and Measure U-funded expenditures net of compensation, offsetting revenues, and the percentage of ongoing fixed costs. The second section applies these existing condition assumptions to the Project on a persons-served population basis to derive annual Fire Department costs to serve new development.

The Fire Department case study adjusts annual Fire Department costs serving new development to account for differing rates of calls for service and corresponding differences in service costs by geography. Based on feedback and service calls by fire station provided by the City Fire Department, the EPS Team determined rates of service calls per total existing residential and employee population for each geography (residents and employees were equally weighted for this calculation to reflect calls for service at residential and nonresidential uses at all times of the day). The EPS Team applied a 20-percent reduction to the total number of calls in the Urban geography to reflect an assumption that about 1 in every 5 calls are linked to visitors from other parts of the City or from residents outside of the City rather than existing residents or employees within the Urban geography. Thus, these calls should be excluded from estimated calls related to future residential and employment growth. The EPS Team consulted with the Fire Department to solicit input regarding the percentage reduction but did not receive a response. The 20-percent reduction was based on the EPS Team's estimate of visitor- and other non-resident/employee-related calls relative to the type and concentration of uses and prevalence of events in the Urban geography, predominance of emergency calls as a percentage of total calls for service (i.e., the ratio of calls for fire-related services is not expected to change), and existing residential and employee populations.

The existing rates of calls for service and application to new growth by geography are shown in **Table D-4** in **Appendix D**. As shown, the existing citywide average rate of calls for Fire services is equal to 0.12 calls per resident/employee. The existing population in the Urban geography had the highest rate of calls (0.17 calls per resident/employee), while the existing population in the Suburban geography resulted in the lowest rate of calls (0.09 calls per resident/employee). The existing population in the Traditional geography resulted in 0.14 calls per resident/employee, and the existing population in the Districts geography resulted in 0.11 calls per resident/employee.

Applying these rates of calls to new growth yielded adjustment factors to apply in the Fire case study. As shown in **Table C-4** in **Appendix C**, because much of the City's new growth is

projected to occur in the Urban geography (55 percent of new growth), and calls for service data indicate higher rates per total residential and employee population (0.17 calls for service relative to 0.12 citywide), new development in the Urban geography is allocated 66 percent of incremental new Fire costs. Similarly, adjustment factors were calculated for all other geographies, and total Fire costs were reallocated accordingly: 8 percent allocated to new development in the Suburban geography, 6 percent allocated to new development in the Traditional geography, and 19 percent allocated to new development in the Districts geography. Projected annual Fire costs reflect a citywide average of $185 per person served. The geography adjustment results in varying costs per new resident/employee added in each geography, ranging from $104 per person served in the Suburban geography to $229 per person served in the Urban geography.

It is possible that the geography adjustment used in this Model does not accurately reflect future Fire costs for service per person served. That is, the future ratio of calls per total residential and employee population may not align with existing ratios. Removing the geography adjustment from the Model (i.e., applying an average Fire cost per person served across all geographies instead of adjusted Fire calls per person served based on differing calls for service rates by geography) results in significantly different net fiscal results, as provided in **Appendix F**.[18] As shown, the total annual net fiscal impact results Citywide remain the same but are reallocated among each geography (i.e., the annual net fiscal revenues exceeding expenditures of projected development in the Urban geography increases, while the annual net fiscal revenues exceeding expenditures of projected development in all other geographies decreases).

Youth, Parks, and Community Enrichment

The case study for the Youth, Parks, and Community Enrichment department includes expenditures funded through both the General Fund and Measure U budgets. Total expenditures include an adjustment factor of 90 percent to reflect the percentage of ongoing fixed costs affected by new development in the Project. **Table C-5** in **Appendix C** shows the estimated total Youth, Parks, and Community Enrichment costs serving new development by geography.

[18] **Appendix F** provides summary-level annual net fiscal impact analysis results after removing the geography adjustment applied to Police and Fire costs. Users have the option of including or excluding the geography adjustment in the Model. See the User Guide (**Chapter 5**) for more details.

5. ENVISION TOMORROW/FISCAL IMPACT ANALYSIS USER GUIDE

The purpose of the Model is to evaluate the net General Fund impacts of the existing 2035 General Plan buildout scenario, alternative General Plan buildout scenarios, or multiple land use subareas in the City (e.g., Specific Plan, Planned Unit Development). Please note that the results of the Fiscal Impact Analysis are in current 2018 dollars and are based on the 2035 General Plan buildout land uses (estimated net new development between 2016 and 2035), FY 2018-19 Adopted General Fund and Measure U Budgets, 2018 citywide population figures for fiscal multipliers, and existing 2018 market conditions.

Model

The Model is located in a Microsoft Excel Spreadsheet. The Main Menu, Table of Contents, modifiable inputs, and Model tables and appendices are located in different worksheets within the Excel file, which can be accessed using the tabs at the bottom of the spreadsheet.

Model Overview

Main Menu

Start in the **Main Menu** tab. Cells with **Red** font can be modified.

Step 1. Choose Your User Type

Select what level of information you want to expose:

- **Basic** user exposes input and summary-level result tabs.
- **Intermediate** user exposes additional, detailed Model and ET tabs.
- **ET Advanced** user exposes all assumption, calibration, and reporting tabs in the Model.

Step 2. Land Use Inputs

You can choose to evaluate either the Base Land Use Scenario, which is the 2035 General Plan buildout, or a user-modified alternative land use scenario. Land use inputs represent residential and nonresidential acres to be evaluated. More information on inputting new scenarios or painting land uses is provided in the **Land Use Input Tab** and detailed in the next section.

A. Land Use Scenario Type:
   Select from the pulldown menu whether you are evaluating a **General Plan Buildout Scenario** (e.g., Base Land Use Scenario or alternative General Plan buildout) or **Multi-Use Subarea Scenario** (e.g., Specific Plan, Planned Unit Development, Community Plan).[19]

[19] This allows the analysis to change the adjustment factors for expenditures, based on input from City Finance department staff, to reflect the portion of costs that are subject to increase based on new development in the City, as well as removing the geography adjustments in the Police and Fire case studies.

B. Land Use Evaluation Options:
   Choose whether you want to evaluate:
   - Option 1. Base Land Use Scenario:
     The tables currently evaluate the 2035 General Plan buildout. If changes are made to land use inputs, you can click the **2035 General Plan Buildout (Reset)** button to reset the tables back to the 2035 General Plan buildout land uses and assumptions.
   - Option 2. Alternative Land Use Scenario:
     Click on the **Land Use-Scale Development Input Table** button to enter alternative General Plan buildout land uses or a multiple land use project by land use type acreage. Users can enter land use scenarios through the Model or through ET.

If the user intends to evaluate an Alternative Land Use Scenario, see **Land Use Inputs Tab** instructions below. If not, skip ahead to **Step 3** in **Main Menu Part II**.

Land Use Inputs Tab

Step 1A. Select any scenario to input an Alternative Land Use Scenario by choosing an **Active Scenario** from the pulldown menu (Scenario 1 through Scenario 5).

Step 2A.

- Click the **Tabular Scenario** button to activate the **General Plan Land Use Input Table** for the **Active Scenario** selected. This is where the land uses will be input directly in the Model.
  - The user can clear out a scenario at any point by clicking the **Clear Scenario** button at any time for the **Active Scenario** the user wants to clear.
  - If changes are made to land use inputs, click the **2035 General Plan Buildout (Reset)** button at any time to populate the activated scenario with 2035 General Plan buildout land uses and assumptions. It is not necessary to click the **Run Fiscal Model** button afterwards to evaluate the fiscal results of the Base Land Use Scenario.

  NOTE: Clicking the reset button when any **Active Scenario** has been activated will result in nominally different development totals. These differences result in negligible differences in Model/ET results relative to the Base Land Use Scenario.

  Or

- Click the **Spatial Scenario** button to activate the spatial analysis, i.e., painting land uses in ET. If choosing **Spatial Scenario**, skip to **Step 4A** for the ET User Guide.

Step 3A. Enter land use acreages (greenfield or infill) by type in the **GP Land Use Table** to evaluate a land use scenario.[20] The user can see the gross development totals based on the input acreage in the **Scenario Summary Table**. For more information about altering or adding new future land use categories, see the Envision Tomorrow Mapping User Guide.

[20] Greenfield areas are defined as areas that are not platted and require roads to serve new development. Infill areas are defined as areas that are already platted and have roads to service new development. Both types can occur in any of the geographies.

Step 4A. Click the **Run Fiscal Model** button to update the Model based on a new land use scenario.

NOTE: The Active Scenario heading will be green in the **Scenario Summary Table** if land use input is tabular, and the user can evaluate one tabular fiscal scenario at a time. The Active Scenario heading will be orange in the **Scenario Summary Table** if land use input is spatial, and ET allows the user to evaluate up to 5 scenarios.

Step 5A. Click the **Main Menu** button to return to the **Main Menu** and continue to **Step 3** to continue modifying an Active Scenario if needed.

Main Menu Part II

Step 3. Land Use Scenario Name

The Base Land Use Scenario is the 2035 General Plan buildout. If modifying land uses, the user can rename the scenario in the provided box on the **Main Menu**. The scenario name will print at the top of the fiscal impact analysis summary tables.

Step 4. Land Use Attributes

The following land use attributes can be modified as warranted (the Base Land Use Scenario assumptions and source are shown to the right of the input area):

A. Vacancy Rate—Accounts for typical frictional vacancy under normal market conditions. The user can adjust for single-family residential, multifamily residential, and nonresidential.
B. Project Population—Persons per household. The user can adjust for single-family residential and multifamily residential.
C. Employee Population—Square feet per employee. The user can adjust for retail, office, R&D/flex and industrial, and hotel.
D. Hotel Room Class Description—The user can modify the percentage of hotel rooms by hotel class by geography by changing the percentages for the upscale hotel class. The midscale hotel class will automatically adjust.
E. Hotel Room Density—Square feet per hotel room.
F. Estimated Assessed Values—Click the **Estimated Assessed Values** button to adjust estimated assessed values by building type. In the **Assessed Values Input Table**, the **Blue** font can be modified.

NOTE: Assessed values are representative of average values under current 2018 market conditions.

Step 5. Specific General Fund Attributes

Modify as warranted for the Fiscal Impact Analysis:

A. Measure U Revenues:
    a. Choose whether or not to include estimated Measure U revenues—select **Yes** or **No** from the pulldown menu.
    b. Input the Measure U sales tax rate.
B. Measure U Expenditures:
    a. Choose whether or not to include estimated Measure U expenditures—select **Yes** or **No** from the pulldown menu.

C. Citywide Capture of Taxable Retail Spending:
   The percentage of new household spending (from new residential units) and employee spending (from the employees of new nonresidential development) on taxable goods and services estimated to be captured in the City. These assumptions may require modification if analyzing a multiple use subarea of the City:
   a. From New Project Households—the user can modify the percentage.
   b. From New Project Employees—the user can modify the percentage.
D. Public Safety Geography Adjustment:
   a. Choose whether or not to include the geography adjustment based on current (2017) public safety calls for service—select **Yes** or **No** from the pulldown menu.

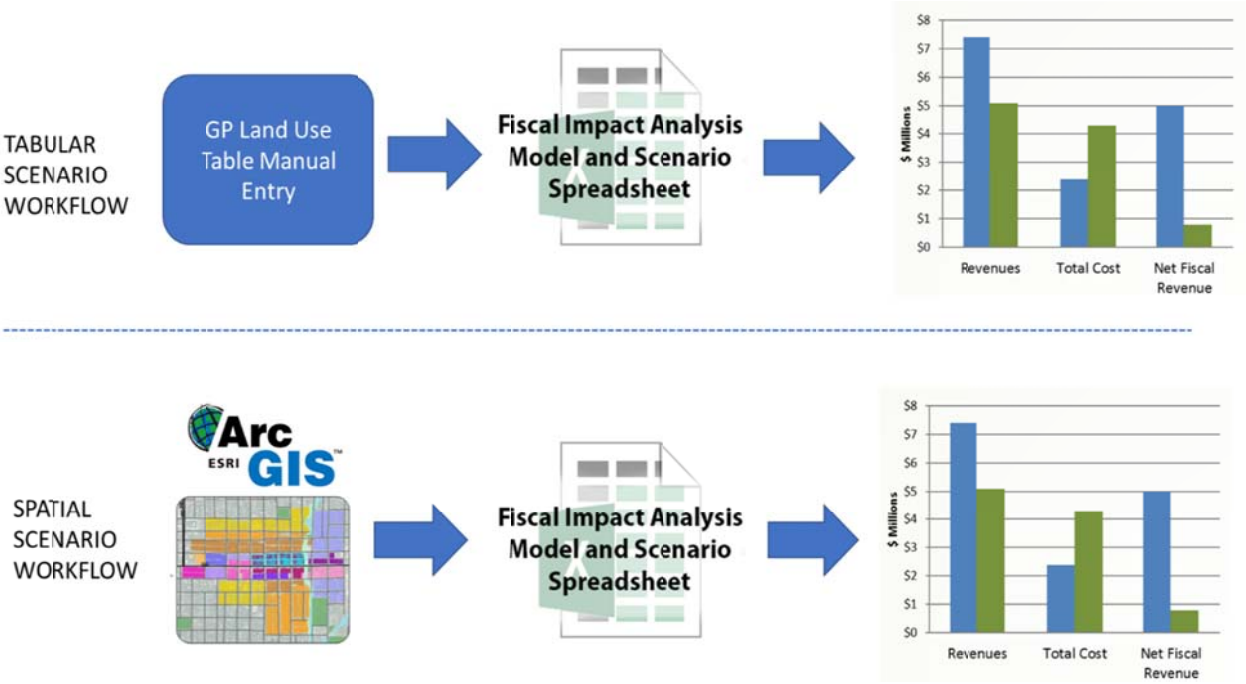
Step 6. Fiscal Impact Analysis Results

Click on the appropriate buttons to execute these actions:

A. View Fiscal Summary Tables (Table 1, Table 2, and Table 3).
B. View ET Summary Tables.
C. Print all 3 Fiscal Impact Analysis Summary Tables.
D. Print the complete Fiscal Impact Analysis.

Envision Tomorrow Mapping User Guide

The ET framework consists of two major components: an Excel workbook described in the preceding section (Model Overview) and a GIS file geodatabase that can be manipulated through an add-in for ArcGIS. As discussed in the preceding section, scenario creation can occur in a **tabular** fashion using the **GP Land Use Table** in the Model or by painting **spatial** scenarios using the ET add-in for ArcGIS. In this section, EPS will discuss how to create **spatial scenarios** using the ET add-in for ArcGIS. EPS also will discuss how scenario data can be visualized, both in the Model and spatially in ArcGIS.

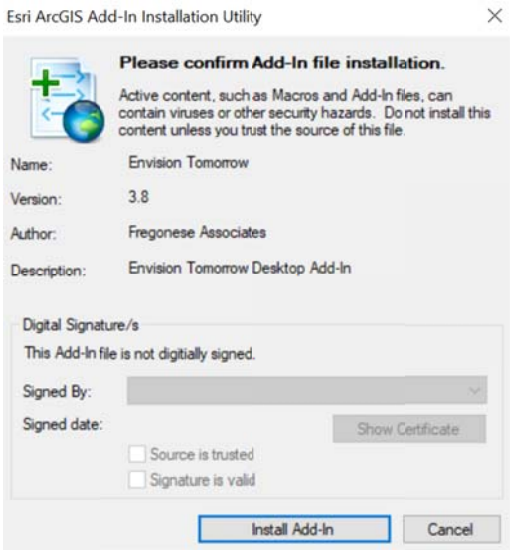


Creating Spatial Scenarios

The following step-by-step instructions provide an overview of spatial scenario creation using the ET Add-In for ArcGIS.

1. Installing the ET Add-In for ArcGIS

Because ET is an extension tool for ArcMap, it should be installed before using it in the ArcGIS system. Before beginning the installation process, ensure ArcGIS ArcMap for Desktop Basic 10.4 or later is installed locally on the computer. In addition, verify that Excel 2010 or newer is installed:



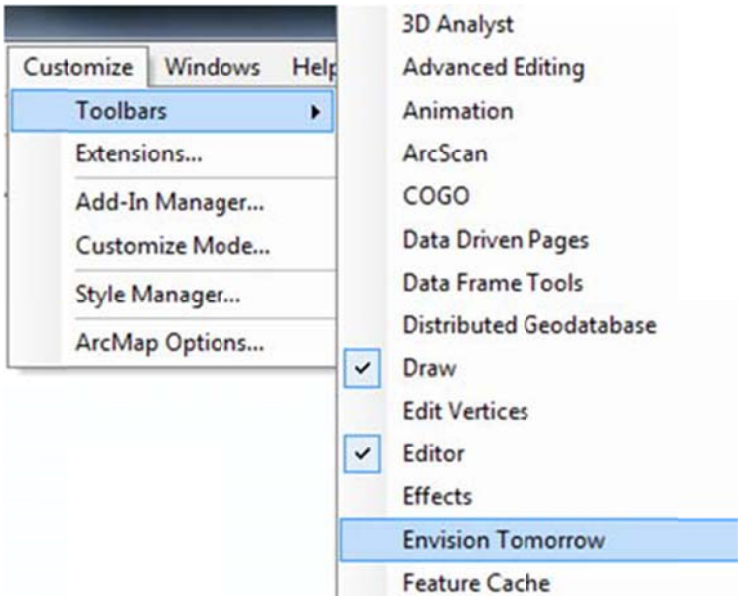
- Download the ET software (a zip file) and extract files.
- Once extracted, double click the **EnvisionTools.esriAddIn** file to initiate the installation process.
- Follow the prompt to confirm installation. Click 'Install Add-In.'
- Click 'Close' to finish installing the software.

2. Enabling the ET Toolbar

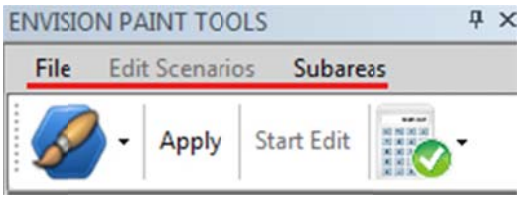
To show the ET toolbar, click the menu 'Customize'—'Toolbars.' In the 'Toolbars' menu, there is a toolbar named 'ET.'

The ET toolbar now shows at the top of ArcMap. Click the 'ET paint tool,' which will cause another window to pop up on the screen. However, for convenient use of the ET tool, place the toolbar on the left side of ArcMap workspace.

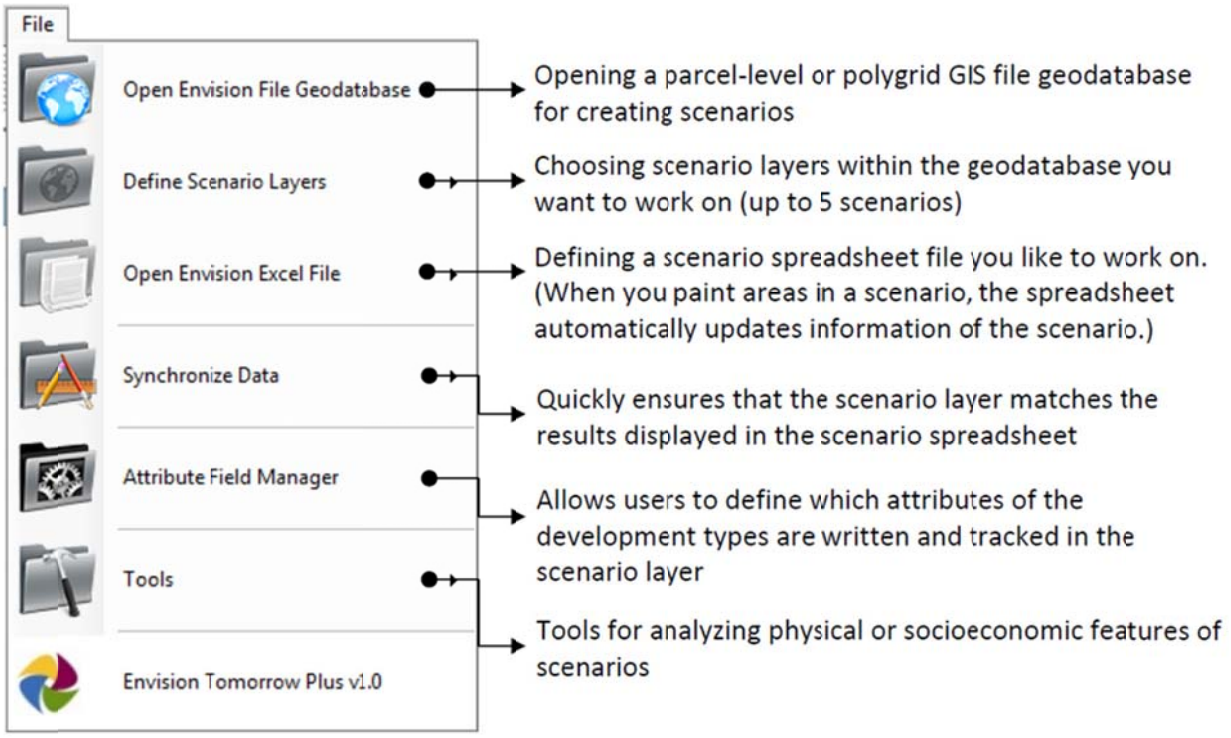
3. Understanding the Envision Paint Tools Menu



The ET paint tool interface consists of three separate menu sections: File, Edit Scenarios, and Subareas. In addition, there are four icons beneath the menu bar, which play a role in painting and editing scenarios.



When scenarios are created using ET, most of the necessary functions can be found in the File menu. In the File menu, there are six submenus—Open Envision File Geodatabase, Define Scenario Layers, Open Envision Excel File, Synchronize Data, Attribute Field Manager, and Tools. The following figure explains the functions that relate to basic scenario painting tasks in ET:

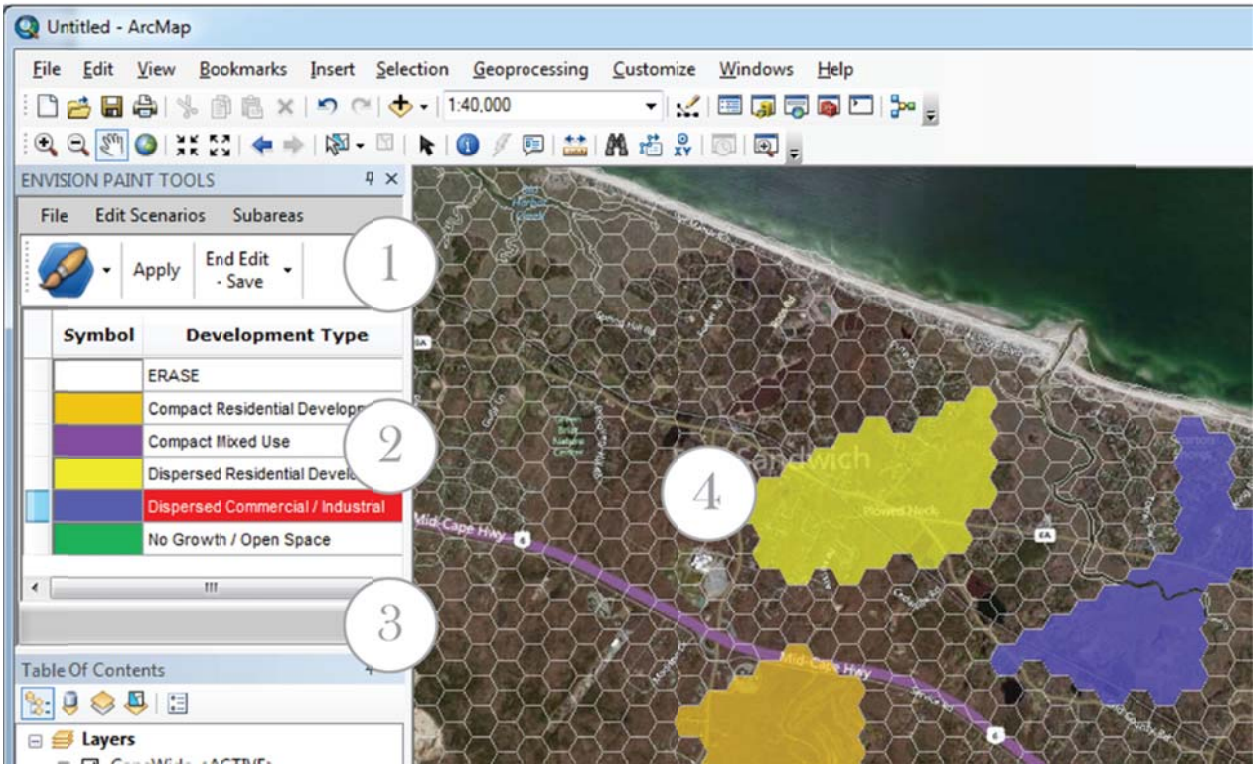


NOTE: Before opening an Envision file geodatabase, the five submenu functions (Define Scenario Layers, Open Envision Excel File, Synchronize Data, Attribute Field Manager, and Tools) are not activated.

4. Navigating ET in the ArcMap User Interface

ET in ArcMap User Interface (UI) consists of four parts:

1. ET Extension Toolbar
2. Development Type Palette
3. ET Status Bar
4. Mapping (Scenario Visualization) Area



The toolbar, overviewed in the section above, deals with loading data, scenario synchronization, and other painting-related tasks. The Development Type Palette, visible below the toolbar, will display a list of color-coded development types once a scenario is loaded. Finally, the standard ArcMap viewer window is where a scenario feature class will display and where scenario painting occurs. Because ET is an extension tool of ArcGIS that uses geodatabase file structure, it can also interact with stock ArcGIS functions and geoprocessing tools.

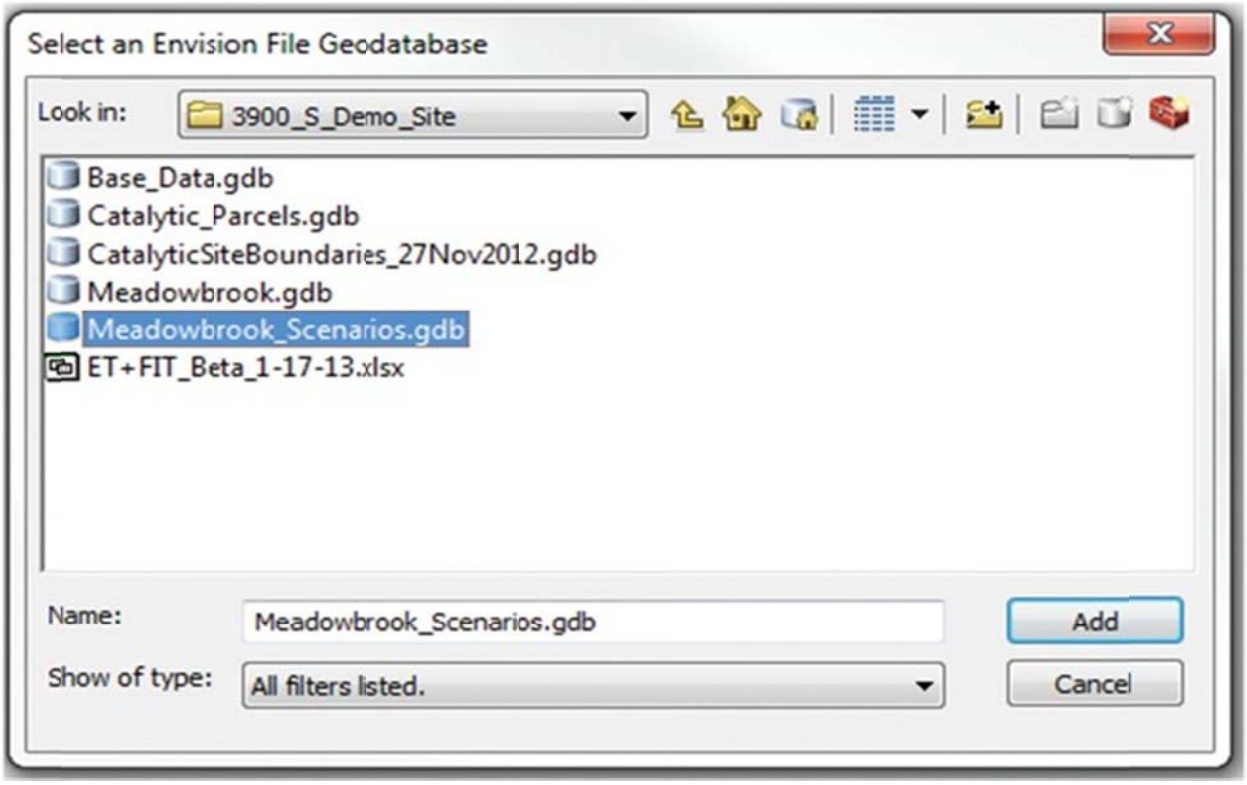
5. Loading an ET Scenario Geodatabase

For this section, the user will have already created a file geodatabase containing a scenario polygon feature class populated with relevant ET fields. For purposes of this guide, assume the default Sacramento General Plan file geodatabase, though an alternate geodatabase clipped to different boundaries also will work.

The first step is to open the Envision geodatabase file in ArcMap. When the new Envision file geodatabase is opened, ET performs several functions behind the scenes:

- Generating several tables in the geodatabase for tracking scenario results.
- Generating a list of all layers included in the geodatabase—each layer is a potential scenario layer.

Under the 'File' menu in the Envision Paint Tools menu, select 'Open Envision File Geodatabase.' Another window will pop up at the center of the screen. Select the file geodatabase and click the 'Add' button.



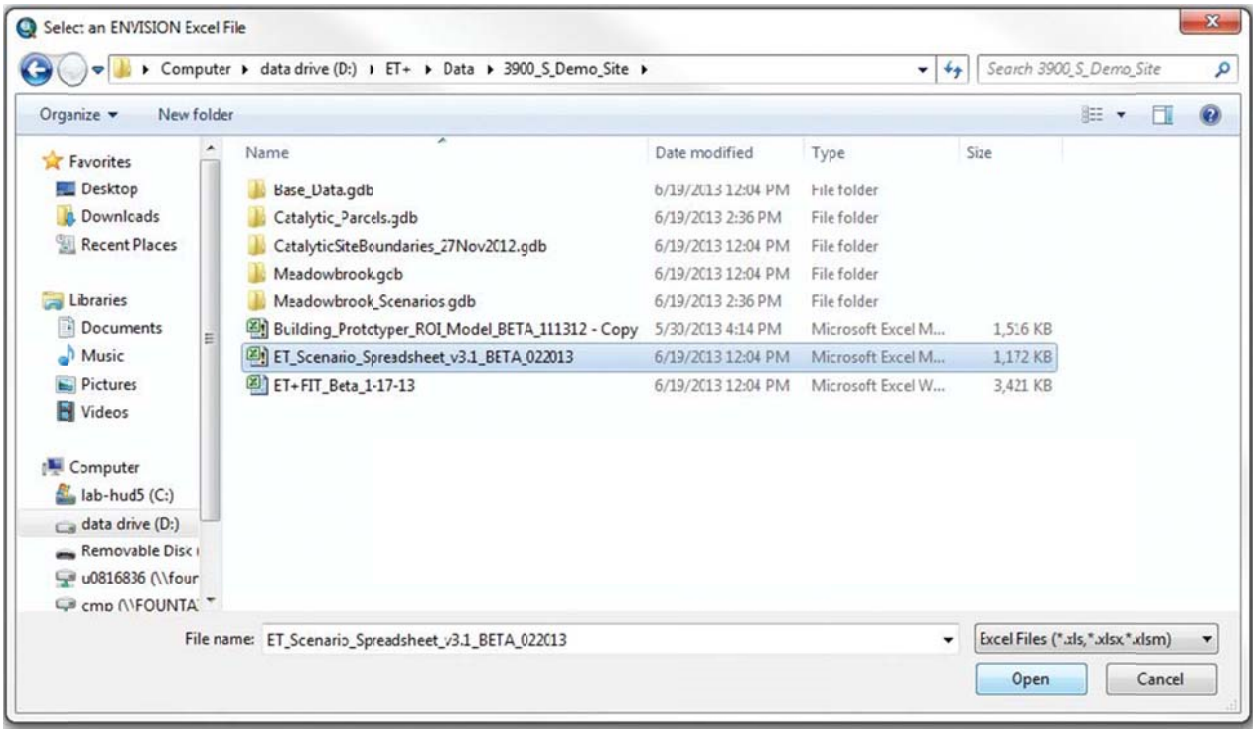
NOTE: ET builds a series of tables in the geodatabase that become visible in the 'Table of Contents' window in ArcMap. These tables hold key attribute values populated from the scenario spreadsheet. When a user paints in ET, the acres of vacant and developed land are multiplied against these attributes, depending on the type of development painted.

6. Linking the Fiscal Impact Analysis/Scenario Spreadsheet

After the Envision file geodatabase is opened, link to an Excel Scenario Builder spreadsheet file. By linking the scenario spreadsheet file with the ET paint tool, data related to the painted area in ET will be written in both the scenario layer and the scenario spreadsheet.

NOTE: Spatial scenarios will overwrite any existing data that exists in a scenario slot.

Select 'Open Envision Excel File' under the file menu in the Envision Paint Tools window. Follow the prompt to browse to the location of the workbook. Find the appropriate Fiscal Impact Analysis Spreadsheet and double click. Once the spreadsheet opens, the ET paint tool will be linked to the scenario spreadsheet.

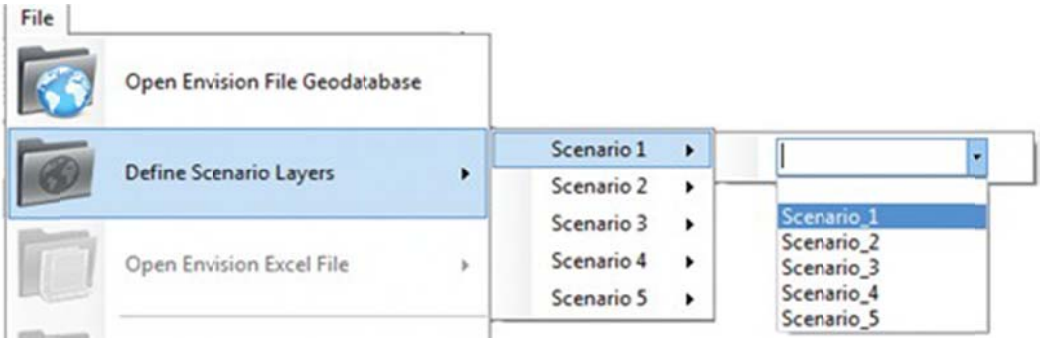


NOTE: Once the Scenario Builder spreadsheet opens, a prompt to update linked values will appear. It is usually best to select 'no' because of the assumption that linked values in the spreadsheet (building prototype sheets, for example) are up to date.

7. Defining the Active Scenario

ET allows users to create up to five scenarios for comparison purposes; however, only one scenario can be edited at a time. The number of spatial scenarios the user can create is tied directly to the number of feature classes in the scenario geodatabase. By default, users are supplied with only one feature class, but creating more is as simple as copying the default feature class to create additional scenario feature classes in the same geodatabase.

Users must tell ET which scenario is the active scenario by first "connecting" feature classes in the geodatabase to available "scenario slots." This is done by browsing to the file menu and clicking "define scenario layer." This menu allows users to identify which feature classes in their geodatabase correspond to each scenario slot.



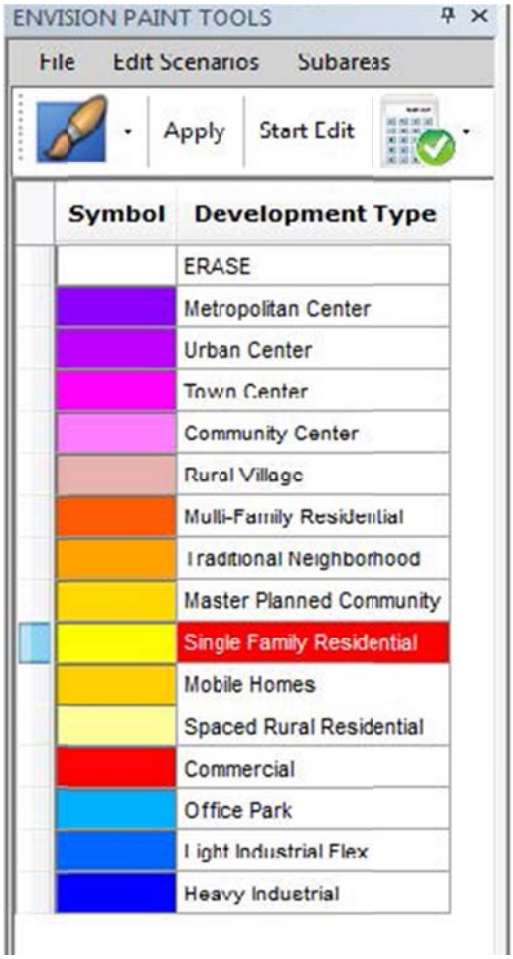
8. Scenario Painting

Scenario painting is the act of applying development types to the scenario feature class, whether through active selection using the paint tools, or through feature queries. The general workflow is as follows:

1. Select a development type.
2. Select a paint tool or construct a feature query.
3. Double click to apply the painting or click the 'apply' button to apply painting to the queried polygons.

Selecting a Development Type

Users select development types by clicking on the desired development type in the paint palette. The active development type is highlighted in red as shown below:

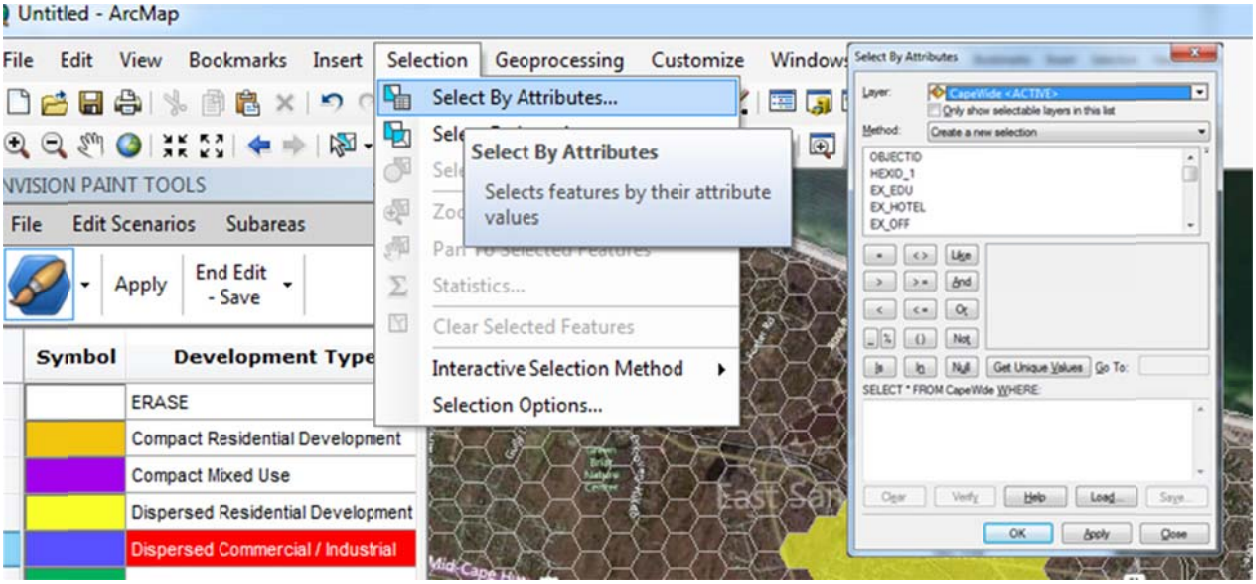


Painting with Paint Tools

The ET UI has several built in "paint brushes" that can be accessed from the ET toolbar. Once a user has selected their preferred brush tool, click on the brush tool icon and begin to paint by clicking on polygons in the View Window in ArcMap.

Painting by Query

Because ET is an add-in for ArcMap, users also can paint by performing basic feature queries. To do this, go to the 'selection' menu in ArcMap and click 'select by attributes.' In the resulting query window, type an SQL query. If desired, use the 'apply' button to apply the selected development type to the queried features.



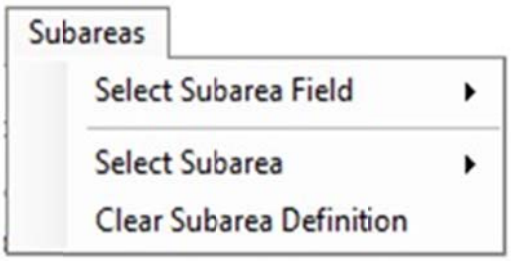
9. Toggling Between Scenarios

ET makes it easy to create new scenarios or to toggle between up to five scenarios. Simply use the 'Edit Scenarios' drop-down menu to select one of up to five scenarios in the scenario geodatabase.

NOTE: Separate feature classes for each scenario must exist in your scenario geodatabase. The user must also prelink each scenario feature class with each scenario "slot" so ET knows which feature class to load when changing scenarios.

10. Subarea Definition

The subarea definition tool allows users to focus their scenario painting in one or a handful of areas. The subarea query is based on an attribute in the scenario feature class and works very much like a definition query. The user specifies the attribute to use as a query, and then the tool pulls the unique occurrences of that attribute. The user then selects the unique occurrence on which to base the subarea definition. The tool then limits the scenario to only the polygons that satisfy the query.



Visualizing Results in the Workbook

The Model spreadsheet contains five 'Scenario' tabs. Each tab is labeled with a number, 1 through 5, corresponding to the scenario "slot" being used in the ET paint tool or **GP Land Use Table**. These tabs show both the redeveloped and painted values for key metrics (value, population, housing units, employment), the number of vacant and developed acres, and the amount of new development in the scenario.

When a user selects an **Active Scenario** on the **Land Use Inputs** tab, it creates a linkage between the land use inputs table and the corresponding scenario tab in the workbook. These are titled "SCENARIO1," "SCENARIO2," etc. and can be viewed when in **ET Advanced** mode. Users are able to modify only one scenario at a time but can toggle between scenario slots to create multiple scenarios.

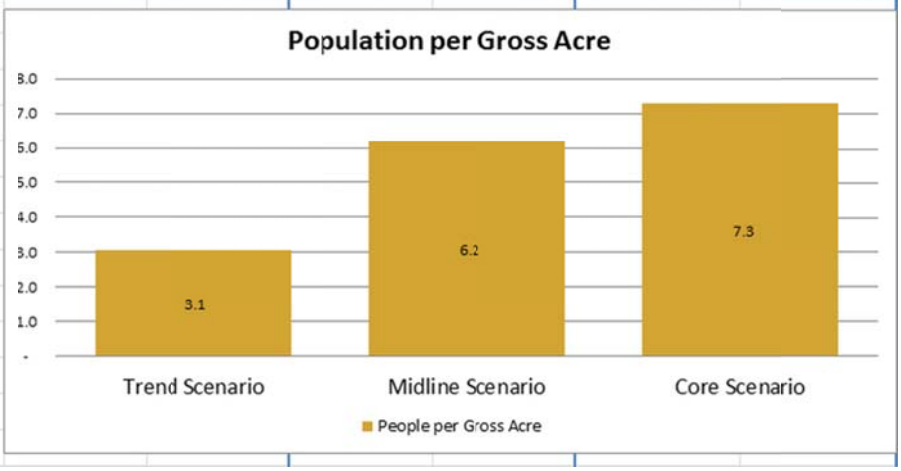
Once a user has created one or more tabular or spatial scenarios, it is possible to analyze these scenarios across a range of indicators. The scenario spreadsheet offers several ways to break down and view results. These are the relevant tabs:

- Summary New
- Summary Total
- Scenario Tabs
- Buildings Tabs

Summary New

The Summary New tab displays indicators related to only the "new" development in the scenario. This can be referred to as "gross new" or just "new." Because this tab does not quantify redevelopment, it is not displaying incremental or "net new" metrics related to new development. Rather it is showing the impact of only new construction. This tab contains more than 100 separate indicators that can be compared across up to five scenarios. Because only new development is being quantified, these indicators cannot be compared to "existing conditions."

Gross Density			
People per Gross Acre	3.1	6.2	7.3
Housing Units per Gross Acre	1.2	3.1	4.5
Jobs per Gross Acre	0.4	1.1	4.0
Average FAR	0.09	0.18	0.23



Summary Total

The Summary Total tab displays two kinds of indicators. Most of the 100+ indicator tables and graphs are related to "total future" impacts. That is, metrics associated with the full buildout of the scenario. This is quantified as follows: [existing development] - [redeveloped existing development] + [new development].

The second and less common variety of indicators contained in this tab are net new indicators. These reflect only the true increment of development and are quantified as follows: [new development] - [redeveloped existing development].

Scenario Tabs

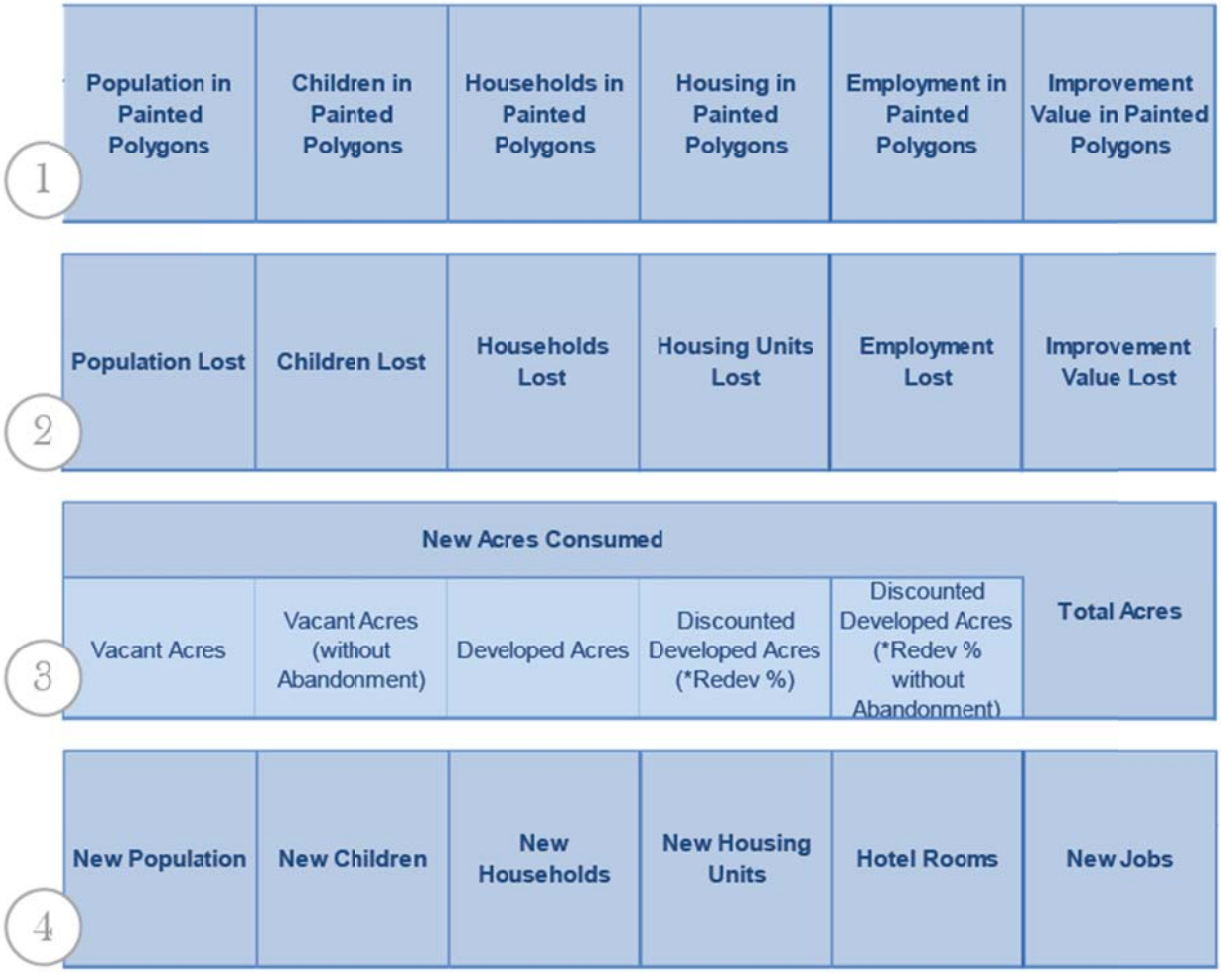
The ET Scenario Builder spreadsheet contains five Scenario tabs. Each is labeled with a number, 1 through 5, corresponding to the scenario slot being used in the ET paint tool. These tabs show both the redeveloped and painted values for key metrics (value, population, housing units, employment), the number of vacant and developed acres, and the amount of new development in the scenario.

There are four main sections to each scenario tab. The first relates to the amount of development in "painted polygons." That is, how much population, employment, or other development is contained in the cells or parcels painted in the scenario.

The second section of the scenario tab relates to redevelopment. It applies a redevelopment rate to the first section to quantify the "redeveloped" values for key metrics such as population, employment, housing units, and real estate value.

The third section tracks vacant and developed acres painted in the scenario. This is where ET actually writes values which flow through the rest of the spreadsheet. Vacant and developed acres are summed by development type and written in the VAC_ACRE and DEVD_ACRE columns on each scenario tab.

The fourth and final section uses the vacant and developed acre counts to calculate future new values for a range of scenario metrics ranging from population to stormwater runoff.



Buildings Tabs

The ET Scenario Builder spreadsheet contains five Buildings tabs. Each is labeled with a number, 1 through 5, corresponding to the scenario slot being used in the ET paint tool. Each of these tabs is similar to the Scenario tabs, but rather than breaking new development down by development type, it reports new development by building type.

Building Name			Household		
	Acres	Buildings	Population	Households	Public School Age Children
Senior Apartments	1.1	1	25	21	4
Residential Condos	1	1	19.41	6.99	3.55
Low Rise Apartments	0	0	4.07	2.23	0.58
Townhome/Duplex	1	2	28.73	9.58	2.47
Small Lot SF	3	8	17.19	7.74	3.93
Standard SF	10	19	53.31	19.19	9.75
Large Lot SF	32	32	109.15	31.19	15.85
Estate SF	25	4	14.67	4.19	2.13
2 Story Commercial	0	0	-	-	-
Main Street Commercial	0	0	2.25	1.24	0.63
Corridor Commercial	0	0	-	-	-
Low Rise Hotel	0	0	-	-	-
Low Rise Office	0	0	-	-	-
Warehouse/Manufacturing	0	0	-	-	-
Agriculture	3	1	1.77	0.53	0.27

Visualizing Results Spatially in ArcMap

The same results that exist in the scenario spreadsheet can be visualized spatially by writing them to the ET scenario layer feature class. The following steps show how to enable fields, update fields, and visualize.

Attribute Field Manager

The Attribute Field Manager is a spatial tool in the ET toolbar that allows users to select a range of development type attributes and then have the paint tool write them to the scenario feature class.

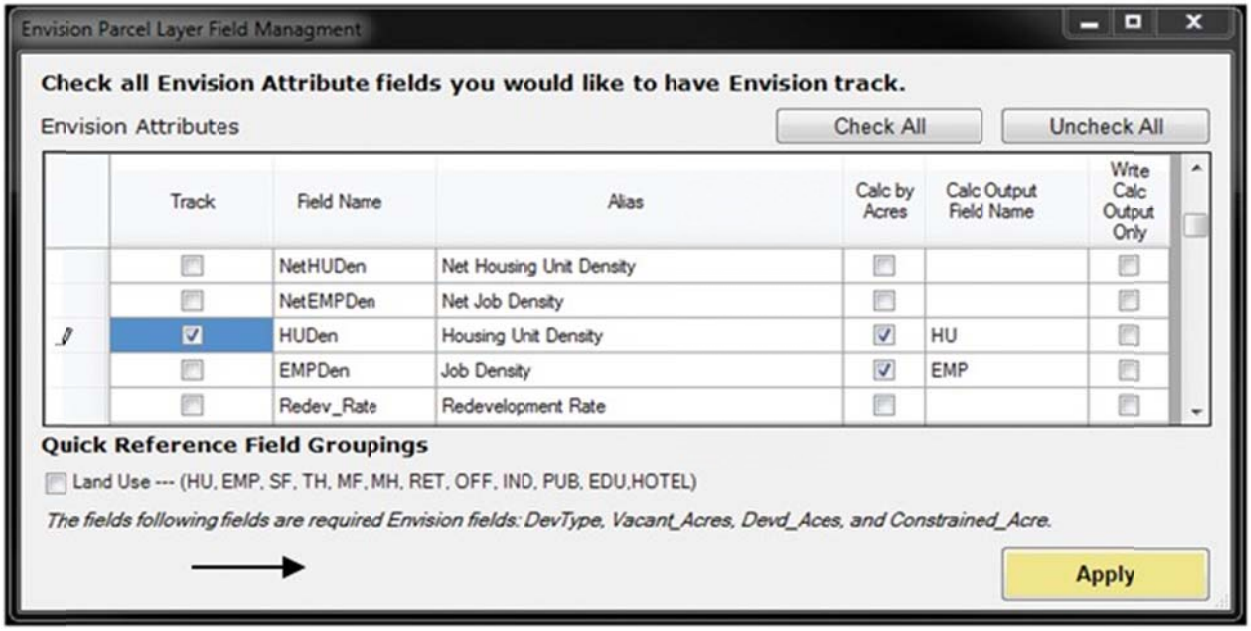
Select the 'Attribute Field Manager' function in the 'File' menu, and the field manager window pops up with the 'attribute fields' that ET can track and write in the scenario layer, including the following fiscal attributes:

- Annual Revenue per Acre
- Annual Expenditure per Acre
- Annual Tax Revenue per Acre
- Net Fiscal Benefit

Enabling Field Tracking

Certain attributes can be multiplied against the land area (acres) and result in additional variables. For instance, housing unit density can be multiplied against the land area (acres) and result in housing units. This additional variable can be calculated by checking the 'Calc by Acres' box.

To add the desired field to the attribute table of the scenario layer, check the 'Track' box. For example, to track the calculation outputs of housing density (HUDen) and housing unit (HU), check the 'Track' box on the left side of the 'Field Name' column. Click the 'Apply' button at the bottom of the window, and ET will automatically track the attribute field to the feature class and display a confirmation when complete.



Right-click the scenario layer in the 'Table of Contents' window and select the 'Open Attribute Table' function, to see the attribute table for that scenario layer. In the attribute table, the desired fields have been added to the table but with <null> or blank values for all features. To populate these newly added tracking fields, perform a "quick sync" (for synchronizing only painted areas) or a "full sync" (for all features).

Writing Values to the Feature Class

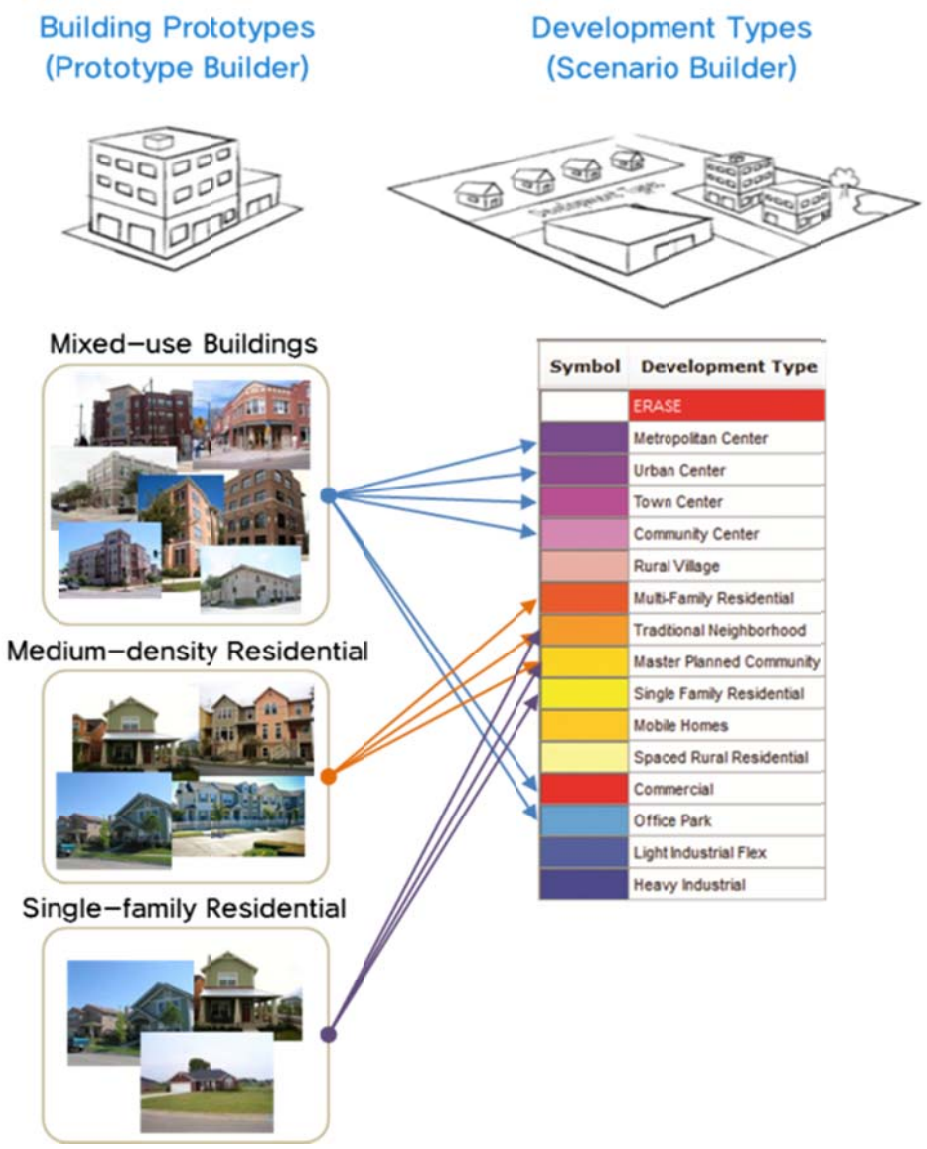
Once fields have been tracked and added to the desired feature class, users must perform a full sync or quick sync to write values to the newly added feature class attributes. The only difference between the quick sync and the full sync functions is that quick sync writes only polygons that have been painted, while full sync recalculates the entire feature class and therefore takes longer.

Once a quick or full sync is complete, values should have populated in the appropriate attribute columns. These values can be used to create any number of 2D and 3D maps using the built-in functionality of ArcMap and ArcScene. Users should be aware that once fields are tracked, they will continue to be updated as the user paints unless field tracking is manually disabled for those fields.

NOTE: If the numbers in the scenario feature class are not in line with the new totals in the user's scenario spreadsheet, it is likely the development type attributes have changed since the last "development type attribute sync." Make sure to perform a development type attribute sync by browsing to the excel spreadsheet menu in the ET toolbar.

Adjusting Future Land Use Categories

Envision Tomorrow land use categories, referred to as "development types" are comprised of one or more building types, referred to as "building prototypes." Though the Envision Tomorrow/Fiscal Impact Analysis Model (Model) provides users with 22 General Plan land use categories for use in scenario development, this list can be altered and/or modified. This can be accomplished by modifying the building prototype composition of existing land use categories or by creating a new land use category comprised of one or more building prototypes.



Modifying Land Use Categories (Development Types)

Modifications to one of the 22 land use categories already included in the Model can be accomplished by adjusting the mix of building prototypes participating in the desired land use category. This is done by adjusting the development type matrix in the "Dev Type Building Mix" tab within the Model. As shown in the image below, the development type matrix is the area of

pink cells formed by a list of building types along the horizontal axis and development types along the vertical axis. The general workflow for this step is to go through, development type by development type, and fill in percentages under appropriate buildings. The "Building Check" column provides guidance on whether each row sums to 100%.

DEVELOPMENT TYPES	Development Type Name	BUILDING PROTOTYPES: Senior Apartments	Residential Condos	Low Rise Apartments	Townhome/ Duplex	Small Lot SF	Standard SF	Large Lot SF
	Rural							50%
	Residential	5%	5%		5%	10%	45%	24%
	Village Residential	5%	10%	5%	5%	10%	60%	
	Museum				5%	25%	20%	
	Village Center MU	5%		16%	2%	30%	5%	
	Shelburne Falls MU		5%		5%	50%	23%	2%
	Mixed Use District	5%	4%	4%	4%	15%	10%	
	Commerce & Industry							

Note that modifying an existing development type changes densities and fiscal performance characteristics that impact any scenario where that development type is used. For instance, modifying the building type composition of a General Plan land use category will change the outcome of the General Plan build out scenario. If this outcome is not desired, see the next section.

Adding New Land Use Categories (Development Types)

Users can add new land use categories by browsing to the "Dev Type Streets" tab. The "Dev Type Streets" tab is where users define development type names and a range of attributes that relate to the urban form of development types. It is important to understand that a major assumption within ET is that new streets, infrastructure, parks, etc. need only be applied to new development when it is being "painted" on greenfield land. Development on existing developed land (infill development) is assumed to require no additional infrastructure and the inputs on this tab are ignored.

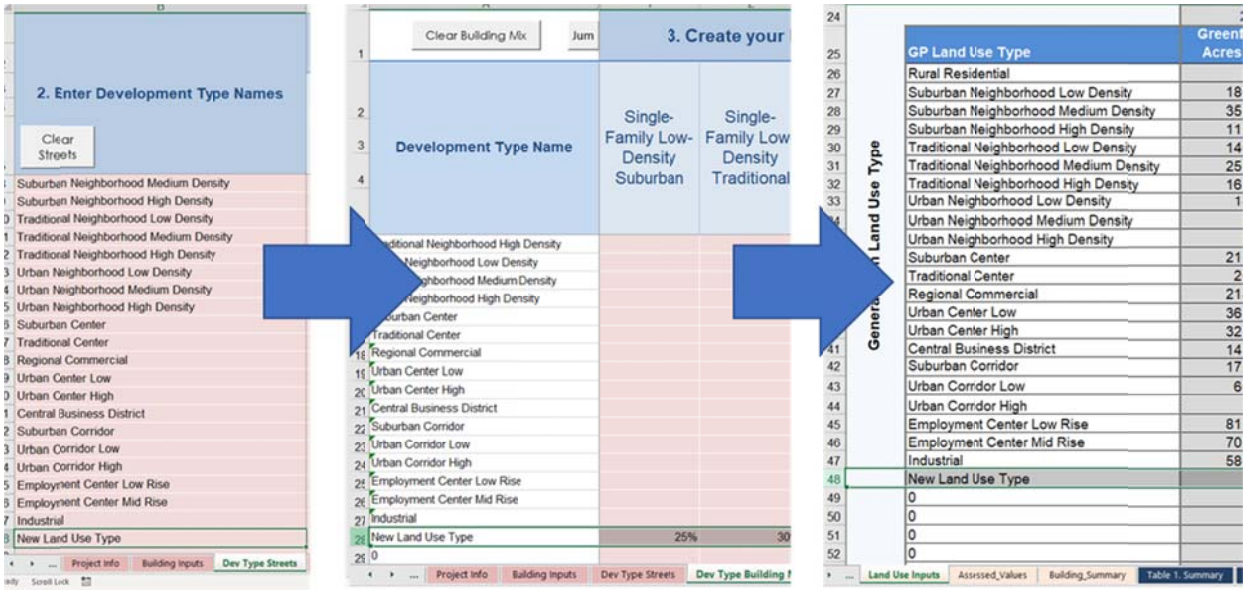
	Block Size					Street Characteristics							Net Land Reductions to Buildable Land from Public Space			
2. Enter Development Type Names (1) Clear Streets	(2) Block Width 1 (ft	Block Width 2 (ft)	Buildable Block Area (Sq Ft)	Total block Area (to center line) (Sq Ft)	Total Block Area (Acres)	(3) Number of Drive Lanes	Drive Lane Width	On-street Parking Width	(4) Bike Lane Width	Sidewalk Width	Total Landscaping Width	Total Street Width	(5) [illegible]-sac as percent of all intersections	(6) Streets	Civic	Parks/ Open Space	Total
Rural	800	800	640,000	685,584	15.7	2	10		2	2		28	0%	7%	2%	2%	11%
Residential	500	500	250,000	300,304	6.9	3	10			5	8	48	30%	17%	2%	2%	21%
Village Residential	500	500	250,000	334,084	7.7	4	10	5	5	5	8	78	5%	25%	2%	2%	29%
Museum	400	400	160,000	228,484	5.2	4	10	5	5	5	8	78	0%	30%	2%	2%	34%
Village Center MU	400	400	160,000	238,144	5.5	5	10	5	5	5	8	88	0%	33%	4%	2%	39%
Shelburne Falls MU	400	400	160,000	228,484	5.2	4	10	5	5	5	8	78	0%	30%	4%	2%	36%
Mixed Use District	400	400	160,000	228,484	5.2	4	10	5	5	5	8	78	0%	30%	4%	2%	36%
Commerce & Industry	600	800	480,000	618,849	14.2	5	11	5	5	5	8	93	5%	22%	2%	2%	26%
Commerce & Industry - South	600	800	480,000	618,849	14.2	5	11	5	5	5	8	93	5%	22%	2%	2%	26%

There are six main assumptions for greenfield development being addressed in the "Dev Type Streets" tab.

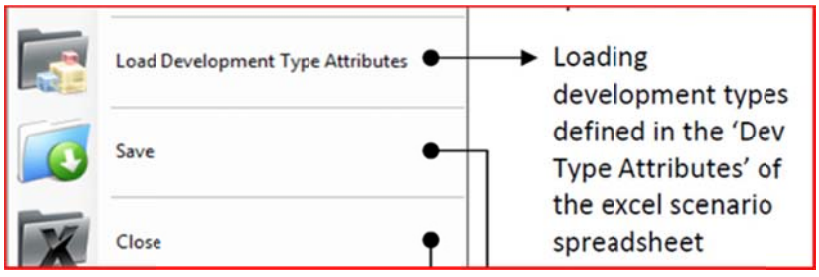
1. Development Type Names: Start by entering a list of development type names in column A. These could relate to individual building types, all the way up to place types that mimic entire neighborhoods. Enter up to 100 development types

2. Block Size: Enter the length of each typical block face for each development. ET automatically calculates block areas.
3. Right-of-Way: Enter the number of lanes and lane width. ET automatically calculates the auto-dedicated right-of-way
4. Streetscape: Enter the width of sidewalks, landscaping, parking, and bike lane assumptions. For streetscape attributes such as parking, sidewalks, and bike lanes, the user is expected to enter width for one side of the street which ET will then double. The only exception to this is landscaping which should equal the total for both sides of the street.
5. Connectivity: define the percent of cul-de-sacs within each development type
6. Parks and Civic spaces: define the percent of each development type that should be dedicated to parks and civic spaces when vacant land is consumed.

After users input their new development type (land use category) name and greenfield characteristics, that name becomes visible on the "Dev Type Building Mix" tab where the same steps apply as were described in the preceding section on altering existing land use categories. Users can enter percentages into the corresponding row to define the mix of buildings that participate in their new land use category (development type). This new land use category will then be visible on the "Land Use Inputs" tab in the "GP Land Use Input Table". Note: it may be necessary to expand hidden rows in this table in order to see added land use categories. To do this, click the plus sign in the left-hand margin of the Excel window.



Note: In order to access newly created land use types in the Envision Tomorrow paint tool, users must first run a "Load Development Type Attributes" process in order to re-sync the Model spreadsheet and GIS system.



Modifying Building Prototype Assumptions

The Envision Tomorrow/Fiscal Impact Analysis Model (Model) includes 36 building prototypes from which up to 100 land use categories (development types) can be created. Should users wish to modify building prototypes from the library provided, they should refer to: www.EnvisionTomorrow.org/building-prototypes. Note that many building-level assumptions from Envision Tomorrow, such as household size and employment density, are superseded by assumptions made in the fiscal portion of the Model discussed in the Model Overview section of this report. At this time, the number of building prototypes (36) is static, though more slots could be added at a later date by the consultant team as a subsequent phase of this project.

APPENDICES:

Appendix A: General Assumptions

Appendix B: Revenue-Estimating Tables

Appendix C: Expenditure-Estimating Tables

Appendix D: Supporting Tables for Revenue and Expenditure Analyses

Appendix E: Base Land Use Scenario Development Assumptions

Appendix F: Fiscal Impact Analysis Sensitivity Scenario Summary: Omission of Geography Adjustment for Police and Fire Costs

APPENDIX A:

General Assumptions

Table A-1
City of Sacramento
General Plan Fiscal Impact Analysis
General Assumptions

Item	Assumption
General Assumptions	
Base Fiscal Year [1]	FY 2018-19
General Demographic Characteristics	
City of Sacramento	
Population [2]	501,344
Employees [3]	354,200
Persons Served [4]	678,444

gen_assumps

Source: California Department of Finance; US Census Bureau, OnTheMap, and LEHD Origin Destination Employment Statistics; California EDD; EPS.

[1] This Fiscal Impact Analysis is based on the City of Sacramento's FY 2018-19 Approved Budget.
[2] California Department of Finance estimate for January 1, 2018.
[3] US Census Onthemap.ces.census.gov estimated a total of 306,896 jobs in Sacramento, CA in 2015. California EDD reports an annual average growth rate of 4.91% since 2016 for the Sacramento MSA. EPS escalated 2015 employment figure to arrive at 2018 employment estimate, adjusted by an additional 10% to account for self-employed workers, and rounded to the nearest hundred employees.
[4] "Persons Served" is defined as City of Sacramento's population plus 50% of employees.

Table A-2
City of Sacramento
General Plan Fiscal Impact Analysis
Land Use Development Assumptions

Gross Development Totals

Building Type	General Plan Land Use/Urban Form	Geography	Tenure [1]	Acreage [2]	Land Use Density: Average Dwelling Units per Acre	Land Use Density: Nonres. FAR [3]	Total Development [4]: Dwelling Units	Total Development [4]: Nonres. Building Square Feet [1]	Estimated Assessed Value [5]
RESIDENTIAL LAND USES									*Per Unit*
Single-Family Low-Density	Suburban Neighborhood Low	Suburban	Owner	419	6.0	-	2,498	-	$425,000
Single-Family Low-Density	Traditional Neighborhood Low	Traditional	Owner	113	7.0	-	790	-	$500,000
Single-Family Medium-Density	Traditional Neighborhood Medium	Traditional	Owner	112	9.0	-	1,009	-	$550,000
Single-Family Medium-Density	Urban Neighborhood Low	Urban	Owner	11	14.0	-	155	-	$750,000
Single-Family High-Density	Suburban Neighborhood Medium, Suburban Center, Suburban Corridor [6]	Suburban	Owner	293	12.0	-	3,521	-	$385,000
Single-Family High-Density	Traditional Neighborhood Low, Med., & High, Traditional Center [6]	Traditional	Owner	106	20.0	-	2,115	-	$530,000
Single-Family High-Density	Urban Neighborhood Low, Med., & High, Urban Center Low [6]	Urban	Owner	11	36.0	-	399	-	$600,000
Multifamily Low Rise	Suburban Neighborhood High, Suburban Center, Regional Commercial Center, Suburban Corridor [6]	Suburban	Renter	298	20.0	-	5,967	-	$225,000
Multifamily Low Rise	Traditional Neighborhood Medium & High, Traditional Center [6]	Traditional	Renter	76	-	-	5,337	-	$250,000
Multifamily Low Rise	Urban Neighborhood Medium, Urban Center Low & High, Urban Corridor Low & High [6]	Urban	Renter	135	158.0	-	21,370	-	$325,000
Multifamily Low Rise	Employment Center Low Rise	Districts	Renter	79	70.0	-	5,555	-	$230,000
Multifamily High Rise	Urban Neighborhood High, Urban Center High, Urban Corridor High, Central Business District [6]	Urban	Renter	69	203.3	-	13,947	-	$300,000
Multifamily High Rise	Employment Center Mid Rise	Districts	Renter	42	203.3	-	8,597	-	$240,000
TOTAL RESIDENTIAL LAND USES				**1,766**	**40.4**	**-**	**71,260**	**-**	

Table A-2
City of Sacramento
General Plan Fiscal Impact Analysis
Land Use Development Assumptions

Gross Development Totals

Building Type	General Plan Land Use/Urban Form	Geography	Tenure [1]	Acreage [2]	Land Use Density: Average Dwelling Units per Acre	Land Use Density: Nonres. FAR [3]	Total Development [4]: Dwelling Units	Total Development [4]: Nonres. Building Square Feet [1]	Estimated Assessed Value [5]
NONRESIDENTIAL LAND USES									*Per Bldg. Sq. Ft.*
Retail - Neighborhood-Serving	Suburban Center	Suburban	-	77	-	0.25	-	841,935	$200
Retail - Neighborhood-Serving	Traditional Center	Traditional	-	9	-	0.35	-	143,888	$225
Retail - Neighborhood-Serving	Urban Center Low [6]	Urban	-	166	-	0.77	-	5,566,577	$250
Retail - Neighborhood-Serving	Employment Center Low & Mid Rise & Industrial [6]	Districts	-	577	-	0.42	-	10,554,195	$215
Retail - Community-Serving	Suburban Corridor	Suburban	-	58	-	0.25	-	626,352	$200
Retail - Community-Serving	Urban Center High and Corridor Low & High [6]	Urban	-	86	-	0.40	-	1,487,892	$200
Retail - Regional-Serving	Regional Commercial Center	Suburban	-	57	-	0.30	-	728,926	$200
Retail - Regional-Serving	Urban Corridor High & Central Business District	Urban	-	15	-	0.50	-	329,570	$200
Office - Class A	Regional Commercial Center	Suburban	-	66	-	0.30	-	844,892	$200
Office - Class A	Urban Center & Corridor Low [6]	Urban	-	160	-	0.40	-	2,806,932	$230
Office - Class A	Urban Center & Corridor High & Central Business District [6]	Urban	-	254	-	2.27	-	25,151,870	$220
Office - Class A	Employment Center Mid Rise	Districts	-	207	-	0.30	-	2,660,801	$200
Office - Class B	Suburban Center, Corridor [6]	Suburban	-	147	-	0.30	-	1,917,453	$200
Office - Class B	Traditional Center	Traditional	-	4	-	0.30	-	51,358	$200
Office - Class B	Employment Center Low Rise & Industrial	Districts	-	140	-	0.30	-	1,797,706	$200
R&D/Flex	Employment Center Low Rise & Industrial	Districts	-	238	-	0.30	-	3,064,019	$210
Small/Light Industrial	Employment Center Low Rise & Industrial	Districts	-	226	-	0.40	-	3,941,957	$100
Large/Heavy Industrial	Employment Center Low Rise & Industrial	Districts	-	343	-	0.57	-	8,547,251	$110
Hotel	Regional Commercial Center	Suburban	-	6	-	0.66	-	185,122	$250
Hotel	Regional Commercial Center	Traditional	-	0	-	0.00	-	0	$250
Hotel	Urban Center & Corridor High & Central Business District [6]	Urban	-	18	-	1.89	-	1,511,000	$325
Hotel	Employment Center Mid Rise	Districts	-	31	-	0.79	-	1,073,715	$250
TOTAL NONRESIDENTIAL LAND USES				**2,885**	**-**		**-**	**73,833,411**	
TOTAL LAND USES				**4,651**			**71,260**	**73,833,411**	

development_assump

Source: City of Sacramento General Plan 2035; Cascadia Partners; CoStar; SACOG; U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates; EPS.

Table A-2
City of Sacramento
General Plan Fiscal Impact Analysis
Land Use Development Assumptions

Gross Development Totals

Building Type	General Plan Land Use/Urban Form	Geography	Tenure [1]	Acreage [2]	Land Use Density: Average Dwelling Units per Acre	Land Use Density: Nonres. FAR [3]	Total Development [4]: Dwelling Units	Total Development [4]: Nonres. Building Square Feet [1]	Estimated Assessed Value [5]

[1] Tenure estimated by EPS.
[2] Acreage figures are gross development.
[3] Floor-Area-Ratio (FAR).
[4] Acreage, dwelling units, and building square feet by Land use derived from Cascadia Partners and EPS using the City of Sacramento General Plan 2035.
[5] Assessed values per Cascadia Partners and EPS.
[6] Includes multiple General Plan Land Use types, which are listed above in the General Plan Land Use Type column.

Table A-3
City of Sacramento
General Plan Fiscal Impact Analysis
Land Use Assumptions

Land Use Assumptions

Building Type	General Plan Land Use/Urban Form	Geography	Turnover Rate [1]	Vacancy Rate [2]	Population Assumptions: Persons per Dwelling Unit [3]	Population Assumptions: Square Feet per Employee [4]
RESIDENTIAL LAND USES						
Single-Family Low-Density	Suburban Neighborhood Low	Suburban	10%	3.0%	2.68	-
Single-Family Low-Density	Traditional Neighborhood Low	Traditional	10%	3.0%	2.68	-
Single-Family Medium-Density	Traditional Neighborhood Medium	Traditional	10%	3.0%	2.68	-
Single-Family Medium-Density	Urban Neighborhood Low	Urban	10%	3.0%	2.68	-
Single-Family High-Density	Suburban Neighborhood Medium, Suburban Center, Suburban Corridor	Suburban	10%	3.0%	2.68	-
Single-Family High-Density	Traditional Neighborhood Low, Med., & High, Traditional Center	Traditional	10%	3.0%	2.68	-
Single-Family High-Density	Urban Neighborhood Low, Med., & High, Urban Center Low	Urban	10%	3.0%	2.68	-
Multifamily Low Rise	Suburban Neighborhood High, Suburban Center, Regional Commercial Center, Suburban Corridor	Suburban	5%	8.0%	2.56	-
Multifamily Low Rise	Traditional Neighborhood Medium & High, Traditional Center	Traditional	5%	8.0%	2.56	-
Multifamily Low Rise	Urban Neighborhood Medium, Urban Center Low & High, Urban Corridor Low & High	Urban	5%	8.0%	2.56	-
Multifamily Low Rise	Employment Center Low Rise	Districts	5%	8.0%	2.56	-
Multifamily High Rise	Urban Neighborhood High, Urban Center High, Urban Corridor High, Central Business District	Urban	5%	8.0%	2.56	-
Multifamily High Rise	Employment Center Mid Rise	Districts	5%	8.0%	2.56	-

Table A-3
City of Sacramento
General Plan Fiscal Impact Analysis
Land Use Assumptions

Land Use Assumptions

Building Type	General Plan Land Use/Urban Form	Geography	Turnover Rate [1]	Vacancy Rate [2]	Population Assumptions: Persons per Dwelling Unit [3]	Population Assumptions: Square Feet per Employee [4]
NONRESIDENTIAL LAND USES						
Retail - Neighborhood-Serving	Suburban Center	Suburban	5%	10.0%	-	500
Retail - Neighborhood-Serving	Traditional Center	Traditional	5%	10.0%	-	500
Retail - Neighborhood-Serving	Urban Center Low	Urban	5%	10.0%	-	500
Retail - Neighborhood-Serving	Employment Center Low & Mid Rise & Industrial	Districts	5%	10.0%	-	500
Retail - Community-Serving	Suburban Corridor	Suburban	5%	10.0%	-	500
Retail - Community-Serving	Urban Center High and Corridor Low & High	Urban	5%	10.0%	-	500
Retail - Regional-Serving	Regional Commercial Center	Suburban	5%	10.0%	-	500
Retail - Regional-Serving	Urban Corridor High & Central Business District	Urban	5%	10.0%	-	500
Office - Class A	Regional Commercial Center	Suburban	5%	10.0%	-	280
Office - Class A	Urban Center & Corridor Low	Urban	5%	10.0%	-	280
Office - Class A	Urban Center & Corridor High & Central Business District	Urban	5%	10.0%	-	280
Office - Class A	Employment Center Mid Rise	Districts	5%	10.0%	-	280
Office - Class B	Suburban Center, Corridor	Suburban	5%	10.0%	-	280
Office - Class B	Traditional Center	Traditional	5%	10.0%	-	280
Office - Class B	Employment Center Low Rise & Industrial	Districts	5%	10.0%	-	280
R&D/Flex	Employment Center Low Rise & Industrial	Districts	5%	10.0%	-	700
Small/Light Industrial	Employment Center Low Rise & Industrial	Districts	5%	10.0%	-	700
Large/Heavy Industrial	Employment Center Low Rise & Industrial	Districts	5%	10.0%	-	700
Hotel	Regional Commercial Center	Suburban	-	-	-	1,500
Hotel	Regional Commercial Center	Traditional	-	-	-	1,500
Hotel	Urban Center & Corridor High & Central Business District	Urban	-	-	-	1,500
Hotel	Employment Center Mid Rise	Districts	-	-	-	1,500

lu_assumps

Source: City of Sacramento General Plan 2035; Cascadia Partners; CoStar; SACOG; U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates; EPS.

Table A-3
City of Sacramento
General Plan Fiscal Impact Analysis
Land Use Assumptions

Land Use Assumptions

Building Type	General Plan Land Use/Urban Form	Geography	Turnover Rate [1]	Vacancy Rate [2]	Population Assumptions: Persons per Dwelling Unit [3]	Population Assumptions: Square Feet per Employee [4]

[1] EPS assumptions based on data findings for the Sacramento region over a period of several decades. Turnover rate used in calculating property transfer tax revenues as shown in Table B-4.

[2] Residential vacancy rates per the City of Sacramento General Plan 2035 Housing Element page H 3-23 and is based on data from the U.S. Census 2010. Nonresidential vacancy rates reflect a 10-year weighted average using CoStar. Neighborhood Retail includes Neighborhood Center CoStar retail center category, Community Retail includes Community, Lifestyle, and Power Center CoStar retail center categories, and Regional Retail includes Regional, Super Regional, and Outlet CoStar retail center categories.

[3] Persons per household reflect average household size for owner-occupied and renter-occupied households per the City of Sacramento General Plan 2035 Housing Element page H 3-10 and is based on data from the U.S. Census 2010.

[4] Square feet per employee assumptions per SACOG.

Table A-4
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Residential and Employee Population

Occupied Development and Estimated Population

Building Type	General Plan Land Use/Urban Form	Geography	Occupied Development [1] Dwelling Units	Occupied Development [1] Nonres. Building Square Feet	Estimated Residential & Employee Population [1]
RESIDENTIAL POPULATION			*Dwelling Units*		*Residents*
Single-Family Low-Density	Suburban Neighborhood Low	Suburban	2,423	-	6,493
Single-Family Low-Density	Traditional Neighborhood Low	Traditional	767	-	2,055
Single-Family Medium-Density	Traditional Neighborhood Medium	Traditional	979	-	2,624
Single-Family Medium-Density	Urban Neighborhood Low	Urban	151	-	404
Single-Family High-Density	Suburban Neighborhood Medium, Suburban Center, Suburban Corridor	Suburban	3,415	-	9,153
Single-Family High-Density	Traditional Neighborhood Low, Med., & High, Traditional Center	Traditional	2,051	-	5,497
Single-Family High-Density	Urban Neighborhood Low, Med., & High, Urban Center Low	Urban	387	-	1,038
Multifamily Low Rise	Suburban Neighborhood High, Suburban Center, Regional Commercial Center, Suburban Corridor	Suburban	5,490	-	14,054
Multifamily Low Rise	Traditional Neighborhood Medium & High, Traditional Center	Traditional	4,910	-	12,569
Multifamily Low Rise	Urban Neighborhood Medium, Urban Center Low & High, Urban Corridor Low & High	Urban	19,660	-	50,331
Multifamily Low Rise	Employment Center Low Rise	Districts	5,111	-	13,083
Multifamily High Rise	Urban Neighborhood High, Urban Center High, Urban Corridor High, Central Business District	Urban	12,831	-	32,848
Multifamily High Rise	Employment Center Mid Rise	Districts	7,909	-	20,247
TOTAL RESIDENTS			**66,084**	**-**	**170,396**

Table A-4
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Residential and Employee Population

Occupied Development and Estimated Population

Building Type	General Plan Land Use/Urban Form	Geography	Occupied Development [1] Dwelling Units	Occupied Development [1] Nonres. Building Square Feet	Estimated Residential & Employee Population [1]
NONRESIDENTIAL EMPLOYEE POPULATION				*Building Sq. Ft.*	*Employees*
Retail - Neighborhood-Serving	Suburban Center	Suburban	-	757,741	1,515
Retail - Neighborhood-Serving	Traditional Center	Traditional	-	129,499	259
Retail - Neighborhood-Serving	Urban Center Low [5]	Urban	-	5,009,919	10,020
Retail - Neighborhood-Serving	Employment Center Low & Mid Rise & Industrial	Districts	-	9,498,776	18,998
Retail - Community-Serving	Suburban Corridor	Suburban	-	563,717	1,127
Retail - Community-Serving	Urban Center High and Corridor Low & High	Urban	-	1,339,102	2,678
Retail - Regional-Serving	Regional Commercial Center	Suburban	-	656,034	1,312
Retail - Regional-Serving	Urban Corridor High & Central Business District	Urban	-	296,613	593
Office - Class A	Regional Commercial Center	Suburban	-	760,403	2,716
Office - Class A	Urban Center & Corridor Low	Urban	-	2,526,239	9,022
Office - Class A	Urban Center & Corridor High & Central Business District	Urban	-	22,636,683	80,845
Office - Class A	Employment Center Mid Rise	Districts	-	2,394,720	8,553
Office - Class B	Suburban Center, Corridor	Suburban	-	1,725,707	6,163
Office - Class B	Traditional Center	Traditional	-	46,222	165
Office - Class B	Employment Center Low Rise & Industrial	Districts	-	1,617,936	5,778
R&D/Flex	Employment Center Low Rise & Industrial	Districts	-	2,757,618	3,939
Small/Light Industrial	Employment Center Low Rise & Industrial	Districts	-	3,547,761	5,068
Large/Heavy Industrial	Employment Center Low Rise & Industrial	Districts	-	7,692,526	10,989
Hotel	Regional Commercial Center	Suburban	-	185,122	123
Hotel	Regional Commercial Center	Traditional	-	0	0
Hotel	Urban Center & Corridor High & Central Business District	Urban	-	1,511,000	1,007
Hotel	Employment Center Mid Rise	Districts	-	1,073,715	716
TOTAL NONRESIDENTIAL EMPLOYEES			**-**	**66,727,054**	**171,589**

Table A-4
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Residential and Employee Population

Occupied Development and Estimated Population

Building Type	General Plan Land Use/Urban Form	Geography	Occupied Development [1] Dwelling Units	Occupied Development [1] Nonres. Building Square Feet	Estimated Residential & Employee Population [1]
Residential and Employee Population			*Residents*	*Employees*	*Persons Served [2]*
	Suburban		29,700	12,957	36,178
	Traditional		22,745	424	22,957
	Urban		84,621	104,166	136,704
	Districts		33,330	54,041	60,351
	Total		**170,396**	**171,589**	**256,190**

popemp

Source: EPS.

[1] Occupied land uses and residential and employee population estimates are based on assumptions shown in Table A-2 and Table A-3.
[2] Total Persons Served is defined as 100% residential population and 50% of employees.

APPENDIX B:

Revenue-Estimating Tables

Table B-1
City of Sacramento
General Plan Fiscal Impact Analysis
Revenue-Estimating Procedures (2018$)

Item	Estimating Procedure	Reference Table [1]	City of Sacramento Approved FY 2018-19 Revenues (Rounded)	Offsetting Revenues [2]	Adjusted Net FY 2018-19 Revenues	% of Total	Adjustment Factor [3]	Service Population	Revenue Multiplier
Annual General Fund Revenues									
Taxes									
Property Tax	Case Study	Table B-3	$115,615,000	$0	$115,615,000	33.3%	0.0%	NA	NA
Property Tax in lieu of VLF [4]	Case Study	Table B-3	$42,259,000	$0	$42,259,000	12.2%	0.0%	NA	NA
Real Property Transfer Tax	Case Study	Table B-4	$14,375,000	$0	$14,375,000	4.1%	0.0%	NA	NA
Sales Tax	Case Study	Table B-5	$82,371,000	$0	$82,371,000	23.7%	0.0%	NA	NA
Sales Tax - Prop. 172 (Public Safety)	Case Study	Table B-5	$5,161,000	$0	$5,161,000	1.5%	0.0%	NA	NA
Transient Occupancy Tax (TOT)	Case Study	Table B-6	$5,005,000	$0	$5,005,000	1.4%	0.0%	NA	NA
Utility Taxes	Per Person Served	Table B-2	$62,538,000	$0	$62,538,000	18.0%	50.0%	678,444	$46.09
Business Operations Tax	Per Employee	Table B-2	$7,289,000	$0	$7,289,000	2.1%	0.0%	354,200	$20.58
Residential Development Property Tax	[5]	NA	$429,000	$0	$429,000	0.1%	0.0%	NA	NA
Medical Marijuana Business Operations Tax	[5]	NA	$4,961,000	$0	$4,961,000	1.4%	0.0%	NA	NA
Subtotal Taxes			**$340,003,000**	**$0**	**$340,003,000**	**97.9%**			
Licenses and Permits									
Franchise Fees	Per Person Served	NA	$7,459,000	$0	$7,459,000	2.1%	0.0%	678,444	$10.99
Other Licenses & Permits	Per Person Served	NA	$28,665,000	$28,665,000	$0	0.0%	0.0%	678,444	$0.00
Subtotal Licenses and Permits			**$36,124,000**	**$28,665,000**	**$7,459,000**	**2.1%**			
Fines and Forfeitures	[6]	NA	$13,543,000	$13,543,000	$0	0.0%	0.0%	NA	NA
Use of Money (Interest, Rents, and Concessions)	[6]	NA	$654,000	$654,000	$0	0.0%	0.0%	NA	NA
Intergovernmental Revenue	[6]	NA	$13,376,000	$13,376,000	$0	0.0%	0.0%	NA	NA
Charges for Services	[6]	NA	$54,296,000	$54,296,000	$0	0.0%	0.0%	NA	NA
Miscellaneous Revenues	[6]	NA	$510,000	$510,000	$0	0.0%	0.0%	NA	NA
Contributions From Other Funds									
Enterprise Funds/General Tax	[6]	NA	$29,017,000	$29,017,000	$0	0.0%	0.0%	NA	NA
In-lieu Franchise Fee	[6]	NA	$3,085,000	$3,085,000	$0	0.0%	0.0%	NA	NA
In-lieu Property Tax	[6]	NA	$691,000	$691,000	$0	0.0%	0.0%	NA	NA
Investment Fees	[6]	NA	$2,251,000	$2,251,000	$0	0.0%	0.0%	NA	NA
Subtotal Contributions From Other Funds			**$35,044,000**	**$35,044,000**	**$0**	**0.0%**			
Total Annual General Fund Revenues [7]			**$493,550,000**	**$146,088,000**	**$347,462,000**	**100.0%**			

rev_pro

Source: City of Sacramento FY 2018-19 Approved Budget; California Office of the Controller; California Department of Finance; EPS.

[1] Refers to table with detailed revenue calculations.
[2] Revenues are adjusted by user fees and cost recovery amounts shown in the City's FY 2018-19 Budget. These deductions from ongoing revenues also are deducted from ongoing costs, as shown in Table C-1. If Offsetting Revenues exceeds Revenues then Adjusted Net Revenues equal $0.
[3] Adjustment factor accounts for the unpredictable ebbs and flows of this revenue source. As a conservative approach to prevent potentially overestimating revenues from new development, this analysis discounts revenues by 50%.
[4] Property Tax in lieu of Motor Vehicle License Fees is authorized by SB 1096 as amended by AB 2115.
[5] This revenue source is not expected to be affected by the Project and therefore is not evaluated in this analysis.
[6] This revenue source is based on cost recovery or transfers from another fund and is therefore not evaluated in this analysis (see footnote [2] above).
[7] Excludes funding for General Fund Capital Improvement expenditures.

Table B-2
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Project Revenues (2018$)

Revenues	Reference Table	Annual Net Revenues at Buildout					% of Total
		Suburban	Traditional	Urban	Districts	**Total**	
Annual General Fund Revenues							
Taxes							
Property Tax	Table B-3	$10,212,372	$7,401,112	$41,168,701	$18,005,041	$76,787,226	46.8%
Property Tax in lieu of VLF	Table B-3	$3,761,064	$2,725,719	$15,161,817	$6,630,987	$28,279,587	17.2%
Real Property Transfer Tax	Table B-4	$937,341	$726,521	$2,484,705	$1,058,530	$5,207,098	3.2%
Sales Tax	Table B-5	$6,754,510	$2,042,674	$16,639,921	$6,331,330	$31,768,435	19.4%
Sales Tax - Prop. 172 (Public Safety)	Table B-5	$282,138	$85,323	$695,056	$264,462	$1,326,979	0.8%
Transient Occupancy Tax (TOT)	Table B-6	$302,652	$169,360	$1,397,636	$652,614	$2,522,263	1.5%
Utility Taxes	Table B-1	$1,667,437	$1,058,086	$6,300,577	$2,781,518	$11,807,619	7.2%
Business Operations Tax	Table B-1	$266,647	$8,727	$2,143,612	$1,112,103	$3,531,088	2.2%
Residential Development Property Tax	NA	$0	$0	$0	$0	$0	0.0%
Medical Marijuana Business Operations Tax	NA	$0	$0	$0	$0	$0	0.0%
Subtotal Taxes		**$24,184,161**	**$14,217,522**	**$85,992,025**	**$36,836,586**	**$161,230,294**	**98.3%**
Licenses and Permits							
Franchise Fees	Table B-1	$397,755	$252,399	$1,502,958	$663,512	$2,816,624	1.7%
Subtotal Licenses and Permits		**$397,755**	**$252,399**	**$1,502,958**	**$663,512**	**$2,816,624**	**1.7%**
Total Annual Gen. Fund Revenues (rounded)		**$24,582,000**	**$14,470,000**	**$87,495,000**	**$37,500,000**	**$164,047,000**	**100.0%**

revenues

Source: EPS.

Table B-3
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Property Tax Revenues (2018$)

Property Tax Revenue

Item	Assumption/ Source	Formula	Annual Fiscal Impactat Buildout				
			Suburban	Traditional	Urban	Districts	**Total**
Property Tax Revenue (1% of Assessed Value)							
Assessed Value (2018$) [1]	Table D-1	*a*	$4,518,748,802	$3,274,828,184	$18,216,239,244	$7,966,832,236	$33,976,648,465
Property Tax Revenue (1% of Assessed Value)	1.00%	*b = a * 1.00%*	$45,187,488	$32,748,282	$182,162,392	$79,668,322	$339,766,485
Estimated Property Tax Allocation [2]							
City General Fund	**22.60%**	***c = b * 22.60%***	**$10,212,372**	**$7,401,112**	**$41,168,701**	**$18,005,041**	**$76,787,226**
Other Agencies/ERAF	77.40%	*d = b * 77.40%*	$34,975,116	$25,347,170	$140,993,692	$61,663,282	$262,979,259
Property Tax In-Lieu of Motor Vehicle In-Lieu Fee Revenue (VLF)							
Total Citywide Assessed Value [3]	$50,772,282,921	*e*					
Total Assessed Value of Project		*a*	$4,518,748,802	$3,274,828,184	$18,216,239,244	$7,966,832,236	$33,976,648,465
Total Assessed Value		*f = e + a*	**$55,291,031,723**	**$54,047,111,105**	**$68,988,522,165**	**$58,739,115,157**	**$84,748,931,386**
Percent Change in AV		*g = a / e*	8.90%	6.45%	35.88%	15.69%	66.92%
Property Tax In-Lieu of VLF [4]	**$42,259,000**	*h = g * $42,259,000*	**$3,761,064**	**$2,725,719**	**$15,161,817**	**$6,630,987**	**$28,279,587**

prop_tax

Source: Sacramento County Office of the Assessor; City of Sacramento Finance Department; EPS.

[1] For assumptions and calculation of adjusted assessed value, see Table D-1.
[2] Assumptions and calculation of the preliminary estimated property tax allocation reflects an average Citywide General Fund allocation of the 1% property tax rate. Property tax allocations vary by Tax Rate Areas, the 22.6% is a Citywide average and the best available data provided by the City of Sacramento Finance Department.
[3] Reflects Final FY 2017-18 Assessed Valuation. Includes Citywide secured, unsecured, homeowner exemption, and public utility roll.
[4] Property tax in-lieu of VLF amount of $42.3 million taken from FY 2018-19 Approved City Budget. See Table B-1.

Prepared by EPS 5/24/2019

Table B-4
City of Sacramento
General Plan Fiscal Impact Analysis
Real Property Transfer Tax (2018$)

Real Property Transfer Tax Revenue

Item	General Plan Land Use/Urban Form	Geography	Assumptions/ Sources	Assessed Value [1]	Annual Transfer Tax Revenue [2]
Rate per $1,000 of AV [3]			**$2.75**		
TURNOVER RATE					
RESIDENTIAL LAND USES			*Turnover Rate*		
Single-Family Low-Density	Suburban Neighborhood Low	Suburban	10%	$1,029,611,827	$283,143
Single-Family Low-Density	Traditional Neighborhood Low	Traditional	10%	$383,364,204	$105,425
Single-Family Medium-Density	Traditional Neighborhood Medium	Traditional	10%	$538,468,677	$148,079
Single-Family Medium-Density	Urban Neighborhood Low	Urban	10%	$112,988,217	$31,072
Single-Family High-Density	Suburban Neighborhood Medium, Suburban Center, Suburban Corridor	Suburban	10%	$1,314,943,314	$361,609
Single-Family High-Density	Traditional Neighborhood Low, Med., & High, Traditional Center	Traditional	10%	$1,087,128,355	$298,960
Single-Family High-Density	Urban Neighborhood Low, Med., & High, Urban Center Low	Urban	10%	$232,432,903	$63,919
Multifamily Low Rise	Suburban Neighborhood High, Suburban Center, Regional Commercial Center, Suburban Corridor	Suburban	5%	$1,235,192,856	$169,839
Multifamily Low Rise	Traditional Neighborhood Medium & High, Traditional Center	Traditional	5%	$1,227,485,125	$168,779
Multifamily Low Rise	Urban Neighborhood Medium, Urban Center Low & High, Urban Corridor Low & High	Urban	5%	$6,389,656,245	$878,578
Multifamily Low Rise	Employment Center Low Rise	Districts	5%	$1,175,453,418	$161,625
Multifamily High Rise	Urban Neighborhood High, Urban Center High, Urban Corridor High, Central Business District	Urban	5%	$3,849,358,758	$529,287
Multifamily High Rise	Employment Center Mid Rise	Districts	5%	$1,898,128,304	$260,993

Table B-4
City of Sacramento
General Plan Fiscal Impact Analysis
Real Property Transfer Tax (2018$)

Real Property Transfer Tax Revenue

Item	General Plan Land Use/Urban Form	Geography	Assumptions/ Sources	Assessed Value [1]	Annual Transfer Tax Revenue [2]
NONRESIDENTIAL LAND USES					
Retail - Neighborhood-Serving	Suburban Center	Suburban	5%	$151,548,263	$20,838
Retail - Neighborhood-Serving	Traditional Center	Traditional	5%	$29,137,354	$4,006
Retail - Neighborhood-Serving	Urban Center Low [5]	Urban	5%	$1,252,479,812	$172,216
Retail - Neighborhood-Serving	Employment Center Low & Mid Rise & Industrial	Districts	5%	$2,042,236,785	$280,808
Retail - Community-Serving	Suburban Corridor	Suburban	5%	$112,743,413	$15,502
Retail - Community-Serving	Urban Center High and Corridor Low & High	Urban	5%	$267,820,476	$36,825
Retail - Regional-Serving	Regional Commercial Center	Suburban	5%	$131,206,735	$18,041
Retail - Regional-Serving	Urban Corridor High & Central Business District	Urban	5%	$59,322,542	$8,157
Office - Class A	Regional Commercial Center	Suburban	5%	$152,080,534	$20,911
Office - Class A	Urban Center & Corridor Low	Urban	5%	$581,034,981	$79,892
Office - Class A	Urban Center & Corridor High & Central Business District	Urban	5%	$4,980,070,273	$684,760
Office - Class A	Employment Center Mid Rise	Districts	5%	$478,944,095	$65,855
Office - Class B	Suburban Center, Corridor	Suburban	5%	$345,141,479	$47,457
Office - Class B	Traditional Center	Traditional	5%	$9,244,470	$1,271
Office - Class B	Employment Center Low Rise & Industrial	Districts	5%	$323,587,154	$44,493
R&D/Flex	Employment Center Low Rise & Industrial	Districts	5%	$579,099,681	$79,626
Small/Light Industrial	Employment Center Low Rise & Industrial	Districts	5%	$354,776,108	$48,782
Large/Heavy Industrial	Employment Center Low Rise & Industrial	Districts	5%	$846,177,886	$116,349
Hotel	Regional Commercial Center	Suburban	0%	$46,280,382	$0
Hotel	Regional Commercial Center	Traditional	0%	$0	$0
Hotel	Urban Center & Corridor High & Central Business District	Urban	0%	$491,075,037	$0
Hotel	Employment Center Mid Rise	Districts	0%	$268,428,805	$0
Annual Transfer Tax Revenue					
Suburban				$4,518,748,802	$937,341
Traditional				$3,274,828,184	$726,521
Urban				$18,216,239,244	$2,484,705
Districts				$7,966,832,236	$1,058,530
Total Annual Transfer Tax Revenue				**$33,976,648,465**	**$5,207,098**

transfer_tax

Source: Sacramento County Recorder-Clerk; EPS.

Table B-4
City of Sacramento
General Plan Fiscal Impact Analysis
Real Property Transfer Tax (2018$)

Real Property Transfer Tax Revenue

Item	General Plan Land Use/Urban Form	Geography	Assumptions/ Sources	Assessed Value [1]	Annual Transfer Tax Revenue [2]

[1] Assessed Values (AV) derived in Table D-1. Note that assessed values are expressed in 2018$ and include no real AV growth.
[2] Formula for Transfer Tax = Assessed Value/1,000 * Rate per $1,000 of Assessed Value * Turnover rate.
[3] The rate of $2.75 per $1,000 of Assessed Value (AV) is for the City of Sacramento only and excludes the County of Sacramento rate of $0.55 per $1,000 of AV.

Table B-5
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Taxable Sales and Use Tax Revenue (2018$)

Sales Tax Revenue

Item	Formula	Source/ Assumptions	Annual Revenue at Buildout				
			Suburban	Traditional	Urban	Districts	**Total**
Estimated Annual Taxable Sales							
Annual Taxable Sales from New Market Support	*a*	Table B-5A	$173,642,479	$135,716,040	$619,167,476	$241,983,060	$1,170,509,055
Net Taxable Sales from Onsite Commercial	*b*	Table B-5B	$251,797,060	$0	$238,531,396	$0	$490,328,456
Business to Business Taxable Sales	*c*	Table B-5B	$24,861,101	$462,223	$251,629,221	$180,105,611	$457,058,156
Total Annual Taxable Sales	*d = a + b + c*		**$450,300,639**	**$136,178,264**	**$1,109,328,093**	**$422,088,671**	**$2,117,895,667**
Annual Sales Tax Revenue to City							
Bradley Burns Sales Tax Rate [1]	*e*	1.0000%					
Measure U Citywide Sales Tax Rate [2]	*f*	0.5000%					
Total Sales Tax Rate	***g = e + f***	**1.5000%**					
Annual Taxable Sales from New Market Support	*h = a * g*		$2,604,637	$2,035,741	$9,287,512	$3,629,746	$17,557,636
Net Taxable Sales from Onsite Commercial	*i = b * g*		$3,776,956	$0	$3,577,971	$0	$7,354,927
Business to Business Taxable Sales	*j = c * g*		$372,917	$6,933	$3,774,438	$2,701,584	$6,855,872
Total			**$6,754,510**	**$2,042,674**	**$16,639,921**	**$6,331,330**	**$31,768,435**
Gross Prop 172 Public Safety Sales Tax Revenue [3]	*k = d * 0.0627%*	0.0627%	$282,138	$85,323	$695,056	$264,462	**$1,326,979**

sales_tax

Source: California State Board of Equalization; City of Sacramento Finance Department; EPS.

[1] The City of Sacramento is allocated a full 1.0000% of the Uniform Local Sales Tax.

[2] Measure U was a supplemental half-cent sales tax rate approved by voters in 2012 as a temporary tax. In November 2018, Sacramento voters approved a new version of the City's Measure U sales tax, extending it and raising it from a half-cent to a full cent. The FY 18-19 budget, upon which this fiscal is based, reflects the original half-cent tax rate. Measure U expenditures for Police, Fire, and Parks departments are shown in Appendix C.

[3] The City of Sacramento receives approximately $.000627 for every $1 generated by the Public Safety Sales Tax authorized by Proposition 172. This is estimated by taking the 2018-19 Budget amount for Prop. 172 divided by the total Sales Tax from Table B-1.

Table B-5A
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Taxable Sales from New Households and Employees (Market Support) (2018$)

Taxable Sales:
New Residents and Employees

Item	General Plan Land Use/Urban Form	Geography	Occupied Units / New Nonres. Employees [1]	Average Taxable Retail Expenditures per Occupied Unit (Household) [2]	Total Taxable Sales
Annual Taxable Sales from New Households					
Residential Units			*Occupied Units*		*From Residents*
Single-Family Low-Density	Suburban Neighborhood Low	Suburban	2,423	$22,000	$53,297,553
Single-Family Low-Density	Traditional Neighborhood Low	Traditional	767	$24,000	$18,401,482
Single-Family Medium-Density	Traditional Neighborhood Medium	Traditional	979	$26,000	$25,454,883
Single-Family Medium-Density	Urban Neighborhood Low	Urban	151	$35,000	$5,272,783
Single-Family High-Density	Suburban Neighborhood Medium, Suburban Center, Suburban Corridor	Suburban	3,415	$20,000	$68,308,744
Single-Family High-Density	Traditional Neighborhood Low, Med., & High, Traditional Center	Traditional	2,051	$25,000	$51,279,639
Single-Family High-Density	Urban Neighborhood Low, Med., & High, Urban Center Low	Urban	387	$28,000	$10,846,869
Multifamily Low Rise	Suburban Neighborhood High, Suburban Center, Regional Commercial Center, Suburban Corridor	Suburban	5,490	$20,000	$109,794,920
Multifamily Low Rise	Traditional Neighborhood Medium & High, Traditional Center	Traditional	4,910	$20,000	$98,198,810
Multifamily Low Rise	Urban Neighborhood Medium, Urban Center Low & High, Urban Corridor Low & High	Urban	19,660	$23,000	$452,191,057
Multifamily Low Rise	Employment Center Low Rise	Districts	5,111	$20,000	$102,213,341
Multifamily High Rise	Urban Neighborhood High, Urban Center High, Urban Corridor High, Central Business District	Urban	12,831	$22,000	$282,286,309
Multifamily High Rise	Employment Center Mid Rise	Districts	7,909	$22,000	$173,995,095
Total			**66,084**		**$1,451,541,485**
Estimated Citywide Capture from New Households [3]				**70%**	**$1,016,079,040**
Estimated Taxable Sales					
Suburban					$161,980,852
Traditional					$135,334,370
Urban					$525,417,913
Districts					$193,345,905
Total Estimated Taxable Sales from New Households					**$1,016,079,040**

Table B-5A
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Taxable Sales from New Households and Employees (Market Support) (2018$)

Taxable Sales:
New Residents and Employees

Item	General Plan Land Use/Urban Form	Geography	Occupied Units / New Nonres. Employees [1]	Average Taxable Retail Expenditures per Occupied Unit (Household) [2]	Total Taxable Sales
Annual Taxable Sales from New Employees					
New Employees					
Average Daily Taxable Sales per New Employee		$10			
Work Days per Year		240			
Taxable Sales from New Employees [4]		50%			
			Nonres. Employees		*From Employees*
Retail - Neighborhood-Serving	Suburban Center	Suburban	1,515	-	$1,818,579
Retail - Neighborhood-Serving	Traditional Center	Traditional	259	-	$310,798
Retail - Neighborhood-Serving	Urban Center Low	Urban	10,020	-	$12,023,806
Retail - Neighborhood-Serving	Employment Center Low & Mid Rise & Industrial	Districts	18,998	-	$22,797,062
Retail - Community-Serving	Suburban Corridor	Suburban	1,127	-	$1,352,921
Retail - Community-Serving	Urban Center High and Corridor Low & High	Urban	2,678	-	$3,213,846
Retail - Regional-Serving	Regional Commercial Center	Suburban	1,312	-	$1,574,481
Retail - Regional-Serving	Urban Corridor High & Central Business District	Urban	593	-	$711,871
Office - Class A	Regional Commercial Center	Suburban	2,716	-	$3,258,869
Office - Class A	Urban Center & Corridor Low	Urban	9,022	-	$10,826,739
Office - Class A	Urban Center & Corridor High & Central Business District	Urban	80,845	-	$97,014,356
Office - Class A	Employment Center Mid Rise	Districts	8,553	-	$10,263,088
Office - Class B	Suburban Center, Corridor	Suburban	6,163	-	$7,395,889
Office - Class B	Traditional Center	Traditional	165	-	$198,096
Office - Class B	Employment Center Low Rise & Industrial	Districts	5,778	-	$6,934,010
R&D/Flex	Employment Center Low Rise & Industrial	Districts	3,939	-	$4,727,344
Small/Light Industrial	Employment Center Low Rise & Industrial	Districts	5,068	-	$6,081,876
Large/Heavy Industrial	Employment Center Low Rise & Industrial	Districts	10,989	-	$13,187,188
Hotel	Regional Commercial Center	Suburban	123	-	$148,097
Hotel	Regional Commercial Center	Traditional	0	-	$0
Hotel	Urban Center & Corridor High & Central Business District	Urban	1,007	-	$1,208,800
Hotel	Employment Center Mid Rise	Districts	716	-	$858,972
Total Employees/City Taxable Sales from New Employees			**171,589**	**-**	**$205,906,687**
Estimated Citywide Capture from New Employees [3]				**75%**	**$154,430,016**

Prepared by EPS 5/24/2019

Table B-5A
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Taxable Sales from New Households and Employees (Market Support) (2018$)

Taxable Sales:
New Residents and Employees

Item	General Plan Land Use/Urban Form	Geography	Occupied Units / New Nonres. Employees [1]	Average Taxable Retail Expenditures per Occupied Unit (Household) [2]	Total Taxable Sales
Estimated Taxable Sales from New Employees					
Suburban					$11,661,627
Traditional					$381,671
Urban					$93,749,563
Districts					$48,637,155
Total Estimated Taxable Sales from New Employees					**$154,430,016**
Total Annual City Taxable Sales from Market Support (New Households + New Employees)					
Suburban					$173,642,479
Traditional					$135,716,040
Urban					$619,167,476
Districts					$241,983,060
Total City Taxable Sales					**$1,170,509,055**

sales_a

Source: U.S. Department of Labor; Bureau of Labor Statistics; EPS.

[1] Refer to Table A-4 for Poject land use and population summaries. This analysis is based on occupied units and one household per unit.
[2] Refer to Table D-2 for assumptions related to average household retail expenditures by residential unit.
[3] Capture rate estimated by EPS.
[4] Discounted by 50% to avoid double-counting employees who are also residents.

Table B-5B
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Taxable Sales from New Nonresidential Land Uses (2018$)

Nonresidential Taxable Sales

Item	General Plan Land Use/Urban Form	Geography	Annual Taxable Sales/Sq. Ft. [1]	Market Support Adj. [2]	Adj. Annual Taxable Sales/Sq. Ft	General Plan 2035 Buildout	
						Occupied Nonres. Bldg. Sq. Ft. [3]	Total Annual Taxable Sales
Annual Taxable Sales							
Retail - Neighborhood-Serving	Suburban Center	Suburban	$180	0%	$0	757,741	$0
Retail - Neighborhood-Serving	Traditional Center	Traditional	$180	0%	$0	129,499	$0
Retail - Neighborhood-Serving	Urban Center Low	Urban	$180	0%	$0	5,009,919	$0
Retail - Neighborhood-Serving	Employment Center Low & Mid Rise & Industrial	Districts	$180	0%	$0	9,498,776	$0
Subtotal Neighborhood-Serving						**15,395,936**	**$0**
Retail - Community-Serving	Suburban Corridor	Suburban	$230	50%	$115	563,717	$64,827,462
Retail - Community-Serving	Urban Center High and Corridor Low & High	Urban	$230	50%	$115	1,339,102	$153,996,774
Subtotal Community-Serving						**1,902,819**	**$218,824,236**
Retail - Regional-Serving	Regional Commercial Center	Suburban	$380	75%	$285	656,034	$186,969,597
Retail - Regional-Serving	Urban Corridor High & Central Business District	Urban	$380	75%	$285	296,613	$84,534,623
Subtotal Regional-Serving						**952,646**	**$271,504,220**
Estimated Annual Taxable Sales from New Retail Land Uses							
Suburban							$251,797,060
Traditional							$0
Urban							$238,531,396
Districts							$0
Total Estimated Annual Taxable Sales from New Nonresidential Land Uses							**$490,328,456**

Table B-5B
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Taxable Sales from New Nonresidential Land Uses (2018$)

Nonresidential Taxable Sales

Item	General Plan Land Use/Urban Form	Geography	Annual Taxable Sales/Sq. Ft. [1]	Market Support Adj. [2]	Adj. Annual Taxable Sales/Sq. Ft	General Plan 2035 Buildout	
						Occupied Nonres. Bldg. Sq. Ft. [3]	Total Annual Taxable Sales
Business-to-Business Taxable Sales							
Office - Class A	Regional Commercial Center	Suburban	$10.00	-	-	760,403	$7,604,027
Office - Class A	Urban Center & Corridor Low (Main Street)	Urban	$10.00	-	-	2,526,239	$25,262,390
Office - Class A	Urban Center & Corridor High & Central Business District	Urban	$10.00	-	-	22,636,683	$226,366,831
Office - Class A	Employment Center Mid Rise	Districts	$10.00	-	-	2,394,720	$23,947,205
Office - Class B	Suburban Center& Corridor	Suburban	$10.00	-	-	1,725,707	$17,257,074
Office - Class B	Traditional Center	Traditional	$10.00	-	-	46,222	$462,223
Office - Class B	Employment Center Low Rise & Industrial	Districts	$10.00	-	-	1,617,936	$16,179,358
R&D/Flex	Employment Center Low Rise & Industrial	Districts	$10.00	-	-	2,757,618	$27,576,175
Subtotal						**34,465,528**	**$344,655,283**
Small/Light Industrial	Employment Center Low Rise & Industrial	Districts	$10.00	-	-	3,547,761	$35,477,611
Large/Heavy Industrial	Employment Center Low Rise & Industrial	Districts	$10.00	-	-	7,692,526	$76,925,262
Subtotal						**11,240,287**	**$112,402,873**
Total Annual Business-to-Business Taxable Sales							
Suburban							$24,861,101
Traditional							$462,223
Urban							$251,629,221
Districts							$180,105,611
Total Annual Business-to-Business Taxable Sales							**$457,058,156**

*sales_b_*

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"; Dollars & Cents of Shopping Centers/The SCORE 2008; California Board of Equalization; EPS.

[1] See Table D-3 for the taxable retail sales calculation.
[2] This Analysis adjusts the taxable sales per square foot figure to account for a portion of sales attributable to market support. The remaining percentage of sales is attributable to existing residents and employees or residents from outside of the City.
[3] See Table A-4.

Table B-6
City of Sacramento
General Plan Fiscal Impact Analysis
Estimate of Annual Transient Occupancy Tax Revenues (2018$)

Estimate of TOT Revenues

Item	Source / Assumption	Formula	General Plan 2035 Buildout Hotels [1]				Total
			Suburban	Traditional	Urban	Districts	
Estimated TOT Revenue From New Hotel Rooms							
Annual Hotel Rooms in the City of Sacramento							
Proposed Hotel Development in Project (Rooms)	Cascadia Partners	*a*	370	0	3,022	2,147	5,540
Annual Rooms Nights Available	365	*b*					
Total Annual Room Nights Available		*c = a * b*	**135,139**	**0**	**1,103,030**	**783,812**	**2,021,981**
Occupancy Rate [2]	City of Sacramento	*e*	74%	74%	74%	74%	-
Average Daily Room Rate (ADR) [1] [2]	City of Sacramento	*f*	$150	$0	$200	$150	-
Estimated Annual Total		*g = c * e * f*	$14,899,043	$0	$162,145,422	$86,415,285	$263,459,751
City of Sacramento TOT Rate	12%	*h = g * 12%*	$1,787,885	$0	$19,457,451	$10,369,834	$31,615,170
% of TOT attributable to the General Fund	2%						
Annual Project Hotels TOT to City of Sacramento General Fund		***j = h * i***	**$35,758**	**$0**	**$389,149**	**$207,397**	**$632,303**
Estimated TOT Revenue from Market Support							
FY 18-19 General Fund Transient Occupancy Tax Revenue	Table B-1	*k*					$5,005,000
2018 Total Persons Served	Table A-1	*l*					678,444
TOT Revenue per Person Served		*m = k / l*					$7.38
Incremental New Persons Served	Table A-4	*n*	36,178	22,957	136,704	60,351	256,190
Estimated Incremental Annual TOT to the City of Sacramento		*o = m * n*	$266,894	$169,360	$1,008,487	$445,217	$1,889,959
Plus Annual TOT Revenue from New Hotels Rooms		*j*	$35,758	$0	$389,149	$207,397	$632,303
Total TOT to the City of Sacramento General Fund		***p = o + j***	**$302,652**	**$169,360**	**$1,397,636**	**$652,614**	**$2,522,263**

tot

Source: City of Sacramento; EPS.

[1] The Suburban and District geographies are estimated to comprise Midscale class hotel development, the Urban geography is assumed to comprise Upscale class hotel development, and the Traditional geography is not estimated to contain any new hotel development.

[2] General Plan 2035 average daily room rate (ADR) and occupancy assumptions based on discussions with City of Sacramento staff; the analysis uses a weighted average of ADRs based on the composition of hotel square footage to estimate TOT. If there are no proposed hotels in the given geography, the weighted ADR will be $0.

Geography	Average Daily Room Rate		
	Midscale	Upscale	Weighted Average
Suburban	$150	$170	$150
Traditional	$150	$170	$0
Urban	$170	$200	$200
Districts	$150	$170	$150

Prepared by EPS 5/24/2019

APPENDIX C:

Expenditure-Estimating Tables

Table C-1
City of Sacramento
General Plan Fiscal Impact Analysis
Expenditure-Estimating Procedures (2018$)

Category	Estimating Procedure	Reference Table [1]	City of Sacramento Approved FY 2018-19 Expenditures (Rounded)	Offsetting Revenues [2]	Adjusted Net FY 2018-19 Expenditures	% of Total	Service Population	FY 2018-19 Avg. Cost	Adjustment Factor [3]	Cost Multiplier
Formula			*a*	*b*	*c = a - b*		*d*	*e = c / d*	*f*	*g = e * f*
Annual General Fund Expenditures										
General Government										
Mayor/Council	Per Person Served	Table C-2	$5,420,000	$0	$5,420,000	1.6%	678,444	$7.99	50%	$3.99
City Manager	Per Person Served	Table C-2	$6,864,000	$4,553,000	$2,311,000	0.7%	678,444	$3.41	50%	$1.70
City Attorney	Per Person Served	Table C-2	$5,935,000	$76,000	$5,859,000	1.7%	678,444	$8.64	50%	$4.32
City Clerk	Per Person Served	Table C-2	$1,645,000	$52,000	$1,593,000	0.5%	678,444	$2.35	50%	$1.17
City Treasurer	Per Person Served	Table C-2	$2,141,000	$3,496,000	$0	0.0%	678,444	$0.00	50%	$0.00
Finance	Per Person Served	Table C-2	$6,537,000	$766,000	$5,771,000	1.7%	678,444	$8.51	50%	$4.25
Information Technology	Per Person Served	Table C-2	$13,613,000	$0	$13,613,000	4.0%	678,444	$20.07	50%	$10.03
Human Resources	Per Person Served	Table C-2	$4,206,000	$0	$4,206,000	1.2%	678,444	$6.20	50%	$3.10
Subtotal General Government			**$46,361,000**	**$8,943,000**	**$37,418,000**	**10.9%**				
Convention and Cultural Services	Per Capita	Table C-2	$5,293,000	$1,022,000	$4,271,000	1.2%	501,344	$8.52	50%	$4.26
Utilities	[4]	NA	$122,000	$0	$122,000	0.0%	NA	NA	NA	NA
Police	Case Study	Table C-3	$146,699,000	$12,468,000	$134,231,000	39.2%	NA	NA	NA	NA
Fire	Case Study	Table C-4	$117,540,000	$31,870,000	$85,670,000	25.0%	NA	NA	NA	NA
Youth, Parks, and Community Enrichment	Case Study	Table C-5	$23,479,000	$4,870,000	$18,609,000	5.4%	NA	NA	NA	NA
Debt Service	[4]	NA	$27,436,000	$0	$27,436,000	8.0%	NA	NA	NA	NA
Citywide and Community Support	Per Capita	Table C-2	$64,618,000	$39,059,000	$25,559,000	7.5%	501,344	$50.98	90%	$45.88
Community Development	Per Person Served	Table C-2	$34,444,000	$25,540,000	$8,904,000	2.6%	678,444	$13.12	90%	$11.81
Public Works	Per Person Served	Table C-2	$12,756,000	$22,316,000	$0	0.0%	678,444	$0.00	90%	$0.00
Total Annual General Fund Expenditures [5]			**$478,748,000**	**$146,088,000**	**$332,660,000**	**100.0%**				

exp_pro

Source: City of Sacramento FY 2018-19 Approved Budget; EPS.

[1] Refers to table with expenditure category calculation.
[2] Revenues are adjusted by user fees and cost recovery amounts shown in the City's FY 2018-19 Budget. These deductions in ongoing expenditures also are deducted from ongoing revenues, as shown in Table B-1. If Offsetting Revenues (b) exceeds Expenditures (a) then Adjusted Net Expenditures (c) equals $0.
[3] Adjustment factors, based on input from City Finance department staff, reflect the portion of costs that are subject to increase based on new development in the City.
[4] This expenditure category is not expected to be affected by the Project and is not evaluated in this analysis.
[5] Excludes General Fund Capital Improvement expenditures.

Table C-2
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Annual Project Expenditures (2018$)

Expense Category	Reference Table	Annual Net Expenditures at Buildout					% of Total
		Suburban	Traditional	Urban	Districts	Total	
Annual General Fund Expenditures							
General Government							
Mayor/Council	Table C-1	$144,512	$91,701	$546,054	$241,067	$1,023,335	0.8%
City Manager	Table C-1	$61,618	$39,100	$232,829	$102,787	$436,333	0.3%
City Attorney	Table C-1	$156,217	$99,129	$590,282	$260,592	$1,106,221	0.8%
City Clerk	Table C-1	$42,474	$26,952	$160,492	$70,852	$300,770	0.2%
City Treasurer	Table C-1	$0	$0	$0	$0	$0	0.0%
Finance	Table C-1	$153,871	$97,640	$581,417	$256,678	$1,089,606	0.8%
Information Technology	Table C-1	$362,961	$230,320	$1,371,482	$605,469	$2,570,231	1.9%
Human Resources	Table C-1	$112,144	$71,162	$423,746	$187,071	$794,123	0.6%
Subtotal General Government		**$1,033,796**	**$656,004**	**$3,906,301**	**$1,724,517**	**$7,320,618**	**5.5%**
Convention, Culture, and Leisure	Table C-1	$126,508	$96,885	$360,446	$141,971	$725,809	0.5%
Utilities [2]	NA	$0	$0	$0	$0	$0	0.0%
Police	Table C-3	$5,934,716	$4,180,961	$34,954,508	$14,095,287	$59,165,474	44.1%
Fire	Table C-4	$4,344,004	$3,529,269	$28,915,125	$10,534,405	$47,322,803	35.3%
Youth, Parks, and Community Enrichment	Table C-5	$1,505,596	$1,153,047	$4,289,753	$1,689,629	$8,638,026	6.4%
Debt Service [2]	NA	$0	$0	$0	$0	$0	0.0%
Citywide and Community Support	Table C-1	$1,362,709	$1,043,618	$3,882,637	$1,529,276	$7,818,241	5.8%
Community Development	Table C-1	$427,330	$271,166	$1,614,708	$712,846	$3,026,049	2.3%
Public Works	Table C-1	$0	$0	$0	$0	$0	0.0%
Total Annual General Fund Expenditures		**$14,734,659**	**$10,930,950**	**$77,923,479**	**$30,427,931**	**$134,017,019**	**100.0%**

expenditures

Source: EPS.

[1] Refers to table with expenditure category calculation.
[2] This expenditure category is not evaluated in this analysis.

Table C-3
City of Sacramento
General Plan Fiscal Impact Analysis
Police Department Expenditure Case Study (2018$)

Police Expenditures

Item	Source [1]	Formula	Police Department Cost Estimating Factors Existing FY 18-19 Service Level Assumption or Factor/Unit	
Existing Population				
2018 City Persons Served	Table A-1	*a*	678,444	
Sworn Officers				
Total General Fund-Funded FTEs		*b*	539.0	
Measure U-Funded FTEs		*c*	184.0	
Total Sworn Officer FTEs		*d = b + c*	723.0	
Less Fixed Sworn Officers		*e*	1.0	
Total Sworn Officers Less Fixed FTEs		*f = d - e*	722.0	
GF/Measure U Sworn Officers Per Person Served		***g = f / (a / 1,000)***	**1.06**	**/1,000 Persons Served**
Total Annual GF-Funded Sworn Officer Compensation		*h*	$103,593,013	
Less Percentage of Offsetting Revenues (OR)		*i*	6.6%	
Total Annual Sworn Officer Compensation Less OR (rounded)		*j = h * (1 - i)*	$96,756,000	
Total Measure U-Funded Compensation		*k*	$22,576,363	
Less Fixed Sworn Officer Compensation		*l*	$389,172	
Total Annual Sworn FTE Compensation (rounded)		***m = j + k - l***	**$118,943,000**	
Average Compensation per Sworn Officer FTE (rounded)		***n = m / f***	**$165,000**	**/Sworn FTE**
Non-Sworn Personnel				
Total General Fund-Funded FTEs		*o*	275.5	
Measure U-Funded FTEs		*p*	11	
Total Non-Sworn FTEs		*q = o + p*	286.5	
GF/Measure U Non-Sworn FTEs per Sworn Officer		***r = q / d***	**0.4**	**/Sworn FTE**
Total Annual GF-Funded Non-Sworn Compensation (rounded)		*s*	$27,954,978	
Less Percentage of Offsetting Revenues (OR)		*t*	6.6%	
Total Annual Non-Sworn Compensation Less OR (rounded)		*u = s * (1 - t)*	$26,110,000	
Total Measure U-Funded Non-Sworn Compensation		*v*	$1,164,501	
Total Annual Non-Sworn FTE Compensation (rounded)		***w = u + v***	**$27,274,501**	
Average Annual Compensation per FTE (rounded)		***x = w / q***	**$95,000**	**/Non-Sworn FTE**
Police O&M Budget (Adopted FY 2018-19)				
General Fund Budget Total	Table C-1	*y*	$146,699,000	
Measure U Budget Total		*z*	$23,920,864	
Total General Fund and Measure U Budget		***A = y + z***	**$170,619,864**	
Less GF/Measure U Annual Comp. (Sworn & Non-Sworn)		*B = h + k + s + v*	$155,288,855	
Annual O&M Costs (GF/Measure U Budget Less Total Compensation)		***C = A - B***	**$15,331,009**	
Less Percentage of Offsetting Revenues (OR)		*D*	24.7%	
Annual Net O&M Costs Less OR		***E = C * (1 - D)***	**$11,545,000**	
Percentage of O&M Variable Costs		*F*	90%	
Annual Variable O&M Costs		***G = E * F***	**$10,390,500**	
Annual Net Variable O&M Costs per FTE		***H = G / (d + q)***	**$10,293**	**/FTE (Sworn and Non-Sworn)**

Table C-3
City of Sacramento
General Plan Fiscal Impact Analysis
Police Department Expenditure Case Study (2018$)

Police Expenditures

Item	Source	Formula	Estimated Annual Police Department Costs at GP Buildout Existing FY 18-19 Service Level				
			Suburban	Traditional	Urban	Districts	Total
General Plan 2035 Buildout Needs							
2019-2035 Incremental New Persons Served	Table A-4	*I*	36,178	22,957	136,704	60,351	256,190
Incremental New Staffing							
Incremental New Sworn Officer FTEs		*J = (I / 1,000) * g*	38.5	24.4	145.5	64.2	272.6
Incremental New Non-Sworn Personnel FTEs		*K = J * r*	15.3	9.7	57.6	25.4	108.0
Total FTEs		***L = J + K***	**53.8**	**34.1**	**203.1**	**89.7**	**380.7**
Incremental New Compensation Costs (Rounded)							
Incremental New Sworn Officer Costs		*M = J * n*	$6,352,700	$4,031,100	$24,004,200	$10,597,200	$44,985,200
Incremental New Non-Sworn Personnel Costs		*N = K * x*	$1,449,200	$919,600	$5,475,900	$2,417,400	$10,262,100
Total Staffing Costs		***O = M + N***	**$7,801,900**	**$4,950,700**	**$29,480,100**	**$13,014,600**	**$55,247,300**
Incremental New O&M Costs (Rounded)		***P = H * L***	**$553,313**	**$351,109**	**$2,090,748**	**$923,003**	**$3,918,174**
Total Police Costs Serving New Development		***Q = O + P***	**$8,355,213**	**$5,301,809**	**$31,570,848**	**$13,937,603**	**$59,165,474**
Geography Adjustment [2]	Table D-4	*R*	0.10	0.07	0.59	0.24	**-**
Total Police Costs Serving New Development by Geography		***S = Q * R***	**$5,934,716**	**$4,180,961**	**$34,954,508**	**$14,095,287**	**$59,165,474**
Incremental New Police Costs per Person Served		*T = S / I*	$164	$182	$256	$234	$231

police

Source: City of Sacramento Police Department; City of Sacramento 2035 General Plan and General Plan Background Report, Chapter 5 Public Services; City of Sacramento Approved Budget FY 2018-19; City of Sacramento Open Data Portal Dispatch Data From One Year Ago accessed October 2018; City of Sacramento Finance Department; EPS.

[1] All information in this case study was obtained through the FY 18-19 Budget and through discussions with City Police and Finance Departments.
[2] For the General Plan Buildout scenario, an applied geography adjustment is based on calls for service for 2017 provided by the Police Department, see Table D-4.
For any land use scenario in which development is excluded from any one geography, the geography adjustment is omitted.

Table C-4
City of Sacramento
General Plan Fiscal Impact Analysis
Fire Department Expenditure Case Study (2018$)

Fire Expenditures

Item	Source [1]	Formula	Fire Department Cost Estimating Factors Existing FY 18-19 Service Level Assumption or Factor/Unit
Existing Conditions			
2018 City Persons Served	Table A-1	*a*	678,444
Sworn Firefighters			
Total General Fund-Funded FTEs		*b*	540.0
Measure U-Funded FTEs		*c*	90.0
Total Sworn Firefighter FTEs		*d = b + c*	630.0
Less Fixed Sworn Firefighters		*e*	7.0
Total Sworn Firefighters Less Fixed FTEs		*f = d - e*	623.0
GF/Measure U Sworn Firefighters Per Person Served		***g = f / (a / 1,000)***	**0.92 /1,000 Persons Served**
Total Annual GF-Funded Sworn Firefighter Compensation		*h*	$92,610,000
Less Percentage of Offsetting Revenues (OR)		*i*	0%
Total Annual Sworn Firefighter Compensation Less OR (rounded)		*j = h * (1 - i)*	$92,610,000
Total Measure U-Funded Compensation		*k*	$13,271,000
Less Fixed Sworn Firefighter Compensation		*l*	$1,407,129
Total Annual Sworn FTE Compensation (rounded)		***m = j + k - l***	**$104,473,871**
Average Compensation per Sworn Firefighter FTE (rounded)		***n = m / f***	**$167,700 /Firefighter FTE**
Non-Sworn Personnel			
Total General Fund-Funded FTEs		*o*	51.0
Measure U-Funded FTEs		*p*	0.0
Total Non-Sworn FTEs		*q = o + p*	51.0
Less Fixed Non-Sworn Personnel		*r*	5.0
Total Non-Sworn Personnel Less Fixed FTEs		*s = q - r*	46.0
GF/Measure U Non-Sworn FTEs per Sworn Firefighter		***t = s / d***	**0.07 /Sworn FTE**
Total Annual GF-Funded Non-Sworn Compensation (rounded)		*u*	$4,740,000
Less Percentage of Offsetting Revenues (OR)		*v*	0.0%
Total Annual Non-Sworn Compensation Less OR (rounded)		*w = u * (1 - v)*	$4,740,000
Total Measure U-Funded Non-Sworn Compensation		*x*	$0
Less Fixed Non-Sworn Personnel Compensation		*y*	$493,893
Total Annual Non-Sworn FTE Compensation (rounded)		***z = w + x - y***	**$4,246,107**
Average Annual Compensation per FTE (rounded)		***A = z / q***	**$83,000 /Non-Sworn FTE**
Fire O&M Budget (Adopted FY 2018-19)			
General Fund Budget Total	Table C-1	*B*	$117,540,000
Measure U Budget Total		*C*	$13,271,000
Total General Fund and Measure U Budget		***D = B + C***	**$130,811,000**
Less GF/Measure U Annual Comp. (Sworn & Non-Sworn)		*E = h + k + u + x*	$110,621,000
Annual O&M Costs (GF/Measure U Budget Less Total Compensation)		***F = D - E***	$20,190,000
Less Percentage of Offsetting Revenues (OR)		*G*	6.0%
Annual Net O&M Costs Less OR		***H = F * (1 - G)***	**$18,978,600**
Percentage of O&M Variable Costs		*I*	90%
Annual Variable O&M Costs		***J = H * I***	**$17,080,740**
Annual Net Variable O&M Costs per FTE		***K = J / (f + s)***	**$25,532 /FTE (Sworn and Non-Sworn)**

Table C-4
City of Sacramento
General Plan Fiscal Impact Analysis
Fire Department Expenditure Case Study (2018$)

Fire Expenditures

Item	Source	Formula	Estimated Annual Fire Department Costs at GP Buildout Existing FY 18-19 Service Level				
			Suburban	Traditional	Urban	Districts	Total
General Plan 2035 Buildout Needs							
2019-2035 Incremental New Persons Served	Table A-4	*L*	36,178	22,957	136,704	60,351	256,190
Incremental New Staffing							
Incremental New Sworn Firefighter FTEs		*M = (L / 1,000) * g*	33.2	21.1	125.5	55.4	235.3
Incremental New Non-Sworn Personnel FTEs		*N= M * t*	2.4	1.5	9.2	4.0	17.2
Total FTEs		***O = M + N***	**35.6**	**22.6**	**134.7**	**59.5**	**252.4**
Incremental New Staffing Costs (Rounded)							
Incremental New Sworn Firefighter Costs		*P = M * n*	$5,571,300	$3,535,300	$21,051,700	$9,293,700	$39,452,000
Incremental New Non-Sworn Personnel Costs		*Q = K * x*	$201,300	$127,800	$760,800	$335,900	$1,425,800
Total Staffing Costs		***R = P + Q***	**$5,772,600**	**$3,663,100**	**$21,812,500**	**$9,629,600**	**$40,877,800**
Incremental New O&M Costs		***S = K * O***	**$910,144**	**$577,540**	**$3,439,071**	**$1,518,248**	**$6,445,003**
Total Fire Costs Serving New Development		***T = R + S***	**$6,682,744**	**$4,240,640**	**$25,251,571**	**$11,147,848**	**$47,322,803**
Geography Adjustment [2]	Table D-4	*U*	0.09	0.07	0.61	0.22	**-**
Total Fire Costs Serving New Development by Geography		***V = T * U***	**$4,344,004**	**$3,529,269**	**$28,915,125**	**$10,534,405**	**$47,322,803**
Incremental New Fire Costs per Person Served		*W = T / L*	$120	$154	$212	$175	$185

fire

Source: City of Sacramento Fire Department; City of Sacramento 2035 General Plan and General Plan Background Report, Chapter 5 Public Services; City of Sacramento Approved Budget FY 2018-19; City of Sacramento Fire Department Annual Report 2016; City of Sacramento Finance Department; EPS.

[1] All information in this case study was obtained through the FY 18-19 Budget and through discussions with City Fire and Finance Departments.
[2] For the General Plan Buildout scenario, an applied geography adjustment is based on calls for service by station for 2017 provided by the Fire Department, see Table D-4. For any land use scenario in which development is excluded from any one geography, the geography adjustment is omitted.

Table C-5
City of Sacramento
General Plan Fiscal Impact Analysis
Youth, Parks, and Community Enrichment Expenditure Case Study (2018$)

Youth, Parks, and Community Enrichment Expenditures

Item	Source [1]	Formula	Cost Estimating Factors
Youth, Parks, and Community Enrichment Budget (Adopted FY 2018-19)			
General Fund Budget Total	Table C-1	*a*	$23,479,000
Less Percentage of Offsetting Revenues (OR)	Table C-1	*b*	20.7%
Annual Net O&M Costs Less OR		*c = a* (1 - b)*	$18,609,000
Measure U Budget Total		*d*	$9,630,000
Total General Fund and Measure U Budget		***e = c + d***	**$28,239,000**
Service Population 2018	Table A-1	*f*	501,344
FY 18-19 Average Cost		*g = e / f*	$56.33
Adjustment Factor		*h*	90%
Average Cost Multiplier		***i = g * h***	**$50.69**
General Plan 2035 Buildout Needs			
2019-2035 Incremental New Residents	Table A-4		
Suburban		*j*	29,700
Traditional		*k*	22,745
Urban		*l*	84,621
Districts		*m*	33,330
Total		***n = j + k+ l + m***	**170,396**
Incremental New Total Youth, Parks, and Community Enrichment Costs by Geography			
Suburban		*o = j * i*	$1,505,596
Traditional		*p = k * i*	$1,153,047
Urban		*q = l * i*	$4,289,753
Districts		*r = m * i*	$1,689,629
Total		***s = n * i***	**$8,638,026**

parks

Source: City of Sacramento Approved Budget FY 2018-19; City of Sacramento Finance Department; EPS.

[1] All information in this case study was obtained through the FY 18-19 Budget and through discussions with the City Finance Department.

APPENDIX D:

Supporting Tables for Revenue and Expenditure Analyses

Table D-1
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Assessed Valuation at Buildout (2018$)

Item	General Plan Land Use/Urban Form	Geography	Rounded Value per Unit/ Sq. Ft. [1]	Buildout	
				Occupied Units/ Sq. Ft. [2]	Total Assessed Value [3]
RESIDENTIAL LAND USES			*Per Unit*	*Units*	*Assessed Value*
Single-Family Low-Density	Suburban Neighborhood Low	Suburban	$425,000	2,423	$1,029,611,827
Single-Family Low-Density	Traditional Neighborhood Low	Traditional	$500,000	767	$383,364,204
Single-Family Medium-Density	Traditional Neighborhood Medium	Traditional	$550,000	979	$538,468,677
Single-Family Medium-Density	Urban Neighborhood Low	Urban	$750,000	151	$112,988,217
Single-Family High-Density	Suburban Neighborhood Medium, Suburban Center, Suburban Corridor	Suburban	$385,000	3,415	$1,314,943,314
Single-Family High-Density	Traditional Neighborhood Low, Med., & High, Traditional Center	Traditional	$530,000	2,051	$1,087,128,355
Single-Family High-Density	Urban Neighborhood Low, Med., & High, Urban Center Low	Urban	$600,000	387	$232,432,903
Multifamily Low Rise	Suburban Neighborhood High, Suburban Center, Regional Commercial Center, Suburban Corridor	Suburban	$225,000	5,490	$1,235,192,856
Multifamily Low Rise	Traditional Neighborhood Medium & High, Traditional Center	Traditional	$250,000	4,910	$1,227,485,125
Multifamily Low Rise	Urban Neighborhood Medium, Urban Center Low & High, Urban Corridor Low & High	Urban	$325,000	19,660	$6,389,656,245
Multifamily Low Rise	Employment Center Low Rise	Districts	$230,000	5,111	$1,175,453,418
Multifamily High Rise	Urban Neighborhood High, Urban Center High, Urban Corridor High, Central Business District	Urban	$300,000	12,831	$3,849,358,758
Multifamily High Rise	Employment Center Mid Rise	Districts	$240,000	7,909	$1,898,128,304
TOTAL RESIDENTIAL LAND USES				**66,084**	**$20,474,212,202**

Table D-1
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Assessed Valuation at Buildout (2018$)

Item	General Plan Land Use/Urban Form	Geography	Rounded Value per Unit/ Sq. Ft. [1]	Buildout	
				Occupied Units/ Sq. Ft. [2]	Total Assessed Value [3]
NONRESIDENTIAL LAND USES			*Per Bldg. Sq. Ft.*	*Bldg. Sq. Ft.*	*Assessed Value*
Retail - Neighborhood-Serving	Suburban Center	Suburban	$200	757,741	$151,548,263
Retail - Neighborhood-Serving	Traditional Center	Traditional	$225	129,499	$29,137,354
Retail - Neighborhood-Serving	Urban Center Low	Urban	$250	5,009,919	$1,252,479,812
Retail - Neighborhood-Serving	Employment Center Low & Mid Rise & Industrial	Districts	$215	9,498,776	$2,042,236,785
Retail - Community-Serving	Suburban Corridor	Suburban	$200	563,717	$112,743,413
Retail - Community-Serving	Urban Center High and Corridor Low & High	Urban	$200	1,339,102	$267,820,476
Retail - Regional-Serving	Regional Commercial Center	Suburban	$200	656,034	$131,206,735
Retail - Regional-Serving	Urban Corridor High & Central Business District	Urban	$200	296,613	$59,322,542
Office - Class A	Regional Commercial Center	Suburban	$200	760,403	$152,080,534
Office - Class A	Urban Center & Corridor Low	Urban	$230	2,526,239	$581,034,981
Office - Class A	Urban Center & Corridor High & Central Business District	Urban	$220	22,636,683	$4,980,070,273
Office - Class A	Employment Center Mid Rise	Districts	$200	2,394,720	$478,944,095
Office - Class B	Suburban Center, Corridor	Suburban	$200	1,725,707	$345,141,479
Office - Class B	Traditional Center	Traditional	$200	46,222	$9,244,470
Office - Class B	Employment Center Low Rise & Industrial	Districts	$200	1,617,936	$323,587,154
R&D/Flex	Employment Center Low Rise & Industrial	Districts	$210	2,757,618	$579,099,681
Small/Light Industrial	Employment Center Low Rise & Industrial	Districts	$100	3,547,761	$354,776,108
Large/Heavy Industrial	Employment Center Low Rise & Industrial	Districts	$110	7,692,526	$846,177,886
Hotel	Regional Commercial Center	Suburban	$250	185,122	$46,280,382
Hotel	Regional Commercial Center	Traditional	$250	0	$0
Hotel	Urban Center & Corridor High & Central Business District	Urban	$325	1,511,000	$491,075,037
Hotel	Employment Center Mid Rise	Districts	$250	1,073,715	$268,428,805
TOTAL NONRESIDENTIAL LAND USES				**66,727,054**	**$13,502,436,264**

Table D-1
City of Sacramento
General Plan Fiscal Impact Analysis
Estimated Assessed Valuation at Buildout (2018$)

Item	General Plan Land Use/Urban Form	Geography	Rounded Value per Unit/ Sq. Ft. [1]	Buildout	
				Occupied Units/ Sq. Ft. [2]	Total Assessed Value [3]
Total Assessed Valuation					
Suburban					$4,518,748,802
Traditional					$3,274,828,184
Urban					$18,216,239,244
Districts					$7,966,832,236
Total Land Uses Assessed Valuation					**$33,976,648,465**

av

Source: Cascadia Partners; EPS.

[1] See Table A-2 for detail.
[2] See Table A-4 for detail.
[3] Assessed values (AV)s are expressed in 2018$ and include no real AV growth.

Table D-2
City of Sacramento
General Plan Fiscal Impact Analysis
Average Income and Retail Expenditures for Residential Units (2018$)

Residential Land Use	General Plan Land Use/Urban Form	Geography	Assumption [1]	Household Income and Retail Expenditures: Total Annual Mortgage, Ins., & Tax Payments / Rent [2]	Household Income and Retail Expenditures: Estimated Household Income [3]	Taxable Expenditures as % of Income [4]	Average Retail Expenditures [5]
Average Household Income			*Avg. Home Value*				
Single-Family Low-Density	Suburban Neighborhood Low	Suburban	$425,000	$34,380	$86,000	25%	$22,000
Single-Family Low-Density	Traditional Neighborhood Low	Traditional	$500,000	$40,380	$101,000	23%	$24,000
Single-Family Medium-Density	Traditional Neighborhood Medium	Traditional	$550,000	$44,380	$111,000	23%	$26,000
Single-Family Medium-Density	Urban Neighborhood Low	Urban	$750,000	$59,380	$148,000	23%	$35,000
Single-Family High-Density	Suburban Neighborhood Medium, Suburban Center, Suburban Corridor	Suburban	$385,000	$31,380	$78,000	25%	$20,000
Single-Family High-Density	Traditional Neighborhood Low, Med., & High, Traditional Center	Traditional	$530,000	$42,380	$106,000	23%	$25,000
Single-Family High-Density	Urban Neighborhood Low, Med., & High, Urban Center Low	Urban	$600,000	$48,380	$121,000	23%	$28,000
Multifamily Low Rise	Suburban Neighborhood High, Suburban Center, Regional Commercial Center, Suburban Corridor	Suburban	$225,000	$19,200	$64,000	31%	$20,000
Multifamily Low Rise	Traditional Neighborhood Medium & High, Traditional Center	Traditional	$250,000	$19,200	$64,000	31%	$20,000
Multifamily Low Rise	Urban Neighborhood Medium, Urban Center Low & High, Urban Corridor Low & High	Urban	$325,000	$27,600	$92,000	25%	$23,000
Multifamily Low Rise	Employment Center Mid Rise	Districts	$230,000	$19,200	$64,000	31%	$20,000
Multifamily High Rise	Urban Neighborhood High, Urban Center High, Urban Corridor High, Central Business District	Urban	$300,000	$26,400	$88,000	25%	$22,000
Multifamily High Rise	Employment Center Low Rise	Districts	$240,000	$26,400	$88,000	25%	$22,000

income

Source: Cascadia Partners; Bureau of Labor Statistics (BLS), Consumer Expenditure Survey, 2017; CoStar; EPS.

[1] Assessed values derived by Cascadia Partners and EPS.
[2] Based on a 6%, 30-year fixed rate mortgage with a 20% down payment and 2% for annual taxes and insurance. Calculation includes $115/month estimate for HOA dues. Values have been rounded to the nearest thousand dollars. Rent estimates calculated using data from CoStar.
[3] Assumes mortgage lending guidelines allow no more than 40% of income dedicated to mortgage payments, taxes and insurance and 30% of income is spend on rent.
[4] Taxable expenditures as a percentage of income derived from the 2017 BLS Consumer Expenditure Survey.
[5] Average retail expenditures per household used to estimate annual sales tax revenues, as shown in Table B-5A.

Table D-3
City of Sacramento
General Plan Fiscal Impact Analysis
Total and Taxable Retail Sales per Square Feet (2018$)

Item	Original Data (2016$)	Escalated Data (2018$) [2]	Retail Sales by Shopping Center Type					
			Neighborhood		Community		Regional	
			% [3]	No.	% [3]	No.	% [3]	No.
Total Retail Sales per Square Foot								
Motor Vehicle and Parts Dealers [4]	$250	$266	3%	$8	2%	$5	1%	$2
Home Furnishings and Appliance Stores	$525	$558	0%	$0	7%	$39	10%	$56
Bldg. Matrl. and Garden Equip. and Supplies	$356	$378	0%	$0	15%	$57	1%	$4
Food and Beverage Stores	NA	$550	55%	$303	24%	$132	3%	$17
Gasoline Stations [5]	$1,321	$1,584	1%	$16	2%	$32	1%	$16
Clothing and Clothing Accessories Stores	$370	$394	2%	$8	5%	$20	20%	$79
General Merchandise Stores	$360	$383	5%	$19	20%	$77	20%	$77
Food Services and Drinking Places	$492	$523	8%	$42	10%	$52	20%	$105
Other Retail	$209	$222	12%	$27	7%	$16	18%	$40
Nonretail [6]	NA	NA	14%	NA	8%	NA	6%	NA
Total Retail Sales Per Square Foot			**100%**	**$420**	**100%**	**$430**	**100%**	**$390**
Taxable Retail Sales per Square Foot by Retail Center Type								
Percent Taxable by Shopping Center Type [7]				44%		54%		98%
Taxable Sales per Square Foot (Rounded)				**$180**		**$230**		**$380**

biz miner

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; eMarketer pulled February 2019; respective annual SEC 10-K reports; EPS.

[1] Sales per square foot are estimated based on data from BizMiner, RetailSails, eMarketer, and annual SEC 10-K reports. Some reported figures are from previous calendar or fiscal years and have been escalated to 2018$, except when noted otherwise.
[2] Sales adjusted to year-end 2018$ based on the Consumer Price Index, All items in West urban, all urban consumers, not seasonally adjusted.
[3] Reflects percentage of total square footage by retail category by retail center type, estimated based on ULI's Dollars & Cents 2008.
[4] Reflects motor vehicle parts only; excludes taxable sales per square foot for dealerships.
[5] Estimated using ULI's Dollars & Cents, 2008, escalated to 2018$.
[6] Included to account for non-taxable retail space occupants, such as services.
[7] Based on BOE Publication 61, March 2018.

Table D-4
City of Sacramento
General Plan Fiscal Impact Analysis
Public Safety Calls for Service

Geography	Existing Population (2017)			Incremental 2035 General Plan Buildout Population			PUBLIC SAFETY							
							Police Department				Fire Department			
							2017		2035		2017		2035	
	Residents	Employees	Total Res. + Emp. Pop.	Residents	Employees	Total Res. + Emp. Pop.	Calls for Service	Calls per Total Pop.	Calls for Service	Geography Adjustment	Calls for Service	Calls per Total Pop.	Calls for Service	Geography Adjustment
Formula	*a*	*b*	*c = a + b*	*d*	*e*	*f = d + e*	*g*	*h = g / c*	*i = h * f*	*j = i / total calls per total pop.*	*k*	*l = k / c*	*m = l * f*	*n = m / total calls per total pop.*
Suburban	305,607	38,864	344,471	29,700	12,957	42,657	142,863	0.41	17,691	0.10	31,106	0.09	3,852	0.09
Traditional	129,049	17,651	146,700	22,745	424	23,169	78,914	0.54	12,463	0.07	19,815	0.14	3,130	0.07
Urban [1]	18,841	122,040	140,880	84,621	104,166	188,787	77,757	0.55	104,199	0.59	19,134	0.14	25,640	0.61
Districts	2,867	68,752	71,618	33,330	54,041	87,371	34,442	0.48	42,018	0.24	7,657	0.11	9,341	0.22
Total [1]	**456,363**	**247,307**	**703,670**	**170,396**	**171,589**	**341,985**	**333,976**	**0.47**	**176,371**	**1.00**	**77,712**	**0.11**	**41,963**	**1.00**
														calls for service

Source: City of Sacramento Police and Fire Departments; Cascadia Partners; EPS.

[1] Reflects a 20-percent reduction in total police and fire calls in the Urban Geography to account for an estimate of visitor- and other non-resident/employee-related calls that should be excluded from calls for service related to future residential and employment growth.

APPENDIX E:

Base Land Use Scenario Development Assumptions

Table E-1 Building Types: Selected Physical Assumptions

Building Name	Building Lot Coverage	Landscaping Lot Coverage	Height (Stories)	Floor Area Ratio (FAR)	Bldg Sq Ft
Single-Family Low-Density Suburban	42%	49%	2	0.63	4,615
Single-Family Low-Density Traditional	36%	62%	2	0.51	3,200
Single-Family Medium-Density Traditional	39%	54%	2	0.55	2,667
Single-Family Medium-Density Urban	56%	39%	2	0.67	2,100
Single-Family High-Density Suburban	45%	45%	2	0.63	4,571
Single-Family High-Density Traditional	57%	33%	2	0.86	7,467
Single-Family High-Density Urban	77%	18%	2	1.32	6,400
Multifamily Low-Rise Suburban	31%	23%	2	0.54	23,529
Multifamily Low-Rise Traditional	52%	16%	5	1.81	78,849
Multifamily Low-Rise Urban	91%	4%	5	3.63	158,000
Multifamily Low-Rise District	52%	16%	5	1.81	78,849
Multifamily High-Rise Urban	93%	7%	10	5.56	242,005
Multifamily High-Rise District	93%	7%	10	5.56	242,005
Retail Neighborhood-Serving Suburban	25%	30%	1	0.25	5,445
Retail Neighborhood-Serving Traditional	35%	21%	1	0.35	7,727
Retail Neighborhood-Serving Urban	40%	18%	1	0.40	8,773
Retail Neighborhood-Serving District	35%	21%	1	0.35	7,727
Retail Community-Serving Suburban	25%	30%	1	0.25	5,445
Retail Community-Serving Urban	40%	24%	1	0.40	17,302
Retail Region-Serving Suburban	30%	30%	1	0.30	12,870
Retail Region-Serving Urban	63%	6%	1	0.50	21,780
Office Class A Suburban	30%	30%	1	0.30	12,870
Office Class A Main Street	40%	28%	1	0.40	17,546
Office Class A Urban	61%	11%	5	2.27	98,991
Office Class A District	30%	30%	1	0.30	12,870
Office Class B Suburban	30%	23%	1	0.30	13,068
Office Class B Traditional	30%	30%	1	0.30	12,870
Office Class B District	30%	30%	1	0.30	12,870
Flex District	30%	30%	1	0.30	12,870
Light Industrial District	40%	23%	1	0.40	17,424
Industrial District	57%	15%	1	0.57	24,891
Hotel Suburban	37%	10%	2	0.66	28,763
Hotel Traditional	33%	10%	3	0.79	34,277
Hotel Urban	55%	10%	4	2.13	92,847
Hotel District	33%	10%	3	0.79	34,277

Table E-2 Development Type Composition: Employment Land Uses

General Plan Land Use / Building Type	Suburban Center	Traditional Center	Regional Commercial	Urban Center Low	Urban Center High	Central Business District	Suburban Corridor	Urban Corridor Low	Urban Corridor High	Employment Center Low Rise	Employment Center Mid Rise	Industrial
Multifamily Low-Rise Suburban	30%						36%					
Multifamily Low-Rise Traditional		60%										
Multifamily Low-Rise Urban				3%	39%			16%	22%			
Multifamily Low-Rise District										10%		
Multifamily High-Rise Urban						55%			12%			
Multifamily High-Rise District											7%	
Retail Neighborhood-Serving Suburban	35%											
Retail Neighborhood-Serving Traditional		28%										
Retail Neighborhood-Serving Urban				52%								
Retail Neighborhood-Serving District										25%	55%	7%
Retail Community-Serving Suburban							29%					
Retail Community-Serving Urban					11%			25%	20%			
Retail Regon-Serving Suburban			44%									
Retail Regon-Serving Urban						5%			20%			
Office Class A Suburban			51%									
Office Class A Main Street					15%			59%				
Office Class A Urban				45%	30%	35%			21%			
Office Class A District											33%	
Office Class B Suburban	35%						35%					
Office Class B Traditional		12%										
Office Class B District										10%		13%
Flex District										30%		
Light Industrial District										25%		6%
Industrial District												74%
Hotel Suburban			5%									
Hotel Traditional												
Hotel Urban					5%	5%			5%			
Hotel District											5%	

Table E-3 Development Type Composition: Residential Land Uses

General Plan Land Use / Building Type	Rural Residential	Suburban Neighborhood Low Density	Suburban Neighborhood Medium Density	Suburban Neighborhood High Density	Traditional Neighborhood Low Density	Traditional Neighborhood Medium Density	Traditional Neighborhood High Density	Urban Neighborhood Low Density	Urban Neighborhood Medium Density	Urban Neighborhood High Density
Single-Family Low-Density Suburban		100%								
Single-Family Low-Density Traditional					80%					
Single-Family Medium-Density Traditional						71%				
Single-Family Medium-Density Urban								50%		
Single-Family High-Density Suburban			100%							
Single-Family High-Density Traditional					20%	24%	45%			
Single-Family High-Density Urban								50%	25%	15%
Multifamily Low-Rise Suburban				100%						
Multifamily Low-Rise Traditional						5%	55%			
Multifamily Low-Rise Urban									75%	
Multifamily Low-Rise District										
Multifamily High-Rise Urban										85%

APPENDIX F:

Fiscal Impact Analysis Sensitivity Scenario Summary: Omission of Geography Adjustment for Police and Fire Costs

Table F-1
City of Sacramento
General Plan Fiscal Impact Analysis
City General Fund Net Fiscal Impact Analysis Summary at Buildout - No Geography Adjustment (2018$)

2035 General Plan Buildout Summary (Includes Measure U Revenues and Expenditures)

Item	Annual Fiscal Impact Summary at Buildout (Rounded)				
	Suburban	Traditional	Urban	Districts	Total
City General Fund Net Fiscal Impacts					
Annual Revenues	$24,582,000	$14,470,000	$87,497,000	$37,501,000	$164,050,000
Annual Expenditures	$19,494,000	$12,763,000	$70,877,000	$30,885,000	$134,019,000
Annual Net General Fund Surplus/(Deficit)	**$5,088,000**	**$1,707,000**	**$16,620,000**	**$6,616,000**	**$30,031,000**
Percentage of General Fund Impacts by Geography					
Annual Revenues	15%	9%	53%	23%	100%
Annual Expenditures	15%	10%	53%	23%	100%
Total Net General Fund Impacts	**17%**	**6%**	**55%**	**22%**	**100%**
Revenue-to-Expenditure Ratio	**126%**	**113%**	**123%**	**121%**	
City General Fund Net Fiscal Impact Metrics					
per Capita	$171	$75	$196	$198	$176
per Person Served	$141	$74	$122	$110	$117
per Residential Unit	$425	$185	$463	$468	$421
per Developable Acre	$3,582	$4,061	$17,958	$3,511	$6,458

buildout

Source: EPS.

Table F-2
City of Sacramento
General Plan Fiscal Impact Analysis
City General Fund Detailed Net Fiscal Impact Analysis at Buildout - No Geography Adjustment (2018$)

2035 General Plan Buildout Detail (Includes Measure U Revenues and Expenditures)

Item	Annual Detailed Fiscal Impacts at Buildout (Rounded)				
	Suburban	Traditional	Urban	Districts	Total
City General Fund					
Annual Revenues [1]					
Property Tax	$10,212,000	$7,401,000	$41,169,000	$18,005,000	$76,787,000
Property Tax in lieu of VLF	$3,761,000	$2,726,000	$15,162,000	$6,631,000	$28,280,000
Real Property Transfer Tax	$937,000	$727,000	$2,485,000	$1,059,000	$5,208,000
Sales Tax	$6,755,000	$2,043,000	$16,640,000	$6,331,000	$31,769,000
Sales Tax - Prop. 172 (Public Safety)	$282,000	$85,000	$695,000	$264,000	$1,326,000
Transient Occupancy Tax (TOT)	$303,000	$169,000	$1,398,000	$653,000	$2,523,000
Utility Taxes	$1,667,000	$1,058,000	$6,301,000	$2,782,000	$11,808,000
Business Operations Tax	$267,000	$9,000	$2,144,000	$1,112,000	$3,532,000
Licenses and Permits	$398,000	$252,000	$1,503,000	$664,000	$2,817,000
Remaining Revenues [2]	$0	$0	$0	$0	$0
Total Annual General Fund Revenues	**$24,582,000**	**$14,470,000**	**$87,497,000**	**$37,501,000**	**$164,050,000**
Annual Expenditures [3]					
General Government	$1,034,000	$656,000	$3,906,000	$1,725,000	$7,321,000
Convention, Culture, and Leisure	$127,000	$97,000	$360,000	$142,000	$726,000
Utilities	$0	$0	$0	$0	$0
Police	$8,355,000	$5,302,000	$31,571,000	$13,938,000	$59,166,000
Fire	$6,682,000	$4,240,000	$25,252,000	$11,148,000	$47,322,000
Youth, Parks, & Community Enrichment	$1,506,000	$1,153,000	$4,290,000	$1,690,000	$8,639,000
Citywide and Community Support	$1,363,000	$1,044,000	$3,883,000	$1,529,000	$7,819,000
Community Development	$427,000	$271,000	$1,615,000	$713,000	$3,026,000
Public Works	$0	$0	$0	$0	$0
Total Annual General Fund Expenditures	**$19,494,000**	**$12,763,000**	**$70,877,000**	**$30,885,000**	**$134,019,000**
Annual General Fund Surplus/(Deficit)	**$5,088,000**	**$1,707,000**	**$16,620,000**	**$6,616,000**	**$30,031,000**

summary

Source: EPS.

Note: All values (except per unit values) are rounded to the nearest $1,000.

[1] See Table B-1 for details on revenue estimating procedures.
[2] Remaining revenues include: residential development property tax; medical marijuana business operations tax; fines and forfeitures; use of money; intergovernmental revenue; charges for services; miscellaneous revenues; and contributions from other funds.
[3] See Table C-1 for details on expenditure estimating procedures.